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Bid for ABC Unified School District Bond Lower than Predicted

Last November, voters approved Measure BB, a \$258 million bond to improve and enhance the schools in the ABC Unified School District. On Wednesday, July 10, 2019, at 9:00 a.m. the investment community purchased the first round of ABC bonds in the amount of \$64,500,000. Due to the size of the bond and the District's stellar credit rating, some of the most significant names in finance were focused on this bid opportunity.

"The success of this sale is a testament to the hard work and support of our entire community. Win-Win! Said School Board President Ernie Nishii. "We will finally be able to invest in our most precious resource—our life-long learners- our kids. Our District will finally improve our facilities to match the great performance of our great students—AND we will do it with a much lower than expected cost!"

A total of nine financial institutions placed bids, showing that the District's bond was in high demand. The submission with the lowest average interest rate came in at from Fidelity Capital Markets at 2.75% for a fixed 25-year term. This interest rate is significantly lower than what was estimated by the District's bond consultants. The low interest rate will enable the District to fulfill its commitment to better technology and safety sooner – and, in the future, reduce the cost of the bond. The bonds are "double-tax free," meaning they are exempt from both federal and state income taxes. The next step will be the delivery of funds to the District on July 31, 2019.

"We are excited to get moving on projects identified in the Facilities Master Plan," said Superintendent Dr. Mary Sieu. "In fact, we expect work to begin on our elementary school campuses this summer with the installation of new security cameras, updated playground surfaces, and improved shade structures."

Those interested in inquiring about the purchase of bonds should contact Fidelity Capital Markets at 1-800-FIDELITY.

Visit the Facilities-Measure BB page on the District's website at www.abcusd.us for more information about Measure BB and the Facilities Master Plan. Projects funded by the bonds are subject to Board of Education approval and oversight by the Citizen's Oversight Committee. The

funds raised through the bond will improve the facilities, technology, and safety throughout the District.

About the ABC Unified School District

In 1965 the Artesia, Bloomfield, and Carmenita School Districts unified and became the ABC Unified School District. Today, the District serves over 30,000 Pre-K to 12th Grade and adult education students through its 30 campuses. The District is home to some of the most awarded and recognized schools in California and serves the cities of Artesia, most of Cerritos, Hawaiian Gardens, as well as portions of Lakewood, Long Beach, and Norwalk.