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The Broad And Diverse Economy Adjustment: U.S. MSAs' Scores Based On Local Government GO Criteria

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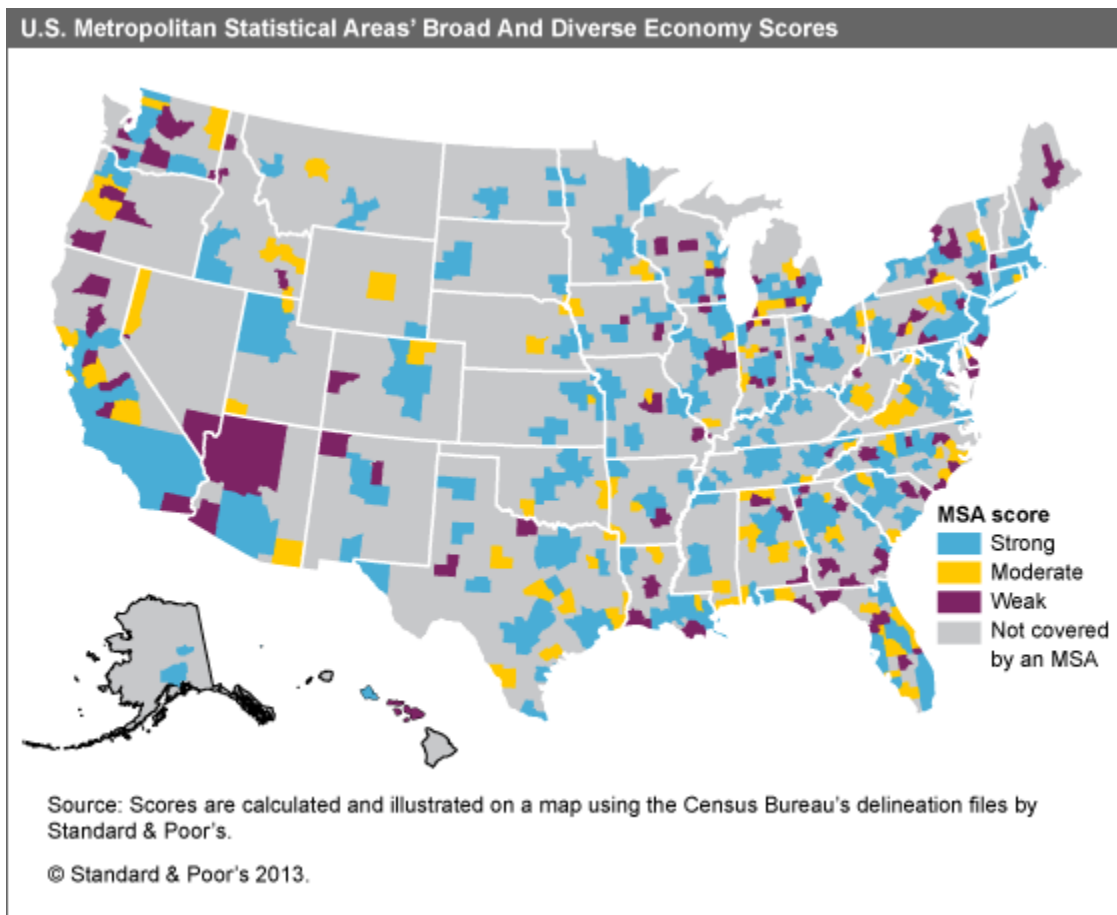
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The Broad And Diverse Economy Adjustment: U.S. MSAs' Scores Based On Local Government GO Criteria

Under Standard & Poor's Ratings Services' recently released local GO Criteria, the economic score assesses both the health of the asset base relied upon to provide current and future locally derived revenues and the likelihood of additional service demands resulting from economic deterioration. It is the most heavily weighted (30%) of the seven scored factors. A potential positive qualitative adjustment for the economic score is a local government's participation in a larger broad and diversified economy.

We assess participation in a larger broad and diversified economy at the metropolitan statistical area (MSA) level. This assessment is based on an evaluation of three components--employment diversity, employment growth, and the employment base (see paragraphs 45-47 of the criteria). To provide further transparency to our rating process, we calculated the score for each MSA in accordance with our criteria, classifying their breadth and diversity as "strong", "moderate", or "weak" (see the map and table).



Our MSA scores were calculated using data from IHS Global Insight Inc. (GI), specifically the "U.S. Regional –

Five-Year Metro Forecast", with 2013 as the base year. At the time of our calculations, this data series had not been adjusted to take into account the new MSA boundaries defined by the U.S. Office of Management and Budget (OMB) in February this year. For MSAs whose boundaries had changed, we aggregated county-level data from GI's "U.S. Regional – 30-Year County Forecast" to create the data series for the geographic areas that match the new MSA boundaries. The specific calculations run against these data sets are outlined in the criteria.

We intend to recalculate the MSA scores once a year or anytime the MSA boundaries are updated. After each recalculation, we will publish the updated scores for each MSA and highlight any MSAs whose scores have changed, along with the obligors, if any, whose ratings are affected as a result of the score change (see the article, "How Updated Data Prompts Reviews Under S&P's New Local GO Criteria", published Sept. 12, 2013).

U.S. Metropolitan Statistical Areas' Economic Participation Scores			
	Strong	Moderate	Weak
Abilene, TX		X	
Akron, OH	X		
Albany, GA			X
Albany, OR			X
Albany-Schenectady-Troy, NY	X		
Albuquerque, NM	X		
Alexandria, LA			X
Allentown-Bethlehem-Easton, PA-NJ	X		
Altoona, PA		X	
Amarillo, TX	X		
Ames, IA			X
Anchorage, AK	X		
Ann Arbor, MI		X	
Anniston-Oxford-Jacksonville, AL			X
Appleton, WI	X		
Asheville, NC	X		
Athens-Clarke County, GA			X
Atlanta-Sandy Springs-Roswell, GA	X		
Atlantic City-Hammonton, NJ			X
Auburn-Opelika, AL		X	
Augusta-Richmond County, GA-SC	X		
Austin-Round Rock, TX	X		
Bakersfield, CA	X		
Baltimore-Columbia-Towson, MD	X		
Bangor, ME			X
Barnstable Town, MA	X		
Baton Rouge, LA	X		
Battle Creek, MI		X	
Bay City, MI		X	
Beaumont-Port Arthur, TX		X	

U.S. Metropolitan Statistical Areas' Economic Participation Scores (cont.)		
Beckley, WV		X
Bellingham, WA	X	
Bend-Redmond, OR		X
Billings, MT	X	
Binghamton, NY		X
Birmingham-Hoover, AL	X	
Bismarck, ND	X	
Blacksburg-Christiansburg-Radford, VA		X
Bloomington, IL		X
Bloomington, IN		X
Bloomsburg-Berwick, PA		X
Boise City, ID	X	
Boston-Cambridge-Newton, MA-NH	X	
Boulder, CO	X	
Bowling Green, KY	X	
Bremerton-Silverdale, WA		X
Bridgeport-Stamford-Norwalk, CT	X	
Brownsville-Harlingen, TX	X	
Brunswick, GA		X
Buffalo-Cheektowaga-Niagara Falls, NY	X	
Burlington, NC		X
Burlington-South Burlington, VT	X	
California-Lexington Park, MD		X
Canton-Massillon, OH	X	
Cape Coral-Fort Myers, FL	X	
Cape Girardeau, MO-IL		X
Carbondale-Marion, IL		X
Carson City, NV		X
Casper, WY		X
Cedar Rapids, IA	X	
Chambersburg-Waynesboro, PA		X
Champaign-Urbana, IL		X
Charleston, WV		X
Charleston-North Charleston, SC	X	
Charlotte-Concord-Gastonia, NC-SC	X	
Charlottesville, VA	X	
Chattanooga, TN-GA	X	
Cheyenne, WY	X	
Chicago-Naperville-Elgin, IL-IN-WI	X	
Chico, CA		X
Cincinnati, OH-KY-IN	X	
Clarksville, TN-KY	X	

U.S. Metropolitan Statistical Areas' Economic Participation Scores (cont.)		
Cleveland, TN		X
Cleveland-Elyria, OH	X	
Coeur d'Alene, ID		X
College Station-Bryan, TX		X
Colorado Springs, CO	X	
Columbia, MO		X
Columbia, SC	X	
Columbus, GA-AL	X	
Columbus, IN		X
Columbus, OH	X	
Corpus Christi, TX	X	
Corvallis, OR		X
Crestview-Fort Walton Beach-Destin, FL		X
Cumberland, MD-WV	X	
Dallas-Fort Worth-Arlington, TX	X	
Dalton, GA		X
Danville, IL		X
Daphne-Fairhope-Foley, AL	X	
Davenport-Moline-Rock Island, IA-IL	X	
Dayton, OH	X	
Decatur, AL		X
Decatur, IL		X
Deltona-Daytona Beach-Ormond Beach, FL		X
Denver-Aurora-Lakewood, CO	X	
Des Moines-West Des Moines, IA	X	
Detroit-Warren-Dearborn, MI	X	
Dothan, AL		X
Dover, DE		X
Dubuque, IA	X	
Duluth, MN-WI	X	
Durham-Chapel Hill, NC	X	
East Stroudsburg, PA		X
Eau Claire, WI		X
El Centro, CA		X
El Paso, TX	X	
Elizabethtown-Fort Knox, KY	X	
Elkhart-Goshen, IN		X
Elmira, NY		X
Erie, PA	X	
Eugene, OR		X
Evansville, IN-KY	X	
Fairbanks, AK	X	

U.S. Metropolitan Statistical Areas' Economic Participation Scores (cont.)		
Fargo, ND-MN	X	
Farmington, NM		X
Fayetteville, NC	X	
Fayetteville-Springdale-Rogers, AR-MO	X	
Flagstaff, AZ		X
Flint, MI		X
Florence, SC		X
Florence-Muscle Shoals, AL		X
Fond du Lac, WI		X
Fort Collins, CO	X	
Fort Smith, AR-OK		X
Fort Wayne, IN	X	
Fresno, CA	X	
Gadsden, AL		X
Gainesville, FL		X
Gainesville, GA		X
Gettysburg, PA		X
Glens Falls, NY		X
Goldsboro, NC		X
Grand Forks, ND-MN	X	
Grand Island, NE		X
Grand Junction, CO		X
Grand Rapids-Wyoming, MI	X	
Grants Pass, OR		X
Great Falls, MT		X
Greeley, CO		X
Green Bay, WI	X	
Greensboro-High Point, NC	X	
Greenville, NC		X
Greenville-Anderson-Mauldin, SC	X	
Gulfport-Biloxi-Pascagoula, MS		X
Hagerstown-Martinsburg, MD-WV	X	
Hammond, LA		X
Hanford-Corcoran, CA		X
Harrisburg-Carlisle, PA	X	
Harrisonburg, VA	X	
Hartford-West Hartford-East Hartford, CT	X	
Hattiesburg, MS		X
Hickory-Lenoir-Morganton, NC		X
Hilton Head Island-Bluffton-Beaufort, SC		X
Hinesville, GA		X
Homosassa Springs, FL		X

U.S. Metropolitan Statistical Areas' Economic Participation Scores (cont.)		
Hot Springs, AR		X
Houma-Thibodaux, LA		X
Houston-The Woodlands-Sugar Land, TX	X	
Huntington-Ashland, WV-KY-OH	X	
Huntsville, AL		X
Idaho Falls, ID		X
Indianapolis-Carmel-Anderson, IN	X	
Iowa City, IA		X
Ithaca, NY		X
Jackson, MI		X
Jackson, MS	X	
Jackson, TN	X	
Jacksonville, FL	X	
Jacksonville, NC		X
Janesville-Beloit, WI		X
Jefferson City, MO		X
Johnson City, TN		X
Johnstown, PA		X
Jonesboro, AR	X	
Joplin, MO	X	
Kahului-Wailuku-Lahaina, HI		X
Kalamazoo-Portage, MI		X
Kankakee, IL		X
Kansas City, MO-KS	X	
Kennewick-Richland, WA	X	
Killeen-Temple, TX		X
Kingsport-Bristol-Bristol, TN-VA	X	
Kingston, NY		X
Knoxville, TN	X	
Kokomo, IN		X
La Crosse-Onalaska, WI-MN	X	
Lafayette, LA	X	
Lafayette-West Lafayette, IN		X
Lake Charles, LA		X
Lake Havasu City-Kingman, AZ		X
Lakeland-Winter Haven, FL		X
Lancaster, PA	X	
Lansing-East Lansing, MI	X	
Laredo, TX		X
Las Cruces, NM	X	
Las Vegas-Henderson-Paradise, NV		X
Lawrence, KS		X

U.S. Metropolitan Statistical Areas' Economic Participation Scores (cont.)		
Lawton, OK		X
Lebanon, PA	X	
Lewiston, ID-WA		X
Lewiston-Auburn, ME		X
Lexington-Fayette, KY	X	
Lima, OH		X
Lincoln, NE	X	
Little Rock-North Little Rock-Conway, AR	X	
Logan, UT-ID		X
Longview, TX	X	
Longview, WA		X
Los Angeles-Long Beach-Anaheim, CA	X	
Louisville/Jefferson County, KY-IN	X	
Lubbock, TX	X	
Lynchburg, VA		X
Macon, GA		X
Madera, CA		X
Madison, WI	X	
Manchester-Nashua, NH	X	
Manhattan, KS	X	
Mankato-North Mankato, MN	X	
Mansfield, OH		X
McAllen-Edinburg-Mission, TX	X	
Medford, OR		X
Memphis, TN-MS-AR	X	
Merced, CA		X
Miami-Fort Lauderdale-West Palm Beach, FL	X	
Michigan City-La Porte, IN		X
Midland, MI		X
Midland, TX		X
Milwaukee-Waukesha-West Allis, WI	X	
Minneapolis-St. Paul-Bloomington, MN-WI	X	
Missoula, MT	X	
Mobile, AL		X
Modesto, CA		X
Monroe, LA		X
Monroe, MI		X
Montgomery, AL		X
Morgantown, WV	X	
Morristown, TN		X
Mount Vernon-Anacortes, WA		X
Muncie, IN		X

U.S. Metropolitan Statistical Areas' Economic Participation Scores (cont.)		
Muskegon, MI		X
Myrtle Beach-Conway-North Myrtle Beach, SC-NC		X
Napa, CA	X	
Naples-Immokalee-Marco Island, FL	X	
Nashville-Davidson--Murfreesboro--Franklin, TN	X	
New Bern, NC	X	
New Haven-Milford, CT	X	
New Orleans-Metairie, LA	X	
New York-Newark-Jersey City, NY-NJ-PA	X	
Niles-Benton Harbor, MI		X
North Port-Sarasota-Bradenton, FL	X	
Norwich-New London, CT	X	
Ocala, FL		X
Ocean City, NJ		X
Odessa, TX		X
Ogden-Clearfield, UT	X	
Oklahoma City, OK	X	
Olympia-Tumwater, WA		X
Omaha-Council Bluffs, NE-IA	X	
Orlando-Kissimmee-Sanford, FL	X	
Oshkosh-Neenah, WI	X	
Owensboro, KY	X	
Oxnard-Thousand Oaks-Ventura, CA	X	
Palm Bay-Melbourne-Titusville, FL	X	
Panama City, FL		X
Parkersburg-Vienna, WV		X
Pensacola-Ferry Pass-Brent, FL	X	
Peoria, IL	X	
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	X	
Phoenix-Mesa-Scottsdale, AZ	X	
Pine Bluff, AR		X
Pittsburgh, PA	X	
Pittsfield, MA		X
Pocatello, ID		X
Port St. Lucie, FL	X	
Portland-South Portland, ME	X	
Portland-Vancouver-Hillsboro, OR-WA	X	
Prescott, AZ		X
Providence-Warwick, RI-MA	X	
Provo-Orem, UT	X	
Pueblo, CO	X	
Punta Gorda, FL	X	

U.S. Metropolitan Statistical Areas' Economic Participation Scores (cont.)		
Racine, WI		X
Raleigh, NC	X	
Rapid City, SD	X	
Reading, PA	X	
Redding, CA		X
Reno, NV		X
Richmond, VA	X	
Riverside-San Bernardino-Ontario, CA	X	
Roanoke, VA		X
Rochester, MN		X
Rochester, NY	X	
Rockford, IL		X
Rocky Mount, NC		X
Rome, GA		X
Sacramento--Roseville--Arden-Arcade, CA	X	
Saginaw, MI		X
Salem, OR		X
Salinas, CA	X	
Salisbury, MD-DE		X
Salt Lake City, UT	X	
San Angelo, TX	X	
San Antonio-New Braunfels, TX	X	
San Diego-Carlsbad, CA	X	
San Francisco-Oakland-Hayward, CA	X	
San Jose-Sunnyvale-Santa Clara, CA	X	
San Luis Obispo-Paso Robles-Arroyo Grande, CA	X	
Santa Cruz-Watsonville, CA		X
Santa Fe, NM		X
Santa Maria-Santa Barbara, CA	X	
Santa Rosa, CA		X
Savannah, GA	X	
Scranton--Wilkes-Barre--Hazleton, PA	X	
Seattle-Tacoma-Bellevue, WA	X	
Sebastian-Vero Beach, FL		X
Sebring, FL		X
Sheboygan, WI		X
Sherman-Denison, TX	X	
Shreveport-Bossier City, LA	X	
Sierra Vista-Douglas, AZ		X
Sioux City, IA-NE-SD		X
Sioux Falls, SD	X	
South Bend-Mishawaka, IN-MI		X

U.S. Metropolitan Statistical Areas' Economic Participation Scores (cont.)		
Spartanburg, SC		X
Spokane-Spokane Valley, WA		X
Springfield, IL	X	
Springfield, MA	X	
Springfield, MO	X	
Springfield, OH		X
St. Cloud, MN	X	
St. George, UT		X
St. Joseph, MO-KS	X	
St. Louis, MO-IL	X	
State College, PA		X
Staunton-Waynesboro, VA		X
Stockton-Lodi, CA		X
Sumter, SC	X	
Syracuse, NY	X	
Tallahassee, FL		X
Tampa-St. Petersburg-Clearwater, FL	X	
Terre Haute, IN		X
Texarkana, TX-AR		X
The Villages, FL		X
Toledo, OH	X	
Topeka, KS	X	
Trenton, NJ	X	
Tucson, AZ	X	
Tulsa, OK	X	
Tuscaloosa, AL		X
Tyler, TX		X
Urban Honolulu, HI	X	
Utica-Rome, NY		X
Valdosta, GA		X
Vallejo-Fairfield, CA	X	
Victoria, TX		X
Vineland-Bridgeton, NJ		X
Virginia Beach-Norfolk-Newport News, VA-NC	X	
Visalia-Porterville, CA		X
Waco, TX	X	
Walla Walla, WA	X	
Warner Robins, GA	X	
Washington-Arlington-Alexandria, DC-VA-MD-WV	X	
Waterloo-Cedar Falls, IA	X	
Watertown-Fort Drum, NY		X
Wausau, WI		X

U.S. Metropolitan Statistical Areas' Economic Participation Scores (cont.)		
Weirton-Steubenville, WV-OH		X
Wenatchee, WA		X
Wheeling, WV-OH	X	
Wichita Falls, TX		X
Wichita, KS	X	
Williamsport, PA		X
Wilmington, NC		X
Winchester, VA-WV		X
Winston-Salem, NC		X
Worcester, MA-CT	X	
Yakima, WA		X
York-Hanover, PA	X	
Youngstown-Warren-Boardman, OH-PA		X
Yuba City, CA		X
Yuma, AZ		X

Source: The U.S. Office of Management and Budget's MSA list. Scores are calculated by Standard & Poor's.

According to the OMB, there are 381 MSAs in the U.S. and seven in Puerto Rico. It defines an MSA as one or more adjacent counties or county equivalents that have at least one urban core area of at least 50,000 people, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.

Benjamin Gallovic contributed to this article.

Related Criteria And Research

USPF Criteria: Local Government GO Ratings Methodology And Assumptions, Sept. 12, 2013

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