

PRESS RELEASE



CITY MANAGER

To: Media

From: Phyllis Shidler, Finance Director

Date: 12/13/2011

Re: Standard and Poors Issues an Update on the City's General Obligation Bonds

FOR IMMEDIATE RELEASE

The City of Klamath Falls' Finance Director, Phyllis Shidler announced today that Standard and Poors has affirmed the City's Bond Credit Rating on their General Obligation Bonds with an A+ rating and a Stable Outlook.

Every two years, S & P reviews the City's Comprehensive Annual Financial Report along with their most recent Adopted Budget. From this review, S&P develops a picture of the financial health of the City. S&P then interviews Finance staff on technical issues in order to gain a more indepth picture of the City's finances.

According to Standard & Poors, "The city's management practices are considered "good" under Standard & Poor's Financial Management Assessment (FMA) methodology. . . . The stable outlook reflects our view of the city's proactive changes to its operations and its track record of maintaining a very strong available general fund position. "

In this day of fiscal challenges and lower bond ratings being experienced by many local governments, Ms. Shidler says, "the City is in a very good financial position, which is a tribute to the financial oversight by our City Council and staff. The A+ rating gives the City access to money at lower interest costs, benefiting taxpayers if bonds need to be issued for future Capital projects."

A copy of the Bond Rating along with the letter of transmittal can be found on the City's website <http://www.ci.klamath-falls.or.us> under the Finance Department. You can contact the City Manager at (541) 883-5316 or Finance Director at (541)883-5306 with additional questions.