S&P Global Ratings

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Mississippi Development Bank; Appropriations; General Obligation; Moral Obligation

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Credit Profile		
US$6.935 mil taxable spl oblig rfdg bnds (Mississippi) (Clay County) ser 2019 due 03/01/2030		
Long Term Rating	A/Stable	New

Rationale

S&P Global Ratings assigned its 'A' rating to the Mississippi Development Bank's (MDB) $6.935 million series 2019 taxable special obligation bonds (Clay County Mississippi Taxable General Obligation Industrial Development Refunding Bond Project). At the same time, S&P Global Ratings affirmed its 'AA' rating on the state's general obligation (GO) debt outstanding, and its 'A' rating on the state's various issues of the MDB, based on the state's moral obligation pledge.

S&P Global Ratings also affirmed its 'AA-' rating on various issues of the Mississippi Development Bank Community and Junior College State Aid Intercept Program and the Mississippi State Aid Capital Improvement Bond Program, based on the intercept and withholding provisions of these state enhancement programs. The outlook on all ratings is stable.

Pursuant to The Bank Act (Sections 31-25-1 et seq. of the Mississippi Code of 1972), the series 2019 bonds and all parity debt obligations are limited obligations of the bank, secured and solely payable from pledged payments made by the bank under the trust estate established under the trust indenture between the MDB (the issuer) and Regions Bank (as trustee). The bonds are expected to be paid from the full faith and credit pledge of Clay County to the general account, together with legally available funds of the Bank--including cash and securities in the funds and accounts created under the trust indenture. The MDB itself has no taxing power, but The Bank Act authorizes and the trust indenture requires the bank to establish and maintain the Debt Service Reserve Fund (DSRF) or a reserve fund credit facility, which the trustee may draw on if pledged funds are insufficient to make required debt service payments.

In the event the balance in the bonds general account is deficient, the trustee will notify the MDB of the deficiency by December 1 in which the DSRF is not funded with an amount equal to the debt service requirement. In turn, the MDB covenants and agrees that it will, on or before January 1, of each year, request from the governor to the state legislature any sum required to restore the DSRF to an amount equal to the DSRF Requirement and all amounts owed to the credit facility provider. We note that the time available to make and pass a resolution to appropriate funds to satisfy a deficiency in the DSRF mid-year is short, but this is partly mitigated by the presence of the DSRF funded at MADS.

Therefore, we rate the series 2019 bonds three notches below our view of the state's general creditworthiness (as reflected in Mississippi's GO rating) to reflect the moral obligation of the state to appropriate funds toward the DSRF in the event there is a deficiency in the debt service fund. In our view, the obligation maintains a weak relationship between the state and the projects being finance by the MBD, a legally separate entity. In addition, we have determined the mechanics of the intended payment source for the moral obligation pledge as weak, as revenues are not directly tied to the state's operating budget and the obligor's intent is to address only a deficiency in the DSRF. In the event the state is called on to satisfy annual deficiencies, we believe it has considered the affordability of the obligations in its financial statements and budget forecasts; the overall payment would represent less than 1% of general fund expenditures. While we consider this transaction to be non-standard for the state, the appropriate high-level officials are supportive of projects funded through the MDB and there is no evidence of political resistance.

We understand proceeds from the series 2019 bonds will be used for the purchase of the county bonds and provide funds to refund the outstanding principal on outstanding series 2013 bonds, fund the DSRF for the series 2019 bonds, and pay the cost of issuance, including payment of the Municipal Bonds Insurance Policy premium. The bonds were originally used to finance various capital projects and public infrastructure improvements to facilitate industrial developments in Clay County.

The 'AA' rating on Mississippi's GO debt reflects our view of the state's:

- Historically conservative and proactive fiscal management, including the use of timely budget adjustments to maintain fiscal balance through periods of revenue decline;
- Working cash stabilization fund, which represent a good 6.5% of budget in fiscal 2018, which could increase from current levels, given conservative budgeting of appropriations at 98% of estimated revenues and the introduction of new revenue streams in fiscal 2019; and
- Implementation of pension reforms in 2018 that are expected to stabilize recent declines in the funded ratio of its retirement system and increase pension contributions, which we believe provides more responsive monitoring and funding mechanisms to manage postretirement liabilities over the long-term.

Credit factors that somewhat mitigate the preceding credit strengths include our opinion of the state's:

- Overall limited economic base, characterized by Mississippi's weak wealth and income indicators, employment concentration in manufacturing, and a higher dependency on federal government spending relative to other states. Mississippi has historically exhibited slow population growth and weak employment recovery following recessions, and it has among the nation's highest poverty rates and lowest educational attainment levels;
- Overall weak debt and liability profiled characterized by moderate-to-moderately high debt levels and below-average pension funding and other post-employment benefit (OPEB) obligations, coupled with some optimistic funding assumptions compared with other states; and
- In our view, Mississippi is poised to maintain, at least, structurally balanced operations in fiscal 2019 as the state's revenue conditions have kept pace with somewhat restrained growth in state spending, which we believe will contribute to a healthy financial and reserve position entering fiscal 2020. In 2018, 2019, and 2020, the state is expected to recognize reserves above 2015 levels, aided by new revenue streams from sports betting, the Wayfair ruling, and BP settlement funds (which combined total $88 million) that will contribute to positive year-end balances and the build-up of reserves. Furthermore, the state's executive branch has historically exhibited strong budget monitoring practices and self-corrective mid-year adjustments to align spending with revenue estimates.

The state's revenue estimates remain positive through the first nine months of fiscal 2019, which supports our view of the Mississippi's financial position. Mississippi's Legislative Budget Office reports that the state generated $114.3 million more in general fund revenue as of March 2019, which is about 3.1% over the first nine months in fiscal 2018 and 2.6% above current year revenue projections. Due to state- and federal-level tax reforms in the past several years, individual income taxes dipped slightly below monthly estimates for January and February, but have recovered are approximately 0.42% above revenue targets for the current year. The state has experienced favorable sales and use tax collections (2.6% over the fiscal year) and a windfall of gaming revenues from legalized sports betting, which topped $100 million, or 5.8% over the previous fiscal year. The state estimates that will add surplus to its working-cash stabilization and capital expense funds at the end of fiscal 2019.

Due to more favorable revenue estimates throughout the fiscal 2019, the state legislature revised its revenue forecast in March 2019 to include $125.3 million in additional revenue available for fiscal 2020. Mississippi enacted a $5.74 billion general fund budget at the end of its legislative session in April, or a nearly 3.6% increase in spending over the previous fiscal year. The state reinstituted the 2% set aside provision for the second consecutive year, restricting an estimated $234.2 million in the 2020 budget for distribution to both of its reserve accounts or to cover potential shortfalls in state revenue. In addition, working-cash stabilization funds are estimated to increase to $465 million as of fiscal year-ending June 30, 2019, which gives the state additional operating flexibility to address material variances in the budget. Therefore, we view the enacted fiscal 2020 is structurally balanced.

At this mature stage of the national economic recovery and expansion, we generally expect Mississippi's economic growth to continue, but at a more measured pace relative to surrounding states and the nation. Due to its developed port system, low cost of doing business, and proximity to key domestic and international shipping routes, the state has witnessed steady growth in manufacturing related to automotive-related, shipbuilding, and food processing facilities over the past several years. However, broadening global competition, historically lagging educational attainment levels that could be a competitive disadvantage for attracting high-tech industry development, and volatility in international trade may uproot recent employment gains in Mississippi's manufacturing sector. Concurrently, we recognize the state continues to face challenges relating to essentially flat population growth and below-average wealth and income indicators, as Mississippi's per capita gross state product (GSP) is among the lowest in the U.S. at $38,207, and its per capita income is 71% of the nation at $36,346 in 2018.

In our view, the state's recent undertaking of reforms to address the state's high pension liabilities demonstrates greater responsiveness to declining pension-funded and pension contribution trends. The state's Public Employees' Retirement System of Mississippi (MSPERS) had determined the 30-year projected funded ratio (in 2047) to be approximately 51% based on its prior assumption and asset performance base. Consequently, the board of trustees of the state's adopted a number of reforms and oversight mechanisms in June 2018, including an increase to the fixed employer contribution rate (FCR) to 17.40% of payroll from 15.75%, which we understand will provide additional resources to improve the funded ratio to 100% over 30 years. The board also introduced new funding oversight policy (using a three signal light metric) that alerts the board to potential risks and requires action planning if certain indicators fall outside of policy parameters; should any one of three metrics fall to red, the board is required to increase its contribution rates to restore all three metrics above the thresholds.

The three signal light metrics are:

- A 30-year projected funded ratio (2048). If the funded ratio falls below 65% (red), the board is required to reset contributions and review assumptions to ensure the funded ratio is increased to above 80% (green);
- Minimum projected cash flow into the system at any point in the next 30 years. If cash flow is less than negative 7.75% (red), then the board are required to reset contribution levels so that cash flow remains higher than negative 6% (green); or
- The ratio of actuarially determined contribution (ADC), calculated to pay off unfunded liabilities over 30 years, to FCR (currently 17.4%). If FCR differs from ADC by more than 10% (red), the contribution must be revised to ensure FCR equals the ADC (green).

We view the state's historical underfunding of its pension obligations and low-funded ratio as a lingering credit pressures, but we believe the state has demonstrated progress in adjusting its contribution rates and enacting actionable reforms to manage its unfunded liabilities over the long-term, thereby supporting our view credit stability.

Based on the analytical factors evaluated for Mississippi, on a scale where '1.0' is the strongest score and '4.0' is the weakest, we assigned a total or composite score of '2.0' to Mississippi under our State Ratings Methodology.

Tax Intercept Agreement

Although we do not factor this directly into our assessment of the MDB's moral obligation pledge, we recognize that additional debt service payment mechanisms are established, which can be initiated to satisfy a deficiency in the general debt service account and ensure timely payment of debt obligations. S&P Global Ratings does not rate the tax intercept agreement program between the MDB and local governments (counties, municipalities, or school districts).

Pursuant to the Bank Act and the county's respective bond indenture, the MDB and the county have entered into a tax intercept agreement, whereby the county has covenanted and authorized the Mississippi Department of Revenue (MDR) to request the amounts to be remitted to the trustee to cure the deficiency. If a trustee, on June 1 or December 1 of each year (acting as an independent paying agent) determines that funds available in the general account held by the trustee are insufficient to make the debt service payment, the intercept is triggered. If the intercept is triggered, the trustee shall immediately notify the MDR or any other state agency (filing the tax intercept agreement and statement of deficiency in the amount of any delinquent payment) to withhold all or a portion of monies which the county is entitled to receive pursuant to any law.

Upon receipt of this request, the MDR or other agency shall remit payment directly to the trustee within 30 days on behalf of the bank to satisfy any delinquent payment, as permitted under the Mississippi Development Bank Act. In the event that one or more of the state agencies meet the deficiency, the trustee is directed to remit to the state agencies any amounts in excess of the deficiency. The trustee is then directed to pay these intercepted funds into the general account of the general fund and to reimburse the bond insurer or reserve policy provider.

The requirement of the trustee to immediately notify the MDR, or any other state agency, department, or commission is in addition to the trustee's other notifying requirements, and in no way limits the rights of the trustee or the bank.

Outlook

The stable outlook reflects our view of Mississippi's history of proactive financial management, including the state's demonstrated practice of making budget adjustments to maintain balance through periods of revenue decline. We believe state officials will continue to take timely action to adjust the budget, demonstrate greater responsiveness to address underfunded liabilities, and maintain structural balance even when faced with subdued economic growth. Should spending or revenue pressures result in significant reliance on the working-cash stabilization reserve or other nonrecurring measures, or should the state's commitment to funding pension contributions fail to meet its stated goals, we could lower the rating. Also, if financial flexibility is compromised due to the state's unwillingness to cut expenditures or raise revenues when necessary, or substantial debt issuance occurs without a commensurate increase in liquidity, these could all lead us to lower the rating. Although not expected in the next two years, a higher rating would reflect greater economic diversification and growth along with fundamental and significant improvement in pension-funded levels.

Government Framework

Mississippi operates on a fiscal year beginning July 1. It is a statutory requirement that the state introduce and adopt a balanced budget. Although state law restricts general fund appropriations to 98% of the official revenue estimate and the previous year's ending general fund balance, but the legislature has suspended this statutory requirement in most budgets since the recession. If there is a revenue shortfall, the Department of Finance and Administration (DFA) is mandated to balance the general fund budget by reducing the allotted expenditure authority to general fund agencies by any amount necessary to ensure the state meets the balanced budget requirement during the year.

The state's executive branch has demonstrated the ability to cut disbursements across programs in the event of a revenue shortfall to keep the budget in balance throughout the year and historically has demonstrated the willingness to do so even under stressful economic conditions. Individual programs can be cut up to 5% if there is a revenue shortfall, but cuts beyond 5% must be made evenly across all state-funding programs. Mississippi has the authority to raise revenues, including levying of a broad range of taxes. However, Article 4, Section 70, of the state constitution requires a three-fifths supermajority to pass any revenue or property taxation bill and Mississippi's recent preferred policy approach has focused more on expenditure reductions than on tax increases. Voters do not have the ability to directly place initiatives on the ballot because they must first refer the measure to the legislature, which can place an alternative version of the initiative on the ballot. In order to pass, the initiative requires a majority vote of the people, with a minimum of 40% of total votes cast in that election. Due to these high thresholds, there has not been a history of successful voter initiatives in the state and the initiative process contains several hurdles before an initiative becomes law. For example, Mississippi was successful in qualifying a measure for the November 2015 election that would have constitutionally required the state to use at least 25% of future annual general fund revenue growth to fund education, the 2015 legislature placed an alternative version of the initiative on the ballot and neither initiative passed.

Mississippi shares revenue with cities and counties from sales taxes and property taxes assessed on all local real and personal property subject to certain exemptions. The state can issue debt for a wide range of purposes, but legislation governing the financing of specific bond projects must authorize all state debt. The constitutional debt limit is 1.5x the sum of all revenues the state collects in any one of the four preceding fiscal years, whichever is highest. As of June 30, 2015, Mississippi's applicable debt outstanding represented 30.9% of the constitutional legal debt limit of approximately $16.6 billion. Legislation also limits the state's variable-rate debt to no more than 20% of its total GO debt; as of June 30, 2018, the state has $162.4 million of variable-rate GO debt outstanding, or 4% of total GO debt. While the state constitution does not explicitly outline a priority lien of debt, in the event of a shortfall, the treasurer is authorized to use any non-appropriated funds to cover debt service payments and the state's priority for repayment of debt has been high in practice.

We have assigned a score of '1.6' to the state's government framework, on a scale where '1.0' is the strongest score and '4.0' is the weakest.

Financial Management

We consider Mississippi's financial management practices strong under its Financial Management Assessment methodology, indicating our view that practices are well-embedded, and likely sustainable.

Mississippi creates its multiyear budgeting and cash flow projections through the annual budget process, addressing both the current and subsequent budget year. It also develops a five-year revenue forecast. Its formal investment management policy calls for at least monthly reporting to elected officials, including the governor. Statutes provide guidelines for deposits to the formal working cash stabilization reserve and the state maintains a five-year capital improvement budget that it presents for consideration to the legislature annually. The constitution limits debt to 1.5x the sum of all revenues Mississippi collects in any one of the four preceding fiscal years, whichever is higher. Because the state has issued variable-rate debt and entered into swaps, enabling legislation limited its variable-rate debt to no more than 20% of its total GO debt and Mississippi has a comprehensive derivatives management policy that it reviews annually. The treasurer has published an annual debt affordability study since 2014, which reflects current debt ratios as well as projected annual debt service requirements and issuance.

In our opinion, Mississippi has historically followed strong budget management practices. We consider the executive branch and budget office to have broad powers to adjust appropriations. Should a revenue shortfall occur, the Department of Finance and Administration (DFA) can amend budgets to improve structural gaps and cut expenditures directly as needed. All state agencies receiving general or special funds are subject to funding reductions of up to 5%, but no agency receives a cut in excess of 5%, unless all have been reduced by this percent. As required by state statute, the state treasurer and the executive director of the DFA monitor the state general fund revenues and cash balances against monthly estimates in anticipation of adjustments that they might need to make. Although the state can use a portion of its rainy-day balance to address budget shortfalls, it cannot carry over deficits from the previous fiscal year. Thus, previous gap-closing solutions have included structural adjustments rather than relying solely on nonrecurring revenue or spending actions.

On a scale where '1.0' is the strongest score and '4.0' is the weakest, we have assigned a score of '1.0' to Mississippi's financial management framework.

Economy

Mississippi's economy experienced modest employment and productivity gains since the Great Recession, and we generally expect the state to experience subdued economic growth over the two-year outlook horizon. Mississippi is the 34th most populous state, with a population of approximately 2.99 million in 2018. The state's population density is dispersed and predominantly rural, although the state features some more densely-populated cities: Jackson, Southaven, Gulfport, Biloxi, and Hattiesburg.

We believe Mississippi's competitive advantages have attracted new economic development related to the trade and transportation industries, given the location of developed ports on the Gulf Coast and the Mississippi River, as well as its proximity to the Panama Canal. In addition, affordable costs of doing business are lower than most other states, as Mississippi has one of the lowest corporate income taxes in the U.S. Consequently, the state achieved an annual gross state product (GSP) growth rate of 3.8% in 2018 and 2.8% in 2017, which outpaced the national average (2.8% in 2018 and 2.2% in 2017). Automotive-related manufacturing remains a bright spot with future developments planned. Continental Tire constructed an employee training facility in Jackson in preparation for its new commercial vehicle tire manufacturing plant. It is investing $1.45 billion in a plant in Hinds County, which could generate 2,500 new jobs by 2028. The state has approved tax exemptions for the plant and expects to issue $263 million of GO debt for incentive payments over five years. It also approved $11 million of additional debt for incentives to Edison Chouest to support a shipbuilding facility expansion that will add 1,000 new jobs in Gulfport.

However, despite recent economic development and productivity gains in recent years, we note Mississippi's personal income per capita is 71% of the national level, and GDP per capita also remains well below the U.S. average, at 61% in 2018. Per capita personal income also increased by 3.9% to $37,994 in 2018 from $36,567 in 2017, but Mississippi trails the national level of $54,853. We recognize that to some degree, Mississippi below-average income and wealth metrics compared to the U.S. have been historically linked to a higher dependency on federal and state social program spending relative to other states, even during periods of economic recovery and expansion.

Mississippi's population growth has generally lagged that of the U.S., with year-over-year growth slowing to just 0.1% over the last 10 years; this compares with 0.7% population growth for the U.S. over the same period. However, the state's population declined by 0.1% in 2018, which could reflect net out-migration from the state due to a tightening labor market in surrounding states in the southeastern U.S. The state's age dependency ratio is at 65.4, which is 3.6 points above the U.S. average; however, we understand Mississippi's population skews younger, with approximately 34% of the state's population between the age 0 and 24, which could align the state's dependency ratio closer with the U.S. in future years. IHS Markit forecasts slow annual population growth of 0.3% to continue over the next two years, which we believe could further dampen statewide economic growth.

The statewide unemployment rate averaged 4.8% in 2018, which is substantially below its peak of 10.4% in 2010, but it remains 0.9% above the national average. Mississippi's leading sectors include government; trade, transportation, and utilities; education and health services; manufacturing; and leisure and hospitality. Gambling in Mississippi is facing increased competition from gaming opportunities in neighboring states, particularly Arkansas, despite legalized sports wagering and a soon-to-be-operational Mississippi state lottery. This factor could contribute to muted growth in the leisure and hospitality sector in future years. The state's employment composition generally aligns with national trends, although the state exhibits higher payroll concentration in manufacturing (12.5%) and government (20.9%) relative to the national average (8.5% and 15.4% respectively). Although the state has recognized some gains in professional and business services (totaling 9.5% of employment in 2018), these employment gains to be administrative and support services, which typically feature below average wages.

Automotive-related manufacturing, food processing, fabricated metals, and shipbuilding account for much of the state's manufacturing output, and Mississippi's growing share of automotive suppliers are likely to anchor manufacturing employment in the near-term. We think that Mississippi will experience a longer term trend of declining manufacturing and trade/transportation payrolls due to global competition and slow population growth relative to the U.S., which could weaken the state's long-term growth. Furthermore, the state has among the lowest educational attainment levels in the U.S. Approximately 84% of Mississippi residents over the age of 25 are high school graduates, which is about 4% lower than the national average. Although the state has prioritized workforce education needs through funding scholarship and literacy programs, we believe gaps in workforce development could continue to limit the prospects for expansion of high-tech and precision manufacturing in the state over the long-term.

We have assigned a score of '3.3' to Mississippi's economy, on a scale where '1.0' is the strongest score and '4.0' is the weakest.

Budget Performance

The Budget Reform Act of 1992 created the working-cash stabilization reserve account, which requires the state to deposit 100% of the unencumbered general fund cash balance into the account at the close of each fiscal year until the balance reaches $40 million. Thereafter, Mississippi was required to deposit 50% of the unencumbered general fund ending cash balance into the account until it reaches 7.5% of general fund appropriations for the current fiscal year. As required by state law, Mississippi does not consider the account surplus or available funds when adopting a balanced budget. In the event of a revenue shortfall, the governor is authorized to transfer permanently the amount in excess of $40 million of the working-cash stabilization reserve account balance to the general fund to cover such deficits up to a maximum of $50 million in any one fiscal year, although this limit was removed by the legislature for fiscal 2016. In addition to the working cash stabilization reserve account, the state directs a portion of the unencumbered balance to a capital expense reserve designated for capital needs and to reduce reliance on bonding. In the past, it has also directed small amounts in the budget contingency fund to cover nonrecurring expenses in the budget.

Under the FORTIFY Act, the state increased the cap on the rainy-day fund to 10% from 7.5% of general fund appropriations; excludes unencumbered beginning cash in the calculation of the 2% set aside; and revises the distribution of year-end cash so that the state is no longer carrying over 1% in cash, and that the first $750,000 is designated to the Municipal Aid Revolving Fund, with the remainder split 50/50 between the rainy-day fund and capital expense fund.

Mississippi historically recorded budgetary surpluses in periods of positive economic growth, which it has used to fund reserves. In periods of economic decline, the state has addressed budget imbalances through a combination of structural solutions and the use of reserves within the limits of state statute.

Five independently derived projections form the basis of the state's official consensus revenue forecast used in budget development. In October of each year, revenue estimating officials with the office of the state treasurer, legislative budget office, DFA, department of revenue, and the University Research Center present their consensus revenue projection to the Joint Legislative Budget Committee and the governor's budget office. The official state revenue forecast binds the budget, and state law is supposed to limit appropriations to 98% of the official revenue estimate as a way to create some buffer for revenue volatility. Although the legislature only budgeted 99% of revenue in 2018 and 98% in 2019, the legislature suspended the requirement between for fiscal years 2015 through 2017 as it did for several budgets immediately following the last recession. The suspension was a result of income and corporate tax cuts, which reduced revenue, and the time needed to implement corresponding expenditure reductions.

In 2018, the state reported a $117 million surplus, bringing available general fund reserves to $545.7 million or 6.5% of expenditures. State officials attribute the surplus to adherence with the 1% set aside, coupled with $32 million in one-time Attorney's General settlement funds and general fund revenue collection that exceeded estimates by $92 million, or approximately 1.6% above the fiscal 2018 budgeted target. Fiscal 2018 general fund revenue collections increased by $78.4 million, or 1.4% over the prior year. Individual and corporate income, sales, and franchise taxes accounted for the largest share of this revenue. Actual expenditures were approximately $9.8 million less than budget, which is partly attributed to lower health and social services expenditures. The state budgeted inflation of Medicare and Medicaid service costs at 4.5%, but it recognized a 0.5% decrease in health and social services expenditures compared to the prior fiscal year due to cost containment measures and a year-over-year decline in beneficiaries.

Notwithstanding a high distribution of federal funding, we consider the state's tax revenue structure to be diverse, as sales tax receipts are expected to contribute about 38.4% of general fund revenues in fiscal 2019 while individual income tax revenues account for about 33.7%. A portion of Mississippi's sales taxes also flows to the education enhancement special fund to support education spending and the state uses annual tobacco settlement money through its health care expendable fund to help fund its Medicaid budget. State spending on Medicaid and education represent more than two-thirds of the total state support budget. State officials estimate minimal caseload growth and higher federal medical assistance percentages (FMAP) match rates help to minimize Medicaid cost growth in the budget. Expenditures are generally predictable, and, to maintain budget balance, the state has demonstrated willingness to reduce services and expenditures when revenue declines necessitate doing so. In our view, Mississippi has historically used expenditure cuts to achieve balanced operations when necessary. Only recently did the state look to new revenue streams (online sales tax, the lottery) to meet rising spending obligations.

Mississippi has not historically issued short-term debt for cash flow purposes. To address the need for temporary cash, the general fund may borrow from special funds and the working-cash stabilization fund, which requires the state to repay any amount borrowed before the end of the fiscal year. The working-cash stabilization fund had an unassigned fund balanced of $290.1 million, or 5.2% of general fund expenditures, at the end of fiscal 2018. The general fund has accumulated borrowings outstanding of $349 million from the working-cash stabilization reserve and $158 million from budgetary special funds as of April 12, 2019, which will be repaid before the end of the fiscal year. Statute requires the state treasurer and the executive director of the DFA to analyze the amount of cash in Mississippi's general fund and special funds at least monthly and at any other time deemed necessary. Although the state has the authority to do so, it has not issued short-term notes for temporary cash flow deficiencies. In our view, Mississippi's broad authority to cut expenditures in response to revenue shortfalls also supports its liquidity position.

Fiscal 2019 budget (projections)

The enacted fiscal 2019 budget totals $5.5 billion, which was a 0.61% reduction in appropriations compared to fiscal 2018. Following several years in which the state suspended or reduced the 2% set aside due to uncertainty of revenue and expenditure growth, the state reinstituted the 2% set aside for the current fiscal year. Furthermore, the governor convened a special session in August 2018 to address the state's infrastructure needs -- more than 500 bridges were closed due to safety concerns, and the state had yet to identify funding to repair, replace, and reopen the bridges. During the special session, legislators agreed to borrow $300 million, and dedicate 35% of Mississippi's use tax on remote and out-of-state sales to bridge and road funding. The confluence of borrowing and newly-committed revenue are expected to increase infrastructure funding by an additional $120 million to $130 million annually.

Mississippi estimated additional revenue to come from legalized sports betting (approximately $8 million), and the Wayfair ruling -- which could add $30 million to $50 million to revenues in fiscal 2019 and increasing to $50 million to $70 million in subsequent years. The special session also yielded a lottery bill that would generate $40 million in new revenue in the fiscal 2019 and $80 million in years thereafter, with the majority of new revenues allocated to the state's highway fund. We believe these new revenue streams, along with the state's conservative budgeting of appropriations to account for potential revenue variations, position Mississippi to support long-term structural alignment; however, this somewhat tempered by our view of risks associated with Mississippi's above-average dependence on federal funds. In 2018 and 2019 (budgeted), federal funding comprised 46.4% and 45.5%, respectively of total governmental funds available for appropriation.

The state's revenue estimates remain positive through the first nine months of fiscal 2019, which supports our view of the Mississippi's financial position. Mississippi's Legislative Budget Office reports that the state generated $114.3 million more in general fund revenue as of March 2019, which is about 3.1% over the first nine months in fiscal 2018 and 2.6% above current year revenue projections. Due to state- and federal-level tax reforms in the past several years, individual income taxes dipped slightly below monthly estimates for January and February, but have recovered are approximately 0.42% above revenue targets for the current year. The state has experienced favorable sales and use tax collections (2.6% over the fiscal year) and a windfall of gaming revenues from legalized sports betting, which topped $100 million, or 5.8% over the previous fiscal year. The state estimates that will add surplus to its working-cash stabilization and capital expense funds at the end of fiscal 2019.

Fiscal 2020 budget (enacted)

Due to more favorable revenue estimates throughout the fiscal 2019, the state legislature revised its revenue forecast in March 2019 to include $125.3 million in additional revenue available for fiscal 2020. Mississippi enacted a $5.74 billion general fund budget, or a nearly 3.6% increase in spending over the previous fiscal year. The state reinstituted the 2% set aside provision for the second consecutive year, restricting an estimated $234.4 million in the 2020 budget for distribution to both of its reserve accounts or to cover potential shortfalls in state revenue. In addition, working-cash stabilization funds are estimated to increase to $465 million as of fiscal year-ending June 30, 2019, which gives the state additional operating flexibility to address material variances in the budget.

The increase in fiscal 2020 state support spending levels include several material legislative funding changes made in recent legislative sessions. Following approved reforms by the state's retirement board in August 2018, Mississippi increased its fiscal 2020 appropriation by $56.2 million to account for the change in the employer contribution from 15.75% to 17.4%. The legislature also provided an increase of $82.1 million (or 3.3%) above fiscal 2019 funding levels, the majority of which will be used to increase annual teacher pay by $1,500, fund pension and health insurance cost growth, and add to the Minimum Adequate Education Program (MAEP) funding formula. The state also increased its appropriation to institutions of higher learning by $65 million for support of ongoing operations and $14.2 million to match federal funding levels for Medicaid and Children's Health Insurance Program (CHIP).

Continuing control of rising Medicaid and CHIP costs and reversing the recent downward trajectory of the state's pension funding, coupled with restricted long-term economic growth prospects that can tighten the state's revenue environment remain challenges for Mississippi over the medium-to-long term. Nonetheless, we believe the state will likely maintain structurally balanced operations for the next fiscal year, with the 2% statutory revenue cushion that supports its historically steady financial position.

We have assigned a score of '1.6' to Mississippi's budgetary performance, on a scale where '1.0' is the strongest score and '4.0' is the weakest.

Debt And Liability Profile

In our opinion, Mississippi's debt levels remain moderately high by most measures. Fiscal 2017 tax-supported debt outstanding--including GO, appropriation debt, and notes payable--totaled $5.11 billion, or $1,712 per capita, which we consider moderate, and 4.5% of personal income and GSP, which we consider moderately high. Mississippi's debt service burden as a percent of expenditures is also moderately high, in our view, with fiscal 2017 debt service accounting for 8% of total governmental fund expenditures (net of federal government revenues received). Debt amortization is average, in our opinion, with 60% of tax-supported debt principal repaid over 10 years.

Notes payable include debt issued by the department of transportation for roads and bridges, but tax-supported debt ratios do not include MDB bonds backed by the state's moral obligation pledge that historically have been supported by the loan repayments from various issuers. The balance of bonds outstanding issued by the bank was approximately $2.13 billion at June 2018 fiscal-year end.

Also included in the debt figure is $162 million of variable-rate debt, which represents about 3% of total tax-supported debt outstanding. The state entered into interest rate swap agreements in connection with $155.4 million of the variable-rate debt outstanding in order to hedge changes in cash flows. The counterparties on the swaps are Bank of New York-Mellon, Wells Fargo Bank, and Morgan Stanley Capital Services Inc. In our view, the swaps have low risk because termination risk is remote given the current strength of the state's general creditworthiness; although there are permissive requirements for counterparties to post collateral below certain rating triggers, the state has strong management practices with formal swap and debt management policies in place. We assess Mississippi's market risk profile as low and, as such, view remarketing risk as minimal. Our review of the state's debt profile incorporates a $48 million privately placed note with Regions Commercial Equipment Finance LLC. We view the events that would give rise to an acceleration in the repayment of the loans--largely limited to a default by the state on its GO bonds--as remote at the current rating level. The MDB issues debt on behalf of various Mississippi local governments. Local revenue streams and the state's moral obligation pledge to replenish the debt service reserve in case of a deficiency secure the development bank debt.

Pension and other postemployment benefits

Mississippi's unfunded pension liability primarily represents its proportionate share of the net pension liability in the Public Employees' Retirement System of Mississippi (MSPERS) as well as a relatively minor liability for its Mississippi Highway Safety Patrol Retirement System and Supplemental Legislative Retirement Plan single-employer retirement plans. We consider the state's overall three-year average pension-funded ratio across plans low at 60%.

The system sets its pension contribution rates by board policy. The board policy was revised in June of 2018 to address the state's rising liability and to offset the effects of smoothing investment losses from 2009. The new policy introduces signal light indicators that alert the board if the 30-year projected funded ratio drops below 65%; if there is a negative cash flow into the system reaches a level greater than 7.75%; or if there is more than a 10% difference between the board-determined contribution rate (currently 17.40% of payroll), and the contribution rate determined by an actuary (ADC) to pay off all unfunded liabilities over 30 years. In addition to adopting the new oversight policy, the board increased the employee contribution rate to 17.40% (effective July 1, 2019) from 15.75% to ensure that MSPERS remains above these triggers and the system can build and sustain funding progress to levels above the signal light thresholds. The state expects the higher contribution rate will be a cumulative cost of $18 million annually, which officials anticipate absorbing into the state's 2020 budget.

Furthermore, the board recently increased contribution rates for the Mississippi Highway Safety Patrol Retirement System (MHSPRS), responding to a projected ratio of only 51.6% in 2042 for the system. With a fixed contribution rate of 49.08% (up from 37%) beginning July 1, 2018, for the length of the projection period. Projection results for 2017 show that the plan will have a funded ratio of 96.50% in 2042.

MSPERS pension benefits include a compounded annual 3% cost-of-living increase for eligible retirees after they reach age 55, although the board extended the age to 60 for new hires in fiscal 2012. The MSPERS assumed rate of return remains at 7.75% (which is above the national average of 7.30%). In April 2017, the MSPERS board reduced its payroll growth assumption to 3.25% (compounded annually) from 3.75%, and lowered the disability rates for most ages. Although we view the lower payroll growth assumption reflect a more conservative estimate, we note that it could be optimistic given the state's aging and demographic trends. We calculate that total annual plan contributions across systems in fiscal years 2016 (65.0%), 2017 (61.1%), and 2018 (62.7%) have not covered levels equal to service cost and an interest cost component plus amortization of the unfunded liability, but that this could improve with the higher contribution rate over the medium- to long-term.

We believe management's recent reforms that emphasize improving funding of long-term liabilities, steadies our view of the state's overall pension funding discipline. According to the 2018 year-end investment report, the five-year rate of return of 9.16% exceeded the targeted long-term actuarial 7.75% assumed rate. However, it is possible that lower contributions or below-forecast investment returns could lead us to question this assumption. The combined ratio of active members to beneficiaries in the plan equals 1.44, which is slightly better than the median national ratio of 1.50

and indicates a capacity for cost reduction in the future if needed. We believe the system incorporates experience trends and industry standards in its experience study and we favorably view its practice to produce an experience study every two years. Furthermore, MSPERS uses a closed layered amortization over 25 years, which we view as reasonable. Mortality is not generational and only projects a static four-year period ending June 30, 2016. Furthermore, the system uses a level percentage of pay method (at 3.25%, which we view as high). This assumes rising future payroll and results in escalating pension contributions over time. Although in our view the state has undertaken more active management of its pension system, we believe the relatively high employer pension contribution rate adjustments remain a potential budget pressure in light of slowing revenue growth.

Mississippi's proportionate share of the total plans' net pension liability translates into what we view as a moderate $1,040 per capita and low-to-moderate at 2.7% of personal income.

We view Mississippi's other postemployment benefit (OPEB) risk to be moderate compared with that of other states, characterized by its relatively low unfunded OPEB liability per capita and an annual OPEB cost that is moderate-to-low in relation to the state budget. Mississippi provides just one OPEB plan, a medical plan, and a life insurance program administered by the State and School Employees' Health Insurance Management Board. Based on the plan's most recent valuation on June 30, 2018, the total OPEB liability was about $775 million, or about $259 per capita. The state finances the plan on a pay-as-you-go basis and has $1 million in assets accumulated in a trust. It funded almost 73.2% of the approximately $47 million annual OPEB cost in fiscal 2018, which represents less than 1% of the state's general fund budget.

On a scale where '1.0' is the strongest score and '4.0' is the weakest, we have assigned a score of '2.5' to Mississippi's debt and liability profile.

Ratings Detail (As Of May 7, 2019)		
Mississippi GO		
Long Term Rating	AA/Stable	Affirmed
Mississippi		
Long Term Rating	AA-/Stable	Affirmed
Mississippi taxable GO bnds		
Long Term Rating	AA/Stable	Affirmed
Mississippi Dev Bank (Meridian Comb Wtr & Swr Sys Rfdg Proj)		
Long Term Rating	A/Stable	Affirmed
Mississippi GO		
Long Term Rating	AA/Stable	Affirmed
Mississippi GO		
Long Term Rating	AA/Stable	Affirmed
Mississippi GO		
Long Term Rating	AA/Stable	Affirmed
Mississippi GO bnds (Tax-exempt)		
Long Term Rating	AA/Stable	Affirmed

Ratings Detail (As Of May 7, 2019) (cont.)		
Mississippi GO (AGM) (SEC MKT)		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Mississippi GO		
Long Term Rating	AA/Stable	Affirmed
Mississippi GO		
Long Term Rating	AA/Stable	Affirmed
Mississippi GO		
Long Term Rating	AA/Stable	Affirmed
Mississippi GO		
Long Term Rating	AA/Stable	Affirmed
Mississippi (Nissan North America, Inc Proj)		
Long Term Rating	AA/Stable	Affirmed
Mississippi (Nissan North America, Inc Proj)		
Long Term Rating	AA/Stable	Affirmed
Mississippi Dev Bank spl oblig bnds (Booneville Comb Wtr Swr & Solid Waste Disp Sys Proj) ser 2002		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank spl oblig bnds (Pearl River Cnty Ltd Oblig Hosp Imp Bnd Proj) ser 2002		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi GO		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Jackson State Univ Educl Bldg Corp, Mississippi		
Mississippi		
Jackson State Univ Educl Bldg Corp (Mississippi)		
Long Term Rating	AA-/Stable	Affirmed
Medical Center Educational Building Corporation, Mississippi		
Mississippi		
Medical Center Educl Bldg Corp (Mississippi)		
Long Term Rating	AA-/Stable	Affirmed
Medical Center Educl Bldg Corp (Mississippi) (Univ of Mississippi Medl Ctr Facs Expansion & Renovation Proj)		
Long Term Rating	AA-/Stable	Affirmed
Medical Center Educl Bldg Corp (Mississippi) (Univ of Mississippi Medl Ctr Facs Expansion & Renovation Proj)		
Long Term Rating	AA-/Stable	Affirmed
Medical Center Educl Bldg Corp (Mississippi) (Univ of Mississippi Medl Ctr Facs Expansion & Renovation)		
Long Term Rating	AA-/Stable	Affirmed
Medical Ctr Educl Bldg Corp (Mississippi) (Medl Ctr Facs Expansion & Renovation Proj)		
Long Term Rating	AA-/Stable	Affirmed
Medical Ctr Educl Bldg Corp (Mississippi) (Medl Ctr Facs Expansion & Renovation Proj)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dept of Transp, Mississippi		
Mississippi Dev Bank, Mississippi		

Ratings Detail (As Of May 7, 2019) (cont.)		
Mississippi Dept of Transp spl oblig bnds (Mississippi Dev Bank) (Desoto Cnty, Ms Highway Construction Proj)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dept of Transp (Mississippi Dev Bank) spl oblig rfdg bnds (Mississippi Dev Bank) (Desoto Cnty, Ms Hwy Rfdg Proj) ser 2017B		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dept Of Fin & Admin, Mississippi		
Mississippi		
Mississippi Dept Of Fin & Admin (Mississippi) APPROP		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dept Of Fin & Admin (Mississippi) (Master Lse Prog For State Agencies)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dept Of Fin & Admin (Mississippi) (Sch Dist Master Lse Prog)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank, Mississippi		
Claiborne Cnty, Mississippi		
Mississippi Dev Bank (Claiborne Cnty)		
Long Term Rating	A/Stable	Affirmed
Mississippi Dev Bank, Mississippi		
Jefferson Cnty, Mississippi		
Mississippi Dev Bank (Jefferson Cnty) MORALOBLIG		
Long Term Rating	A/Stable	Affirmed
Mississippi Dev Bank, Mississippi		
Madison, Mississippi		
Mississippi Dev Bank (Madison) (Madison Mississippi Swr Sys Proj)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank, Mississippi		
Mississippi		
Mississippi Dev Bank (Mississippi) spl oblig (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) spl oblig (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) spl oblig (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) spl oblig (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) GO (BAM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) MORALOBLIG		
Long Term Rating	A/Stable	Affirmed
Mississippi Dev Bank (Mississippi) MORALOBLIG		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) MORALOBLIG		
Long Term Rating	A/Stable	Affirmed

Ratings Detail (As Of May 7, 2019) (cont.)		
Mississippi Dev Bank (Mississippi) (Alcorn Cnty Regl Correctional Fac Bnd Proj) (ASSURED GTY)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Attala Cnty Montfort Jones Mem Hosp Proj)		
Long Term Rating	A/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Bolivar Cnty Correctional Fac Rfdg Proj) (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Bolivar Cnty Correctional Fac Rfdg Proj) (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Cap Proj & Equip Acquis Prog)		
Long Term Rating	A/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Cap Proj & Equip Acquis Prog)		
Long Term Rating	A/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Clay Cnty Proj)		
Long Term Rating	A/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Dept of Corrections East Mississippi Correctional Fac Rfdg Bnds Proj)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Dept of Corrections Walnut Grove Youth Correctional Fac Rfdg Bnds Proj)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Dept of Corrections Wilkinson Cnty Correctional Fac Rfdg Bnds Proj)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Dept of Rehab Svcs Cap Imp Proj) (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (D'Iberville Comb Wtr & Swr Sys Rev Proj) (ASSURED GTY)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Gautier comb util sys rev proj)		
Long Term Rating	A/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (George-Greene Cnty Regl Corr Fac Rfdg Bnd Proj)		
Long Term Rating	A/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Horn Lake Wtr & Swr Sys Proj) (BAM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Jones Cnty Jr Coll Dist Cap Imp Proj) (ASSURED GTY)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Ocean Springs, MS Pub Safety & Recreational Facs Proj)		
Long Term Rating	A/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Pearl Cap Imp Projs) (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Southaven Recre Facs Rfdg Proj) (BAM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Mississippi) (Washington Cnty Regl Correctional Fac Rfdg Proj) MORALOBLIG (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Washington Cnty) (Regl Correctional Fac Bnd Proj) (ASSURED GTY)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank spl oblig rev bnds (Wtr & Swr Sys Rev Rfdg Proj) ser 1998		
Unenhanced Rating	A(SPUR)/Stable	Affirmed

Ratings Detail (As Of May 7, 2019) (cont.)		
Mississippi Dev Bank (Mississippi) (Southaven, MS Recreation Facs Rfdg Bnd Proj) ser 2006		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank (Southaven) spl oblig bnds (Southaven Recreation Fac Proj) ser 2004		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank, Mississippi		
Mississippi Dept of Transp, Mississippi		
Mississippi Dev Bank (Mississippi Dept of Transp) spl oblig rfdg bnds (Mississippi Dept of Transp)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank (Mississippi Dept of Transp) spl oblig rfdg bnds (Mississippi Dept of Transp) (Indl Dev Auth Marshall Cnty Hwy Constr Proj) ser		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank (Mississippi Dept of Transp) spl oblig rfdg bnds (MS Dep of Trans) (Ind Dev Auth Of Marshall Cnty Hwy Rfdg Proj) ser 2017B due 01		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank (Mississippi Dept of Transp) APPROP		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank (Mississippi Dept of Transp) (Desoto Cnty Hwy Rfdg Proj)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank (Mississippi Dept of Transp) (Marshall Cnty Proj)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank (Mississippi Dept of Transp) (Tunica Cnty Proj)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bnk (Mississippi Dept of Transp) (Harrison Cnty Proj) APPROP		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bnk (Mississippi Dept of Transp) (Laurel Proj) APPROP		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bnk (Mississippi Dept of Transp) (Madison Cnty Proj) APPROP		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank (Mississippi Dept of Transp) (DeSoto Cnty Hwy Const Proj)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank (Mississippi Dept of Transp) (Harrison Cnty Hwy Construction Proj)		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dev Bank, Mississippi		
Pearl, Mississippi		
Mississippi Dev Bank (Pearl) (Pearl, Mississippi Cap Proj & Equip Prepayment Proj) GO		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Mississippi Dev Bank, Mississippi		
Yazoo Cnty, Mississippi		
Mississippi Dev Bank (Yazoo Cnty) (ASSURED GTY)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed

Ratings Detail (As Of May 7, 2019) (cont.)		
Mississippi Dept of Corrections, Mississippi		
Mississippi Dev Bank, Mississippi		
Mississippi		
Mississippi Dev Bank (Mississippi) spl oblig bnds (Ms Department Corrections East Mississippi Correction Fac Rfdg Bnds Proj) ser 2016C		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dept of Corrections, Mississippi		
Mississippi Dev Bank, Mississippi		
Mississippi		
Mississippi Dev Bank (Mississippi) taxable spl oblig bnds (Mississippi) (Ms Department Corrections Walnut Grove Correct Fac Rfdg) ser 2016B		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dept of Corrections, Mississippi		
Mississippi Dev Bank, Mississippi		
Mississippi		
Mississippi Dev Bank (Mississippi) (Ms Dept of Corrections Walnut Grove Youth Correctional Fac Rfdg Bnds Proj) APPROP		
Long Term Rating	AA-/Stable	Affirmed
Mississippi Dept of Corrections, Mississippi		
Mississippi Dev Bank, Mississippi		
Mississippi		
Mississippi Dev Bank (Mississippi) (MS Dept of Corrections East Mississippi Correctional Fac)		
Long Term Rating	AA-/Stable	Affirmed

Many issues are enhanced by bond insurance.