

FOR IMMEDIATE RELEASE
March 11, 2024

Contact: Arthur Wilkie
Public Information Officer
650-369-1411 x22352
awilkie@seq.org

Sequoia Union High School District Gets Top Bond Rating

District saves taxpayers nearly \$5.4 million over time

REDWOOD CITY, Calif. - The Sequoia Union High School District issued its first series of Measure W bonds and received an upgrade to the highest possible bond rating, Aaa, from credit rating firm Moody's on March 6.

The firm's upgrade to the District's bond rating was based on the District's strong economic base, sound reserves and liquidity, and community-funded status. The 'Aaa' designation allows the District to borrow money at lower interest rates, saving taxpayer dollars in the process.

The District is one of just nine K-12 school districts in California to receive the top bond rating from Moody's.

The District successfully priced its first series of bonds from the 2022 Measure W authorization (the "2022 Series 2024 Bonds") and the 2024 General Obligation Refunding Bonds (the "2024 Refunding Bonds"). The par amount of the 2022 Series 2024 Bonds was \$80,000,000 and the total par amount of the 2024 Refunding Bonds was \$61,020,000.

Demand for both bonds was incredibly strong, with the District receiving more than \$605 million in orders, over four times the amount of bonds the District was offering. Given the high demand, Superintendent Crystal Leach and Assistant Superintendent of Business Services/Chief Business Officer Christine Gong were able to negotiate borrowing rates that were lower than the release levels in all but one maturity.

For the 2022 Series 2024 Bonds, the District was able to lock in borrowing rates with a true interest cost of just under 4.00%, lower than the 4.37% estimate provided to the District's Board of Trustees at the time of approval of the financing.

For the 2024 Refunding Bonds, the District was able to lock in taxpayer savings of \$5,395,087 over time, exceeding the minimum savings threshold of \$2,000,000 established at the time of Board approval by nearly 150%.

"We're excited to share this news with the community as it showcases the fiscal strength and responsibility of the District. This rating signals we're one of the top school districts in the state from a financial standpoint, and it means we can get the most value out of our bonds for our students," said Leach.

Measure W, approved by nearly 63% of voters in November 2022, authorized the District to issue \$591 million in bonds to repair and upgrade its infrastructure and classrooms.

The District is currently seeking applicants to serve on the Measure W Citizens' Bond Oversight Committee. Interested parties should submit their application no later than March 13, 2024. More information, including how to apply, can be found at seq.org/cboc.

The official closing of the bond sale will take place on April 3, 2024. Updates on Measure W projects will be communicated regularly via the District's newsletter, website, and social media channels.

ABOUT SEQUOIA UNION HIGH SCHOOL DISTRICT

The Sequoia Union High School District annually serves nearly 9,000 9th to 12th-grade students through its four distinguished comprehensive high schools (Carlmont, Menlo-Atherton, Sequoia, and Woodside), STEAM-focused school (TIDE Academy), dependent charter school (East Palo Alto Academy), continuation high school (Redwood), Middle College (in collaboration with Cañada College) and other specialized programs and services. The district is also the sponsoring agency for two independent charter high schools (Summit and Everest). Based in Redwood City, the District's Adult School serves 2000 students annually. SUHSD draws most of its students from nine neighboring elementary/junior high school districts, and approximately 1,200 credentialed and classified staff members serve the students and community.

###