



The national credit rating agencies have assigned new credit ratings to the City of Emporia for the first time since 1995.

S&P Global Ratings has assigned a ‘AA-‘ credit rating, which is in the very strong category, based on its assessment of the strength of the City’s finances, management, economy and overall debt burden. Moody’s Investors Service has assigned a ‘Aa1’ enhanced rating which is based on the Virginia Localities Intercept Program and based on the Commonwealth of Virginia’s rating.

The ratings were received in conjunction with the City’s planned issuance of approximately \$9.0 million of debt for energy efficiency projects and for taking advantage of lower interest rates by refinancing existing debt to achieve debt service savings.

With the ‘AA-‘ credit rating, S&P cited several factors including the City’s very strong general fund reserves and liquidity, strong budgetary performance and finances supported by a comprehensive set of formalized financial policies adopted by the City in 2014, and a very weak economy. In addition, S&P believes that the City’s conservative management team, very strong reserve position, diverse revenue mix, and self-supporting utility system should help the city to continue effectively managing any near-term budgetary challenges amid the current uncertainty related to the COVID-19 pandemic.

According to the City’s long-time Financial Advisor, Davenport & Company LLC, the rating from S&P sends a particularly strong message to the credit markets that Emporia is well managed and pays close attention to its fiscal health. “What makes this especially impressive is the fact that it has been nearly 25 years since the City has had a rating and to receive a ‘AA-‘ shows that the City has been and continues to be well run, especially during the pandemic.”

Mayor Mary Person, states, this rating indicates that the city is moving in the right direction with its financial policies, even during the challenging pandemic times. City Manager, William E. Johnson, III, believes the bond ratings will enhance the city’s ability to attract and retain businesses to the city and continue to work towards improving its financial position in conjunction with the goals and objectives set out by Mayor and City Council.