



SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

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NEWS RELEASE**

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SMMUSD Saves Taxpayers More Than \$15 Million

The Santa Monica-Malibu Unified School District recently locked in savings of more than \$15.1 million for local taxpayers by refinancing Measure BB bonds approved by voters in 2006 and Proposition X bonds approved by voters in 1998.

The District took advantage of the historically low interest rate environment and replaced bonds with an average interest rate of approximately 4.90% with new bonds at an all-inclusive interest rate of 2.87%. All of the savings from the refinancing will be passed back to District taxpayers in the form of lower property tax bills. The refinancing did not extend the term of the original bond payments.

“Our community has supported us time and again. We owe it to our taxpayers to lower the burden whenever possible,” said Jan Maez, associate superintendent of business and fiscal services. “When market conditions allowed us to significantly lower the interest rate, our Board did not hesitate to pursue the opportunity.”

The District was able to lock in aggressive interest rates by securing ratings of ‘Aa1’ and ‘AA’ from Moody’s Investors Service and Standard & Poor’s Ratings Services, respectively. These ratings distinguished the District’s bond offering from other municipal bonds in the marketplace and helped secure strong investor demand.

In February 2013 and December 2015, the District completed similar bond refinancings and passed on the savings to local taxpayers. Those refinancings saved District property owners more than \$7.1 million through 2034. With this recently-completed refinancing, total savings to taxpayers since 2013 exceed \$22.2 million.

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