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FOR IMMEDIATE RELEASE

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STANDARD & POOR'S REAFFIRMS CUMBERLAND COUNTY'S AAA BOND RATING

Cumberland County, PA – Standard & Poor's Ratings Services has assigned its AAA rating and stable outlook to Cumberland County's Series 2016 General Obligation Bonds and affirmed its AAA rating with a stable outlook on the County's existing debt. Cumberland County Government has demonstrated its strong financial policies and practices are effective, well embedded and likely sustainable. The County's 2016 budget totals \$75.2 million and includes a \$3.9 million fund balance appropriation.

Cumberland County continues to see growth in its broad and diverse local economy as market values have increased by 5.5% since 2013. Cumberland was also recently named the fastest growing county in Pennsylvania and maintains a relatively low unemployment rate, with an estimated population of 246,338. In addition to the County's strong economy and financial management policies and practices, Standard & Poor's cited the following contributing factors to the AAA rating.

- **Strong budgetary performance** results with an operating surplus in the General Fund of 4.3% of expenditures. The surplus was mainly driven by cautious budgeting which resulted in decreasing the gap between revenues and expenses. The County also completed an internal review of overall operations that sought to maintain services, but at a lower cost. It also saw savings in salary costs as the County implemented a new compensation system that made changes to the salary and benefits structure.
- **Very strong budgetary flexibility** as the County continues to adhere to its formal fund balance policy maintaining reserves at a target of at least 100 days of General Fund operating expense, which equates to approximately \$20.9 million.
- **Very strong liquidity** with available cash flow at 32.6% of its total governmental fund expenditures, the County has access to external liquidity and can leverage lower borrowing rates if necessary.
- **Very strong debt and contingent liability profile** are considered positive credit factors, with approximately 78.6% of the direct debt scheduled to be repaid within 10 years. The County's formal debt management policy, investment policies, 5-year financial forecasting, and capital improvement plan are all fundamental components.

Standard & Poor's states "The stable outlook reflects our opinion of Cumberland County Government's very strong budgetary flexibility and liquidity and strong budgetary performance, which Standard & Poor's expects will likely remain stable. In addition, we believe the County's strong economy and very strong management further support the rating." The rating is not expected to change within the two-year outlook period. For more information about Cumberland County Government and the financial management practices used to support its service delivery strategy visit online at www.ccpa.net.

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