

Bond Case Briefs

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Sarasota County, Florida: Fitch New Issue Report

Key Rating Drivers Strong Pledged Revenue Performance Underpins Growth Prospects: The CIRB bond structure has demonstrated resilience to pandemic-related declines and experienced robust post-pandemic growth, bolstered by continued population gains, tax base expansion and economic development within the county. Fitch expects growth in pledged revenues to trend in line with national GDP gains over the long term, consistent with a 'aaa' growth assessment. Solid Resilience for CIRBs: The 'aa' resilience assessment reflects the moderate cushion above 1.0x maximum annual debt service (MADS) in relation to cyclical revenue volatility and cumulative historical revenue declines. MADS coverage on the CIRBs is very strong and additional leverage to the 1.30x ABT is unlikely as excess revenues are used to support operations. Issuing Entity Exposure: Fitch does not consider the pledged revenue for the CIRBs as special revenues and they do not require appropriation to be used for debt service; therefore, the rating is capped by the county's Issuer Default Rating (IDR; 'AAA' Stable Outlook).

ACCESS REPORT

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