

Board advances refinancing plan

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After being told by their solicitor that interest rates on bonds for municipalities are at historically low levels, Amity Township supervisors decided to take the first step in refinancing the municipality's debt.

The supervisors directed township Manager Charles Lyon to assemble the township's financial information to apply for a credit rating from Standard & Poor's.

"The township needs a good credit rating in order to get these rates and from what I can tell, Amity's in a pretty good position," Solicitor Brian F. Boland told the supervisors Wednesday night. "Right now, a one-year bond is at 0.4 percent and a 10-year is at 2.3 percent, which are unbelievably good rates, and refinancing would save the township a substantial amount of money."

The cost to obtain a rating from Standard & Poor's is about \$8,000, but by refinancing, the township will save on interest charges.

"At the right rate, you could potentially save about \$150,000," Boland said.

"Spending \$8,000 to save \$150,000 is obviously a wise decision," Supervisor Terry Jones said.

Lyon said that the township will refinance about \$2.9 million, and that the process should take about 60 days.

- By Dan Andrews