



# The Chairman's Corner

by

**Matt B. Murell**

[Matt.Murell@ColumbiacountyNY.com](mailto:Matt.Murell@ColumbiacountyNY.com)

## LATEST MOODY'S REPORT

It never hurts to be the bearer of good news, and once again it is good to be able to say to Columbia County taxpayers that Moody's Investors Service recently re-affirmed Columbia County's Aa3 credit rating.

This rating is reflected in lower borrowing interest rates, which saves significant tax dollars over the life of the bonds. The ratings measure the financial condition of approximately 1,10 United States cities and counties, with Columbia County placing near the top of Moody's scoring.

Among factors considered by Moody's when establishing a credit rating include economy, debt structure, financial condition, demographic factors, and management practices of the governing body and administration.

In the Moody's system, a rating comprises one to three letters. The first letter is always capitalized and indicates the general grade of the bond: "A" bonds are the good ones, "B" bonds are of middling quality, and "C" bonds are the worst. Within each of those grades, there are three levels of quality, designated by two, one or zero lowercase letters "a." The full Moody's credit rating scale, from best to worst, is as follows: Aaa, Aa, A, Baa, Ba, B, Caa, Ca, C.

The meaning of all this? The Moody's municipal rating can be viewed as similar to personal credit ratings – each impacts the ability of consumers' (personal or municipality) to meet their borrowing needs. The better your rating, the better you look to potential lenders.

As Moody's described its May 2024 rating action, "The Aa3 rating reflects the county's financial position, which has been driven by conservative budgeting practices. Additionally, the rating reflects a wealthy tax base south of Albany, NY, with a strong regional economy, conservative financial management, and low fixed costs."

Further, Moody's noted, "The county is managed by certified and experienced professionals who are responsible for implementing its policy objectives. The county is generally prompt in publishing its budgets and audited financial statements."

County Treasurer PJ Keeler said, "We are pleased that once again, Moody's has verified Columbia County's improved financial condition and upheld our Aa3 rating. Our continued conservative financial management and strong oversight from our Board of Supervisors and Chairman Murell as budget officer reflects our strong financial rating."

County Controller Jim Breig pointed out that when it comes to the Moody's rating, "Our reserves are up, our fund balance is up, but not quite enough to get our rating up – Moody's and other lenders like to see a fat fund balance and a big fat reserve. That would be on the backs of taxpayers if you did that. You walk a fine line between building the fund balance but being responsible about the taxes we raise. But we are happy with the rating we received."

As I've said previously, the continuing strong financial footing of Columbia County comes through a concerted effort of department heads and the county workforce, working with the financial management team. The Board of Supervisors thanks everyone for their efforts.