Press Release: San Benito County, CA 2019 COPs Assigned ‘AA’ Rating

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The County of San Benito was assigned a ‘AA’ rating by S&P Global Ratings for the San Benito County Financing Corporation, California series 2019 certificates of participation (COPs), related to the Jail Expansion Project.

S&P Global Ratings uses many factors to determine credit worthiness of security issuances including, but not limited to; economy, management, budgetary performance and flexibility, liquidity, and debt. The County performed very well in all categories with S&P Global Ratings stating the following:

The ratings reflect our assessment of the county's:
- Strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Adequate management, with standard financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Strong budgetary performance, with operating surpluses in the general fund and at the total governmental fund level;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2018 of 69% of operating expenditures;
- Very strong liquidity, with total government available cash at 103.4% of total governmental fund expenditures and 186.4x governmental debt service;
- Very strong debt and contingent liability position, with debt service carrying charges at 1% of expenditures and net direct debt that is 20.1% of total governmental fund revenue, as well as low overall net debt at less than 3% of market value; and
- Strong institutional framework score.

The exceptional rating allows the County the ability to issue debt for upcoming projects, like Measure G roads projects, Master Plan, and the Jail Expansion at reduced interest rates, resulting in long-term savings to taxpayers.

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