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**FITCH AND MOODY’S UPGRADE ALAMEDA COUNTY ISSUER RATINGS TO “AAA”  
ALL “BIG THREE” RATING AGENCIES POSITIVE ABOUT COUNTY’S FINANCIAL OUTLOOK**

Fitch Ratings and Moody’s Investors Service have both upgraded Alameda County’s Issuer Ratings to “AAA” and “Aaa” respectively, the highest municipal bond ratings possible. Both agencies say the County’s financial outlook is Stable. Standard and Poor’s Global Ratings confirmed the County’s “AA+” rating also with a Stable Outlook and suggested that with enhanced financial forecasting models in the coming year, the County is poised for an upgrade.

In an announcement on Monday, Moody’s said its upgrade “reflects the County’s exceptionally strong financial position as evidenced with fiscal 2016 marking the County’s twelfth consecutive operating surplus, the County’s diverse and stable tax base supported by a strong economy and management’s progressive actions to address its long-term liabilities.”

Each of the “Big 3” rating agencies cited the County’s strong financial position supported by ample reserves, fiscal discipline and prudence; adherence to detailed Financial Management policies; annual adoption of balanced budgets without major program cuts or staff layoffs; and a strong, stable leadership team.

“Thanks to the strong leadership and dedicated fiscal stewardship of our Board of Supervisors, Alameda County has emerged from the difficulties of the Great Recession and positioned itself to benefit from a more robust economy,” said Susan S. Muranishi, Alameda County Administrator. “This has allowed us to prepare for the next economic downturn while ensuring that Alameda County’s core services are stable and our most vulnerable populations will continue to be served.”

Fitch, Moody’s and S&P all expressed positive views of the County’s financial relationship with Alameda Health System (AHS), which operates Highland Hospital in Oakland and other facilities within the County’s safety net public health network. Loans made by the County to AHS peaked at nearly \$200 million in 2014, but an amended long-term agreement and an improved financial performance by AHS have significantly lowered the debt burden AHS has on County finances.

The agencies also praised other moves by the County to protect its financial position – including the designation of \$400 million and adoption of a policy to further increase reserves to offset the County’s pension liabilities; and the maintenance of the County’s Emerald Fund, built through the sales of surplus County property and the use of its interest earnings to service existing debts.

In the coming weeks, the Alameda County Board of Supervisors and County staff are expected to complete the refunding of outstanding debt related to the construction of the County’s Juvenile Justice Center in San Leandro. The move, which takes advantage of historically low interest rates, is expected to save taxpayers an estimated \$1 million annually. These savings are expected to go toward future debt service payments, further strengthening the County’s financial position.