

Town of Brookhaven Standard & Poor's Credit Rating



'AAA' Credit Rating Reaffirmed

- *"We view the Town's management conditions as very strong, with strong financial practices combined with a consistent ability to maintain balanced budgets."*
- *"Brookhaven's budgetary performance is strong, in our opinion. The Town's financial position continues to improve, as evidenced by recent surpluses, reduced reliance on fund balance to bridge any structural imbalances, tighter cost-control measures, and establishing new revenue streams."*

(S&P Summary: Brookhaven, NY, 2018)

Town of Brookhaven Standard & Poor's Credit Rating



Factors leading to the 'AAA' rating:

- Very strong economy
- Very strong management
- Strong budgetary performance
- Very strong budgetary flexibility
- Very strong liquidity

Town of Brookhaven 2018 Bond Sale



Series A Bonds

- 12-year Bond Sale totaled \$37,411,700.
- Received 11 bids, including Fidelity Capital Markets, JP Morgan Securities, RBC Capital Markets, Jefferies LLC, and Bank of America Merrill Lynch.
- Received an interest rate of 2.50%, with a \$4.3 million Premium to reflect the 5% Coupon Rate.
- The 2.50% interest rate is 35 basis points below where the 10-year Treasury was trading that day.
- Second consecutive year that the Town's 12-year Bond Sale has traded below the 10-year Treasury interest rate.
- Indicative of the high confidence Wall Street places in the Town's financial position and management.
- Spread between the top three bidders of the 12-year Bond were very tight.
- Fidelity Capital Markets beat JP Morgan Securities for the win by a .037 margin.

Town of Brookhaven 2018 Bond Sale



Series B Bonds

- 20-year Bond Sale totaled \$21,777,000.
- Received 7 total bids, including RW Baird, Fidelity Capital Markets, Roosevelt & Cross, Janney Montgomery Scott LLC, RBC Capital Markets, Bank of American Merrill Lynch, and Mesirow Financial.
- Received an interest rate of 3.13%, below our best estimate of 3.3%, with a \$730,000 Premium.
- Interest rate spread was very tight amongst the top three bidders with RW Baird winning over Fidelity Capital Markets by a .001 margin.