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Northampton Maintains Highest Bond Rating with Standard & Poors; Saves \$292K in Bond Refinancing

NORTHAMPTON - Today, the City of Northampton announced that despite the financial uncertainty of the COVID-19 pandemic, the bond rating agency, S&P Global Ratings, will continue to rate Northampton's bonds at its highest rating, 'AAA,' assigning the city a stable outlook.

"I'm extremely proud that Standard & Poors has continued to recognize Northampton's sound fiscal planning and management during a period of extreme economic uncertainty and challenges," shared Mayor David Narkewicz. "The city's ability to maintain our strong rating will save the residents of Northampton hundreds of thousands of dollars in interest payments going forward."

The rating agency cited the city's very strong management with strong financial policies and practices, very strong budgetary flexibility, very strong liquidity, and very strong debt and contingent liability position as positive credit factors. A copy of the full report is available on the city's website [here](#).

The city refinanced two bonds, receiving competitive bids from bond underwriters on Wednesday, October 14, 2020, for a \$2,650,000 eight-year general obligation bond issue. Robert W. Baird & Co., Inc., was the winning bidder on the bonds with an average interest rate of 0.476%. The city received a total of two bids on the bonds. Bond proceeds will refinance bonds of the cities originally issued February 1, 2009, and December 1, 2010. The refinancing will generate gross budgetary savings of \$292,012 over the remaining life of the bonds refunded. Mayor Narkewicz sought and received authorization from the City Council to refinance the bonds in July.

Bids for the Bonds were accepted at the offices of the City's Financial Advisor, Hilltop Securities, Inc., 54 Canal Street, Boston, MA.

For more information, please contact the Mayor's Office at mayor@northamptonma.gov.