

relating to the proposed bond issue. In addition, questionnaires are sent to municipal authorities which request figures on such things as assessed value of realty, personal property, net direct debt, tax collections over periods, etc. With this information, it is hoped that questions, such as the following, may be answered:

- (1) Is the population actually there, or is it only hoped for?
- (2) Is the total debt supportable by the present inhabitants under any foreseeable business conditions?
- (3) What additional financing is to be expected, either from the units under consideration or from any other unit taxing the same properties?
- (4) Are securities payable from unlimited taxes on all property in the community, or are there limitations which might prove troublesome at some future date?
- (5) Is there heavy dependence on a single plant or a single industry?
- (6) How vulnerable is the community to economic unsettlement?
- (7) Are there nearby towns in which the residents can find work?
- (8) Are industries likely to migrate and if so, are there factors that suggest the attraction of replacements?
- (9) Has the attitude of the administration been prodebtor or pro-creditor?
- (10) Do the laws and traditions lend themselves to debt evasion?

Since agency representatives have not been able to visit all of the many thousands of communities rated, these questionnaires and other information returned from the community must often form the basis for an eventual rating of that community's credit. Moreover, as the rating agencies readily admit, impressions and judgment, factors not susceptible to numerical measurement, always constitute an important part of that analysis which ultimately is transformed into a rating.

4. BOND RATING OPERATIONS

Bond ratings are disseminated by the major rating services through their own publications as well as through the Bond Buyer and the Wall Street Journal. The publications prepared by Moody's and Standard & Poor's are as follows:

Moody's:

Municipal and Government Manual, published annually. Up-to-date information on financial characteristics and data on municipalities showing ratings where applicable. Also has descriptive paragraphs of municipalities.

Municipals and Government News, published biweekly. Includes details and ratings on securities offered, prospective offerings, Government and municipal calls, and a complete list of new calls.

Bond Survey, published weekly. Subjective opinions and analyses of corporates, municipals and foreigners.

Bond Record, published monthly. Covers outstanding issues and situations, and gives essential facts and statistical background.

Standard & Poor's:

Weekly Bond Outlook, published weekly. Subjective opinions and analyses of bond markets and trends, with respect to corporates, municipals and foreigners. Also includes list of current and proposed offerings with Standard & Poor ratings.