



AGENDA ITEM COMMENTARY

MEETING NAME:	City Council
MEETING DATE:	October 7, 2024
ITEM TITLE:	Receive report from staff on recent Bond Rating analysis from S&P Global
STAFF INITIATOR:	Randy Criswell, City Manager

BACKGROUND:

On September 19, we participated, along with Paul Jasin of Specialized Public Finance in a ratings call with representatives from S&P Global. This is a typical part of the debt issuance process. The purpose of the Bond Rating is for S&P Global as a third party to basically rate our creditworthiness. Oversimplified, it's something like a credit score for individuals, but FAR more complex. Our Bond Rating will be considered when potential bidders are looking at buying our debt.

Previously our bond rating was AA-, which as I've stated is a very good bond rating for a city of our size. I'm proud to announce that after our ratings call, **we've been upgraded to AA**. There are two documents attached as exhibits that reflect the new rating and discussion of the reasons for the upgrade.

We've worked really hard to be where we are right now. You, the Council, have been supportive of everything I told you we needed to do, and we did it. We implemented Tyler, we changed personnel, we adopted and changed policies, we re-invented our investment and banking strategy, we adopted new management strategies, and we moved Wolfforth one more step into the future. I'm very proud of our work. This new rating will most certainly save us money on our upcoming debt.

I've also included a comparison of our new Bond Rating to some other area cities. I think you'll see we're in strong company.

EXHIBITS:

S&P Global Letter

S&P Global criteria

Comparison to other area cities

COUNCIL ACTION/STAFF RECOMMENDATION:

Report only, no action necessary.