

NEWS RELEASE

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Positive financial rating & interest rates save city over 1.6 million dollars

SEGUIN, Texas – City leaders recently approved the refunding of bonds which resulted in saving the city over \$1.6 million in interest payments.

Bonds totaling \$15.3 million were eligible for “refunding” (refinancing) at a lower interest rate. The rating agencies of *Fitch Ratings* and *Standard & Poor’s*, affirmed the city’s AA and AA- ratings respectively which contributed to the bonds being sold at a much lower interest rate.

According to Fitch Ratings, the City of Seguin “consistently achieves operating surpluses due to conservative budgeting...” and has a “healthy, growing economy... Development and job growth focused in manufacturing has been strong coming out of the recession.”

Standard and Poor’s finds Seguin has “strong management, with ‘good’ financial policies and practices” as positive factors influencing the city’s credit rating.

Summary of General Obligation Refunding Bonds:

Amount of bonds being refunded/refinanced: \$15,320,000

Total Savings to City: \$1,608,738.00

Interest Rate: 2.18%

Ratings: Fitch – AA/Stable

Standard & Poor’s – AA-/Stable

“We are very pleased with the city’s affirmed bond ratings, and the refunding which resulted in significant savings to the city,” said Doug Faseler, City Manager.

SAMCO Capital Markets serve as the City of Seguin’s financial advisors.