



NEWS

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Contact:

Lorie Slass, Communications Director 610-278-3061 lslass@montcopa.org
Kaitlyn Foti, Press Secretary 610-278-3062 kfoti@montcopa.org

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Montgomery County Sells Series A and B Bonds of 2017 Transaction to Yield More Than \$1.6 Million in Budgetary Savings Over Eight Years

Norristown, PA (June 1, 2017) – Montgomery County announced the results of a competitive bond sale offering of \$62.3 million in Series A and B bonds at today’s Board of Commissioners meeting. Financial institutions were invited to submit offers from 11-11:30 a.m. on Wednesday, May 31, 2017. Six bidders offered submissions with Mesirow Financial, Inc. offering the lowest rate of 2.752 percent. The difference between the highest and lowest bids was only 0.062 percent.

The six institutions participating in the sale included Mesirow; Bank of America Merrill Lynch; Janney Montgomery Scott LLC; Wells Fargo Bank, National Association; Morgan Stanley & Co., LLC; and Citigroup Global Markets, Inc.

The sale came on the heels of Moody’s reaffirming the county’s Aa1 bond rating and noting, “Montgomery County benefits from strong management that adheres to fiscal policies, multi-year budgeting and long term capital planning.”

“I am very pleased to see the financial community responding so positively to the county bond offering,” said Valerie A. Arkoosh, MD, Chair, Montgomery County Board of Commissioners. “The high level of interest in investing in Montgomery County is the result of sound fiscal management policies and smart capital planning and is a direct reflection of Montgomery County’s vibrant and strong economy.”

The financial markets responded favorably, which provided the opportunity to refinance outstanding debt at lower interest rates. The Series B bonds will provide the County with \$372,000 of budgetary savings in 2017 and \$1.2 million between 2018 and 2024.

The Series A bond proceeds will be used to fund important infrastructure projects in the county’s capital plan and leverage the revenue from the motor vehicle registration fee passed by the county in 2016. The funds from the

motor vehicle fees must be used for transportation projects and will help speed up repair and maintenance of vital county infrastructure including structurally deficient bridges throughout the county. The county owns more than 130 bridges, 62 of which were deemed structurally deficient in 2012.

“We take very seriously our obligation to manage and maintain county infrastructure and we seek out the best fiscal approaches that in the long run will save money for the county and our taxpayers,” added Arkoosh.