

Bond Case Briefs

Municipal Finance Law Since 1971

California's Most Financially Stressed Cities and Counties.

A recently released study of California's cities and counties ranks the various jurisdictions based on the financial stresses they face and the possibility of default, with local governments among those rated.

In its report, the California Policy Center completed 492 assessments of the state's cities and counties, using municipal finance data to look at bankruptcy risk.

Specifically, the center - working with the firm Civic Partner, which collects and analyzes municipal finance data - used four metrics to reach its conclusions: general fund balance/general fund expenditures, general fund surplus or deficit/general fund revenues, change in annual revenues (total government funds), and interest and pension expenses/total governmental fund revenues.

Those metrics were used to calculate a default probability score to reflect how likely a local government is to "either declare bankruptcy or default on its general obligation bond issues within one year."

[Read the full report.](#)

by Marc Joffe, Julie Lark, and Ed Ring on November 5, 2014

Copyright © 2024 Bond Case Briefs | bondcasebriefs.com