



TOWN OF SMYRNA

December 4, 2020

Immediate Release

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Moody's Rates Town of Smyrna Aa3 Pending Refinancing to Reduce Future Expenses

Smyrna, Del. – On November 23, 2020, Moody's Investor Service assigned a rating of Aa3 (Double-A, 3) to the town with its forthcoming refunding and restructuring of certain long-term capital debt. To achieve this rating level, Moody's defines Smyrna's public debt as "high quality and are subject to very low credit risk." Town staff worked to best position the organization during the rater's assessment by demonstrating planned investment policies, corrective actions for compliance, recently established administrative processes, and outlined future planned growth.

"This rating by Moody's validates the efforts by the Smyrna Town Council to try to best oversee the public funds entrusted to Council by the community," stated Mayor Robert Johnson. He acknowledged the effort of Town Manager Andrew Haines "for bringing forward the opportunity to refinance a portion of Town debt to Council and adding PFM as a trusted financial advisor." PFM outlined a potential \$1.3 million savings in future expenses in addition to reducing one loan by 13-years.

After review of the initial analysis, the Finance Committee recommended staff's proposal and Town Council authorized staff to proceed. During the past two months staff has worked with PFM, Town solicitor, bond counsel, underwriting counsel, and Moody's to proceed to the public market this month. With Moody's Aa3 rating, the estimated savings are projected to increase and further benefit the community.

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