

A Statement from Warren

Mayor Jim Fouts on the City's "AA" Bond Rating

"Just received the Standard & Poor's Global Bond Rating report for Warren. We have a strong "AA" rating.

"Warren's budgetary flexibility and financial health are very strong with an available fund balance in fiscal 2016 of 67% of operating expenses or \$66.7 million. We expect the available fund balance to remain above 30% of expenditures for the current and next fiscal years, which we view as a positive credit factor.

"What a great review for the city of Warren and particularly this administration and the council majority! Make no mistake about it we are one of, if not the best, financially stable cities in the Metro Area. What other city in this area or in the state, has that kind of fund balance? Part of Warren's success is due to the following:

- 1) Number 1 in industrial assessments in the Metro Area
- 2) The healthiest fund balance in Michigan
- 3) \$9 million dollar savings in overtime costs without any reduction in service
- 4) \$2 billion in new business development including a Super Kroger at 13 Mile and Schoenherr and a Super Meijer at 10 Mile and Schoenherr

"There are many more reasons, but this helps to explain why Crain's Business Detroit said we were worth more in industrial assessments

than even Detroit. A strong fund balance allows us to bond at a lower interest rate and also allows us to take care of neighborhood roads and build the detention basin to help stop flooding.

“Strong credit must go to our administrators for again coming in under budget. City Controller Rob Maleszyk and Budget Director Renee Rezak help to make this healthy fund balance possible. Above all, we have a winning team approach!”