

Preliminary Analysis of Tier Designations

Tier Designations - Conditions and Related Indicators

Tier I Designation	Credit Rating	Fund Balance	State Aid	Equalized Mill Rate	Municipal Rev. Inc.
Set 1	No Rating or Rating of A or Higher	+ Positive F/B %	+ Cur Yr State Aid Under 30% of G/F budget	+ EQMR Under 30	Revenue Inc. of 2% or Higher in FYE 18
Set 2	No Rating or Highest Rating is A	+ Positive F/B % of Under 5%	+ Cur Yr State Aid Under 30% of G/F budget		
Set 3	AA or Higher Rating	+ Positive F/B %	+ Cur Yr State Aid of 30% or higher of G/F budget	+ EQMR Under 30	Revenue Inc. of 2% or Higher in FYE 18

Tier II Designation	Credit Rating	Fund Balance	State Aid	Equalized Mill Rate	Municipal Rev. Inc.
Set 1	No Rating or Highest Rating is A	+ Positive F/B % of 5% or Higher	+ Cur or Prior Yr State Aid 30% or Above of Rev	+ EQMR Under 30	Revenue Inc. of 2% or Higher in FYE 18
Set 2	No Rating or Highest Rating is A	+ Positive F/B % of Under 5%	+ Cur or Prior Yr State Aid 30% or Above of Rev	+ EQMR Under 30	
Set 3	Highest Rating is AA or Higher		+ Cur or Prior Yr State Aid 30% or Above of Rev	+ EQMR of 30 or Above	
Set 4	Highest Rating is AA or Higher	+ Negative Fund Balance %			
Set 5	Highest Rating is Baa or BBB	+ Positive F/B %		+ EQMR Under 30	

Tier III Designation	Credit Rating	Fund Balance	State Aid	Equalized Mill Rate	Municipal Rev. Inc.
Set 1	At least one Bond Rating Below Investment Grade				
Set 2 - Either (A) or (B) below					
(A)	Not Rated or Highest Rating is: A or Baa or BBB; AND Must Have No Rating Below Investment Grade	+ Negative Fund Balance %			
(B)	Not Rated or Highest Rating is: A or Baa or BBB; AND Must Have No Rating Below Investment Grade		+ Cur or Prior Yr State Aid 30% or Above of Rev	+ EQMR of 30 or Above	

- If a municipality holds a bond rating below investment grade from any of the 3 rating agencies, it cannot be designated as a Tier I or Tier II municipality
- If a municipality meets the set of criteria listed for a tier above, its CEO can apply to the Secretary to be designated under that tier.
- Legislative body of the municipality participates in the application process for Tier III designations.
- Municipality automatically becomes a Tier III municipality if it (i) issues deficit bonds or (ii) meets the refunding bonds criteria under section 7-576c

Role of the MFAC

1	- Any municipality that has applied to and designated as a Tier 1 municipality by the Secretary must be referred to the MFAC. The municipality must prepare and present a 3-year financial plan to the MFAC for review and approval.
2	- OPM Secretary must designate a municipality as Tier III if the municipality meets the Tier III designated criteria and he finds that its fiscal condition warrants a Tier III designation, based on reports and findings from the MFAC.

DESIGNATED AND PRELIMINARY PROJECTED MUNICIPALITIES

10/1/2018

Municipality	Moody's	S&P	Fitch	Fund Balance %	2016 State Aid %	2017 State Aid %	EqMR	Muni Rev Inc Factor	Designated Tier
<u>Designated Municipalities</u>									
HARTFORD	B2	BB+		0.84%	49.51%	54.09%	36.53	-0.39%	Tier III
WEST HAVEN - Deficit Bonds	Baa3	BBB		-10.60%	43.45%	41.38%	26.42	0.12%	Tier III
<u>Preliminary Projected Tiers</u>									
Tier III Municipalities									
S2(B) BRIDGEPORT	Baa1	A	A	3.18%	41.06%	44.69%	35.82	-1.10%	
S2(B) NEW BRITAIN	Baa2	A+	A-	13.95%	43.62%	47.39%	33.50	-0.24%	
S2(A) NEW HAVEN	Baa1	BBB+	BBB	-0.58%	45.28%	48.47%	24.54	-0.22%	
Tier II Municipalities									
S2 BROOKLYN				4.51%	37.71%	34.27%	18.57	-3.67%	
S3 EAST HARTFORD	Aa3			9.63%	32.55%	36.07%	31.50	-0.36%	
S3 NAUGATUCK	Aa3	AA-	AA	9.98%	32.04%	34.05%	32.45	-0.48%	
S2 PLYMOUTH		A+		3.66%	33.07%	34.66%	26.60	-1.86%	
S5 SPRAGUE	Baa2			1.42%	41.83%	42.75%	21.61	-3.51%	
S3 TORRINGTON	Aa3	AA-		15.53%	27.45%	31.04%	31.35	-1.37%	
S3 WATERBURY	A2	AA-	AA-	5.09%	37.55%	42.51%	40.75	-0.33%	
Tier I Municipalities									
S2 HAMDEN	Baa2	A	BBB+	1.25%	20.26%	23.35%	31.64	-1.28%	

DESIGNATED AND PRELIMINARY PROJECTED MUNICIPALITIES

10/1/2018

Municipality	Moody's	S&P	Fitch	Fund Balance %	2016 State Aid %	2017 State Aid %	EqMR	Muni Rev Inc Factor	Designated Tier
Projected Non-Tiered Municipalities									
ANDOVER		AA+		21.69%	26.41%	26.63%	22.00	-2.68%	
ANSONIA	Aa3	AA		17.16%	44.76%	43.38%	24.46	-0.11%	
ASHFORD	Aa3			13.87%	32.41%	32.52%	21.94	-3.01%	
AVON	Aaa	AAA		11.69%	11.30%	15.27%	20.87	-0.22%	
BARKHAMSTED		AA		12.61%	18.47%	19.36%	19.71	-1.87%	
BEACON FALLS		AA		14.66%	21.34%	20.39%	23.84	-2.52%	
BERLIN	Aa2	AA+		15.87%	15.76%	19.46%	20.74	-1.19%	
BETHANY	Aa2			16.71%	14.20%	15.75%	23.66	-1.21%	
BETHEL		AAA		22.88%	18.23%	21.79%	22.01	-1.51%	
BETHLEHEM				24.19%	14.90%	15.09%	17.73	-1.41%	
BLOOMFIELD	Aa2	AA+		21.08%	12.43%	15.49%	24.72	-0.08%	
BOLTON	Aa3			14.29%	22.93%	22.43%	25.98	-2.05%	
BOZRAH				9.36%	26.02%	26.35%	18.19	-1.85%	
BRANFORD		AAA		23.35%	8.09%	11.94%	18.63	-0.42%	
BRIDGEWATER				42.03%	3.03%	1.66%	11.72	0.33%	
BRISTOL	Aa2	AA+	AAA	17.54%	31.81%	33.04%	25.28	-0.26%	
BROOKFIELD	Aa2	AAA		9.14%	10.03%	10.98%	17.99	-0.33%	
BURLINGTON				13.95%	16.54%	18.80%	22.32	-1.57%	
CANAAN				21.06%	16.51%	16.17%	18.14	-0.83%	
CANTERBURY				16.03%	40.38%	39.43%	17.23	-3.57%	
CANTON	Aa2	AAA		15.09%	17.74%	17.50%	20.54	-1.21%	
CHAPLIN				11.20%	32.17%	33.71%	24.66	-2.75%	
CHESHIRE	Aa1	AAA	AAA	10.19%	22.31%	24.57%	21.48	-1.62%	
CHESTER				16.78%	10.64%	11.66%	17.20	-0.71%	
CLINTON	Aa3	AA+		12.57%	21.39%	23.97%	17.62	-1.64%	
COLCHESTER	Aa3			11.55%	33.25%	35.40%	22.45	-2.85%	
COLEBROOK				23.47%	15.80%	15.17%	19.80	-0.92%	
COLUMBIA	Aa2			21.57%	26.30%	23.80%	18.86	-1.87%	
CORNWALL	Aa2			30.89%	9.53%	9.66%	11.56	0.62%	
COVENTRY	Aa3			12.01%	29.17%	32.02%	20.91	-2.72%	
CROMWELL		AAA		18.38%	15.57%	19.12%	21.71	-1.16%	
DANBURY	Aa1	AA+	AAA	13.18%	18.28%	21.78%	19.61	-0.10%	
DARIEN	Aaa			12.54%	9.60%	12.87%	9.86	-0.03%	
DEEP RIVER				5.56%	17.34%	15.63%	18.55	-1.32%	
DERBY		AA-		2.34%	33.82%	37.11%	27.45	-0.49%	
DURHAM				13.65%	14.51%	15.07%	24.80	-1.71%	
EAST GRANBY	Aa2			16.78%	14.09%	20.46%	21.56	-1.01%	
EAST HADDAM		AA+		13.17%	20.38%	23.72%	20.57	-1.70%	
EAST HAMPTON		AAA		10.83%	25.92%	28.71%	20.68	-2.34%	
EAST HAVEN	A3	A+		5.57%	27.98%	30.61%	21.91	-0.14%	
EAST LYME	Aa3	AA		7.61%	19.49%	21.83%	17.11	-1.55%	
EAST WINDSOR	Aa2			23.51%	22.36%	21.85%	22.18	-0.10%	
EASTFORD				30.03%	31.56%	33.81%	16.41	-2.24%	
EASTON		AAA		16.79%	6.11%	7.03%	21.66	-0.09%	
ELLINGTON	Aa3			20.92%	26.05%	26.47%	21.55	-2.30%	
ENFIELD	Aa2	AA		19.72%	32.22%	33.12%	21.98	-2.62%	
ESSEX	Aa2	AA+		15.23%	5.58%	5.01%	15.19	-0.06%	
FAIRFIELD	Aaa	AAA	AAA	9.06%	8.57%	11.89%	17.64	-0.35%	
FARMINGTON	Aaa			11.16%	12.58%	15.97%	17.35	-0.73%	
FRANKLIN				75.83%	24.84%	26.16%	16.46	-3.81%	
GLASTONBURY	Aaa	AAA		15.18%	11.85%	16.12%	23.89	-0.62%	
GOSHEN				20.65%	2.81%	1.65%	13.19	0.35%	

DESIGNATED AND PRELIMINARY PROJECTED MUNICIPALITIES

10/1/2018

Municipality	Moody's	S&P	Fitch	Fund Balance %	2016 State Aid %	2017 State Aid %	EqMR	Muni Rev Inc Factor	Designated Tier
GRANBY		AA+		9.72%	21.70%	25.21%	24.72	-1.59%	
GREENWICH	Aaa	AAA	AAA	12.42%	6.93%	8.66%	7.84	0.03%	
GRISWOLD		AA		12.68%	40.54%	41.67%	19.80	-3.39%	
GROTON	Aa2	AA+	AA	10.19%	34.37%	36.09%	16.77	-0.07%	
GUILFORD	Aa2	AAA	AAA	11.91%	11.00%	14.99%	19.56	-0.74%	
HADDAM	Aa3	AAA		15.00%	6.83%	7.96%	21.74	-0.92%	
HAMPTON				18.73%	32.05%	31.01%	18.47	-2.77%	
HARTLAND	A1			17.18%	29.72%	27.34%	17.93	-2.01%	
HARWINTON				16.04%	16.89%	16.50%	20.48	-2.05%	
HEBRON		AAA		20.16%	23.18%	23.09%	26.39	-2.42%	
KENT	Aa2			20.01%	7.81%	9.87%	13.22	0.24%	
KILLINGLY	Aa3	AA		22.89%	36.95%	36.54%	19.05	0.04%	
KILLINGWORTH				21.73%	11.80%	11.88%	18.41	-1.28%	
LEBANON				21.33%	30.00%	29.12%	20.28	-2.51%	
LEDYARD	Aa3	AA		6.26%	34.14%	36.49%	22.23	-2.79%	
LISBON	Aa3			15.08%	35.52%	35.64%	14.13	-3.04%	
LITCHFIELD	Aa2	AA+		16.38%	11.72%	15.24%	19.50	-0.76%	
LYME				16.80%	5.19%	8.40%	13.63	0.18%	
MADISON	Aaa		AAA	13.40%	10.86%	9.54%	18.08	-0.20%	
MANCHESTER	Aa1	AA+	AAA	12.14%	24.43%	28.12%	25.83	-0.25%	
MANSFIELD	Aa3			10.10%	39.23%	42.71%	20.59	-3.71%	
MARLBOROUGH	Aa3			12.28%	17.43%	19.36%	24.14	-1.83%	
MERIDEN		AA	AA-	8.48%	37.05%	39.50%	27.51	-0.06%	
MIDDLEBURY	Aa1			13.28%	3.80%	3.70%	21.75	-0.49%	
MIDDLEFIELD				13.10%	14.91%	15.09%	22.87	-1.81%	
MIDDLETOWN	Aa2	AAA		18.54%	24.76%	27.32%	24.35	-0.09%	
MILFORD	Aa1	AA+	AAA	16.20%	11.69%	15.20%	18.64	-0.96%	
MONROE	Aa2	AA+		12.96%	14.99%	19.07%	24.09	-0.96%	
MONTVILLE	Aa3			16.16%	35.19%	33.78%	21.91	-2.56%	
MORRIS				18.40%	8.40%	2.15%	19.88	-0.07%	
NEW CANAAN	Aaa			18.53%	8.41%	11.01%	11.12	0.02%	
NEW FAIRFIELD	Aa1	AAA		13.40%	16.76%	21.45%	17.87	-1.02%	
NEW HARTFORD	Aa3	AA		9.32%	21.32%	19.04%	20.96	-1.72%	
NEW LONDON		A+	A+	8.31%	40.10%	40.78%	28.27	-0.40%	
NEW MILFORD	Aa1	AA+		21.52%	22.95%	20.96%	18.72	-1.70%	
NEWINGTON		AA+		16.78%	21.81%	24.82%	25.00	-2.19%	
NEWTOWN	Aa1	AAA		10.81%	13.57%	13.52%	22.82	-0.82%	
NORFOLK				16.66%	13.59%	10.04%	17.64	-0.45%	
NORTH BRANFORD	Aa2	AA+		15.48%	22.33%	24.92%	22.47	-2.03%	
NORTH CANAAN				14.06%	26.78%	24.97%	20.67	-2.53%	
NORTH HAVEN	Aa1	AAA		13.65%	11.38%	14.19%	20.91	-1.04%	
NORTH STONINGTON				13.89%	28.71%	31.47%	19.12	-1.95%	
NORWALK	Aaa	AAA	AAA	14.81%	11.85%	15.75%	15.94	-0.06%	
NORWICH	Aa3	AA	AA	13.12%	34.67%	36.31%	27.47	0.22%	
OLD LYME				28.11%	4.67%	1.97%	14.76	-0.09%	
OLD SAYBROOK	Aa2			11.69%	9.58%	8.29%	12.93	0.07%	
ORANGE		AAA		18.02%	7.51%	9.45%	21.83	-0.47%	
OXFORD	Aa2			33.60%	17.36%	23.51%	17.06	-1.32%	
PLAINFIELD	Aa3			17.71%	43.53%	42.50%	20.45	-3.51%	
PLAINVILLE	Aa3	AA+		16.58%	26.02%	29.40%	23.35	-2.40%	
POMFRET				15.75%	31.14%	34.32%	17.90	-2.72%	
PORTLAND	Aa3	AA+		18.67%	19.68%	19.72%	21.75	-1.70%	
PRESTON		AA+		21.53%	35.98%	36.29%	16.91	-2.33%	
PROSPECT				7.90%	18.03%	17.91%	21.07	-2.27%	
PUTNAM		AA		19.32%	44.65%	43.49%	11.48	-0.22%	

DESIGNATED AND PRELIMINARY PROJECTED MUNICIPALITIES

10/1/2018

Municipality	Moody's	S&P	Fitch	Fund Balance %	2016 State Aid %	2017 State Aid %	EqMR	Muni Rev Inc Factor	Designated Tier
REDDING	Aa1	AAA		19.53%	7.47%	8.66%	18.86	0.08%	
RIDGEFIELD	Aaa	AAA	AAA	11.19%	9.46%	12.63%	17.51	-0.12%	
ROCKY HILL		AA+		7.67%	14.56%	17.68%	20.77	-0.96%	
ROXBURY				29.79%	1.84%	0.83%	9.67	0.33%	
SALEM	Aa3			21.95%	27.69%	28.90%	22.32	-3.00%	
SALISBURY				15.50%	9.92%	8.41%	7.51	0.38%	
SCOTLAND	A2			13.00%	30.24%	28.72%	28.51	-4.22%	
SEYMOUR		AA+		11.48%	25.02%	27.82%	25.31	-2.51%	
SHARON				21.46%	5.12%	6.47%	10.16	0.62%	
SHELTON	Aa3	AA+		7.18%	12.73%	18.11%	15.12	-0.77%	
SHERMAN	Aa2			18.16%	7.97%	9.62%	13.66	0.05%	
SIMSBURY	Aaa	AAA		13.23%	13.74%	18.73%	23.74	-0.83%	
SOMERS	Aa2			21.04%	36.62%	35.47%	16.91	-2.61%	
SOUTH WINDSOR	Aa2	AA+		8.88%	18.43%	21.89%	25.18	-1.59%	
SOUTHBURY	Aa2			14.20%	5.74%	6.64%	19.66	-0.83%	
SOUTHINGTON		AA+		14.21%	22.19%	24.87%	20.82	-1.88%	
STAFFORD	A1			16.14%	34.55%	36.38%	23.58	-3.19%	
STAMFORD	Aa1	AAA	AAA	7.09%	8.94%	12.34%	15.35	-0.02%	
STERLING	A1			36.15%	36.09%	37.45%	21.25	-2.75%	
STONINGTON	Aa1	AA+		24.10%	9.07%	9.04%	14.61	-0.41%	
STRATFORD	A2	AA		4.00%	19.09%	21.12%	25.91	-1.38%	
SUFFIELD		AA+		15.82%	28.37%	29.37%	19.58	-2.09%	
THOMASTON	Aa3	AA		12.78%	30.23%	32.06%	24.55	-2.54%	
THOMPSON				11.65%	39.14%	39.45%	16.47	-0.21%	
TOLLAND		AAA	AAA	15.60%	28.17%	30.67%	23.93	-2.41%	
TRUMBULL	Aa2	AA+	AA+	11.84%	11.22%	15.00%	22.84	-0.32%	
UNION				12.63%	17.83%	19.74%	21.13	-0.98%	
VERNON	Aa2			19.93%	26.31%	26.55%	26.95	0.01%	
VOLUNTOWN				21.08%	41.44%	37.15%	19.61	-3.37%	
WALLINGFORD	Aaa	AA+		15.97%	23.10%	27.47%	19.64	-1.90%	
WARREN	Aa2			37.33%	2.04%	1.45%	9.78	0.31%	
WASHINGTON				30.20%	1.59%	0.70%	8.83	0.37%	
WATERFORD	Aa2	AA		13.66%	8.87%	10.75%	18.90	-0.18%	
WATERTOWN	Aa3	AA+		7.87%	25.81%	24.95%	20.80	-2.11%	
WEST HARTFORD	Aaa	AAA		7.41%	15.64%	19.64%	25.59	-1.31%	
WESTBROOK	Aa2			15.58%	10.09%	11.67%	15.02	-0.04%	
WESTON	Aaa			18.08%	9.17%	12.61%	19.00	-0.16%	
WESTPORT	Aaa			16.52%	1.62%	10.07%	11.83	-0.09%	
WETHERSFIELD	Aa2	AA+		11.00%	16.89%	21.06%	26.86	-1.43%	
WILLINGTON	Aa3			17.11%	28.89%	28.63%	20.05	-2.78%	
WILTON	Aaa			14.80%	9.16%	12.72%	17.79	-0.15%	
WINCHESTER				20.84%	31.25%	30.53%	22.45	0.49%	
WINDHAM	A1	AA		11.88%	48.44%	50.80%	27.11	0.24%	
WINDSOR		AAA		20.08%	19.04%	21.57%	20.95	-0.06%	
WINDSOR LOCKS	Aa1	AA+		22.46%	30.01%	33.23%	17.59	-0.04%	
WOLCOTT	A1	AA		8.85%	34.82%	34.23%	20.04	-2.84%	
WOODBIDGE	Aaa			13.78%	5.66%	7.53%	26.67	-0.28%	
WOODBURY	Aa2			16.86%	5.21%	5.76%	19.52	-0.66%	
WOODSTOCK	Aa3			16.98%	29.88%	28.68%	16.16	-2.71%	