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GLENDALE RECEIVES A1 BOND RATING WITH MOODY'S NEW UPGRADE

Prudent Budget Management and Sustained Improvement in Financial Position Cited

GLENDALE, Ariz. – Financial rating agency Moody's Investors Service has upgraded Glendale's general obligation bond and excise tax bond rating one step to A1 from an A2. This upgrade follows a January 2016 Moody's upgrade to A2 from an A3 and a March 2016 Standard & Poor's Rating Services' upgrade to A+ from a BBB+. The city has been given a stable outlook from both rating agencies.

In the April 11 report, Moody's pointed to the way Glendale continues to budget conservatively and drive financial performance toward its policy of slowly growing general fund reserves to at least 25% within 5 years as reasons for the stable outlook. The Moody's report also referenced the way the city's tax base continues to grow soundly amid the region's housing recovery and prudent budget management.

"We are extremely proud of this upgrade which is the direct result of making financial stability the top priority for our city," said Glendale City Manager Kevin Phelps. "Our city leaders and Mayor and Council have made very tough decisions over the last couple of years and have been committed to sticking to very strong prudent financial policies."

After a series of downgrades, which began in 2011, the upgrades represent independent and objective observations that Glendale's finances are being managed well. Both Moody's and Standard & Poor's analyze financial data and benchmark performance against other cities.

Glendale's Budget and Finance Director Vicki Rios says an upgrade brings Glendale closer to being comparable to peer cities financially. "A higher bond rating is a signal to investors that the city's bonds are a lower risk," said Rios. "This will most likely result in lower interest rates on future bonds when we sell them and could mean that even existing debt can be refinanced at a lower rate which could ultimately save the city millions of dollars in interest costs over the life of the bonds as they are being repaid."

"I'm just thrilled because we made it through some tough years by making difficult decisions and this is part of the reward," said Glendale Mayor Jerry Weiers. "This will make a positive difference in the lives of Glendale citizens and I'm excited to keep the forward momentum going!"

For more information about the city of Glendale, please visit www.glendaleaz.com