

# City boasts straight-A's in credit report

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Saskatoon has scored yet another AAA credit rating and stands among the few Canadian municipalities to achieve the high score.

Bond rating agency Standard and Poor's once again confirmed the City of Saskatoon's AAA rating, making it the 20th consecutive time the city has achieved the highest possible level.

A higher rating means there is a lower risk associated with borrowing, which means the city is looked at favourably by financial institutions and gets the best rate for municipalities.

The rating was based on a strong operating performance, robust economy and high reserve levels that exceed debt, said Suleman Souleyman, an analyst with Standard and Poor's.

"The stable outlook reflects our expectation that Saskatoon's revenue and cash and investment balances will rise commensurately with debt and that its economic performance will remain relatively robust," he said in a news release.

Saskatoon's large capital program, which includes more borrowing for projects such as the new water intake, Circle Drive South, which is paid for through gas tax revenue, a new police station and the Shaw Centre "slightly mitigates these strengths," Suleman said, but the rating is not in jeopardy in the near term.

The city's debt limit, as set by the Saskatchewan Municipal Board, is \$298 million, but that may be increased soon, officials say.

The other AAA municipalities are Mississauga, Barrie, and Brampton and the regions of York, Peel, Durham and Halton, all of which are in the Toronto area.