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# News Release

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## Murphy sees significant credit rating upgrade from S&P *Bonds, other debt now at rating house's second highest level*

MURPHY (December 11, 2019) Murphy residents stand to benefit significantly from an announcement by analysts from one of the country's largest rating houses, placing present and future debt at the second highest level of favorability.

On Nov. 27, Standard and Poor's upgraded Murphy's debt profile to "AA+ with a stable outlook," the second-highest rating possible. This follows an upgrade to AA in August of 2014.

"The steady upward trend of our rating by Standard and Poor's over the last few years is a testament to the City's economic stability, it's maturing financial standing, and perhaps most importantly, the careful stewardship of public funds," says Finance Director Karen Montgomery. "The upgrade to AA+ says that Murphy is doing all the right things to remain a good investment for lenders and puts us in a more advantageous position to negotiate rates when we borrow."

The rating has been assigned to 2019 General Obligation (GO) Bonds designed to underwrite the Capital Improvement projects recently approved by voters in 2017 and affirmed for existing GO bonds that the City is already committed to.

City Manager Mike Castro says the upgrade is a positive reflection on Murphy's overall approach to its financials. "Residents should feel extremely gratified to know that the people who are watching and making determinations on the City's finances, including the Mayor, Council and staff, are doing so in a very prudent and thoughtful manner."

In much the same way that a high credit score from consumer credit bureaus allows purchasers to take advantage of low interest rates for auto loans, consumer loans or mortgages, a high rating from municipal bond analysts gives cities and other government entities the ability to borrow money at reduced rates.

"The bond analysts put the City of Murphy through a very thorough review process not only of all of our financial procedures, but virtually every aspect of how the City conducts itself," she said. "After their highly detailed scrutiny, the analysts determined that the City was worthy of the upgrade."

"The upgraded rating took into account the financial discipline and conservative approach to managing funds that have been the hallmark of both the City Council and the staff," added Montgomery. "We all understand the connecting line between budgetary controls and our credit rating."

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ABOUT MURPHY -- Murphy is a fast-growing community located in Collin County. The population is approximately 20,010, generally characterized as highly educated with a median household income well above the state average. With more than 80 percent of the land developed, the community is dominated by single-family residences. City planners strive to preserve a family-oriented community with a strong sense of place. Money Magazine has dubbed Murphy as the 27th Best Place to Live in America for small cities, and D Magazine placed Murphy as the fifth best suburb in the 2014 list, where it has consistently ranked in the top 10.