



## CITY OF SEDALIA

Municipal Building  
200 South Osage Avenue  
Sedalia, Missouri 65301

# NEWS RELEASE

Contact: Office of Mayor Stephen Galliher  
Phone: (660) 827-3000

FOR IMMEDIATE RELEASE

8:30 A.M. CDT, Tuesday, February 10, 2018

### **MAYOR GALLIHER ANNOUNCES CREDIT RATING INCREASE**

(SEDALIA, MISSOURI): Mayor Stephen Galliher had the pleasure to announce to Council that the City's credit rating is receiving an upgrade. S&P Global Ratings raised their credit rating of the City of Sedalia from A+ Stable to AA- Stable citing their view "that management has demonstrated its competency through a history of balanced budgets, and has formalized a significant number of financial policies and practices that ensure the longevity of the practices."

Galliher commented that, "this is a great testament to the financial discipline of staff and council in making tough decisions to be good stewards of the taxpayers' dollars. We really take this part of our jobs seriously to provide the highest level of service possible yet balanced with maintaining a healthy rainy day fund," he continued, "I am so proud of our staff and council members."

S&P Global Ratings is probably the most well-known firm that provides various analysis and credit ratings. Since they are independent from the organizations they rate, investors rely on their work to determine the risk of loaning the City money. The City estimates that this change in rating reduces its costs of borrowing by 15 or more basis points. City Administrator Kelvin Shaw pointed out the importance of this as, "this allows the City to spread the taxpayers' dollars further so that we can provide more services with the same dollars. Just like your personal credit rating has an impact on your ability and the cost to borrow to buy a house or a car, this is the City's rating that affects greatly its ability to provide important infrastructure for the citizens," Shaw added.

Galliher noted that while the accolades given to the strong financial management and position of the City

Government are something to be proud of, the report also points out there is still work to be done on the City's economic conditions. S&P looks at several criteria and the City rated the highest of "Very Strong" in management, budgetary flexibility, and liquidity; while it rated budgetary performance as "Strong"; and its debt position, and institutional framework as "Adequate." The only area the City did not score well in was the economy, which S&P rates as "Very Weak" in comparison with national averages. "We should be very proud that we are recognized as doing nearly all we can in sound financial management of the government, however we also need to continue our focus on economic development and protecting property values," Galliher stated. "Although we are limited in what we can do directly," he continued, "these economic conditions are what affect our boss's daily lives, so we must do all we can." Mayor Galliher concluded with, "this highlights the importance of our work to move the community forward by assisting to bring in the numerous recent additions and expansions of retail stores, restaurants, hotel, distribution, and manufacturing, along with the NUCOR Mill announcement, to provide our Citizens great places to earn a good living and shop locally."