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ERIE COUNTY COMPTROLLER

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WALL STREET RECOGNIZES COMPTROLLER'S FISCAL LEADERSHIP IN TOUGH ECONOMY

Independent ratings agency affirms Erie County A+ rating, cites work on reducing the deficit as a key factor in Erie County's strong rating, while other municipalities were reduced

(ERIE COUNTY, NY) – Erie County Comptroller Stefan Mychajliw announced today that Wall Street ratings agency “Fitch Ratings” has affirmed Erie County’s A+ rating for long-term bonds, with a stable outlook. This independent rating is critically important, because it sets the benchmark on how much money it will cost the County of Erie to borrow.

The higher, strong the rating, the cheaper it is to borrow because there’s less of a risk for banks and investors. The lower, weaker the rating, and it becomes more expensive for governments to borrow money.

An independent Wall Street ratings agency affirming Erie County’s strong credit rating is even better news for the Office of Erie County Comptroller and taxpayers, considering many municipalities and governments were downgraded once the Coronavirus crisis decimated the economy.

The Comptroller says this signals that the county can borrow with relatively low interest rates. That saves money, and ultimately it is good for taxpayers.

“It’s good to know that in these difficult economic times, Erie County’s finances under my leadership is still strong in the eyes of Wall Street. I’m proud of the work my team does to keep Erie County on solid financial ground, even through a pandemic,” said Comptroller Mychajliw.

The ratings agency also expressed how impressed they were with Erie County’s deficit reduction plan. As a result of the impact felt by COVID-19, Erie County expects to lose millions in sales tax revenue that will impact the 2020 spending plan.

PRESS RELEASE
Page #2

"The Charter and the deficit declaration process works," said Comptroller Mychajliw. "Thank God I declared a deficit. We got the deficit reduction process started by declaring one. Some Legislators foolishly criticized that. An independent ratings agency affirmed our healthy fiscal position and pointed to a deficit reduction plan as one reason why we are in strong financial shape. Because we did not stick our head in the sand and tackled the deficit head on, Wall Street rewarded us with an affirmation of our strong credit rating."

Meanwhile, independent ratings agencies are downgrading local governments and even entire nations, ranging from Suffolk County to Canada.

While the A+ rating is a positive sign for Erie County, Comptroller Mychajliw warns that lawmakers need to be vigilant as the county works its way through the fiscal crisis.

"We are facing budget stresses we have never experienced before. It's great that Wall Street recognizes the hard work we are doing to protect taxpayers. But there are still storm clouds on the horizon. Lawmakers need to be careful how they proceed. I'm glad we got the ball rolling to ensure Erie County put a deficit plan in place, and my office could get to market to do the needed borrowing," concluded Comptroller Mychajliw.

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