



COMMUNICATIONS DIVISION
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CITY OF MUSCATINE PRESS RELEASE

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**FOR IMMEDIATE RELEASE
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CITY OF MUSCATINE ASSIGNED Aa2 RATING BY MOODY'S

Rating reflects positive opinion of City financial operations over recent years

MUSCATINE, Iowa – The City of Muscatine was assigned an Aa2 rating from Moody's Investors Service based on the city's stable population trends, a growing tax base, stable financial operations, and healthy reserves. The rating is for the \$4.88 million General Obligation Corporate Purpose Bonds, Series 2024, that the City will receive bids on Thursday (May 16).

"This is very good news for a community of our size," Nancy Lueck, Finance Director for the City of Muscatine, said.

The Series 2024 bond issue will be used to fund a variety of City projects that have recently been completed, are currently underway, or will be underway in calendar years 2024 and 2025. These projects will continue to add to the benefits of working in, living in, and raising a family in Muscatine.

The projects and the proposed bond issue were reviewed with City Council during the budget sessions in January and February. City Council approved the issuance of the bonds during their March 7 meeting.



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Proceeds will finance various essential and general corporate purpose projects within the city, including municipal airport, Soccer Field Complex, and lagoon-bank stabilization improvements, fire truck and ambulance acquisitions, nuisance abatement and demolition projects for dangerous and dilapidated properties, police department training facilities, and installing fuel tanks and pump replacements, as well as constructing a vehicle wash-bay for the Public Works Department.

Moody's Investors Service also maintained the Aa2 rating on the city's outstanding general obligation unlimited tax (GOULT) debt that will total approximately \$25 million following the sale.

Muscatine has had an Aa2 rating since 2010 and the rating reflects the city's healthy financial position that will remain sound despite potential spenddowns over the next couple of years for one time capital items. Ratings of Aa1, Aa2, and Aa3 mean that the bonds are of high quality by all standards, but carry a slightly greater degree of long-term investment risk. The Aa2 rating is also just two steps away from the top rating of Aaa.

Earmarked projects for the estimated \$4.88 million total bond issue:

- \$700,000 for the Indoor Sports Dome Project;
- \$500,000 for the Weed Park Lagoon Bank Stabilization Project;
- \$221,000 for Soccer Fields 1-6 Irrigation System Improvements;
- \$294,000 for the local share of four airport projects (taxiway widening \$49,000, relocating fuel system phase 1 \$100,000, Lights, PAPIs and REILS for runway 12/30 \$65,000, and relocating Jet A tank \$80,000);
- \$918,000 for a fire engine;
- \$280,000 for an ambulance;



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- \$700,000 for the City's share of the training facility for the Police Department;
- \$500,000 for the Public Works fuel tank and pump replacements;
- \$205,000 for the local share of the vehicle wash bay project;
- \$200,000 for Community Development building demolition projects; and,
- \$260,000 for deferred building maintenance projects.

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