

Calvert retains AAA bond rating

Posted by [TBN Editor](#) On 04/15/2019

PRINCE FREDERICK, MD - On April 15, the Calvert County Board of County Commissioners (BOCC) announced the county has, for the fourth consecutive year, received AAA credit ratings from three independent credit rating agencies. Fitch Ratings, Moody's Investors Services and S&P Global Ratings assigned Calvert County their highest ratings due to the county's strong economy, robust revenues and sound financial management.

The three ratings are assigned to Calvert County's 2019 consolidated public improvement general obligation bonds totaling \$23.25 million and are reaffirmed for the county's outstanding debt.

Fitch Ratings assigned its AAA credit rating based on "the county's low long-term liability burden, very healthy reserve levels and superior budgetary flexibility, which collectively support an expectation for a high level of fundamental financial flexibility through economic cycles, and prudent budget management." The agency noted these attributes combine to establish a resilience to potential economic downturns. "The county's commitment to financial flexibility is demonstrated by efforts to control costs and in its comprehensive multi-year forecasts," Fitch Ratings added.

Moody's Investors Service's "Aaa stable" rating analysis cited the county's credit strengths, including a healthy financial position supported by formal policies; the Payment in Lieu of Taxes (PILOT) agreement with Dominion Cove Point that provides a significant influx of revenues; a strong demographic profile including high median family income and low unemployment; and manageable debt and pension burdens. "The outlook also incorporates the recent trend of growth in the county's tax base, which will likely continue because of commercial and residential development, along with the county's close proximity to the District of Columbia," the agency stated.

In its rationale for Calvert County's AAA rating, S&P Global Ratings noted the strength of the county's economy, its financial management and its budgetary performance and flexibility. "We view the county's management as very strong, with strong financial policies and practices under our Financial Management Assessment methodology, indicating financial practices are strong, well embedded and likely sustainable," S&P stated.

"Calvert County has a long record of capable, conservative financial management," said BOCC President Thomas "Tim" Hutchins. "These AAA bond ratings are a clear endorsement of our fiscal stewardship. The ratings not only acknowledge the county's strong financial performance, they also help the county achieve the best interest rates available in the marketplace, thereby reducing the amount of interest on county bonds, and saving an appreciable amount of money."

"This is a proud moment for the county and for county government staff," said County Administrator Terry Shannon. "Earning and maintaining top bond ratings requires a lot of work and planning. We are delighted the rating agencies recognized our healthy financial position and endorsed our fiscal policies."

For more information on Calvert County's financial policies, please contact Tim Hayden, director of Finance and Budget, at 410-535-1600, ext. 2435, via email at Timothy.Hayden@calvertcountymd.gov or visit online at www.calvertcountymd.gov. Like Calvert County Government on Facebook.

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