

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "Direct to Mayor and Council - DL"
Date: 10/5/2023 12:52:16 PM
Subject: Moody's affirmation of top credit rating news release bulletin (Oct. 4)

Dear Mayor and Council,

I am writing to inform you that the City will be issuing the below news release today (Oct. 4) regarding Moody's affirming the City of Vancouver's Aaa rating and stable economic outlook. Please keep this news release embargoed until it goes live from the City media email account at 1 pm.

The news release includes a link to the [full credit report](#), which was released by Moody's on Tuesday, and is now available on the City's investor relations webpage.

Maria will reply to this email with the relevant Vancouver.ca link and social media links, once these are live.

Best,
Paul

Paul Mochrie (he/him)
City Manager
City of Vancouver
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The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish), and səliłwətał (Tsleil-Waututh) Nations.

City of Vancouver
News release
October 4, 2023

Moody's affirms top credit rating and stable outlook for City of Vancouver

Moody's Investors Service has [affirmed the City of Vancouver's Aaa senior unsecured debt rating](#) with a stable outlook. The rating reflects Vancouver's strong liquidity, which provides robust coverage of debt and expenses, low debt levels and demonstrated strong governance.

The City maintains a stable financial outlook and predictable revenue base, with approximately 75 per cent of its operating revenue from its own sources, such as property tax and user fees. The stable outlook reflects Vancouver's capacity to preserve a strong fiscal performance from predictable sources of revenue and low debt levels.

"Maintaining the highest possible credit rating with Moody's confirms the City is in excellent financial standing," says Mayor Ken Sim. "Expanding revenues and managing City spending to maintain low debt levels are top priorities to ensure continued economic stability and fiscal health."

Vancouver's net direct and indirect debt stood at 32.5 per cent of operating revenue in 2022, lower than similarly rated municipalities. Despite the economic challenges faced during the pandemic, economic growth has rebounded supported by a diverse range of sectors including finance, real estate, tourism and technology. Due to this financial recovery and commitment to expand City revenues streams, Moody's

predicts the City will maintain very strong debt affordability over the next three years.

Background

Moody's Investors Service is a leading global credit agency, which rates the creditworthiness of companies, governments and the securities they issue. Credit ratings are based on various factors including cash flow, debt levels, regulatory environment and governance. The City of Vancouver continues to have among the best municipal ratings in Canada.

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