



# TOWN OF SEYMOUR, CONNECTICUT

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For information, contact  
Doug Thomas  
Town of Seymour  
203.888.0581  
dthomas@seymourct.org

## **Seymour Successfully Sells \$15.925 Million Bond and Note Offering**

*Town's strong "AA-" rating, stable financial position and continued conservative management of general fund balance leads to strong pricing results in wake of federal debt ceiling tension*

**Seymour, Conn., August 10, 2011** — The Town of Seymour successfully sold \$5.995 million of general obligation bonds for the Chatfield school project at a true interest cost of 3.65%, \$3.215 million of general obligation refunding bonds at a true interest cost of 1.21%, and \$6.715 million of bond anticipation notes at a true interest cost of 0.69%. The financing will close on August 11, 2011. The financing priced in the market on August 2, 2011, the same day President Obama signed the federal debt ceiling bill.

The 2011A bonds issued for the Chatfield school project will mature in August 2032, with level principal payments occurring in years 2013-2032. The 2011B refunding bonds were issued to refinance the Town's existing bonds issued in September 2001. The refinancing replaced an average interest rate of 3.142% with a rate of approximately 1.21%, which results in debt service savings in excess of \$280,000. The Town's notes were issued for approximately 1-year at a net interest cost of 0.69%.

"Seymour has continued prudent fiscal management and has taken effective steps to maintain its financial stability," said First Selectman Paul Roy. "It was nice to receive the rating confirmation from Standard & Poor's, and the subsequent support from the municipal bond market during the pricing of the Town's bond and note offering."

Several factors came together to produce the results of Seymour's bond and note pricing. In addition to recent rating affirmation by Standard & Poor's, the Town sold into a favorable municipal market. Even in today's low-interest-rate environment, investors demand higher-rated credits in exchange for lower yields. Seymour ("AA-") is rated only two notches below the United States ("AA+") by Standard & Poor's.

William Blair & Company served as the Town's underwriter for the bond and note offering. Day Pitney LLP conducted bond counsel services and Pullman & Comley LLC served as underwriter's counsel. Webster Bank was the pricing verification agent to the Town.

**Seymour, Conn. August 2, 2011 Bond and Note Issue**

<b>Series</b>	<b>Amount</b>	<b>Maturity</b>	<b>Net Interest Expense</b>
Tax-Exempt Bonds, 2011A	\$5.995 million	2013-2032	3.65%
Tax-Exempt Refunding Bonds, 2011B	\$3.215 million	2012-2016	1.21%
Bond Anticipation Notes	\$6.715 million	2012	0.69%