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NEWS RELEASE

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City of Dubuque Receives Aa1 Bond Rating from Moody's Investors Service

DUBUQUE, IA –Moody's Investors Service recently recalibrated its long-term U.S. municipal ratings to move them from a separate municipal rating scale to its global rating scale, in an effort to create a single rating system for all debt issuers. Moody's currently uses a Global Scale Rating for everything but municipal entities. As a result of this recalibration, the City of Dubuque is now rated Aa1, the second highest rating available from Moody's. This is an increase from the previous rating of Aa2, which is the third highest rating available.

Moody's main goal with recalibration is to allow for a more straightforward comparison between rated entities. Currently, Moody's municipal ratings have been calibrated on a separate municipal rating scale. After the process of recalibration, Moody's will maintain a single global scale rating system for municipal issuers and will no longer assign municipal ratings with their global scale equivalent. Moody's main rationale in this change is to create an easier method of comparison between municipal and non-municipal sectors.

Moody's recalibration will result in an upward move for most state and local government long-term municipal ratings. Rationale for ratings will be applied to groups of ratings, not individual credits. Therefore, each individual entity will not be examined, but instead be recalibrated by sector and current municipal rating. Moody's Investors Service has stated that "market participants should not view the recalibration of municipal ratings as rating upgrades, but rather as a recalibration of the ratings to a different rating scale."

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