

CITY OF ROLLING MEADOWS CREDIT RATING

The City of Rolling Meadows is committed to strong financial management and policies. In December 2013, Standard & Poor's Rating Services raised the City's long-term rating on the City of Rolling Meadows' general obligation bonds to AA+ from A+ (increased by three levels). Standard & Poor's cited the City's very strong budgetary flexibility, liquidity and strong budgetary performance among the reasons behind the increase in the credit rating. S & P reaffirmed the rating when the City issued bonds in December 2018 and March 2019.

In November 2014, Moody's Investor Service upgrade the City of Rolling Meadows' general obligation bond rating to Aa3 from a previous rating of A1 (increased by one level), reflecting the agency's confidence in the City's overall financial health. The Moody's report cited a substantial increase in the City's reserve levels as well as a strong capacity to meet financial obligations. Moody's reaffirmed the rating in 2018.

- As of March 2019

MOODY'S	STANDARD & POOR'S	SUPPORTING REASONS
Aa3 Increased 1 level from A1 on 11/20/14	AA+ Increased 3 levels from A+ on 12/18/13	Standard & Poor's Highlights for Rolling Meadows: Recent trend of General Fund surpluses Very strong budget flexibility Very strong liquidity providing very strong cash levels Strong Management with good financial policies and practices Moody's Highlights for Rolling Meadows: Actively engaged financial management team that maintains a recent record of strong operating results Revenue raising flexibility as a Home-Rule community Modest debt burden with rapid amortization of outstanding principal

NOTES:

1) This information is disclosed in municipal Audits in the Management Discussion & Analysis (MD & A) under the Debt Service Discussion.

Credit Ratings and What They Mean

Two companies provide most of the municipal bond ratings in use today: Moody's and Standard & Poor's.

MOODY'S	STANDARD & POOR'S	MEANING
Aaa	AAA	Strongest possible rating; issuer has strong capacity to meet its financial obligations
Aa1 Aa2 Aa3	AA+ AA AA-	Strong credit; strong capacity to meet financial obligations
A1 A2 A3	A+ A+ A-	Above average credit; strong capacity to meet financial obligations
Baa1 Baa2 Baa3	BBB+ BBB BBB-	Average credit; average capacity to meet financial obligations