

Sterling, KS Series 2026 Bonds Rated 'A-'; Outlook Negative

September 28, 2026

Because of a system error, the original publication of this report went out with an erroneous headline. A corrected version follows.

- S&P Global Ratings assigned its 'A-' underlying rating to [Sterling](#), Kansas' series 2026 bonds.
- At the same time, we affirmed our 'SP-1' short-term rating on the city's temporary notes outstanding.
- The outlook is negative.
- The negative outlook reflects a one-in-three chance that we could lower the rating if the city does not return to balanced financial results and continues to draw down on its already low reserves.

AUSTIN (S&P Global Ratings) Sep. 28, 2026--S&P Global Ratings today took the rating actions listed above.

The negative outlook reflects the expected deterioration in financial health in fiscal years 2025 and 2026, with a one-in-three chance that we could lower the rating if the city does not return to balanced financial results and continues to draw down on its already-low reserves.

We could lower the rating if results are below expectations and the city continues to report operating deficits that result in further reserve depletion or the need to supplement liquidity needs via borrowing.

We could revise the outlook to stable if the city demonstrates a track record of positive operations and maintenance of reserves at levels comparable with those of higher-rated peers, without a deterioration in any other credit factors.

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