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City of Suwanee Receives AAA Bond Rating from S&P

The City of Suwanee has received a AAA long-term bond rating from Standard & Poor's (S&P) Global Ratings with a stable outlook. AAA bond rating is the highest rating attainable.

According to S&P, the AAA rating reflects their opinion of the city's:

- Very strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Very strong management, with strong financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Very strong budgetary performance, with operating surpluses in the general fund and at the total governmental fund level in fiscal 2016;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2016 of 36% of operating expenditures;
- Very strong liquidity, with total government available cash at 130.1% of total governmental fund expenditures and 11.8x governmental debt service, and access to external liquidity we consider strong;
- Very weak debt and contingent liability position, with debt service carrying charges at 11.0% of expenditures and net direct debt that is 186.2% of total governmental fund revenue; and
- Very strong institutional framework score.

The series 2017 revenue bonds would be secured by contract payments made by Suwanee to the agency pursuant to an intergovernmental contract under which the city has agreed to make payments to the agency in amounts sufficient to pay principal and interest on the bonds.

The city is in the process of issuing approximately \$22 million in revenue bonds with the city's Urban Redevelopment Agency that will finance the costs associated with redevelopment projects identified in the 2017 Urban Redevelopment Plan Update, including public parks and quality-of-life amenities and transportation improvements.

The city previously received a AAA bond rating from S&P Global Ratings in 2014.

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