



**Snohomish County**  
**John Lovick**  
*County Executive*

## **News release – Aug. 18, 2015**

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### **Strong bond ratings save Snohomish County \$5.7 million in interest costs**

A recently completed refunding of 2005 and 2006 limited tax general obligation bonds is saving Snohomish County taxpayers \$5.7 million.

“This is a tremendous savings that allows money that was previously used for debt repayments to be reinvested in the delivery of service to our community,” said County Executive John Lovick, whose Executive Director and finance staff led the effort. “Smart fiscal management is key to maintaining a vibrant community.”

The savings and low interest rates were made possible by our ability to maintain the County’s high bond ratings. Both Moody’s and Standard & Poor’s recently affirmed the County’s strong bond ratings and stable outlook citing our “strong economy,” “low employment,” “strong management,” “strong liquidity,” “strong budgetary flexibility,” and “good financial practices” as reasons for maintaining the current ratings.

Late last week the Snohomish County Executive Office and Finance Department completed the sale of \$44.7 million of bonds to complete the refunding of 2005 and 2006 limited tax general obligation bonds to take advantage of lower interest rates. The bond refunding was competitively bid to ensure that the County received the best rates. A total of 11 different bidders from all across the nation responded to the request to bid with the winning bid going to an investment bank based in Chicago. The process was completed in consultation with the County’s bond counsel and financial advisor.

The old bonds carried an average interest rate of 4.83 percent; the new bonds were financed at a rate of 2.2 percent. Our ability to maintain the County’s high bond ratings saved the County on a net present-value basis \$5.7 million in interest costs.

“I’m grateful to Lenda Crawford and the finance team who showed excellent financial stewardship as they worked hard to save taxpayers a significant amount of money,” added Executive Lovick.

The County enjoys a AA+ rating with Standard and Poor’s (S&P) and Aa3 with Moody’s on its limited tax general obligation bonds.

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