

Fresno's credit rating receives a boost

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Moody's Investor Service has changed its outlook of Fresno's long-term ratings from stable to positive and affirmed the city's overall bond ratings.

"This reflects the smart choices we've made in recent years to discipline ourselves to focus on managing the fiscal crisis at hand while at the same time keeping an eye on the responsibilities of tomorrow," Mayor Ashley Swearengin said in a prepared statement.

According to Moody's, the change in the city's outlook reflects recent positive changes in Fresno's economy which have helped create increases in property and sales taxes which are some of the city's most important revenue sources. The rating service said the new outlook reflects its expectation that the city's ongoing commitment to rein in expenditures and rebuild depleted reserves will continue to pay off in the future.

The decision to upgrade Fresno's long-term outlook also recognized the city's ongoing fiscal challenges and suggested confidence that the city's management has laid the foundation for a credible turnaround. Moody's said the local economy is poised for improvement if the city continues to address its reserve levels and increase its fiscal flexibility.