



P R E S S R E L E A S E

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Los Altos School District Saves Local Taxpayers More Than \$2.5 Million Dollars

The Los Altos School District on January 16, 2013, successfully refinanced existing general obligation bonds, resulting in approximately \$2.7 million in total savings to its taxpayers over the next 10 years. The District borrowed money at today's lower interest rates to pay off bonds that carried higher interest rates. All of the savings from the refinancing will be passed on to District taxpayers in the form of slightly lower property tax assessments.

"The Board takes its fiduciary responsibility to our highly supportive community very seriously," said Superintendent Jeffrey Baier. "With this action the Board reaffirmed its commitment to maintaining sound public finances for our District and our community."

The 2013 Refunding Bonds took advantage of the historically low interest rate environment to refinance \$26,145,000 of outstanding general obligation bonds. The interest rate on the outstanding general obligation bonds was 4.93%, while the interest rate on the 2013 Refunding Bonds was 1.19%.

The District was able to achieve these aggressive interest rates by maintaining its very strong credit ratings of Aa1 and AA+. These very high ratings and the well-regarded name of the District in the market resulted in very strong investor demand for the 2013 Refunding Bonds. Moody's Rating Service praised the strong management practices of LASD by stating, "During the past five years, when many districts were spending reserves due to funding cuts, the district has built a healthy level of reserves that provides it additional operational flexibility during periods of uncertainty." LASD Board President, Doug Smith, commented, "I am pleased to see our responsible financial practices recognized and our prudent planning able to benefit the taxpayers of LASD."

Los Altos School District operates seven elementary and two junior high schools and is a top-rated school district in the State of California. LASD serves 4500 K-8 students from portions of Los Altos, Los Altos Hills, Mountain View and Palo Alto. All nine schools in the district have been California Distinguished Schools and/or National Blue Ribbon Schools. LASD is nationally recognized for its many educational innovations and awards including the first district to create blended learning mathematics environments utilizing Khan Academy.

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