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**Moody’s Upgrades Penfield Rating to Aa1**

*Consistent financial leadership earns high marks*

**PENFIELD, N.Y., MAY 2, 2016** – Moody’s Investors Service has assigned an outstanding Aa1 rating to the Town of Penfield’s $3.6 million Public Improvement Refunding (Serial) Bonds, 2016. Concurrently, Moody's has upgraded to Aa1 from Aa2 the rating on the town’s $7.7 million of general obligation limited tax (GOLT) debt outstanding.

Penfield’s Aa1 rating — just one step from Moody’s highest possible Aaa rating — is notably one of the highest of all recent Moody’s ratings of municipalities in Monroe County.

The upgrade is based on the town’s continued trend of strong financial operations and maintenance of ample reserves and liquidity. Moody’s states the Aa1 rating incorporates the town’s stable and growing tax base that benefits from its above-average resident wealth levels, modest debt burden, and average pension liability.

Additionally, the Town of Penfield has mitigated the impact of rising health care costs for active and retired employees through its leadership in forming a healthcare consortium with other municipalities and agencies in Monroe County to leverage total plan participants to negotiate lower rates for all member organizations. Health care rates do continue to increase year-on-year, but at lower pace compared to pre-consortium trends.

Through the Town of Penfield’s conservative financial practices and disciplined budgeting, the town has sustained reasonable growth, maintained services, and reduced expenses by ‘pay as you go’ purchasing rather than through more costly bonding of individual pieces of equipment, infrastructure updates, and expansions.
A significant factor in the town’s rating is the low debt burden for our residents. The direct debt equates to just 0.6% of the town’s assessed value,” said Barbara Chirdo, Town Comptroller. “This Aa1 rating reflects that the town’s current debt obligations are judged to be of high quality and subject to very low credit risk. The town’s leadership continues to have a judicious approach to borrowing with the community’s long term needs in balance with affordable tax rates.”

A key benefit from the rating upgrade for the Town of Penfield is a lower interest rate resulting in reduced expenses of approximately $18,000 a year for the remaining life of the bonds. The expected sale date is May 12, 2016.

“Moody’s recently announced credit rating improvement for Penfield is a reflection of a lot of hard work by department heads, our comptroller, and the town board. Our conservative approach and Aa1 rating ensure a strong financial outlook for our residents as we maintain appropriate reserves and do not over-spend or accrue large amounts of debt,” said Supervisor Tony LaFountain. “As we head into the 2017 budget process, savings like this help to offset uncontrolled rising costs of insurances, health care, and equipment — much like we all face year-on-year as we manage rising costs and expense reductions in our personal budgets.”

Moody’s is among the world's most respected, widely utilized sources for credit ratings, research, and risk analysis. Moody’s publishes market-leading credit opinions, research, and commentary that reach institutions and users around the globe. The Town of Penfield has held Moody’s positive Aa2 rating since 2010. The current upgrade to an even higher Aa1 reinforces the town’s reputation for fiscal leadership and strong management practices. The Aa1 rating allows Penfield to secure low-interest financing for capital projects, and assists with cash flow management throughout the year.

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**Media Contacts**

R. Anthony (Tony) LaFountain, Penfield Town Supervisor  
585.340.8631

Phyllis Ely, Communications  
585.340.8647