

**Rating Action: Moody's assigns Aa2 rating to Westtown Twp, PA's GO Bonds**

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02 Jun 2022

New York, June 02, 2022 -- Moody's Investors Service has assigned a Aa2 general obligation unlimited tax (GOULT) rating to Westtown Township, PA's \$3.5 million General Obligation Bonds, Series of 2022. Moody's maintains its Aa2 ratings on the township's outstanding GOULT debt. Post-issuance the township will have \$12.4 million in outstanding general obligation debt.

**RATINGS RATIONALE**

The Aa2 rating reflects the township's moderately-sized and growing tax base, above-average resident income levels, strong and stable reserves, below average debt burden and manageable pension obligations.

**RATING OUTLOOK**

Outlooks are typically not assigned to local governments with this amount of debt outstanding.

**FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATING**

- Significant and sustained growth in the tax base

**FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATING**

- Material contraction of the tax base and deterioration of resident income levels
- Failure to maintain balanced operations resulting in sustained, material draws on reserves
- Significant increase in debt

**LEGAL SECURITY**

Debt service on the Series of 2022 bonds is supported by the township's full faith and credit pledge and ability to levy ad valorem property taxes without limitation as to rate or amount.

**USE OF PROCEEDS**

Proceeds from the Series of 2022 bonds will be used to finance capital improvements at the township's Oakbourne Park.

**PROFILE**

Westtown Township is located in suburban Chester County (Aaa stable), approximately 25 miles west of central Philadelphia (A2 stable). The township covers an area of approximately 8.7 square miles and has a population of 11,154 as of the 2020 census.

**METHODOLOGY**

The principal methodology used in this rating was US Local Government General Obligation Debt published in January 2021 and available at <https://ratings.moody.com/api/rmc-documents/70015>. Alternatively, please see the Rating Methodologies page on <https://ratings.moody.com> for a copy of this methodology.

**REGULATORY DISCLOSURES**

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on <https://ratings.moody.com/rating-definitions>.

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Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

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