



City of Crystal Lake

MEDIA RELEASE

FOR IMMEDIATE RELEASE

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CITY RECEIVED AAA RATING FROM S&P GLOBAL RATINGS

Crystal Lake - The City of Crystal Lake is proud to announce that Standard & Poor's (S&P) Global Ratings has raised the long-term rating on the City of Crystal Lake to AAA, with a stable outlook.

The City of Crystal Lake's AAA credit rating represents the highest credit rating that can be earned by an organization and has been assigned to very few governments within the State of Illinois. According to S&P, the City of Crystal Lake "embodies many characteristics of a 'AAA' issuer, including a diverse economy that is independently strong and growing...with consistently stable financial operating results with no discernible budgetary pressures... and a sophisticated and knowledgeable management team that has strong planning practices. Furthermore, the debt burden is very low." Other strong credit qualities noted include:

- A growing economy with an economic score anticipated to improve to very strong;
- Maintenance of very strong reserves and liquidity;
- Very strong management conditions, with robust planning and policies; and
- Very low debt profile, with manageable pension costs

The City has worked diligently to balance delivery of consistently high quality services while prudently building sustainable reserves of funds to assist in times of economic downturn or unexpected disastrous events. The AAA rating is a testament to the commitment of the City Council and the City's leadership team to financial policies and strategy, which preserve a long-term sustainable financial plan for the City.

The rating applies to both existing GO debt and to the City's planned Series 2022 General Obligation Bonds. The City is issuing these bonds to fund water and sewer capital projects, including potable water, sanitary sewer and storm sewer improvements. Rating agencies such as S&P issue credit ratings to assist investors in choosing the right investments for their portfolios, as they provide insight to potential bondholders of the City's ability to repay the funds. The AAA rating will allow the City to borrow funds at the best possible rate, minimizing interest cost and freeing up other City funds for necessary projects. The full ratings report can be viewed at <https://www.crystallake.org/home/showdocument?id=20882&t=637862209353875313>

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