



# PRESS RELEASE

FOR IMMEDIATE RELEASE:

\*Moody's upgrades rating and assigns positive outlook

FERGUSON, MO, (August 05, 2019) –

It is with great pleasure that the City of Ferguson announces that on Wednesday August 1, 2019, Moody's Investor Services upgraded its rating on all three of the City's outstanding debt issues. Specifically, Moody's upgraded the city's general obligation unlimited tax rating to Ba1 from Ba3 and upgraded to Ba2 from B1 and to Ba3 from B2, the city's appropriation debt issued for more and less essential purposes, respectively.

Moody's made the announcement in a PRESS RELEASE on Friday, August 3, 2019. In part, Moody's commented, "The credit profile of Ferguson, MO (Ba1 stable) benefits from the city's improved financial performance and reserves coupled with notable progress and implementation of the DOJ consent decree."

Interim City Manager Jeffrey B. Blume stated he was delighted that Moody's had recognized that in the last three years, the City has added to its fund balance both overall and, in particular, with respect to its General Fund. In addition, it has proposed a balanced budget for its General Fund in each of those years.

Mr. Blume further remarked that the real credit for this achievement goes to the mayor and council, stating that they could have succumbed to the wishes of some and continued to erode financial reserves. Instead, they made the hard decisions to insist on balancing the budget solely with current revenues and thereby rebuild the City's financial reserves. Mr. Blume also credited the City's senior staff, noting they work hard every day to spend as little as necessary and continue to deliver needed services to the City's residents and businesses.

Mayor Knowles added that he was especially grateful for Mr. Blume's more than eleven years of service to the city, first as its Director of Finance and, for the last six months, as its Interim City Manager. Mayor Knowles added that the City would not be in the excellent financial shape that it is in today without Mr. Blume's superior financial leadership through all of the hard times.

Mr. Blume agreed with Moody's statement, "Progression toward substantial completion of the DOJ consent decree will continue to play a significant role in the city's financial performance with protracted implementation likely to result in significant additional costs that will stunt material financial improvement." He noted that in the last three fiscal years, the City has already spent more than \$1 million on consent decree compliance activities and expects the current year's expense to exceed \$500,000. He stated this is one of the reasons that reaching substantial compliance within the next two years is his highest goal.

Moody's Investor Services PRESS RELEASE may be found on the City's website, or on Moody's website <https://www.moodys.com>.

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