



**NEWS RELEASE  
FOR IMMEDIATE RELEASE**

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**FITCH UPGRADES TOWN'S CREDIT RATING TO  
AA+, OUTLOOK STABLE**

**PURCELLVILLE, Va. December 13, 2019** — The Town of Purcellville is excited to announce that Fitch Ratings of New York upgraded the Town's credit rating to from AA to AA+ with a "Stable" rating outlook. According to the Fitch press release, the upgraded rating reflects the "town's highest financial resilience, with ample reserve balances supported by significant legal ability to increase revenues." Key ratings drivers include a strong, diversified revenue framework, low long-term liability burden relative to personal income, strong operating performance with "superior budget flexibility and ample general fund balance position to comfortably manage through economic downturn" and a vibrant local economy with highly skilled workers and low unemployment.

Credit ratings act as barometers of the financial and economic health of the government. Strong ratings improve the Town's access to credit markets at favorable interest rates. Potential investors (creditors) see these ratings as a key determinant when deciding whether to participate in the Town's debt issuances, an important funding source for capital improvement projects.

Upon receiving the Fitch press release Mayor Kwasi Fraser said, "This credit upgrade is further evidence of the strength of our local economy with engaged citizens, low unemployment, a skilled workforce, and attractiveness to businesses. Our businesses make us the economic hub of Western Loudoun County, ensuring that dollars stay a while in Purcellville before leaving. In five short years, we have welcomed many new businesses, reduced our debt obligation by over \$6 Million, increased our financial transparency, pursued the monetization of under-performing assets, and boldly resisted development pressures that would have compromised our town's uniqueness. Given this credit rating upgrade, I am confident that we will remain fiscally responsible and that we will not assume unnecessary new debt."

"This accomplish is a testament to four fundamentals that are characteristic of our organization; 1) a cohesive Town Council establishing effective strategic initiatives and policy direction for the administration; 2) excellence in management across all departments; 3) a Finance Dept. that continually exceeds expectations delivering excellence in accountability and oversight; and 4) the conscientious dedication, commitment and care demonstrated each and every day by one hundred percent of our employee group," states David Mekarski, Town Manager.

Additional good news regarding Fiscal Year 2019's strong operational performance was presented by the Town's auditor, Brown Edwards and Company, LLC, during Tuesday's Council meeting. The FY19 Comprehensive Annual Financial Report (CAFR) revealed an increase of over \$2 million in the total net position of \$69.2 million. The general fund operating surplus exceeded \$1 million, a result of property and other local taxes exceeding budget. FY19 spending was under budget with savings seen in the largest departments, public works and

police. The ending unassigned general fund balance of \$6.3 million is well in excess of the Town's fiscal policy guideline of \$3 million or 30% of revenues.

According to the Town's Finance Director, Elizabeth Krens, "The Town's commitment to long-term financial planning and fiscal policy compliance is reflected in the continued strengthening of the credit ratings received from all three national credit rating agencies." Purcellville's "AAA" rating with Standard and Poor's is the highest possible credit rating provided by the agency. The Moody's rating is "Aa2" a very strong investment grade rating.

#### **The Town of Purcellville, Virginia**

"Purcellville-your small Town, where history and progress intersect and people prosper," is an award-winning town of over 10,000 residents located in Loudoun County, approximately 50 miles west of Washington, DC. Having received the prestigious Siemens Sustainability Award for Small Communities, Purcellville continues to be honored for its green initiatives with most recently being the Tree City USA recipient for the 12<sup>th</sup> year. The Town was reaffirmed as a AAA rated community by S&P Global Ratings, the highest credit rating possible, and is recognized as one of the safest towns in Virginia. Once a stop along the W&OD rail line, which has been converted to a multi-use trail from Alexandria, VA to Purcellville, the town has maintained its historic old-town feel through the restoration and maintenance of its many downtown structures, reflecting the Victorian architecture popular during the early 1900s. Today, Purcellville is the economic hub of western Loudoun County and a popular weekend destination for antiquing, equestrian activities, farmer's markets, wineries, breweries, distilleries and restaurants. More info at [www.purcellvilleva.gov](http://www.purcellvilleva.gov).

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