CHATHAM RETAINS AAA BOND RATING BY S&P GLOBAL

The Town of Chatham’s AAA Bond Rating was re-affirmed by Standard & Poor’s on June 1, 2020 and with a “Stable” Outlook following a ratings review call with Town Manager Jill R. Goldsmith, Finance Director Alix Heilala, S&P analysts and the Town’s financial advisors to discuss the issuance of General Obligations (“GO”) Bonds in the amount of $3.7M to finance the Town’s waterfront (bond) infrastructure projects.

AAA is the highest bond rating for municipalities.

The ratings report states, “Chatham enters the national recession triggered by the outbreak of COVID-19 with strong reserves and liquidity and well-embedded financial management policies, particularly in the areas of budgeting and planning. While significant economic uncertainty remains, we understand management has taken measures to cushion the effects of potential revenue shortfalls and has additional measures at its disposal that it could implement if necessary.”

While the report notes that the environmental risks are high for the Town “due to its location along the Atlantic Ocean and thus its direct exposure to rising sea levels,” it concludes “The town is proactively managing these risks via resiliency studies, hazard mitigation planning, and capital waterfront projects, among other endeavors.”

Town Manager Jill R. Goldsmith said in an email to Selectmen notifying them of the affirmation, “Our conservative budgeting and coastal resiliency planning efforts contributed to maintaining our S&P bond AAA rating and with a stable outlook!”

The GO bond bids are scheduled for issuance on June 3, 2020. The Rating is AAA/Stable is for both the new issuance and affirmed for outstanding GO Bonds. The Bond Award is scheduled for the Board of Selectmen’s meeting of June 9, 2020.

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