

October 19, 2012

More Good News! The City received notice last week that Standard and Poor's, a credit rating agency, raised the revenue bond rating for the City of Corsicana from an A- to an A. The City Council adopted a financial policy in 2000 with the stated goal to achieve an A bond rating for both general obligation and revenue bond issues. In the slow climb to rebuild the City's credit rating, this is another milestone. This is important to businesses and residents for many reasons. A higher rating allows the City to enjoy a lower interest rate when borrowing money for large projects, and is proof to the citizens that the city is on solid financial ground.

**City of Corsicana
Bond Rating History**

General Obligation			
Date	Moody's	Date	S&P
8/17/2001	Baa1	12/11/2000	BBB+
1/19/2007	A3	2/27/2008	A-
4/23/2010	A1*	2/5/2010	A

Waterworks & Sewer System			
10/4/1999	Baa1	12/12/2000	BBB
4/23/2010	A1*	3/21/2008	BBB+
6/29/2010	A2	8/14/2009	A-
		10/15/2012	A

*Recalibration - change in ratings scale

In addition, the Insurance Service Organization, ISO, conducted a survey of the City of Corsicana this year. The evaluation included a review of the City's fire department, water services, police department communications, permitting and inspection departments and was

conducted in order to determine the City's capabilities in these areas. The information obtained during the survey was used by ISO to determine and set the City's Property Protection Classification, PPC. This classification is used by most insurance agencies to determine fire insurance rates for business and residential property owners.

The PPC Classification is based on a numerical scale from one to ten. A classification of one is considered the best classification a city can obtain. Corsicana currently has a classification of five and has held this classification for many years. The result of the current survey has lowered the classification to a four which should offer a reduction in the fire insurance premiums the citizens pay. It is the City's goal to reach an ISO rating of 3 in the future. Work will continue toward that end.

Sincerely,

Chuck McClanahan

Mayor