

# Press Release

## HARFORD COUNTY GOVERNMENT

### Office of the County Executive



#### PUBLIC SAFETY

“Ensuring a Safe Harford”

#### EDUCATION

“Preparing Now, Building for the Future”

#### EFFICIENCY IN GOVERNMENT

“Governing Smarter”

#### ECONOMIC OPPORTUNITY

“Growing and Sustaining Harford’s Prosperity”

#### ENVIRONMENTAL STEWARDSHIP

“Protecting Our Environment”

#### QUALITY LIVING

“Safeguarding What is Important to Harford County Citizens”

FOR IMMEDIATE RELEASE: June 1, 2010

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## Harford County Receives Upgrade to AAA Bond Rating

*Outlook for county described as stable with strong financial management*

(Bel Air, MD) - - Harford County Government has received the highest rating by two of three bond rating agencies for its general obligation (GO) bonds. **Fitch Ratings** of New York and **Moody’s Investors Services** of New York each assigned a AAA rating to the County, while **Standard & Poor’s** assigned a AA+ rating. These independent rating agencies consist of financial and business experts. Their goal is to advise investors on how safe an investment in an organization will be. By assigning Harford County these ratings, the experts are saying Harford County is a safe place to invest and do business.

“We are delighted to receive a AAA bond rating,” stated County Executive David R. Craig. “This rating reaffirms that Harford County is well positioned to support our business community, to provide effective and efficient services and conservatively manage our tax dollars,” Craig remarked.

According to a report released by Moody’s, the AAA rating reflects the ongoing diversification and expansion of Harford County’s economic base, driven by the significant presence of the Aberdeen Proving Ground and the county’s strategic location to the Baltimore – Washington Region. The rating also reflects the county’s recently narrowed but healthy financial position, characterized by conservative fiscal management, healthy reserve levels, long-term operating stability and a manageable direct debt burden.

Additionally, Moody’s cited Harford County’s employment base has increased by more than 20,626 jobs or 21.4% between 2001 – 2006, driven by growth in professional services, technology, and transportation sectors. Moody’s also stated “*the county is positioned to experience substantial employment growth with implementation of the Department of Defense Base Realignment and Closure (BRAC), which will have a positive impact to the Aberdeen Proving Ground.*”

( more )

***Harford County Receives AAA Bond Rating***

***June 1, 2010***

***Page Two***

With the ongoing implementation of BRAC, which is scheduled to be completed during the third quarter of 2011, the Office of Economic Development reports that 350 positions transferred to APG in 2008 and another 1,000 are estimated to have located to Harford County during 2009, but the majority of jobs – approximately 8,200 will transfer to the area in 2010 – 2011 following construction of the new Center for Excellence complex at APG.

In their ratings rationale, Fitch reported Harford County's debt levels are moderately low and are expected to remain so due to prudent planning of future infrastructure development. Additionally, Fitch stated the reserves levels are sound and buttressed by strong financial management.

Furthermore, the Fitch ratings report stated, *"Financial operations are characterized by maintenance of sound reserves, a conservative approach to budget development, and timely revenue and spending adjustments. Fiscal policies governing multi-year planning, reserve retention and use of surplus funds for capital and other one-time spending aid in steady operating performance."*

The Fitch ratings report also complimented Harford County Government for managing growth. The report stated, *"The county's long-established development zone has directed utility and other necessary infrastructure to well-defined zones, limiting expensive extensions to more rural areas, and the county has a history of solid pay-as-you go capital financing."*

The Standard & Poor's analysis and bond rating for Harford County Government cited the county's continued growth in an already diverse local economy with employment in the federal government, research and development, warehouse and distribution sectors, benefiting further from good transportation routes and easy access to the Baltimore metropolitan area employment base. Furthermore the report stated the county's economy will soon capture significant economic growth in the wake of BRAC. The analysis concludes by citing Harford County's historically strong financial operations and conservative management practices; and low debt burden coupled with a sizable capital improvement plan.

"We are pleased that the top three rating agencies in the country have recognized Harford County for its future potential, and for our history of strong conservative financial management and planning," County Executive Craig remarked. "The efforts that the County Council and I have taken to diversify the county's economy, reduce the tax burden on citizens as well as make capital investments in schools and key infrastructure projects has positioned Harford County well for the future," Craig stated.

