

Environmental

- Physical risks: exposure to wildfires, sea level rise, flooding, droughts, earthquakes, hurricanes, tornadoes; water supply/resource depletion
- Regulatory risks: costs related to new regulations to reduce emissions or pollution, or changes in zoning to reduce the risk of climate-related disasters; violations of regulations
- Transition risks: exposure to fossil fuel industries in tax or employment base; stranded assets; costs related to breaking long-term power purchase agreements or installing new infrastructure

Social

- Demographic/demand risks: declining population or enrollment trends (including declining high school age population); weak socioeconomic profile; aging population
- Employment and tax base risks: industry or taxpayer concentration
- Affordability risk: scarcity of affordable housing; increased tuition and/or declining student aid

Governance

- Oversight and structure risks: material concerns noted by auditor; poor revenue forecasting/budgeting; financial transparency (timely and adequate disclosure); management turnover
- Political risks: tax caps or other restrictions; conflicts that impair the budget or debt payments (impasse); contentious labor negotiations; international trade agreements/trade wars
- Long-term obligation risks: significantly underfunding pension contributions; large unfunded liabilities; exposure to risky or complex debt structures
- Competition risk: increasing competition (health care); mergers and acquisitions leading to excess leverage
- Capital needs risk: significant deferred capital/maintenance
- Headline risk: controversies leading to adverse publicity
- Data security risks: exposure/vulnerability to cybersecurity attacks