



## **MEDIA RELEASE**

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### **FOR IMMEDIATE RELEASE**

#### **S&P Global Rewards Chesterfield Township's Positive Financial Outlook with Bond Rating Increase from AA- to AA Stable**

Chesterfield Township received a bond rating improvement from S&P (Standard and Poor's) Global Ratings from AA- to AA Stable.

After a review of the Townships financial portfolio Standard & Poor's indicated the following factors had an influence on their rating:

- Strong economy with a large residential presence and diverse tax base.
- Very strong budgetary flexibility and strong budgetary performance - Available reserves should remain very strong because management accounts for major capital projects in future budgets.
- Strong management with good financial-management practices, policies under our Financial Management Assessment methodology -- highlighted by monthly budget-to-actual reports to the Township Board; extensive rolling, five-year capital plan; and formal investment- and debt-management and reserve policies, maintaining reserves at a minimum 20% of expenditures.
- Strong Institutional Framework score.
- Very weak debt profile, but no significant additional debt plans currently, for the next two years.
- Well-funded pension and other postemployment benefit plans.

According to S&P, "The rating reflects our opinion of the township's property tax base expansion, growing population, and continued maintenance of extremely strong reserves in addition to management's expectation of maintaining balanced operations with no significant plans to draw down reserves."

“Clearly, this memo and rating demonstrates the Township’s strong financial position and sound practices in our daily operations. I will continue working to strengthen our community while improving operations, oversight and management, while striving to enhance the township. Congratulations to all of our employees who made this possible,” said Chesterfield Township Supervisor Brad Kersten.

Chesterfield Township is currently deep within budget planning process for FY 2024, and this includes remaining consistent with the goals mentioned in our ratings review.

**\*\*End\*\***

Attached: (1) S&P Global Ratings Report

(1) S&P Global Letter #1765271

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