



News Release

CITY OF MOUNTLAKE TERRACE

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FOR IMMEDIATE RELEASE:

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Mountlake Terrace Receives High Credit Rating

MOUNTLAKE TERRACE—Standard & Poor's (S&P) has assigned its 'AA' Rating to the city's 2010 series water and sewer revenue bonds. In a report issued on August 4, S&P assigned the city a 'AA' rating with a stable outlook, noting that the city has sound financial policies and practices, including quarterly financial performance reviews and a six-year forecasting model. The city's first-ever rating by Standard & Poor's, a 'AA' rating indicates the city is a quality borrower with very strong capacity to meet its financial commitments.

The S&P report commends the city for its resourcefulness in responding to changing conditions. The report states, "The stable outlook reflects what we believe is a robust and institutionalized array of management practices that provide a framework for the utility to identify and respond to unexpected financial challenges."

The S&P Analyst told city officials that the city stands out on management and the fact that the city monitors itself on a quarterly basis is significant. The Analyst also reported that the city is clearly different than the city of three or so years ago.

"I would like to congratulate our City Council and staff on this achievement," said Caulfield. "The 'AA' Bond Rating will translate into lower financing costs by attracting a broader range of investors. This rating is also a positive reflection of the city's effectiveness in managing its financial resources during one of the most difficult economic times in several generations to include: a balanced budget; a 6-year financial forecast; strong reserves; ability to maintain current levels of service; and the implementation of action strategies and preventative measures to ensure we live within our means."

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