

NEWS RELEASE



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Snoqualmie Valley Hospital completes bond sale, saving \$40 million in debt service

Snoqualmie Valley Hospital successfully completed a bond sale on Wednesday, June 24 with Piper Jaffray & Company underwriting. The bond sale refinances the District's lease purchase contract with Benaroya Companies for the purchase of the hospital and equipment and the current tax-backed debt.

This refinancing will save the District approximately \$40 million in debt service over the next 30 years.

"It was perfect timing in terms of the sale of the bonds for getting a good interest rate," said Rodger McCollum, CEO of Snoqualmie Valley Hospital District. "It will position the District really well over the long-term with positive cash flow and interest savings."

The bond sale consisted of revenue bonds totaling \$48 million and tax-backed bonds totaling \$32 million. The savings come from a reduction in interest rates from the District's original lease purchase contract with Benaroya. Revenue bonds do not require a vote of taxpayers because tax proceeds are not used for repayment of the bonds.

Refinancing the tax-backed bonds is expected to save the district \$5.3 million in debt service payments over the next 23 years. Refinancing the bonds does not require voter approval.

The money saved in debt service will be used for bettering healthcare for Valley residents.

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