

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>

To: "Direct to Mayor and Council"

Date: 2/25/2025 9:33:56 AM

Subject: Upcoming news release: City of Vancouver maintains top credit rating and stable outlook (February 25, 2025)

Dear Mayor and Council,

I am writing to inform you that the City will be issuing the below news release on February 25 announcing that the City has maintained a 'AAA' credit rating with a stable outlook, affirmed by S&P Global Ratings (S&P). Please keep this news release embargoed until it goes live from the City media email account tomorrow.

The news release includes a [link to the full credit report](#), which was released by S&P earlier this month, 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

paul.mochrie@vancouver.ca



The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x m k y m (Musqueam), S wxwú7mesh (Squamish), and s lilw ta (Tsleil-Waututh) Nations.

City of Vancouver

News Release

February 25, 2025

City of Vancouver maintains top credit rating and stable outlook

The City of Vancouver has once again achieved a 'AAA' credit rating with a stable outlook, the highest possible rating, [affirmed by S&P Global Ratings \(S&P\)](#). This rating places Vancouver among the highest-rated cities in Canada, reflecting its strong financial management, stable revenue base, exceptional liquidity and moderate debt burden.

The City maintains a stable financial outlook and a predictable revenue base, with approximately 80 per cent of its operating revenue coming from its own sources, such as property taxes and user fees. The stable outlook reflects Vancouver's capacity to preserve strong fiscal performance through reliable revenue streams and prudent debt management.

"Maintaining Vancouver's AAA credit rating is a testament to our City's strong financial stewardship and commitment to long-term sustainability," said Mayor Ken Sim. "This rating allows us to invest in critical infrastructure and support essential services, ensuring we continue to build a resilient, inclusive, and thriving city."

Vancouver's net direct debt stood at 26.9 per cent of operating revenue in 2024, in line with other AAA-rated municipalities. Despite cost pressures, including increased capital investment costs passed on to the City from Metro Vancouver, S&P noted that the City's financial position remains strong, supported by property tax revenues, utility fees and enhanced non-tax revenue generation through fee optimization, real estate portfolio optimization, sponsorships, advertising, naming rights and donations.

Additionally, S&P expects Vancouver's economic outlook to remain stable, despite risks from global trade uncertainties and proposed U.S. tariffs, due to its diverse and resilient economy, driven by key sectors such as construction, transportation, technology and green innovation.

Background

S&P Global Ratings is a leading global credit rating agency that provides independent assessments of creditworthiness for 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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Media contact:
Civic Engagement and Communications
media@vancouver.ca