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Newaygo County Bond Rating Affirmed at AA

At a time when many governments are facing uncertain financial futures, and many states and the federal government have seen their bond ratings downgraded, Newaygo County has received good news. Fitch Ratings has affirmed the County's bond rating at AA, just below the highest bond rating possible. Investors rely heavily upon bond ratings as a measure of financial vitality and as a way to determine where to invest their money.

"The ratings affirmation reinforces the sound financial policies and procedures that the Board has implemented in recent years," said Finance Committee Chair Pat Gardner. "A high rating will save taxpayers hundreds of thousands of dollars by leading to lower interest rates and reduced costs to borrow money."

A bond rating is an independent, outside opinion of Newaygo County's financial well-being and a measurement of the County's ability and likelihood to repay outstanding notes and bonds. An AA rating means that Newaygo County has a very strong capacity to repay its financial commitments. The County's rating was increased from AA- to AA in 2010. The review takes into consideration the state and local economy, unemployment rate, property values, population growth, and overall financial health, among other factors. Fitch determined that the County's rating should remain at AA, and that its ratings outlook was stable.

Driving factors in retaining the AA rating were Newaygo County's reserves in the general, budget stabilization, capital improvements, and delinquent tax funds, as well as the County's low level of debt and its recent agreement to house federal inmates awaiting trial. "Our AA rating reflects Newaygo County's continued commitment to fiscal responsibility," said Board Chair Adam Wright. "Although all governments face financial challenges, the Board of Commissioners has worked diligently to reduce unnecessary spending and to meet the County's financial obligations."

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