Bond Case Briefs

Municipal Finance Law Since 1971

S&P Outlook For U.S. Local Governments: Reserves And Agile Management Will Provide Stability In A Recession

Sector View: Stable

Our view reflects the local government sector's financial reserves and long history of effective responses to unexpected circumstances. Having federal stimulus money on hand prior to a recession—rather than after a long period of economic weakness—should also help operating stability for cities, counties, and school districts. We expect they will have time to respond to economic challenges before credit quality is threatened, underscoring our view of the stable nature of the sector. However, any LGs that aren't proactively managing high inflation and preparing for a weaker economy could be challenged to maintain balanced operations.

Continue reading.

[Free registration required.]

10 Jan, 2023

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com