



ST. MARY'S COUNTY GOVERNMENT COMMISSIONERS OF ST. MARY'S COUNTY
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NEWS RELEASE *for Immediate Release*

No. 2016 – 142

June 21, 2016 3:45 p.m.

St. Mary's County's AA+ Rating Affirmed

Overall fiscal outlook deemed "Stable"

Leonardtown, MD – As a result of a presentation on June 7, Fitch Ratings has affirmed St. Mary's County's AA+ credit rating on \$25 million of consolidated public improvement tax-exempt bonds, series 2016. Proceeds from the bonds, to be sold via competitive sale on July 26, will be used to pay for various capital projects around the county. The last time the county sold bonds was in 2009. Last October the rating agency said it anticipated a moderate amount of bond issuance in FY2017.

Additionally, Fitch affirmed the rating on \$32.6 million of outstanding general obligation bonds at AA+.

In its review Fitch says the county "has consistently maintained strong operating performance" and believes it will continue to "maintain reserves throughout the economic cycle solidly above the level consistent with a 'aaa' financial resilience." Other key economic factors include a strong military presence, the regional airport's designation as an Federal Aviation Administration unmanned aircraft systems (UAS) test site which has led to private investments in research and manufacturing, and the University of Maryland's plan to build a UAS-focused research facility in 2018.

"This comes as great news in light of the continuing economic challenges facing government and the private sector," said County Administrator Dr. Rebecca Bridgett.

Fitch also took note of the county's healthy level of reserves, very low debt, maintenance of a separate reserve to preserve its bond rating at 6% of general fund expenditures and a rainy day fund. The county instituted a minimum unrestricted fund balance policy of 15% of general fund revenue in August 2015.

"This review is another indicator of the continued conservative stewardship of taxpayer dollars by county government and the Commissioners of St. Mary's County," said Commissioner President Randy Guy. "It reaffirms our continued commitment to strong fiscal management as we continue to serve the needs of our growing community."

The full report from Fitch is available online at:

<http://www.stmarysmd.com/docs/Final%20Press%20Release%20Fitch%20Ratings%206.2016.pdf>

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