

## Press Release

**CLV/#69/15**

**FOR IMMEDIATE RELEASE**

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### **Standard & Poor's Upgrades Stafford to Highest AAA Bond Rating**

Stafford, VA – After years of unwavering adherence to strict financial management and strong reserve levels established by the Board of Supervisors, Stafford County has received a AAA bond rating by Standard & Poor's Rating Services.

“We have survived the Great Recession, practiced fiscal restraint, limited our borrowing, and focused on economic development all with an eye toward obtaining a AAA,” said Chairman of the Board of Supervisors Gary Snellings, Hartwood District. “These last few years have not been easy for us, but we stayed the course because a AAA rating means that we can continue to build a great community for our citizens while saving taxpayer money.”

The AAA comes just after Moody's Investors Service upgraded the County's bond rating to Aa1 from Aa2 in April of this year. In 2013, Standard & Poor's upgraded the County's bond rating from AA to AA+. Also in 2013, Fitch upgraded the County's bond rating from AA to AA+, and Moody's affirmed the County's Aa2 bond rating and upgraded the County's outlook from stable to positive.

“The AAA validates our steadfast commitment to being a fiscally responsible and accountable government,” said Supervisor Bob Thomas, George Washington District, and Chairman of the Board's Finance, Audit and Budget Committee. “Through all of our fiscal challenges, we have found innovative ways to provide services to our citizens, and I applaud the partnership among the Board of Supervisors, the Stafford County School Board, staff, businesses, and citizens to help us reach this long-standing goal. Staff, especially, have gone above and beyond in their efforts every day to do more with less as we all work to make Stafford the premiere place to live and work in Virginia.”

Ratings agencies focus on four major areas when reviewing a community's financial standing: the economy, finances, debt and financial management, and governance. The Board of Supervisors adopted strict financial policies that include maintaining a balanced budget, borrowing money only for capital projects, maintaining prudent reserves, estimating revenues conservatively and increasing cash funding of capital projects to reduce reliance on debt. These efforts have continually improved the County's financial standing, and they have helped the Board focus on priorities for the community, including education, public safety, economic development, infrastructure, and service excellence, all encompassed by an overall theme of fiscal responsibility and reducing the tax burden.

**(More)**



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Standard & Poor's stated in their report that it raised Stafford's bond on general obligation (GO) debt to AAA from AA+ "due to the county's maintenance of strong budgetary performance and very strong reserves, supported by very strong management conditions through the recent economic recession."

Standard & Poor's also stated that the rating reflects its assessment of the following factors, including the county's:

- Very strong economy, with access to a broad and diverse metropolitan statistical area (MSA) and a local stabilizing institutional influence;
- Very strong management, with "strong" financial policies and practices;
- Strong budgetary performance, with operating surpluses in the general fund and at the total governmental fund level;
- Very strong budgetary flexibility;
- Very strong liquidity;
- Adequate debt and contingent liability position; and
- Very strong institutional framework score.

Stafford has enjoyed positive economic growth over the last several years. Data from the Census Bureau indicates that Stafford has the 9th highest median household income (\$96,355) among counties in the U.S. in 2014. In addition, Stafford led the Commonwealth in job growth in Virginia from 2009—2014, averaging 2.6% annualized job growth among the 134 counties and independent cities in Virginia. Stafford's 2,400 plus businesses helped rank Stafford third in business growth, with an increase of over 4.1% from the third quarter of 2013 to the third quarter of 2014. The number of jobs in Stafford has also increased by 42% over the past decade. In raw numbers, jobs have grown from 25,781 jobs in Stafford in 2003 to 39,753 jobs in the county by 2013. By the middle of 2014 (the most recent numbers from the Virginia Employment Commission), jobs in Stafford exceeded 40,000 for the first time in history.

Stafford joins an elite group of counties in Virginia and the nation that have a AAA bond rating from one or more of the three rating agencies. Close to 14% of Virginia counties and about 4% of U.S. counties have AAA bond ratings.

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