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**GRAND TRAVERSE COUNTY BOND RATING
ATTRACTED EIGHT DIFFERENT BIDDERS AND HELPED SAVE BLAIR TOWNSHIP MORE THAN
\$1,000,000 IN INTEREST COSTS ON COUNTY REFUNDING BOND ISSUE**

The Grand Traverse County Board of Public Works sold its Township of Blair Refunding Bonds, Series 2017 on September 12, 2017 at a hotly contested competitive bond sale attracting eight bidders. According to Heidi Scheppe, Grand Traverse County Treasurer, the Refunding Bonds, which refunded two prior bond issues, were sold to BOK Financial Securities, Inc., the low bidder whose bid won by .00833% (less than 1/1000 of 1.00%) over the next best bidder.

In July, the Board of Commissioners authorized the use of the County's Full-Faith and Credit to support the bond sale that resulted in savings of more than \$725,000. Board Chairwoman, Carol Crawford stated, "The County's partnership with our neighboring communities is important, especially when we can save them significant costs." County Treasurer Scheppe state that the County's AA Bond Rating from Standard & Poors was a major factor in the County's successful bond sale.

The refunding of prior 2017 and 2011 bond issues was somewhat like what a homeowner would do to refinance an outstanding mortgage at a lower interest rate in order to save money.

According to John R. Axe, Chairmen of Municipal Financial Consultants Incorporated of Detroit Michigan, the County's financial consultant, the new bond issue of \$4,010,000 had a true interest cost of only 2.120696% compared to one of the issues (a 2007 Grand Traverse County Bond issues done for Blair Township in 2007) where the interest rates on the bonds being refinanced ranged between 4.25% and 4.625%. The second issue refunded which was a 2011 revenue bond issued by the Township which was purchased by the U.S. Department of Agriculture (Rural Development) had an interest rate of 3.00% and did not mature until 2044.

The new County bonds will be fully paid off 12 years earlier in 2032. The refunding bonds saved the Township \$478,000 in interest costs.

A week before the bond sale Blair Township repaid \$785,000 of the 2011 issue in advance which redeemed 3.00% bonds which would not have been fully retired until the year 2051. According to Axe, as a result of that redemption the Township saved an additional \$725,730. Without the County refunding of the 2011 issue the Township could not have made the \$785,000 redemption.

In total between the County refunding (which saved more than \$725,000) and the early redemption of the Township's Revenue Bonds, the Township water customers were saved more than \$1,203,000 in interest, which would have been due between November 1, 2017 and May 1, 2051.

Thanks to the County's assistance the Township's water debt will now be fully paid off in 2032 instead of nineteen years later in 2051.