



Office of the Board of Commissioners
300 Monroe Avenue NW, Grand Rapids, Michigan 49503-2206

NEWS RELEASE

FOR IMMEDIATE RELEASE

April 22, 2015

Seventeen Years of Fiscal Fitness!!

Kent County receives highest ratings from credit agencies seventeen years in a row

GRAND RAPIDS, MI – More great news on the economy of West Michigan today: Kent County is financially strong, according to rating agencies Standard & Poor's and Moody's Investors Service. Board Chair Dan Koorndyk announced this morning that both agencies affirmed the long-term Triple-A credit ratings – the highest possible – for the County. This represents the 17th consecutive year that Kent County has held the long-term ratings from both agencies.

Standard & Poor's commented that the County benefits from the following specifics:

- *Strong economy, with access to a broad and diverse metropolitan statistical area and a local stabilizing institutional influence;*
- *Very strong management, with "strong" financial policies;*
- *Strong budgetary performance, with balanced operating results in the general fund and at the total governmental fund level;*
- *Very strong budgetary flexibility, with an available fund balance in fiscal 2014 of 43% of operating expenditures.*

"We consider Kent County's economy strong," the Standard & Poor's report reads. "The county has a projected per capita effective buying income of 84.5% of the U.S. level and per capita market value of \$70,262. Overall, the county's market value grew by 2.9% over the past year to \$43.2 billion in 2014."

Board of Commissioners Chair Dan Koorndyk received applause after announcing the County's rating. "Michigan has endured an economic storm in recent years, with some communities truly struggling. With tough decisions and smart planning, Kent County has been fiscally responsible and strong," Koorndyk noted. "That results in long-term benefits to the communities we serve."

Koorndyk, along with County Administrator/Controller Daryl Delabbio, Treasurer Ken Parrish, and Fiscal Services Director Stephen Duarte, met with the rating agencies last week to review the County's financial situation. "The agencies recognize that Kent County is on course to maintain its strong budget flexibility and management profile over the next two-year outlook period," Delabbio said. "Long-term financial stability and sustainability is important for us to continue to be good stewards of public dollars."

The strong credit rating means lower interest rates when Kent County borrows money for projects, similar to a high credit score when a person is financing a house or car. The higher the rating, the lower the interest rates that the county pays. For example, by maintaining the current triple-A rating, taxpayers save more than \$800,000 in annual interest costs (compared to a double-A rating) for all of the County's bonded projects.

There are approximately 3,200 counties in the United States; less than 3% of counties hold a Triple-A rating for long-term debt from both Standard & Poor's and Moody's Investors Service.

###