



City of
Langley Washington

City of Langley Issues Bonds and Achieves Low Interest Rate

August 13, 2020:

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The City of Langley (the “City”) is in the process of issuing Unlimited Tax General Obligation Bonds to provide funds to make City-wide water management utility infrastructure improvements. As part of the bond financing process, the City’s staff presented information to the national rating agency of S&P Global Ratings.

According to Mayor Tim Callison, “the City received a rating grade of A+. This is a great accomplishment for the City and our taxpayers! Especially when you consider the size of our city and that this was our first rating presentation.”

Councilperson Dominique Emerson who is the Council representative on the City’s Public Works Advisory Commission said, “this rating of A+ reflects that the City is well-managed and has strong financial practices in place for the benefit of our citizens. The higher the rating, then the lower the interest cost. We are very pleased and proud to achieve the rating of A+”.

According to Clerk-Treasurer/Finance Director Monica Felici, “the A+ rating is based on the following key factors: 1. Demonstrated track record of financial reserves; 2. Strength of the local economy; 3. Growth in assessed value; 4. Financial management practices; and 5. Experienced management in operating the City in an efficient manner.”

The presentation team was comprised of: Mayor Tim Callison, former Clerk-Treasurer Debbie Mahler, Clerk-Treasurer/Finance Director Monica Felici, Assistant Clerk-Treasurer Rose Hughes, Public Works Director Stan Berryman, Utilities Supervisor Randi Perry, Director of Community Planning Brigid Reynolds, and Bond Underwriter Jim Nelson of D.A. Davidson & Co. The team presented information and answered questions that dealt with the topics of management, finances, economic growth and long-term planning. The Unlimited Tax General Obligation Bonds were priced on August 13th in Seattle at the offices of D.A. Davidson & Co., serving as Bond Underwriter. The Bonds (financed over 30-years) achieved an all-in net borrowing cost of 2.35%.

As a result of timing the Bond sale near a historic low in interest rates, the City achieved a lower borrowing cost compared to estimates in the Fall of 2019. Mayor Tim Callison explained “during the voter education process of 2019, we estimated a bond levy rate of approximately 58 cents per \$1,000 of Assessed Value. With the interest rates finalized on August 13th, the new estimated bond levy rate is 46 cents per \$1,000 of Assessed Value. **This lower bond levy rate means a lower cost to the taxpayers of the City!**”