



Bexar County Commissioners Court

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Bexar County Maintains Triple-A Bond Ad Valorem Credit Rating for the Fourth Consecutive Year

County also received an upgraded credit rating of A+ on its Venue Project Revenue Bonds

Amid sound financial planning, guided by Commissioners Court, the County's Ad Valorem Tax has maintained its Triple-A Ad Valorem rating, the highest possible rating from Fitch Ratings, Moody's Investors Service, and S&P Global Ratings for the fourth consecutive year, making it one of the few local governments in our area to be Triple-A rated by all three major rating agencies.

The Triple-A rating comes as no surprise as the Bexar County Commissioners Court continues to push for strong fiscal policies, while historically lowering the property tax rate since 1994 – made possible by new construction.

"Bexar County continues to demonstrate its financial stability, improve services for residents and plan for our future," stated Bexar County Judge Nelson Wolff. "Attaining the highest possible credit rating, not only reduces the burden on tax payers, but also strengthens our economy and attracts new businesses to the County."

Bexar County not only offers a diverse labor force that draws the expansion of new industries in tech and manufacturing, but through partnering with different agencies, such as the Alamo Colleges and Texas Federation for Advanced Manufacturing Education, the County ensures a strong workforce for tomorrow.

Additionally, S&P Global Ratings (S&P) has upgraded Bexar County's Venue Project Revenue Bonds (Combined Venue Tax) to A+ from its previous A score.

S&P attributed their credit upgrade in their confidence of a strong economy, the projected growth the County expects as a tourist attraction, and our large convention industry. The County's investments in parks and facilities, such as San Pedro Creek Culture Park, Hot Wells of Bexar County, the AT&T Center, and pursuit of the San Antonio Missions designation as a World Heritage site, continue to make it a world-class destination for visitors.

Instituted in 1999, both the hotel occupancy tax and motor vehicle rental are projected to reflect continued growth, which is driving increased credit confidence. These bonds are supported by the County's collection of a 1.75 percent Hotel Occupancy Tax and a subordinate lien on the County's collection of a 5 percent Motor Vehicle Rental Tax.

The outlook on the County's Triple-A credit rating remains stable. S&P mentioned the County's financial stability, strong management practices, and very strong economic fundamentals. Fitch Ratings referenced County management's prudent budgeting and how this benefits the County's prospects for maintaining balance through economic cycles. Moody's Investors Services stated that the County's financial history also demonstrates its conservative budgeting practices as the County typically outperforms the budget.

Those policies and practices include conservative estimates based on analysis of historical trends and making budget assumptions on the current economic outlook. The Bexar County Budget Department also produces long-range financial forecasts, long-term capital plans and monitors budget performance on a monthly basis.

In FY 2018-19, the County estimated that the Triple-A credit rating has resulted in an estimated savings of \$89.1 million in debt service payments for the County.

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