



**OFFICE OF  
STATE TREASURER  
DENISE L. NAPIER**

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# **NEWS**

**FOR IMMEDIATE RELEASE**  
Friday, March 14, 2003

## **Credit Rating Agencies Reaffirm State's Credit Rating; Agencies Will Continue to Monitor Progress on Projected Budget Deficit**

Connecticut Treasurer Denise L. Nappier announced today that all three credit rating agencies have affirmed the State's credit rating. Those ratings are Aa2 from Moody's Investors Services, AA from Standard & Poor's, and AA from Fitch Ratings.

The rating affirmations came as a \$100 million UCONN 2000 bond sale was launched today to provide additional funding for the ongoing improvements at the University of Connecticut as part of the ten-year UCONN 2000 infrastructure renewal program. These bonds are debt service commitment obligations of the State and are rated off the State's overall credit rating. The UCONN bonds are rated Aa2 from Moody's Investors Services, AA from Standard & Poor's, and AA- from Fitch Ratings.

The announcement comes as all three credit rating agencies continue to keep a very close eye on the State's budget situation and the projected deficit for the next fiscal year. During legislative deliberations over the budget deficit in recent months, the agencies noted that a credit downgrade could be in the State's future if appropriate actions were not taken to resolve the budget dilemma. Those warnings came prior to the passage last month of a deficit reduction package for the current fiscal year.

Moody's Investors Service, in particular, put the State's credit rating on "Watchlist" for possible downgrade on February 5, 2003. While the State's credit will continue to carry this warning, Moody's has decided not to downgrade at this time and will continue to evaluate the State's progress in restoring structural balance in the 2003 - 2005 biennium and in replenishing reserves.

The rating agencies affirmed the State's rating following briefings in recent weeks with State Treasurer Denise Nappier and her staff and Office of Policy and Management Secretary Marc Ryan and his staff. The briefings focused on the State's current budget situation and the State economic outlook.

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