

Thomas P. Gordon
County Executive



David A. Grimaldi
Chief Administrative Officer

Executive Office

For Immediate Release
September 4, 2015

Contact: **Antonio M. Prado**, Director of Communications
(302) 545-1462 AMPrado@nccde.org

NEWS RELEASE

County Fully Disclosed 2015 Debt Issuance and Bond Refinancing

A recent story on WDEL.com wrongly stated New Castle County had never publicly announced \$70 million in “new debt.” This statement is in error.

On December 9, 2014, County Council introduced and passed Resolution 14-241, which authorized a maximum of \$85 million in “New Money Bonds” and \$121.39 million in bond refinancing, the “Refunding Bonds.” In compliance with Delaware’s Freedom of Information Act Open Meeting requirements, 29 *Del.C.* Section 10004(e)(2), R14-241 appeared on both the County Council Finance Committee and County Council Regular Meeting agendas at least 7 days in advance thereof. Chief Financial Officer Michael Coupe also discussed the County’s financing plans during the open, regular Council meeting. In short, any implication that the bond issuance and refinancing was “unmentioned” or needed to be “discovered” or “found” is incorrect.

On January 26, 2015, the County issued a press release entitled “AAA Credit Rating Assigned to County’s Upcoming \$186 Million GO Bond Offering.” The press release stated “New Castle County is preparing for a \$186 million general obligation bond issuance, which includes the refinancing of higher interest rate bonds to more favorable current market yields.”

Although New Castle County occasionally issues press releases highlighting administrative and legislative initiatives, these press releases typically supplement legally required public disclosures.

In fact, the County issued about \$70 million in New Money Bonds, which was actually less than the authorized amount of \$85 million. NCCo refinanced \$119 million, saving \$12.2 million in debt service payments.

Separately, the WDEL.com article incorrectly quoted the costs for changes in the treatment of sewer flows from the Middletown area. The cost of modifying the location for the treatment of certain sewer flows was approximately \$2 million.