

1% bonds = \$4.6M savings

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Schools snag 'historically low' interest rate

ROMNEY — History continues to be made in Hampshire: the interest rate for the school bond has been set, and it's lower than anyone imagined at 1.0149 percent.

When the original bond resolution was passed last year, voters could be confident the interest rate could be between 2 and 4 percent, with a rate no higher than 5 percent.

When the winning bid was revealed at Wednesday's board meeting, which would set the interest rate to just over 1 percent, Hampshire made history. With the rate this low, the total interest cost to be paid will be only \$2,880,731. That's a whopping \$4.64 million less interest than projected in the original bond resolution.

"To say we're pleasantly surprised is an understatement," said board president Debbie Champ. "I never dreamed (it would be) just over 1 percent. That's crazy."

Ernie Dellatorre, architect with McKinley Architecture and Engineering, was also present virtually at the board meeting Wednesday, and he echoed Champ's thoughts.

"I did think we'd get a favorable rate," Dellatorre admitted, "but I never thought it would be this low."

Robert W. Baird & Co. in Red Bank, N.J. was the highest responsive bidder by far, with the 2nd-highest bidder (Huntington Securities Inc.) coming in with a rate of 1.194077.

That's 18 points higher than the winning bid.

“This is the most historically low interest rate I’ve seen in 23 years,” said Joe Nassif with Piper Sandler, the school board’s financial advisor for the bond proceedings. “I just want to congratulate the team here for a job well done.”

Board vice president Ed Morgan described the process succinctly to the Nassif and the representatives from Steptoe & Johnson: “It’s been a pleasure making history with you.”

In addition to approving the sale of the bonds to Robert W. Baird & Co., the board also approved to keep McKinley as the architectural firm spearheading the design of the 3 new schools. Dellatorre has been involved with the process from the beginning, Superintendent Jeff Pancione said, recommending that the board stay the course with the Wheeling-based design firm.