Securing a Strong Bond Rating for Mississippi

Earlier this month, I had the opportunity to travel to New York City with Governor Phil Bryant and members of my staff to meet with the three major bond rating agencies. We make the trip annually, and that “face time” with the rating agencies is critical for safeguarding Mississippi’s strong credit rating.

The visits to Standard and Poor’s, Fitch Ratings and Moody’s Investor Services are also part of a focus on maintaining a good economic and business climate in the state. My goal is to ensure that Mississippi is known as a job-friendly state and is fertile ground for capital investments and growth.

Currently, Mississippi has a very strong credit rating. Fitch Ratings, Moody’s Investor Services, and Standard and Poor’s rate the state’s general obligation bonds as AA+, Aa2 and AA respectively. A strong credit rating represents excellent credit quality in the open market. That means Mississippi’s bonds are very desirable, and a strong bond rating makes it easier for the Treasurer’s Office to sell bonds on favorable terms and reissue debt when advantageous for taxpayers.

My team and I are continuing to work to ensure we do all that we can to not only keep the AA rating, but work to get a AAA rating. As a fiscal conservative, I strongly believe in being proactive in managing the state’s debt. Since 2012, we have saved the taxpayers over $69 million on our bond debt service.

As I returned back home from my trip to meet with the rating agencies, I was again so proud to have the opportunity to represent our great state. It is always such an honor to promote the positive things going on in our state, and we have a lot of good things to share. Time and time again, the rating agencies are impressed with our state. That is not just because of our work to manage your state finances; it is also because of your hard work in driving our economy forward. Thank you for all you do to enable me to share our positive progress!
GIRLS AND BOYS STATE

In recent weeks, Treasurer Fitch has had the opportunity to speak to groups of students who participated in the Girls State and Boys State programs. Treasurer Fitch talked about being future leaders of Mississippi and being leaders in their communities today. “Girls State and Boys State have such a strong history in Mississippi of bringing in bright individuals and preparing them to be our next generation of leaders,” said Treasurer Fitch. “These young men and women were picked to be a part of these groups because someone saw something special in them. My hope for these students is that they start utilizing their strong leadership skills now, which will in turn make them stronger leaders for tomorrow. Mississippi is certainly on the right path with these young men and women at the helm.”

UPDATE ON UNCLAIMED PROPERTY

The Office of the State Treasurer wants to remind you that one in five Mississippians has unclaimed property. These properties can be anything from forgotten utility deposits, bank accounts, stocks and bonds, and unclaimed inheritances. Since 2012, Treasurer Fitch and her team have been able to return over $41 million to Mississippians. After publishing the unclaimed property tabloid in April 2015, the Treasurer’s office has been able to match up an additional $9.3 million dollars, as of June 16. To find out if you have unclaimed property, visit our website at www.TreasurerLynnFitch.com.
State Treasurer Lynn Fitch congratulated two lucky newborns who will start their life with a $529 Mississippi Affordable College Savings (MACS) Plan scholarship. The infants were winners of a Baby Contest sponsored by College Savings Mississippi to celebrate 529 day. May 29 was National 529 College Savings Day. Mississippi and other states offer tax-advantaged 529 plans that help families save for future college expenses. To raise awareness of the importance of saving early for higher education, State Treasurer Lynn Fitch and College Savings Mississippi teamed up with 18 Mississippi hospitals to celebrate National 529 College Savings Day. Two babies born closest to or before 5:29AM and 5:29PM were awarded $529 MACS scholarships. In addition, babies born on this day, at participating hospitals, received a personalized College Savings Mississippi “I’m a 529 baby” onesie.

Shamyra Paige and Shawn Rainey, of Pearl, MS, are the proud parents of Shaunice Rainey, who was the baby born closest to or before 5:29AM. Shaunice was delivered at Baptist Medical Center in Jackson and will receive a $529 MACS scholarship.

Darryl and Linda Gipson, of Brookhaven, MS, are the proud parents of Kolby Douglas Oliver Gipson, who was the baby born closest to or before 5:29PM. Kolby Douglas was delivered at King’s Daughters Medical Center in Brookhaven and will receive a $529 MACS scholarship.

“This is a great partnership we have with the hospitals and I appreciate their support in our efforts to get these families prepared for their child’s education,” said Treasurer Fitch. “It is never too early to start saving for college and with opportunities like these, we can continue to educate families on the importance of investing in a child’s future.”

The participating Mississippi hospitals were: Baptist Medical Center, Baptist Memorial Hospital (Desoto), Baptist Memorial Hospital (North Mississippi), Baptist Memorial Hospital (Union), Delta Regional Medical Center, Forrest General Hospital, King’s Daughters Medical Center, Magnolia Regional Health Center, Merit Health Central, Merit Health Madison, Merit Health River Oaks, Merit Health River Region, Merit Health Woman’s, Rush Foundation Hospital, South Central Regional Medical Center, Southwest Mississippi Regional Medical Center, St. Dominic Hospital, and University of Mississippi Medical Center.
Components of the Leading Index include average weekly manufacturing hours, average weekly initial claims for unemployment insurance, manufacturers’ new orders for consumer goods and non-defense capital goods, building permits and stock prices. Other components are indexes of supplier deliveries and consumer expectations, M2 money supply and the interest rate spread between 10-year Treasury bonds and federal funds. In April, the MLI fell 0.2% following increases in each of the previous two months. (Source: University Research Center, Mississippi Institutions of Higher Learning)
Total collections for April FY 2015 were $31,327,071 above the sine die estimate. Department of Revenue sources were $31,324,548 above the estimate and Other Than Department of Revenue collections were above the estimate by $1,173,660 and all other transfers were $2,523. The major revenue sources were above or below the estimate in April (Source: LBO).

The above chart illustrates the General Fund revenue collections by month as compared to the prior year.