



# DEXTER COMMUNITY SCHOOLS

## PRESS RELEASE

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### FOR IMMEDIATE RELEASE

#### **DEXTER COMMUNITY SCHOOLS 2017 SCHOOL BUILDING AND SITE AND REFUNDING BONDS**

Dexter, Michigan - The Board of Education of the Dexter Community Schools is proud to announce the successful sale of its 2017 School Building and Site and Refunding Bonds in the amount of \$70,615,000. The Bonds in the amount of \$50,605,000 will be issued for the purpose of erecting, completing, equipping and furnishing a new elementary school building; constructing additions to and remodeling, equipping, re-equipping, furnishing, re-furnishing school buildings, and other facilities, including for technology, energy conservation and security improvements and purchasing school buses; acquiring land and preparing, developing, or improving sites, including school buildings, outdoor athletic fields, athletic facilities, playfields, playgrounds and other facilities; acquiring, installing, equipping and re-equipping school buildings and other facilities, including classrooms; and paying a portion of the costs of issuing the Bonds.

The Bonds in the amount of \$20,010,000 will be used for the purpose of advance refunding a portion of the School District's outstanding 2008 School Building and Site and Refunding Bonds and to pay the remaining portion of the cost of issuing the Bonds. The refunding portion of this issue will reduce the School District's interest expense approximately \$2,517,014 for the taxpayers and will occur through lower debt payments over the next 11 years.

In preparing to sell the 2017 School Building and Site and Refunding Bonds, the School District, working with its financial advisor, H.J. Umbaugh & Associates, Certified Public Accountants, LLP, requested that S&P Global Ratings, acting through Standard and Poor's Financial Services LLC ("S&P") evaluate the School District's credit quality. S&P assigned the School District's rating of "AA-" with a stable outlook. The rating agency cited the School District's extremely strong market value per capita and very strong income levels; stable enrollment trend with potential for growth and very strong general fund reserves in their rationale for rating the School District.

According to Dr. Christopher Timmis, DCS Superintendent, "We are so happy with the results of this bond sale and refinancing...the Board prides itself on providing an outstanding education for all kids

while being effective stewards of taxpayer dollars...the results from this bond sale are consistent with this approach.”

The School District's financing was conducted by the Michigan investment banking office of the brokerage firm, Stifel, the financial advising firm, H.J. Umbaugh & Associates, Certified Public Accountants LLP and the law firm serving as bond counsel, Miller, Canfield, Paddock and Stone, P.L.C. The School District's 2017 School Building and Site and Refunding Bonds were sold at a combined true interest rate of 2.76% with a final maturity of 2034 (a repayment term of approximately 17 years).

Brenda Voutyras, Managing Director with Stifel states the, "Dexter Community Schools' Bonds were well received by the bond market. We were able to take advantage of current low rates that exceeded the goals of the District and provided a lower cost of borrowing than originally anticipated and which resulted in a nice savings that will be passed on to the taxpayers."

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