STANDARD &POOR'S

Global Credit Portal
RatingsDirect®

February 10, 2011

Massachusetts; General Obligation

Primary Credit Analyst:
Robin Prunty, New York (1) 212-438-2081; robin_prunty@standardandpoors.com

Secondary Contact:
David Hitchcock G, New York (1) 212-438-2022; david_hitchcock@standardandpoors.com

Table Of Contents

Massachusetts; General Obligation

Credit Profile		
US$146.32 mil GO rfdg bnds (SIFMA Index bnds) ser 2011A due 02/01/2012-2015		
Long Term Rating	AA/Positive	New
Massachusetts GO		
Long Term Rating	AA/Positive	Affirmed
Massachusetts GO VRDBs 2000A		
Long Term Rating	AA/NR/Positive	Outlook Revised
Massachusetts GO VRDBs 2000B C		
Long Term Rating	AA/A-1+/Positive	Outlook Revised
Massachusetts GO VRDBs 2001B		
Long Term Rating	AA/A-1+/Positive	Outlook Revised
Massachusetts GO VRDBs 2006A		
Long Term Rating	AA/A-1/Positive	Outlook Revised
Massachusetts GO VRDBs 2006B		
Long Term Rating	AA/A-1/Positive	Outlook Revised

Rationale

Standard & Poor's Ratings Services revised the outlook to positive from stable on Massachusetts' general obligation (GO) parity bonds outstanding due to the commonwealth's ongoing progress in improving financial, debt, and budget management practices, while at the same time implementing cost control and reform measures associated with its long-term liabilities.

In addition, we assigned a 'AA' rating to $146.32 million GO refunding bonds 2011 series A. At the same time, we affirmed the rating on the parity bonds outstanding.

The 'AA' GO rating on Massachusetts reflects our view of the commonwealth's:

- Strong and conservative budget management practices, with swift action to restore balance after identifying revenue shortfalls throughout the recession;
- Continued budget stabilization reserve balances, which provide flexibility to manage any budget volatility during the fiscal year, despite reductions during the recession;
- High wealth and income levels; and
- Deep and diverse economy, which has recovered steadily during the past several months after weakness through the recent recession.

Standard & Poor's believes the commonwealth's high debt burden and significant unfunded pension and other postemployment benefit (OPEB) liabilities are offsetting considerations to the current rating. While we view the commonwealth's total postretirement liabilities as relatively high, we believe Massachusetts has been actively managing these liabilities.

The series 2011 bonds will be issued as Securities Industry and Financial Markets Association (SIFMA) bonds. The

SIFMA bonds have a variable-rate coupon, issued with a fixed spread to SIFMA. There is no put risk, and there will be staggered fixed maturities over the next four years, with the final maturity in 2015 based on the current plan of finance. There is an existing swap in place that is tied to SIFMA, so it will be a matched hedge, and, therefore, basis risk will be eliminated. The commonwealth has been actively managing its variable-rate debt to lower costs and minimize bank credit risk.

The commonwealth has formalized a policy and an administrative process that outlines the rollover risk and articulates how the bond program will be managed.

In addition to the fixed maturity date, the bonds are subject to optional redemption six months before maturity, allowing additional time to refinance if necessary. Refinancing options would include the following: the issuance of new SIFMA index bonds; variable- or fixed-rate debt; use of a portion of the commercial paper program; or use of cash or other resources. The commonwealth's goal is to maintain the existing amortization schedule.

After declining through the recession, Massachusetts' economy is showing signs of steady recovery. Unemployment rates fell to 8.2% in December, after peaking at 9.0% through most of 2010. This compares with 5.3% in 2008. The rate remains below the national average, and employment growth was strong relative to other states, with employment growth of 45,600 or 1.45%--one of the more significant growth rates among U.S. states. IHS Global Insight Inc. estimates that the unemployment rate for Massachusetts will continue to decline, falling to about 7% in 2014. Job loss through this recession has been less severe than the 2001 recession and the recession of the early 1990s by what we consider a significant margin. While economic recovery is likely to be slow, in our view, Global Insight projects that Massachusetts will lead the region in recovery. We believe the commonwealth's economic fundamentals and key anchors, which are centered on higher education, technology, and health care, should contribute to positive economic growth prospects over time.

After a period of steady downward revisions to the revenue forecast through the recession, recent revenue performance has been positive. On Jan. 18, the revenue estimate for fiscal 2011 was revised to $19.8 billion from $19.1 billion, reflecting better-than-forecasted performance of income, sales, and corporate taxes. Tax revenues for the first seven months of the fiscal year were $1.1 billion, or 10.3% above fiscal 2010 levels and $28 million above the revised estimate for the current year.

Following the revenue revision on Jan. 26, the governor requested supplemental appropriations totaling $312 million for health programs and other costs. The commonwealth expects its stabilization fund to be $769 million at fiscal year-end 2011 after reversing the planned drawdown for the current year. Cash flow has been stable and an increase in the year-end cash balance of about $39 million is now projected for fiscal 2011.

The commonwealth recently released its fiscal 2010 audited financial statements. Year-end operating funds ended in a slight, $100 million surplus. The total and unreserved fund balance was $1.8 billion. On a budgetary basis, the ending fund balance was $903 million; the budget stabilization fund was $669.8 million (2.1% of expenditures).

By most measures, Massachusetts' debt burden remains high compared with that of other states. The commonwealth has about $17.9 billion of GO debt. Of this amount, more than 80% is fixed rate, and the remaining $3 billion is variable rate and hedged with interest-rate swaps. Massachusetts has a range of other debt obligations outstanding, including those supported by the statewide sales tax, contract assistance debt, and debt subject to annual appropriation. On a budgetary basis, debt service was about 6% of expenditures in fiscal 2010. The capital investment plan through 2015 totals $18 billion, with $9.5 billion of bond issuance projected. This represents about $1 billion less than the previous year's bond authorization. This plan adheres to annual bond cap (debt service as a percent of budgeted revenue within the 8% limit) that is outlined in Massachusetts' annual debt affordability analysis.

The most recent actuarial valuation of the combined pension indicates improved funded ratios through Jan. 1, 2010. The funded ratio improved to 67% from 62% on Jan. 1, 2009. The unfunded actuarial liability is $20 billion, down from $22 billion in 2009. The improved funded ratio was due largely to higher assets reflecting investment performance. The funded ratio remains below average relative to funded ratios for other U.S. states. There is also what we consider a sizable amount ($15 billion) unfunded actuarial OPEB liability (in addition to pay-as-you-go costs). The commonwealth has established a trust fund to begin to accumulate assets toward the liability with a balance of $310 million as of June 30, 2010.

Based on the analytic factors we evaluate for states, on a scale of '1' (strongest) to '4' (weakest), we have assigned a composite score of '1.8' to Massachusetts.

Outlook

The positive outlook is based on the commonwealth's ongoing progress of improving financial, debt, and budget management practices, while at the same time implementing cost control and reform measures associated with its long-term liabilities. Continued progress in these areas coupled with stable budgetary performance could warrant an upgrade as outlined by our indicative credit level. In our view, the commonwealth has proactively managed budget volatility through the recession. Economic recovery has been steady, which should ease transition to a post-stimulus budget environment. While diminished, the budget stabilization fund still provides flexibility to manage future budget challenges.

Government Framework

State finance law requires that the governor submit a balanced budget and the House and Senate each produce a balance budget. The final general appropriation act must also be balanced. If a revenue shortfall is identified, the governor is required by section 9C of Chapter 29 to reduce agency appropriations or recommend a transfer from the budget stabilization fund. Massachusetts has autonomy to raise taxes and has adjusted its tax structure over time. Medicaid accounts for about one-third of total spending while primary and secondary education accounts for 10% of spending. Funding levels for major program areas have been adjusted as needed. Voters in Massachusetts have approved revenue growth limitations but these have not negatively affected operations or limited flexibility in our view. More significant measures to reduce or eliminate major tax sources have been on the ballot but not approved. We note that the state legislature could amend various measures before they take effect. The commonwealth is authorized to issue GO debt, special obligation debt, and federal grant anticipation notes. There is a statutory limit on debt outstanding and a statutory limitation on debt service appropriations set at 10%. These limitations have not impaired flexibility to manage capital and infrastructure requirements. There is not a statutory priority for funding debt but we understand that the comptroller and other state officials have developed procedures to prioritize payments and debt service is given the highest priority among various payment obligations. Funding for education and municipal assistance is provided. While municipal assistance payments have been reduced over time, funding reductions for education have been limited.

On a scale from '1' (strongest) to '4' (weakest), Standard & Poor's assigned a '1.5' to the commonwealth's governmental framework.

Budget Performance

The commonwealth's revenue base is diverse in our view, with income tax (55% of total), sales tax (25%), and corporate tax (9%) comprising the primary tax revenues based on fiscal 2011 estimates. Spending is heavily weighted toward Medicaid, which accounts for about one-third of total spending while other health and human service spending accounts for another 15% of budgeted expenditures. Local aid is the other significant program area representing about 16% of total spending. Debt and postemployment costs are what we consider a significant 12.6% of spending but have been steady over time. While Massachusetts experienced revenue decline throughout the recession, it made adjustments frequently and included many structural solutions as part of the overall budget balance strategy. In addition to revenue enhancement, we view the expenditure reductions achieved in the past three years as significant given what we see as high service levels in areas that are usually less flexible such as Medicaid.

Fiscal 2010

On a generally accepted accounting principles (GAAP) basis, the commonwealth ended fiscal 2010 with a slight surplus after transfers of $100 million. The unreserved general fund balance was what we consider strong at $1.8 billion or 6.2% of expenditures and transfers. This positive performance despite tax revenue deterioration is due to federal stimulus funds and structural budget solutions Massachusetts implemented. The sales tax rate was increased to 6.25% from 5.00%, other revenue enhancement measures were implemented a range of spending reductions occurred in most program areas. The state has historically maintained a negative unrestricted net asset position that increased to $22 billion in fiscal 2010. This compares to negative $13.3 billion in fiscal 2009. The sharp increase reflects the comprehensive reform to the transportation system in fiscal 2010. The Massachusetts Department of Transportation (MassDOT) was created and several departments and authorities were merged as part of this structural change. All of the transportation assets have been transferred to MassDOT while the commonwealth is responsible for the debt obligations. This negative position has historically reflected debt issuance by the commonwealth to fund assets that are owned by other political subdivisions. This includes debt issued for various transportation and school construction projects. General fund results on a budgetary basis showed a slight deficit of $113.6 million that was offset by a reduction in the budget stabilization reserve. At fiscal year-end, the budget stabilization reserve was $669.8 million or 2.1% of total expenditures. This is down from the peak of $2.3 billion in fiscal 2007. Expenditures in fiscal 2010 were lower than the previous year for the second year in a row.

Fiscal 2011 update

The commonwealth's adopted fiscal 2011 budget did not include an extension of the federal stimulus funding because it was not authorized prior to budget adoption. Following the authorization of additional federal stimulus funds for Medicaid and education in August, Massachusetts is expected to receive $653 million in additional resources for the current year. Following several months of positive tax revenue results relative to forecast and other economic trends, the revenue forecast was adjusted upward to $19.8 billion from $19.1 billion, a $700 million increase or 3.6% increase above the original forecast. Tax revenues through January are $1.1 billion above fiscal 2010. The main tax sources that are performing strongly relative to the previous year are:

- Income tax withholding collections ($396 million or 7.7%);
- Sales and use tax collections ($290 million or 10.8%); and

- Estimate income tax payments ($239 million or 25%).

There have been several supplemental appropriations for health care-related expenditures and other program areas. Following the above revenue and expenditure changes, Massachusetts expects fiscal 2011 to end balanced including an appropriation to the budget stabilization fund, which is project to have a balance of $769 million (2.4% of expenditures).

Fiscal 2012 budget proposal

In early January, the consensus revenue forecast was developed for fiscal 2012. The consensus tax revenue estimate was $20.5 billion, representing 3.7% growth over the revised fiscal 2011 revenue estimate and 5.3% baseline growth. Stronger-than-forecast monthly revenue growth through January 2011 translated to a higher overall forecast of revenues. Increases in both income tax and sales tax revenues have reflected steady economic recovery. The consensus forecast assumes that income tax increases by 6% and retail sales tax increases by 3.7% over fiscal 2011. Capital gains are projected to increase by 15.5%. The governor's proposed budget for fiscal 2012 was introduced on Jan. 26, 2011. The proposal addresses the loss of $1.9 billion in nonrecurring resources, including the phase out of federal stimulus funds ($1.5 billion). The proposed budget is balanced with projected tax revenue growth, spending reductions, and what we view as limited use of nonrecurring resources. The fiscal 2012 proposal includes $627 million of revenue enhancement measures of which $385 million (about 1%) of resources is deemed nonrecurring; of this nonrecurring amount, $200 million is from the budget stabilization fund. Despite this use of reserves, the fund is expected to retain a balance of more than $569 million. There are no broad-based revenue measures but rather limited base extensions, increases, or maximization proposals. Total spending in the proposed budget is $30.5 billion or 1.8% below fiscal 2011. Spending reductions and reform measures are proposed for many program areas including education and health care. For health care, absent reform and cost control, spending was estimated to be $1 billion higher. Total Medicaid spending is budgeted at $10.3 billion or what we consider a modest 1% above fiscal 2011. Funding for education school aid (K-12) is forecast at about $4 billion, 3.6% above fiscal 2011. While education funding grows, unrestricted local aid decreases by 7.2% to $834 million. To offset this reduction, there are several changes recommended as part of the budget to provide savings or additional resources to local governments. These include municipal health insurance reforms, increased road funding, grant opportunities, and expansion of the local property tax base by closing a loophole on a telecommunications equipment exemption, and pension reform for long-term savings. State funding for higher education is budgeted to decline to $823 million, a 1.5% reduction from fiscal 2011. Starting in fiscal 2012, public universities will be allowed to retain all tuition payments collected from students from out of state ($19.6 million of additional revenue). The $70 million in federal stimulus funds available in fiscal 2011 is not restored. The commonwealth's health care reform initiative continues to be funded and the uninsured rate is estimated at 1.9% in 2010. Cost containment measures are recommended for this program as well to control overall health care spending.

The budget includes a proposal to produce five-year revenue and expenditure forecasts to ensure future structural budget balance. The budget proposal includes an economic forecasting and analysis unit to allow for more comprehensive planning and future risk assessment.

On a scale from '1' (strongest) to '4' (weakest), Standard & Poor's assigned a '1.5' to Massachusetts' budget performance.

Economy

Following recessionary declines in employment, recovery is underway at a steady pace and job growth has been more robust relative to most other states. Before the recent recession, the commonwealth had not recovered to its employment peak in 2001. From an employment standpoint, the economy was much less affected by this recession than it has been in previous downturns. Unemployment rates increased substantially in 2009 and early 2010, but have trended down steadily recent months and at 8.2%, are 1.0% lower than the national rate. Per capita personal income stood at $49,643 in 2009, about 125% of the nation and third behind only Connecticut and New Jersey.

The economy has diversified over time and education and health services now make up the primary employment sectors, accounting for 21% of total employment in 2010 according to Global Insight. This is followed by trade and transport (16.9%) and professional business services (14.7%). Cyclical sectors, such as manufacturing and construction, represent only 8.1% and 3.2% of employment, respectively. The increasing role of services in the economy reflects growth in research laboratories, computer software, management consulting, other business services, and health care. Higher education anchors, a high level of federal research funding, and venture capital give the commonwealth a leading edge in emerging industries, such as biotechnology, software, communications equipment, and surgical instruments. In addition, its defense-related industries continue to perform well. Massachusetts ranks eighth out of the 50 states by value of federal defense and research contract awards.

On a scale from '1' (strongest) to '4' (weakest), Standard & Poor's assigned a '1.8' to Massachusetts' economy.

Financial Management

Budget management framework

Once the budget is approved, the Secretary of Administration and Finance (A&F) is required to prepare quarterly updates of both revenues and expenditures and submit them to the legislature. If projected revenues are expected to be insufficient to meet appropriations, the deficiency is certified by A&F and, pursuant to statute (section 9C of Chapter 29), the governor is required to reduce allotments or submit proposals to raise additional revenues or to make appropriations from the stabilization fund to restore balance. Budget adjustments have historically been implemented regularly and on a timely basis. Deficits are not carried forward into future fiscal years. Massachusetts is an initiative state. While there have been voter initiatives that limit the overall growth in state tax revenue and a limit on the amount of bonds outstanding and debt service appropriations, these have not substantially altered Massachusetts' ability to manage its budget or fund debt service. While more recent ballot initiatives to reduce or eliminate major tax sources of the state were not approved, the legislature can amend an initiative. The commonwealth provides a relatively high level of service. Adjustments have been made to programs but reductions to areas such as education have been limited.

Financial management assessment: 'strong'

Standard & Poor's maintains a "strong" financial management assessment (FMA) score for Massachusetts. In our framework, an FMA of strong indicates that practices are strong, well embedded, and likely sustainable. Many of the commonwealth's management practices related to debt and financial management are embedded in statute.

Highlights include the following:

- Massachusetts uses outside economic forecasting firms to forecast revenues and expenditures. It has regularly done monthly revenue estimates and quarterly budget reviews. Legislation approved in 2008 requires that revenue reports be submitted semimonthly to the legislature.
- Five-year revenue forecasts are prepared annually and integrated with its capital improvement program (CIP). A five-year CIP (administrative in intent, not binding) is in place that coordinates every facet of debt issuance. Included in the CIP is a detailed debt affordability analysis that is also updated each year. There are statutory limits on debt issuance. For direct debt, there is a limit allowing the issue of up to 105% of the previous year's limit ($16.4 billion compared with $14.7 billion outstanding based on the office of administration and finance estimates). There is also a limit on annual debt service of 10% of the then-current year's budget appropriation. In addition to the aforementioned statutory requirement, the governor's office adheres to an administrative bond cap (debt service capped at 8% of budgeted revenues), which sets the annual limit on debt issuance. The commonwealth targets a 4% net present value savings for refundings. The treasurer's office maintains a swap policy that is comprehensive in our view.
- Massachusetts has a statutorily established budget stabilization fund that prescribes a mechanism for funding, as well as funding levels. Statute requires the deposit of 100% of consolidated net surplus in any given year into the rainy-day/stabilization fund. The statute also provides that the stabilization fund's maximum amount cannot exceed 15% of the current year's revenues. The commonwealth must use any excess above that for tax reduction. A change was made in 2010 to direct capital gain revenues in excess of $1 billion to the fund (less a distribution to postemployment benefits). We believe this measure has the benefit of enhancing the fund while decreasing budget reliance on this cyclical revenue source.
- The commonwealth has detailed and frequently reviewed investment policies managed through the office of the treasurer. Quarterly cash flow projections are prepared and submitted to the legislature.

On a scale from '1' (strongest) to '4' (weakest), Standard & Poor's assigned a '1' to Massachusetts' financial management.

Debt And Liabilities

By most measures, Massachusetts' debt burden remains high relative to other states. The commonwealth has about $17.8 billion of GO debt; it has a range of other debt obligations outstanding including those supported by the statewide sales tax, contract assistance debt, and debt subject to annual appropriation. Total tax-supported debt is $30 billion. This includes debt of other entities-- Massachusetts School Building Authority and Massachusetts Bay Transportation Authority--that is secured by statewide sales tax revenues. While the debt obligations are separately secured, they fund state infrastructure and are paid from state taxes. The commonwealth's higher debt levels are due in part to its funding of education capital projects, which not all states do.

Massachusetts' debt per capita ($4,551), debt relative to personal income (9.2%), and debt to gross state product (9.1%) have always been high relative to other states. Budgeted debt service on GO bonds and contract assistance obligations was 6.5% of budgeted expenditures in fiscal 2011. The commonwealth's CIP through 2015 totals $18 billion, with $9.5 billion of debt projected. This plan adheres to a debt affordability model and an annual bond cap but represents what we consider a significant amount of additional debt. Massachusetts forecasts debt service to be below 8% of revenues through 2015 based on its current forecast of revenues. Transportation accounts for about 55% of total program requirements.

The Public Employee Retirement Administration Commission released its actuarial valuation of the total pension obligation as of Jan. 1, 2010. The unfunded actuarial accrued liability decreased this year to $20 billion compared with $22 billion the previous year. The funded ratio through Jan. 1, 2010, increased modestly in our view to 67% from 62% and the annual required contributions were funded. As part of the fiscal 2012 budget proposal, the governor is extending the period for amortizing the unfunded liability to zero by 15 years--to 2040 from 2025--which will lower current pension costs. Contributions will be above fiscal 2011 levels but about $800 million lower than would have been required under a 15-year amortization. This extension is being implemented along with other reform measures.

In 2009, legislation was passed to implement various cost-control measures relating to pensions and there are additional reform measures pending before the legislature. Specifically, the governor is recommending a range of reforms for newly hired employees including increasing the retirement age, limiting certain benefits, and making other adjustments that the administration projects will save the commonwealth $3 billion and local governments $2 billion. The administration also forecasts that a higher retirement age would reduce retiree health costs by $1 billion for the commonwealth and $1 billion for local governments. While it is not clear whether the reform measures will be approved and what the ultimate savings will be, Standard & Poor's believes that Massachusetts' active management of these future cost pressures is important from a credit standpoint.

The commonwealth's accrued OPEB liability as of October 2010 is $15.2 billion, assuming no prefunding. The State Retiree Benefits Trust Fund was created and received a one-time transfer of resources. The fiscal 2010 audit indicates $310 million of assets. The appropriation for fiscal 2010 was $372 million compared with the annual required contribution of $1.1 billion. While this liability is significant in our view, we believe that Massachusetts has begun to manage this liability as evidenced by the trust fund and other measures. A special commission was created and released a report in July 2008 that recommended the commonwealth develop a strategy to fund the liability. Three funding sources were identified: tobacco settlement funds, budgetary surpluses, and legislative appropriations. Supplemental budget legislation was passed in 2009 that increased the health care contributions to 20% from 15% for state employees whose retirement is effective on or after Feb. 1, 2010, which should add additional resources to fund future liabilities. A law passed in 2010 requires that 5% of capital gains revenue over $1 billion each year would be transferred to the State Retiree Benefits Trust Fund and be used to address the OPEB liability. The fiscal 2012 budget includes a proposal to dedicate the Tobacco Master Settlement Agreement funds to the trust fund on a phased-in basis. Starting in fiscal 2013, 10% would be allocated to the fund and an additional 10% would be allocated each year until 2022.

On a scale from '1' (strongest) to '4' (weakest), Standard & Poor's assigned a '3' to Massachusetts' debt and liability profile.

Debt Derivative Profile: '1.5

The commonwealth has 23 interest-rate swap agreements. Standard & Poor's assigned Massachusetts a Debt Derivative Profile (DDP) overall score of '1.5' on a scale of '1' to '4', with '1' representing the lowest risk and '4' the highest risk. The DDP score of '1.5' indicates that the commonwealth's hedging program is very low risk and reflects:

- Low counterparty risk, due to highly rated counterparties and collateral posting requirements;
- The strong economic viability of its swap structures over stressful economic cycles, in which the swap floating

rate received by the commonwealth from its counterparties approximates the actual floating rates on the bonds, providing a favorable hedge that reduces basis risk; and
- Our view of the commonwealth's comprehensive and formalized swap policy and debt-management policies.

The notional amount of swaps outstanding total $3.5 billion, with $3.0 billion associated with GO bonds. All of the swaps are floating-to-fixed agreements, with good diversification of counterparties. Counterparties include SMBC Capital Markets, Inc. (AMBAC Financial Services, LLC swap was novated and transferred to this entity), Barclays Bank PLC, Bear Stearns Financial Products Inc., Citibank N.A., Citi Swapco Inc., Deutsche Bank AG, Goldman Sachs Mitsui Marine Derivative Products LP, JPMorgan Chase Bank N.A., Merrill Lynch Capital Services Inc., Morgan Stanley Derivative Products Inc., and The Bank of New York Mellon. Most of the swaps are coterminous with the life of the related bonds and, therefore, are long term. All of the floating-to-fixed swaps are structured as cost-of-funds swaps to reduce basis risk. There is limited involuntary termination risk under the swaps due to broad ratings trigger spreads with several of the swaps. Standard & Poor's is not factoring in the value at risk as a contingent liability because termination is remote. We understand that the commonwealth extensively monitors and reports on its swap exposure.

Related Criteria And Research

USPF Criteria: State Ratings Methodology, Jan. 3, 2011

Ratings Detail (As Of February 10, 2011)		
Massachusetts GO (wrap of insured) (ASSURED GTY & AMBAC) (SEC MKT)		
Unenhanced Rating	AA(SPUR)/Positive	Affirmed
Massachusetts GO (wrap of insured) (FGIC & BHAC) (SEC MKT)		
Unenhanced Rating	AA(SPUR)/Positive	Affirmed
Massachusetts GO (FGIC)		
Unenhanced Rating	AA(SPUR)/Positive	Affirmed
Massachusetts GO (MBIA) (Assured Gty)		
Unenhanced Rating	AA(SPUR)/Positive	Affirmed
Massachusetts GO		
Unenhanced Rating	AA(SPUR)/Positive	Affirmed
Massachusetts GO RFD		
Unenhanced Rating	AA(SPUR)/Positive	Affirmed
Massachusetts GO Rfd		
Unenhanced Rating	AA(SPUR)/Positive	Affirmed

Many issues are enhanced by bond insurance.