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News Release

FOR IMMEDIATE RELEASE

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Calvert County, Md., Receives Credit Rating Increase to AA+ from Standard & Poor's

Moody's Aa2 and Fitch's AA+ Ratings Denote Stable Outlook

PRINCE FREDERICK, Md. – April 30, 2008 – The Calvert County, Md., Board of County Commissioners (BOCC) announced today that Standard & Poor's (S&P) raised its rating of Calvert County from AA to AA+.

The S&P upgrade reflects the continued economic development occurring within the county coupled with consistently strong financial operations and reserves and historically conservative fiscal policies, which have been well-adhered to, along with ample tax rate flexibility. Specifically, S&P notes that the AA+ rating reflects the county's:

- Expanding local economy;
- Above-average wealth and income levels, which have been increasing at a faster rate than those of the state and nation;
- Historically low unemployment;
- Steady tax base growth, even as the BOCC works to curtail residential growth;
- Strong financial position, strengthened by solid reserves, good taxing flexibility, sound fiscal policies and conservative management practices; and
- Low debt burden, with manageable future capital needs guided by debt affordability guidelines.

“The AA+ rating is a significant milestone for Calvert County,” said Wilson H. Parran, BOCC president. “The advantage of higher rating results in a lower interest rate when we issue

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bonds, therefore, the county realizes substantial savings in financing costs,” Parran said. “Additionally, bond ratings are one of several criteria used by companies looking to start, expand or relocate their organizations and reflect the credit worthiness of the county. The increase to AA+ by S&P demonstrates Calvert’s financial stability, thus increasing the potential for continued economic growth,” Parran said.

In conjunction with the April 22, 2008, bond sale, Calvert County was also rated stable with an AA+ rating by Fitch Ratings and stable with an Aa2 from Moody's Investors Service.

Fitch noted that Calvert County’s strong fiscal management resulted in robust reserve levels and healthy financial flexibility and that overall debt levels are moderately low, amortization is rapid and the county continues to adhere to prudent debt policies. Fitch also noted improving economic indicators such as positive labor force and employment growth, low unemployment, above-average wealth levels and that sustained tax base and economic growth is anticipated despite economic softening and potential vulnerability from housing market declines.

Moody's expects Calvert County to maintain a solid financial position given the county's proactive financial management, comprehensive fiscal policies and healthy reserve levels. Additionally, Moody’s anticipates continued tax base diversification, given the county's proactive economic development programs targeting expansion of the commercial, industrial, professional business base and tourism.

For more information on Calvert County’s financial policies, please contact Terry Shannon, director of Finance and Budget at 410.535.1600 x283, e-mail shannotl@co.cal.md.us, or visit online at www.co.cal.md.us.

For more information on the Calvert County, Md., Department of Economic Development and the many services the County offers the business community on behalf of the Board of County Commissioners, call 410.535.4583, 800.331.9771 or 301.855.1880, send an e-mail to info@ecalvert.com or visit on the Web at www.ecalvert.com.

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Calvert County is Maryland's smallest county in land area with 213 square miles. It is home to over 87,000 people and has one of the highest standards of living in Maryland. There are more than 5,200 businesses in the county and a labor force of at least 1.8 million resides within a one-hour drive. Major industries include defense contracting, information technology, energy, tourism and administrative services.