



FOR IMMEDIATE RELEASE

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## **City of Granbury Retains ‘AA’ Bond Rating**

**Granbury, Texas** – The City of Granbury has received a ‘AA’ rating from both Standard & Poor’s (S&P) Global Ratings and Fitch Ratings for its series 2018 general obligation (GO) refunding bonds. Both rating agencies also affirmed their ‘AA’ long-term rating and underlying rating (SPUR) on the city’s existing certificate of obligation (CO) and general obligation (GO) bonds.

Bond credit ratings represent the credit worthiness of government bonds. The ratings are published by credit rating agencies and used by investment professionals to assess the likelihood the debt will be repaid. ‘AA’ rating means that the City of Granbury has a very strong capacity to meet its financial commitments. Granbury has maintained the ‘AA’ rating from Fitch Ratings since 2009 and S&P Global Ratings since 2014.

Both S&P Global Ratings and Fitch Ratings noted that the strong economy in Granbury is a factor for the high rating. Granbury serves as a commercial and retail center in Hood County as well as a tourism destination.

“Given the outlook for continued commercial and residential development over the next few years, we expect the economy to remain stable,” S&P Global Ratings’ report states.

According to S&P Global Ratings, the City’s financial policies, strong management, strong budgetary performances, and very strong budgetary flexibility and liquidity also influence the rating.

“The stable outlook reflects our expectation that Granbury will maintain strong budgetary performance leading to the maintenance of very strong reserves and liquidity,” S&P Global Ratings’ report states.

Some of the key aspects that drove this rating, according to Fitch Ratings, are the City’s strong revenue growth, the pace of spending in line with growth, and moderate debt levels. Additionally, the City’s commitment to maintaining a healthy reserve is an important factor. The practice of conservative budgeting and cost saving initiatives enable the City to build up those reserves.

“The city continues to maintain robust reserve levels and is expected to manage through economic downturns while preserving a high level of fundamental financial flexibility,” Fitch Ratings’ report states.

Read the full reports at [www.granbury.org/DocumentCenter/Index/367](http://www.granbury.org/DocumentCenter/Index/367). For more information about the City of Granbury’s Finance Department, visit [www.granbury.org/23/Finance-Administrative-Services](http://www.granbury.org/23/Finance-Administrative-Services).

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