

Rating Action: Moody's assigns Aa3 to West Vincent Township, PA's Series 2021 notes

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NOTE: On December 06, 2021, the press release was corrected as follows: The second sentence of the first paragraph of the press release was changed to: "Post-issuance, the township will have \$4.8 million in debt outstanding." Revised release follows.

New York, December 03, 2021 -- Moody's Investors Service has assigned a Aa3 general obligation unlimited tax (GOULT) rating to West Vincent Township, PA's \$4.3 million General Obligation Notes, 2021 Series. Post-issuance, the township will have \$4.8 million in debt outstanding.

RATINGS RATIONALE

The township's Aa3 GOULT rating reflects its financial position that will remain very healthy, despite plans to utilize a sizable portion of its reserves to address capital needs. The rating reflects the township's debt burden that will similarly grow but remain manageable, along with its limited taxable base that will continue to grow at an above average pace. The rating incorporates the township's robust wealth and income levels

RATING OUTLOOK

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

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATING

- Material expansion of property tax base
- Maintenance or growth in reserves and liquidity throughout capital projects

FACTORS THAT COULD LEAD TO AN DOWNGRADE OF THE RATING

- Significant borrowing beyond current expectations
- Material draws on reserves and liquidity beyond current expectations
- Deterioration of existing wealth and income levels

LEGAL SECURITY

All of the township's debt is backed by its full faith and credit, general obligation unlimited tax pledge.

USE OF PROCEEDS

Proceeds from the sale of the 2021 Series notes will be used to refund the township's Series B of 2016 notes for savings without extension of maturity.

PROFILE

West Vincent Township is located in Chester County (Aaa stable) in southeastern Pennsylvania (Aa3 stable), approximately 30 miles northwest of Philadelphia (A2 stable). The township's population is about 5,400.

METHODOLOGY

The principal methodology used in this rating was US Local Government General Obligation Debt published in January 2021 and available at https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBM_1260094. Alternatively, please see the Rating Methodologies page on www.moodys.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 at: https://www.moody's.com/researchdocumentcontentpage.aspx?docid=PBC_79004.

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