



ESTABLISHED 1659

CITY OF NORWICH

CONNECTICUT

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FOR IMMEDIATE RELEASE

NORWICH, CT

City of Norwich secures very favorable terms for most recent sale of bonds

NORWICH – On February 28, 2017, the City of Norwich completed the sale of \$8.3 million in general obligation bonds to fund a variety of projects throughout the city over the next several years.

The bond sale had three components: \$4.45 million in tax exempt capital bonds, which were sold with an average interest rate of 2.94%; \$2.83 million in tax exempt refunding bonds, which were sold with an average interest rate of 2.59%; and \$1.00 million in taxable capital bonds, which were sold with an interest rate of 3.73%. This bond sale compared favorably to other recent bond sales by similarly-rated communities.

City Manager John Salomone notes that “these low interest rates reflect the market and the credit worthiness of the City.”

Earlier this month, Standard & Poor’s gave Norwich a stable outlook for its existing general obligation debt and AA long-term rating.

The proceeds of the tax exempt and taxable capital bond sales will be used to finance a number of city projects, including: road and bridge improvements, firefighters’ air packs, and gas expansion work by Norwich Public Utilities.

The refunding bonds were used to refinance a portion of the City’s 2009 Series A bonds. The net present value savings from this refunding is \$246,000.