

# **Bond Case Briefs**

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## **Rockwall County, Texas: Fitch New Issue Report**

Revenue Framework: 'aaa': General fund revenues should continue a strong growth trajectory over the medium term based on the expectation of additional population and economic expansion. The county's independent legal ability to increase operating revenues remains strong despite recent legislative changes that restrict annual property tax rate increases. Expenditure Framework: 'aa': Fitch expects growth-related spending demands to generally track projected strong revenue gains. The county has demonstrated a willingness to curtail spending during times of economic decline due to its ability to adjust its labor and operating costs. Carrying costs are expected to rise with upcoming debt issuances but are a moderate burden related to total expenses. Long-Term Liability Burden: 'aa': The long-term liability burden as a percentage of local personal income is moderate and driven primarily by overlapping debt. Fitch believes the combined liability total will likely climb due to expected additional borrowings by both the county and other area governments but will be offset by further expansion of the resource base. Operating Performance: 'aaa': Solid expenditure flexibility, abundant revenue-raising authority and modest revenue volatility, in conjunction with a historically strong reserve cushion, should enable the county to maintain a high level of financial resilience through a typical economic cycle.

### **ACCESS REPORT**

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