



FOR IMMEDIATE RELEASE

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Johnston's Outstanding Bond Rating is Affirmed by S&P

JOHNSTON, Iowa – The City of Johnston is pleased to announce the Standard and Poor's (S&P) Global Ratings has assigned its AA+ long-term rating to Johnston's 2021A General Obligation (GO) bonds and affirmed its AA+ long term rating for the City's existing GO debt, and its 'AA' long-term rating on the City's series 2020A annual appropriation GO bonds.

"The City has maintained the AA+ rating for the past 12 years," said Assistant City Administrator/Finance Teresa Rotschafer. "As our City leaders strategically plan for the future, they ensure it is done so in a fiscally responsible manner. We always pride ourselves in prioritizing projects while ensuring they align with our financial practices to maintain a strong financial position."

The S&P report noted the following:

- A very strong economy, with access to a broad and diverse MSA;
- Strong management, with good financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Adequate budgetary performance, with an operating deficit in the general fund but an operating surplus at the total governmental fund level in fiscal 2020;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2020 of 35% of operating expenditures, and the flexibility to raise additional revenues despite statewide tax caps;
- Very strong liquidity, with total government available cash at 74.7% of total governmental fund expenditures and 1.9x governmental debt service, and access to external liquidity that we consider strong;
- Very weak debt and contingent liability profile, with debt service carrying charges at 40.1% of expenditures and net direct debt that is 311.8% of total governmental fund revenue; and
- Strong institutional framework score.

Standard & Poor's is the world's leading index provider and the foremost source of independent credit ratings. To view the full rating report, [click here](#).

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