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Village's Bond Ratings Remain High & Refunding Bonds Saves \$803,000



The Village of Orland Park continues to pursue opportunities to refund its outstanding general obligation debt. Taking advantage of these refunding opportunities ensures that the village is paying the lowest interest rates available in the municipal bond market, given the village's excellent bond rating and financial position.

On April 18th, the village refunded its outstanding GO Bonds, Series 2008A in order to capture future interest cost savings. The sale of GO Refunding Bonds, Series 2016A was held via a competitive sale. The Series 2008A bonds were originally issued to fund a portion of the costs related to the expansion of the village's water reservoir.

The estimated net present value interest savings to be realized by issuing the Series 2016A refunding bonds is approximately \$803,000, or 12.48% of refunded principal. This savings amount is net of all issuance costs.

"We are very pleased with today's news," said Orland Park Mayor Dan McLaughlin. "The village's strong credit rating continues to enable the village to save a great deal of money. Since 2009, we have saved approximately \$6.3 million in future interest costs by issuing refunding bonds. This reaffirms Orland Park's credibility in being fiscally responsible," the mayor said, adding, "This is great news for the village."

"The Village of Orland Park's bond rating remains high as the country and the state continue to recover," said Trustee Carole Griffin Ruzich, chair of the village's Finance Committee. "We are pleased to be able to ensure that taxpayers are getting the best interest rates possible."

Both rating agencies, Moody's and Standard & Poor's, have reaffirmed the Village of Orland Park's bond rating for this issuance, as well as for the village's overall outstanding debt. The village's rating with Moody's is Aa1 and with S&P is AA+.

The decreased future interest costs on the refunding bonds will equate to a lower debt service levy in future years. The village's outstanding principal debt after issuance of these refunding bonds will be \$87.6 million.