



# FY 2017 Recommended Budget

## Budget Question

Board Question #: 104

**BUDGET QUESTION:** Provide weighted criteria from rating agencies.

**RESPONSE:** Below are excerpts from the Moody's and Standard & Poor's (S&P) bond rating methodologies. These graphics depict the factors that are considered when the agencies assign bond ratings, as well as the weights given to those factors. We have also attached the full rating methodology documentation for Moody's and S&P, should you wish to read more about each entity's methodology. Fitch does not provide a breakdown of weighted criteria.

### Moody's

#### Scorecard Factors and Weights

Local Governments

Broad Rating Factors	Factor Weighting	Rating Subfactors	Subfactor Weighting
Economy/Tax Base	30%	Tax Base Size (full value)	10%
		Full Value Per Capita	10%
		Wealth (median family income)	10%
Finances	30%	Fund Balance (% of revenues)	10%
		Fund Balance Trend (5-year change)	5%
		Cash Balance (% of revenues)	10%
		Cash Balance Trend (5-year change)	5%
Management	20%	Institutional Framework	10%
		Operating History	10%
Debt/Pensions	20%	Debt to Full Value	5%
		Debt to Revenue	5%
		Moody's-adjusted Net Pension Liability (3-year average) to Full Value	5%
		Moody's-adjusted Net Pension Liability (3-year average) to Revenue	5%

### S&P

