



CHEMUNG COUNTY

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Jennifer Furman
Treasurer

From the Desk of Chemung County Treasurer Jennifer Furman, for Immediate Release, 11/22/19:

Chemung County Treasurer Jennifer Furman received confirmation today from Moody's Investors Service (Moody's) of their decision to assign an A1 rating to Chemung County's upcoming Public Improvement Serial Bond. A Moody's rating designates the creditworthiness of the issuer of debt, in this case Chemung County government. A rating of A1 is strong and signifies that the issuer has stable financial backing, ample reserves, and low risk of credit default.

The A1 rating will help to attract competition and better interest rates for the County's upcoming bond sale. More importantly, a maintained A1 rating is great news for the citizens of Chemung County because Moody's does an extensive weighted analysis of the economy and tax base of Chemung County, the County's finances, management strength, and the overall burden of long term obligations such as debt and pension liability. Based on Moody's recent and ongoing evaluation of these variables for Chemung County, the A1 rating released today indicates that the County's finances are not only stable and creditworthy, but also that the broader economic indicators for Chemung County are positive, including steady full value property tax assessment growth, reduced unemployment, and a surge of economic development.

As to the reasons for maintaining the solid A1 rating, Moody's credits a solid and resilient tax base, two consecutive years of essentially balanced operations (2017 and 2018), and low fixed costs with rapid debt amortization. Essentially, the A1 rating released today confirms that the County's finances continue to reflect stability driven by strong management, as indicated earlier in this year with the release of the 2018 Comprehensive Annual Financial Report (CAFR), and also more recently with the County Executive's proposed Budget Report for 2020.

Moody's also indicates in their rating analysis a few factors that could lead to a future rating upgrade, including sustained operating surpluses, tax base expansion, and reduced reliance on sales tax revenues. Factors that could lead to a future downgrade include operating deficits, tax base contraction, and material growth in operating support to other municipal entities as factors that could lead to a future downgrade.

Lastly, it is important to note that the Moody's rating released today is the result of teamwork that has spanned many months. The staff at the County Treasurer's Office worked hard this year to get Moody's the information necessary for them to conduct their rating analysis, including the preparation of the 2018 CAFR. Today's positive results would also not be possible without the support and efforts of County Executive Christopher Moss, Deputy Executive David Sheen, the County Budget Director Steven Hoover, Chemung County Industrial Development Executive Director Joe Roman, the County Legislature, and many others.