



MOODY'S AFFIRMS A1 BOND RATING ON CITY OF WIXOM'S GENERAL OBLIGATION DEBT

May 27, 2009 Moody's Investors Service, NY, NY announced it has continued to affirm an A1 bond rating for the City of Wixom, MI. The last rating action occurred on February 6, 2006 when the City's rating was also A1. The rating recognizes the City's sound financial operations characterized by healthy reserves and prudent fiscal management. City Manager Dornan commented by saying, "Moody's affirmation of the City's bond rating comes on the heels of the loss of a major tax payer and the crafting of a financial master plan that is working to ensure the City's future financial stability."

For a complete summary of Moody's affirmation of Wixom's A1 bond rating, please visit the City's website at www.cityofwixom.com.

Moody's also notes that the City maintains several measures of flexibility beyond reserves and the City's Five Year Action Plan. The City's management strategy includes additional margin under its property tax ceiling and the City's sizeable transfer of the general fund for capital improvements each year which can be adjusted should the need arise. Even with City staffing levels declining from a peak of 65 in FY 2004 to a current level of 58, the City focuses on reducing costs, maintaining adequate reserves and increasing city-wide operational efficiencies.

While property values are expected to decline throughout the Detroit metro area, the City expects to see far less of a decline. The City also has one of the lowest foreclosure rates in the region and building permits are still being filed, though at a slower pace than historical levels. Resident income levels track above national and state averages with per capita and median family income at 128% and 129% of the nation, respectively. The median home value in Wixom is approximately 163% of the national level, providing evidence of the high quality nature of construction in the City.