

CITY OF WIXOM BOND REFINANCING SAVES OVER \$167,200

The City of Wixom today announced that through refinancing of \$3,265,000 of bonded indebtedness, the City will realize a net savings of over \$167,200 in the next 5.5 years. The new bonds were purchased by the investment banking firm of Fifth Third Securities at an average interest rate of 2.59% which will replace the old bonds which had an average interest rate of 4.69%.

According to City Manager Mike Dornan, “This refinancing is just one tool in our financial management toolbox. We are constantly seeking ways and opportunities to reduce our financial liabilities while delivering services to the public at a lower cost”.

Kevin Brady the City’s Finance Director indicated “It’s nice to be able to take advantage of today’s very low interest rates and save our citizens a substantial amount of money.”

During the process of issuing the new bonds, the City’s credit rating was reviewed by Moody’s nationally recognized rating firm. The rating agencies confirmed the strong rating grade of A1 by Moody’s. The rating analysts were very complimentary of Wixom citing the City’s tax base, sound financial operations, and prudent fiscal management. This includes the successful implementation of the City’s Five-Year Fiscal Plan and associated Budget Stabilization Fund.