



FREDERICK COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

Jan H. Gardner
County Executive

News Release

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Bond Sale Brings Lowest Interest Rate in County History

FREDERICK, MD – Today Frederick County Executive Jan Gardner secured the lowest interest rate in the County's history in a live bond sale. Thanks to the AAA bond ratings Frederick County received in August from the three major financial rating agencies, taxpayers will save millions of dollars in debt service to pay for the construction of needed schools, roads, and more. The interest rate on non-taxable bonds was 2.16 percent, which is considered an extremely low cost of capital.

“We can be proud that Frederick County has received this historic low interest rate,” Executive Gardner said. “The savings give us money to build another fire station or branch library or to improve a road. This low interest rate is a reflection of the market’s recognition that Frederick County is well managed, fiscally conservative in our budgeting, and a great place to do business. The New York rating agencies spoke of our excellent management and expressed their confidence in us.”

At today’s bond sale, the county sold \$106.2 million of new tax-exempt bonds and \$30.0 million refinancing of 2013 and 2014A taxable bonds. Eight bids were received for tax-exempt bonds, with Raymond James and Associates, Inc. the successful bidder at a true interest rate of 2.16 percent. Eight bids also were received for the taxable bonds, with Raymond James again the successful bidder with an interest rate of 2.29 percent. This rate means taxpayers will save \$1,812,307 over the remaining term of the bonds.

“The number of bids received and the low interest rates show that Frederick County bonds are attractive in the market,” added Executive Gardner.

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