



# County of Fairfax, Virginia

## MEMORANDUM

**DATE:** March 10, 2026

**TO:** Board of Supervisors

**FROM:** Christina C. Jackson *CCJ*  
Deputy County Executive/Chief Financial Officer

**SUBJECT:** General Obligation Public Improvement Refunding Bonds Series 2026B

On February 25, 2026, the County conducted a negotiated bond sale for the General Obligation Public Improvement Refunding Bonds Series 2026B in the par amount of \$217.4 million with Bank of America at a low interest cost of 2.17 percent. This refunding achieved net present value debt service savings of \$5.05 million over the life of the bonds and does not extend the original maturity on any of the refunded bonds. There was strong interest from investors as evidenced by \$456.6 million in total bond order requests. The bonds were sold to a mix of investors that included separately managed accounts, bond funds and exchange-traded funds.

The County Bond Resolution approved by the Board of Supervisors at the December 9, 2025, Board meeting provided the authorization for the Series 2026B refunding bond sale. The resolution noted that the bonds referenced may be sold in one or more series on or before December 31, 2026. A prior NIP on the General Obligation Public Improvement Bonds Series 2026A was provided to the Board of Supervisors on February 6, 2026, summarizing the results of the County's new money bond sale in the amount of \$400 million for the Schools (\$230 million) and County (\$170 million).

### **Reports issued by the Bond Rating Agencies**

In preparation for this bond sale, the County requested bond ratings from Standard and Poor's Global Ratings, Moody's Investors Service, and Fitch Ratings. The County's Triple-A bond rating and stable outlook were affirmed by all three agencies. Key findings and commentary from each of the three agencies are provided below and consisted with the ratings on the Series 2026A:

#### Standard & Poor's (S&P)

S&P expects the County to "manage budgetary pressures to maintain long-term financial balance," citing a "demonstrated history of making difficult decisions to maintain balance" and "adjusting to the economic pressures and service demands." They also noted the County's "economic activity and incomes on a per capita basis" as notably higher than national averages. S&P also mentioned the County's "robust and well-embedded financial policies and practices that drive consistent budgetary decision-making" and a "demonstrated ability to consistently outperform the budget, resulting in the maintenance of high reserves and cash balances."

#### Fitch Ratings

Fitch identified Fairfax County as the "primary anchor" of the D.C. metropolitan statistical area, noting expected resilience against both cyclical and non-cyclical economic stressors. Fitch also noted the County's high market value per capita and its structural ability to make revenue rate adjustments.

#### Moody's Investors Service

Moody's credited the County's "stable financial position" which is "supported by strong management and a history of conservative budgeting." Moody's further noted the County's "favorable location, diverse employment base, and strong resident income levels" as well as a "significant portion of government and contracting jobs related to defense and artificial intelligence." Moody's anticipates the County's financial position will "remain healthy given formal policies" (e.g., *Ten Principles of Sound Financial Management*) and a "demonstrated willingness to raise revenues and cut expenditures."

While the County's Triple-A ratings were affirmed with a stable outlook, the rating agencies also outlined factors that "could" lead to a downgrade of the current ratings. These included a significant or sustained decline in the County's reserve levels, a large increase in long-term liabilities (such as debt or pension obligations), materially weaker economic indicators, or the use of one-time funding or reserves to cover recurring costs. This commentary is standard disclosure in all reports, regardless of the rating. Again, all three bond rating agencies were very positive regarding the County's credit, and there were no underlying concerns. These factors are mentioned only for further awareness and context regarding the County's annual rating process and overall evaluation.

#### **History of Bond Sales**

The County has held a Aaa rating from Moody's since 1975, a AAA rating from Standard and Poor's since 1978 and a AAA rating from Fitch Ratings since 1997. As of January 2026, 12 states, 55 counties, and 35 cities have a triple-A bond rating from all three major rating agencies. As a result of the County's excellent triple-A bond rating, the County has saved an estimated \$1.1 billion from County new money bond and refunding sales.

If there are any questions on this matter, please do not hesitate to contact me.

Cc:

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