



Travis County

July 26, 2016

Travis County saves taxpayer money with bond refinancing

To save Travis County taxpayer dollars and capitalize on historically low interest rates, Travis County refinanced bonds to provide more than \$12 million in savings through fiscal year 2030. Travis County is committed to effective, efficient and affordable local government, and achieving that goal requires thoughtful and well-timed financing.

“I am thrilled that Travis County is meeting its affordability goals by increasing cost savings for our residents,” said Travis County Judge Sarah Eckhardt. “By refinancing already very inexpensive loans to Travis County, we save millions in taxpayer dollars.”

On July 19, the County sold \$93 million in tax-exempt limited tax refunding bonds (Series 2016A) and \$22.7 million in taxable limited tax refunding bonds (Series 2016B) for the sole purpose of refinancing existing debt at very low interest rates.

Travis County refinanced existing debt to achieve interest cost savings without extending the final maturity, or total repayment period, for County debt.

In addition to a favorable interest rate environment, the historically-low borrowing rates attained by the County reflect positive investor perception of, and substantial demand for, the County’s bonds as a result of its Triple-A credit ratings. The County has maintained the highest achievable credit ratings from the major bond rating agencies (Moody’s and S&P) for 15 years.

In the rating agencies’ most recent feedback, Moody’s cited the County’s “strong and prudent fiscal management practices,” and S&P noted the County’s “very strong economy...very strong management...and strong budgetary performance” as factors in their decisions to reaffirm the County’s Triple-A credit ratings.

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