



Calvert County NEWS

175 Main Street
Courthouse
Prince Frederick, Maryland 20678
Phone: 410-535-4583 • 301-855-1880
www.co.cal.md.us

Board of Commissioners
Gerald W. Clark
Pat Nutter
Susan Shaw
Evan K. Slaughenhoupt Jr.
Steven R. Weems

FOR IMMEDIATE RELEASE

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Contacts: Mark Volland, Marketing Communications Specialist
410-535-4583 Email: vollanrm@co.cal.md.us
Carrie Lovejoy, Public Information Specialist
410-535-4583 Email: lovejocb@co.cal.md.us

Calvert County, Md. Credit Ratings Remain Stable *Major Rating Agencies Affirm County's Sound Financial Outlook*

PRINCE FREDERICK, Md. – June 11, 2013 – The Calvert County Board of County Commissioners (BOCC) announced that three independent credit rating agencies have given Calvert County strong credit ratings due to the county's consistently sound financial operations, strong reserves, conservative fiscal policies and growing economy.

Fitch Ratings and Standard and Poor's Ratings Services reaffirmed their highest AAA ratings. Moody's Investor Service rating remained stable at Aa1. The ratings are assigned to Calvert County's 2013 issue of consolidated public improvement and refunding bonds totaling \$17.3 million and are reaffirmed for the county's outstanding debt.

Calvert County staff members teleconferenced with all three bond rating agencies in May to present the county's economic and management profile in anticipation of the bond sale.

"This news shows that Calvert County remains on the right fiscal track, even in a difficult national economy," said Board of County Commissioners President Pat Nutter. "A strong credit rating reduces financing costs for our bond issues, and that means a savings of more than \$368,000 to county taxpayers."

In its rating rationale, Standard & Poor's cited the county's strong established fiscal policies, multiyear forecasting and "healthy revenue-raising flexibility," and praised the county for a general fund balance above 25 percent of the expenditures for about 10 years. "In our opinion, the county's business outlook appears to be very strong, highlighted by a number of significant economic development projects," the report states.

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Fitch Ratings observed that Calvert County's general fund has done well over time. "Reserves are maintained at a prudent level, and revenue control and flexibility are considered healthy by Fitch," the report states. The agency cited the county's proximity to major employment centers Annapolis, Baltimore and Washington, D.C., as a factor in keeping the local unemployment rate low.

The Moody's Investors rating announcement noted that Calvert County received its Aa1 because of comprehensive fiscal policies and practices, as well as historically stable reserves. The county has a sizeable tax base and manageable debt burden, the report states.

The BOCC voted on May 21 to accept the bid on the county's bond issue made by Citigroup Global Markets Inc. with a true interest cost of 1.96 percent, the lowest rate of the five bids received for this offering. The proceeds will fund several of the county's capital projects.

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 haydent@co.cal.md.us or visit online at www.co.cal.md.us.

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Calvert County is Maryland's smallest county in land area with 213 square miles. It is home to nearly 90,000 people and has one of the highest standards of living in Maryland. Major industries include defense contracting, information technology, tourism, energy, advanced manufacturing and administrative services. Like us on Facebook by searching for Calvert County Government, Calvert County, Maryland.