



Calvert County NEWS

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Calvert County, Md., Credit Ratings Remain Strong *Major Rating Agencies Affirm County's Sound Operations and Positive Financial Outlook*

PRINCE FREDERICK, Md. – May 13, 2014 – The Calvert County Board of County Commissioners (BOCC) announces 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 & Poor's Ratings Services reaffirmed their highest AAA ratings. Moody's Investors Service rating of Aa1 improved from stable to positive outlook. The ratings are assigned to Calvert County's 2014 issue of consolidated public improvement bonds totaling \$9.04 million and are reaffirmed for the county's outstanding debt.

Fitch Ratings noted that Calvert County continues to maintain a strong financial position with manageable long-term liabilities and strong credit fundamentals. The county's strong socioeconomic factors such as a low unemployment rate and high income levels – ranging from 28 to 78 percent above state and national norms – continue to play a key role in maintaining a AAA rating.

Standard & Poor's Rating Services cited the following as the primary reasons for reaffirming the county's AAA standing: an expanding local economy, strong income and property wealth, historically low unemployment rates and steady property tax base growth, strong finances, sound fiscal policies, conservative management practices and low debt with manageable additional capital needs guided by debt affordability guidelines. The report also notes, "The county's business outlook appears to be very strong, highlighted by a number of significant economic development projects, including Dominion Resources Inc.'s multibillion-dollar liquefaction project."

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Moody's Investors Services Aa1 rating reflects "the county's strong financial position, characterized by comprehensive fiscal policies and practices, healthy liquidity and reserves, and a low debt burden with rapid retirement of principal. The rating additionally considers the county's affordable capital plan, sizeable tax base in proximity to major employment centers and solid resident wealth levels. The positive outlook reflects our view that the county is well positioned to maintain if not strengthen its credit profile in the near term given its continued high degree of financial flexibility, solid financial management, the recent stabilization of taxable property values and the expected substantial revenue benefits associated with the planned \$3.8 billion Dominion Cove Point LNG export project."

"This news shows that Calvert County remains on the right fiscal track," said BOCC president Pat Nutter. "A strong credit rating reduces financing costs for our bond issues and that means significant savings to county taxpayers."

The BOCC voted on May 6 to accept the bid on the county's bond issue made by UBS Financial Services, with a true interest cost of 2.83 percent, the lowest rate of the eight bids received for this offering. The proceeds will fund several county capital projects including an upgrade of the emergency communications system; improvements to Dowell Road in Dowell, JW Williams Road in Prince Frederick and Pushaw Station Road in Owings; renovations at Mutual Elementary School in Port Republic; and water/sewer infrastructure enhancements in St. Leonard, Prince Frederick and Solomons.

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. Like Calvert County Government on [Facebook](#).

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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.