



COUNTY SCORES HIGH MARKS FROM WALL STREET'S ANNUAL EVALUATION

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Wicomico County received a well-earned vote of confidence from the three New York bond rating agencies this week as Wall Street published the annual assessments of the financial health of the county's government. Last month, County Executive Rick Pollitt delivered formal presentations to the agencies in anticipation of selling bonds to fund this year's capital projects. The county received scores of Aa3 from Moody's Investors Service and AA-/stable ratings from Fitch Ratings and Standard & Poor's. Despite the challenges presented by current economic conditions, the scores remained constant after two consecutive ratings improvements in Pollitt's first two years in office.

Commenting on the news from New York, Pollitt said that, "These are strong ratings. Our citizens should be pleased that the county's fiscal credibility has not weakened despite substantial declines in revenue." Acknowledging the county's property tax revenue cap, Fitch Ratings stated that a *"Key rating driver"...for the county was its... "ability to respond to likely pressure on the two primary sources of revenue, property and income taxes, resulting from operating constraints attributable to a charter-imposed property tax revenue limit and the broader recessionary environment."*

Pollitt added, "During the recent campaign, my challenger stated that the county's strong fiscal grades from Wall Street were a result of the Revenue Cap. However, the agencies have made it clear that our success has actually come in spite of the Revenue Cap. The following is from Moody's Report:

'RECENTLY HEALTHY FINANCIAL OPERATIONS MAY BE CONSTRAINED BY TAX REVENUE LIMITATIONS

Wicomico County has maintained a healthy financial position during recent years despite the impact of property tax revenue constraints, supported by proactive management and conservative fiscal policies and practices."

Mr. Pollitt also noted that the Fitch Report said that Wicomico County is in a ***“Good financial position with strong general fund reserves even after recent drawdowns due to economic conditions and a property tax limitation imposed by county charter. The stable outlook reflects S & P’s expectations of continued growth and diversity in the economic base. It also reflects the expectation that the county will continue to effectively manage its budget in response to economic conditions and maintain its strong financial position.”***

Pollitt noted that he expects the strong bond ratings to lead to substantial savings in interest payments as the county moves forward with construction projects at Bennett Middle School, Wor-Wic Community College and Arthur Perdue Stadium.

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