

City of Hudson Case Study

\$12,240,000 UTGO

\$2,790,000 LTGO

General Obligation Refunding Bonds

Sudsina & Associates has been serving as the City of Hudson's financial advisor since 2008. We have assisted with nearly \$110 million of debt sales, all of which were sold competitively.

In late summer 2008 Sudsina & Associates, LLC was engaged to execute two refunding bond issues for the City of Hudson. The financing involved five outstanding bond issues; two limited tax and three unlimited tax transactions.

In addition to achieving debt service savings, our primary objective with this transaction was to put the City in the best possible position to achieve AAA-level credit ratings. At the start of the process, the City enjoyed a Aa1 rating from Moody's Investors Service which was assigned in 2005. Based on current credit rating trends toward a more global rating system, we encouraged the City to also approach Standard & Poor's Corporation for a second rating in an effort to get to the Aaa/AAA rating level.

After telephone conferences with both agencies, Moody's confirmed the City's Aa1 rating and Standard & Poor's rated the City's debt AA+. Both agencies agreed the City's wealth statistics were well above county, state and national medians; that the city's general fund reserve levels were very strong; and the management team was notably proactive. In the final analysis it appeared the agencies had over-arching concerns about the broader Northeast Ohio economy and were looking for more formal financial and debt management policies to be in place. Part of our follow-on work will be to develop these policies and have them formalized then adopted by City Council.

With our pricing oversight, we were able to work with the City and their underwriter to secure nearly a 5% present value savings on each series of bonds. In total, present value debt service savings exceeded \$700 million and nominal savings were approximately \$800,000.

Sudsina & Associates Transactions for City of Hudson

2008	\$15,030,000	Bonds
2008	\$6,050,000	Notes
2009	\$16,650,000	Notes
2010	\$17,350,000	Notes
2011	\$9,545,000	Bonds
2011	\$9,390,000	Refunding Bonds
2011	\$7,445,000	Refunding Bonds
2011	\$7,000,000	Bonds
2012	\$9,630,000	Refunding Bonds
2012	\$4,735,000	Bonds
2013	\$5,000,000	Bonds
2013	\$1,400,000	Notes
\$67,775,000		\$41,450,000
Total \$109,225,000		

