



# MEDIA RELEASE

OFFICE OF COUNTY MAYOR TIM BURCHETT

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FOR IMMEDIATE RELEASE

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## **Bond refinance saves more than expected**

*Knoxville, Tenn.* — Knox County taxpayers will save \$2.4 million more than originally expected after a planned bond refinance resulted in lower-than-anticipated interest rates. In all, Knox County will save \$7.4 million in avoided interest payments thanks to the recent bond refinance of a portion of county debt. The bond sale, which was originally expected to save around \$5 million, was proposed by Knox County Mayor Tim Burchett and approved by the Knox County Commission in August.

“While our state and federal governments are having trouble balancing budgets, Knox County continues to find ways to save money through efficiencies, and it’s always great when efforts like this turn out better than planned,” said Mayor Burchett. “When we can save taxpayers millions of dollars by simply refinancing a portion of our debt, we’re going to do it. Common sense steps like this, combined with conservative fiscal budgeting, have put Knox County in a sound financial position.”

Knox County’s high bond rating is a key factor in securing competitive interest rates in the bond market.

“With the current extremely low interest rates and the lack of supply in the municipal market for highly-rated credits such as Knox County, we were pleased that the County’s transactions received nationwide interest and demand, resulting in great bids, extremely low interest rates and savings well above our original projection,” said Joe Ayres, President of Cumberland Securities Company, Inc., Knox County’s Financial Advisor. “The timing to sell a large taxable municipal bond issue that creates savings for the taxpayers worked well for Knox County.”

Since taking office, Mayor Burchett and the Knox County Commission have been able to save taxpayers more than \$12 million in interest savings through refinancing opportunities.

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