

Rating Action: Moody's assigns Aa1 to Moore County, NC's GO Bonds, Ser. 2021

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New York, February 02, 2021 -- Moody's Investors Service has assigned a Aa1 rating to Moore County, NC's \$20 million General Obligation Community College Bonds, Series 2021. Moody's maintains the Aa1 rating on the county's approximately \$136.95 million general obligation unlimited tax parity debt outstanding.

RATINGS RATIONALE

The Aa1 rating reflects the county's sizable and growing tax base, average resident income and wealth levels. The rating also incorporates the county's sound financial profile, which will remain healthy despite a reliance on economically sensitive sales tax revenues given strong recent collection trends. The rating also incorporates the county's manageable long-term liabilities and fixed costs.

RATING OUTLOOK

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

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATING

- Significant tax base growth
- Strengthened income and wealth levels
- Increase in reserves and liquidity

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATING

- Tax base deterioration
- Sustained trend of structural imbalance leading to weakened reserves
- Significant increase in capital need or debt

LEGAL SECURITY

The bonds are secured by the county's unlimited general obligation pledge.

USE OF PROCEEDS

Bond proceeds will fund the construction of a Nursing Education Facility at the Sandhills Community College.

PROFILE

Located in the southern portion of central North Carolina (Aaa stable), referred to as the Sandhills region, relatively close to the three major metropolitan areas of the state; Raleigh (Aaa stable), Greensboro (Aaa stable), and Charlotte (Aaa stable) and adjacent to Fort Bragg. The population was estimated at 104,703 in 2021.

METHODOLOGY

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

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