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**S&P Global**

Ratings

(/en\_US/web/guest/home)  
**Charleston County School  
District, SC GO Rating Lowered  
To 'AA' On Decreased Available  
Fund Balance**

16-Feb-2017 21:26 EST

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DALLAS (S&P Global Ratings) Feb. 16, 2017--S&P Global Ratings lowered its long-term rating and underlying rating to 'AA' from 'AA+' on Charleston County School District, S.C.'s general obligation (GO) bonds. At the same time, S&P Global Ratings lowered its long-term rating to 'AA-' from 'AA' on Charleston Educational Excellence Financing Corp.'s installment-purchase revenue refunding bonds supported by the district. The outlook is negative.

"The rating action reflects our view of the district's available fund balance, which fell by a cumulative 84% over the past three fiscal years," said S&P Global Ratings credit analyst Karolina Norris. "At the same time, cash declined to a low 4.7% of expenditures, or \$33 million, as a result of weak budgeting, internal controls, and budget monitoring practices," Ms. Norris added.

The negative outlook reflects our opinion that there is a one-in-three chance that we could lower the rating within our two-year outlook horizon.

#### RELATED RESEARCH

State Credit Enhancement Programs: Current List And Program Descriptions (/en\_US/web/guest/article/-/view/sourceId/9876198), Jan. 12, 2017

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