

CASE STUDY

FINANCING FOR K-12 SCHOOLS

JUNE 25, 2024

NORTH RIDGEVILLE CSD

Client Profile

North Ridgeville City School District (the “District”) is a public K-12 school district in Northeast Ohio located approximately 20 miles southwest of the City of Cleveland in one of the region’s fastest growing areas. Seeing growth in years past and anticipating further influxes to the local population and District enrollment, the District adopted a master plan that it had been pursuing for the past 10 years, the first phase of which was completed in 2017 when its grades 3-8 Academic Center opened. The District, after years of growth, reached record attendance in 2024 with 4,800 students enrolled, helping confirm the need for the expansion and renovation of District facilities. The District passed Issue 16 in November 2023, allowing the issuance of \$143 million of general obligation bonds over 37 years while utilizing 6.26 mills. In connection with Issue 16, \$15,000,000 was issued at the end of 2023 to provide more immediate funding for the District’s projects, which was retired by the Series 2024 Bonds.

The Project

It was clear from the District’s engagement with the community that an expanded High School would be the best long-term investment to impact the future of its students. The existing High School is to remain in operation until the new High School is complete, and after the new High School is complete, the existing North Ridgeville High School will be demolished. The existing site location hosts North Ridgeville’s Academic Center for students



\$121,845,000 | SCHOOL FACILITIES IMPROVEMENT | 2024

North Ridgeville CSD, Ohio

grades 3-8, North Ridgeville High School for students grades 9-12, a football and track stadium, athletic fields, and the existing transportation and maintenance center for the District. The transportation and maintenance center will be replaced and demolished during this project, and the new Transportation and Maintenance Center will be approximately 20,000 square feet to support bus maintenance and upkeep, along with hosting District maintenance personnel. The new High School, once complete, will be approximately 340,000 square feet and serve 1,692 students in grades 9-12. In addition to academic spaces, there will be additional physical education space, and site amenities will include outdoor learning spaces, parking, new practice fields, and site circulation for the new school.

The Bankers Team

Michelle Hillstrom, Managing Director, led the group’s efforts with her nearly 35 years of experience in K-12 finance, 13 of which maintaining her relationship with the District through various financings. She has significant experience with all types of financings and all types of issuers. **Phil Weisshaar**, Vice President, worked as lead support on the District’s financing and

totes 13 years of public finance experience. He has worked with Ohio school districts, cities, counties, community colleges, and other issuers. **Dan Cellars**, Analyst, joined Stifel in 2022 and was responsible for assisting with analytical and administrative support in issuing the District’s Bonds.

The Stifel Difference

Coupled with the District’s strong Aa2-rated credit, Stifel’s deep-bench distribution platform helped fulfill the Bonds’ high demand. The short- and medium-term serial maturities (2026 to 2044) saw subscription levels from 1.2x to 5.0x, and the long-term bonds had subscriptions that ranged from 8.4x to 11.1x. During the order period, the District received \$898.5 million in orders (7.4x the total par value available). To reflect the results of the order period, the final scale saw yield bumps by anywhere from two (.02%) to nine (.09%) basis points in 19 of the 25 total maturities with the larger bumps affecting the long-term bonds. Compared to the pre-pricing scale, the final prices for the Bonds reflected a five basis point (.05%) reduction in the District’s overall cost of funds to achieve an all-in true interest cost (“All-In TIC”) of 4.78% for the 37-year financing.

CONTACT

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