



International Investor Services Raise MTA's Credit Rating

By ED SCANNELL

(Nov. 21) Two international credit rating agencies have raised the MTA's debt outlook and assigned high ratings to a recent Proposition C sales tax bond issue.

Moody's Investors Service and Fitch IBCA, Duff and Phelps have both revised the rating outlook for all MTA debt to "stable" from "negative."

In addition, the MTA's recent sale of \$161.4 million in Proposition C sales tax revenue bonds earned an "A1" rating from Moody's and an "A" rating from Fitch.

Chief Operating Officer Allan Lipsky said the ratings are a positive development for the MTA.

Financial community confidence

"We are pleased that the financial community recognizes the soundness of our organization," said Lipsky. "These actions show the financial community's confidence that the MTA is well prepared to address the critical transportation needs of our county."

Moody's said it upgraded the MTA's debt rating because of "the progress that management has made in stabilizing the organization's financial, management and operating position."

"In Moody's opinion, management's continued emphasis toward streamlining operations and consolidating accountability and consensus within the organization should help to successfully meet the challenges of defining its future mission and service expansion," the statement said.

A statement released by Fitch said its "A" rating reflected "greater (MTA) management stability, a refocused and more affordable capital program, rail construction completion, better relations with the Federal Transit Administration (FTA) and favorable resolution of the recent strike."

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