



# NEWS

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## RATING AGENCIES RAISE MTA FINANCIAL OUTLOOK

Two international credit rating agencies have raised MTA's debt outlook and assigned high ratings to a recent Proposition C Sales Tax Bond Issue.

Moody's Investors Service and Fitch (Fitch IBCA, Duff and Phelps) have both revised MTA's rating outlook for all debt to stable from negative. In addition, MTA's sale on Nov. 14, 2000, of \$162 million in Proposition C Sales Tax Revenue Bonds Second Senior Series 2000-A has earned an A1 rating from Moody's and an 'A' rating from Fitch.

"The rating outlook has been revised to stable from negative reflecting the progress that management has made in stabilizing the organization's financial, management and operating position," read a statement released by Moody's. "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."

In addition to its revised outlook, Fitch assigned the MTA bond issue an 'A' rating.

"The ratings reflect the sound debt service coverage," the statement from Fitch noted. "The revised outlook reflects greater 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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MTA Chief Operating Officer Allan Lipsky said the ratings are a positive development for the Authority.

"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."

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