



FREDERICK COUNTY GOVERNMENT
OFFICE OF THE COUNTY EXECUTIVE

Jan H. Gardner
County Executive

News Release

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Bond Sale Brings Historic Low Interest Rate

FREDERICK, MD – Today Frederick County Executive Jan Gardner secured the lowest interest rate in the County’s history in a live bond sale. The AAA bond ratings Frederick County received from the three major financial rating agencies have already provided significant savings for taxpayers in debt service to pay for the construction of needed schools, roads, and more. The interest rate on non-taxable bonds was 1.57 percent, which is considered an extremely low cost of capital. Previously, the lowest interest rate the County had received was 2.16 percent.

“Today’s interest rate is a historic low,” Executive Gardner said. “The savings give us money to build another fire station or branch library or to improve a road. Frederick County can be proud that investors appreciate the strength of our economy and excellent management of our county government and finances. The New York rating agencies spoke of our excellent management and expressed their confidence in us, and that has paid off with today’s incredibly low interest rate.”

At today’s bond sale, the county sold \$154.5 million of new tax-exempt bonds and \$30.9 million refinancing of 2013 and 2016A taxable bonds. Seven bids were received for tax-exempt bonds, with B of A Securities, the successful bidder at a true interest rate of 1.57 percent. Twelve bids also were received for the taxable bonds, with Morgan Stanley & Co. LLC the successful bidder with an interest rate of 1.82 percent. This rate means taxpayers will save \$680,313 over the remaining term of the taxable bonds.

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