



# NEWS RELEASE

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## **Town of Vienna Issues \$12.5 Million in Bonds**

The Town of Vienna issued \$12.5 million in general obligation public improvement bonds on Tuesday, Feb. 22, 2022, accepting a bid from Piper Sandler & Company that includes an interest rate of 2.177% and a \$1.335 million premium. The Town typically issues bonds every two years to fund capital improvement projects and repays the bond funds using only meals tax revenue and water and sewer fees.

“The interest rate is even better than the Town expected and illustrates the confidence investors have in the Town of Vienna,” said Finance Director Marion Serfass. “The Town’s AAA bond rating and sound fiscal policies help assure that confidence, and the \$1.33 million premium give the Town Council greater flexibility in funding bond-approved projects. The Town Council has already earmarked \$900,000 of the premium for paving projects identified in the Town’s Capital Improvement Plan (CIP).”

The \$1.335 million premium is a “bonus” offered by the investment firm. The Town of Vienna will be paying 2.17% interest on \$12.5 million over the next 20 years. The 2022 bonds will be used to pay for sidewalks, paving, park improvements and water and sewer infrastructure.

The Town received nine bids on its bond issuance and is expected to close March 8 on the agreement with Piper Sandler & Company. Related capital-fund projects are expected to begin immediately after the closing.

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