



County of Santa Cruz

COUNTY ADMINISTRATIVE OFFICE

701 OCEAN STREET, SUITE 520, SANTA CRUZ, CA 95060-4073

(831) 454-2100 FAX: (831) 454-3420 TDD: (831) 454-2123

SUSAN A. MAURIELLO, J.D., COUNTY ADMINISTRATIVE OFFICER

PRESS RELEASE

Date: October 26, 2016 8:37 AM
Release: Immediately
Contact: Jason Hoppin
Communications Manager
454-3401

COUNTY CREDIT RATINGS UPGRADED

With a strong local economy and sound fiscal policies, Santa Cruz County recently received credit upgrades from two major credit rating agencies.

In June, Standard & Poor Global Ratings upgraded the County to “AA” from its previous rating, “AA-.” The company said the improvement reflects a strong economy, good management and sound fiscal policies.

This month, Moody’s upgraded the County’s lease-backed obligations to “A1” from “A2,” the highest rating within a category of “low-risk” borrowers. Moody’s cited strong debt reserves and seismic insurance maintained on County facilities.

“We see this as a validation of the course we set during the Great Recession,” County Administrative Officer Susan Mauriello said. “The County has sailed through some rough waters, and while the voyage is not over, solid financial footing is within reach.”

The Santa Cruz County Board of Supervisors recently adopted and is working toward a policy of maintaining 10 percent of revenues as reserves and recently approved a contract agreement with its largest employee union, SEIU Local 521. County reserves are currently at nine percent.

Strong credit ratings lower costs to local taxpayers by reducing the interest rates on short- and long-term borrowing. Credit ratings depend on a number of internal and external factors, including the local and national economies, fiscal policies, reserves levels and more.