

## DISTRICT BOND & NOTE RATINGS

Rating Agency	Short Term Notes	Long Term - General Obligation Bonds	Long Term - Certificates of Participation
Moody's	MIG 1	Aa3, Stable Outlook	A1, Stable Outlook
Standard and Poor's	SP-1+	AA, Stable Outlook	AA-, Stable Outlook
Fitch	not rated	AA-, Stable Outlook	A+, Stable Outlook

### **Moody's Investor Service: Ratings for Long-Term Municipal Debt**

Aaa	Best quality; carry the smallest degree of investment risk.
Aa	High quality; margins of protection not quite as large as the Aaa bonds.
A	Upper medium grade; security adequate but could be susceptible to impairment.
Baa	Medium grade; neither highly protected nor poorly secured - lack outstanding investment characteristics and sensitive to changes in economic circumstances.
Ba	Speculative; protection is very moderate.
B	Not desirable investment; sensitive to day-to-day economic circumstances.
Caa	Poor standing; may be in default but with a workout plan.
Ca	Highly speculative; may be in default with nominal workout plan.
C	Hopelessly in default.

Ratings further classified by 1, 2, or 3 modifier with 1 being high and 3 being low.

### **Moody's Investor Service: Ratings for Short-Term Municipal Debt**

MIG 1	This designation denotes best quality. There is present strong protection by established cash flows, superior liquidity support or demonstrated broad-based access to the market for refinancing.
MIG 2	This designation denotes high quality. Margins of protection are ample although not so large as in the preceding group.
MIG 3	This designation denotes favorable quality. All security elements are accounted for but there is lacking the undeniable strength of the preceding grades. Liquidity and cash flow protection may be narrow and market access for refinancing is likely to be less well established.
MIG 4	This designation denotes adequate quality. Protection commonly regarded as required of an investment security is present and although not distinctly or predominantly speculative, there is specific risk.

### **Standard & Poor's: Ratings for Long-Term Municipal Debt**

AAA	Highest rating; extremely strong security.
AA	Very strong security; differs from AAA in only a small degree.
A	Strong capacity but more susceptible to adverse economic effects than two above categories.
BBB	Adequate capacity but adverse economic conditions more likely to weaken capacity.
BB	Lowest degree of speculation; risk exposure.
B	Speculative; risk exposure.
CCC	Speculative; major risk exposure.
CC	Highest degree of speculation; major risk exposure.
C	No interest is being paid.
D	Bonds in default with interest and/or repayment of principal in arrears.

Those issues determined to possess overwhelming safety characteristics will be given a plus (+) designation.

### **Standard & Poor's: Ratings for Municipal Notes**

SP-1	Very strong or strong capacity to pay principle and interest,. Those issues determined to possess overwhelming safety characteristics will be given a plus (+) designation.
SP-2	Satisfactory capacity to pay principal and interest
SP-3	Speculative capacity to pay principal and interest.

### **Fitch Ratings: Ratings for Long-Term Municipal Debt**

AAA	Highest rating; extremely strong security.
AA	Very strong security; differs from AAA in only a small degree.
A	Strong capacity but more susceptible to adverse economic effects than two above categories.
BBB	Adequate capacity but adverse economic conditions more likely to weaken capacity.
BB	Lowest degree of speculation; risk exposure.
B	Speculative; risk exposure.
CCC, CC, C	Extremely Weak; major risk exposure.
D	Bonds in default with interest and/or repayment of principal in arrears.

“+” or “-“ are used with a rating symbol to indicate the relative position of a credit within the rating category.