

MOODY'S

INVESTORS SERVICE

Rating Action: Moody's assigns Aaa to Fox Point (Village of), WI's GO notes; outlook stable

30 Jun 2022

New York, June 30, 2022 -- Moody's Investors Service has assigned a Aaa rating to Fox Point (Village of), WI's \$2.4 million General Obligation Promissory Notes, Series 2022A. Moody's also maintains the Aaa rating on the village's outstanding general obligation unlimited tax (GOULT) bonds. Following the sale, the village will have \$15.6 million in outstanding GOULT bonds. The outlook is stable.

RATINGS RATIONALE

The Aaa rating reflects the village's stable tax base with affluent resident income and wealth located near the City of Milwaukee (A2 negative). Strong financial operations have led to ample reserve levels despite limited levying flexibility due to state imposed restrictions. The rating further reflects moderate debt and pension burdens along with a smaller scope of operations compared to other Aaa rated credits.

RATING OUTLOOK

The outlook is stable given the village's local economy and strong financial profile that will continue to be supported by an affluent tax base and conservative management team.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATING

- Not applicable

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATING

- Material declines in the tax base or resident economic factors
- Significant narrowing of reserves and liquidity

LEGAL SECURITY

The Series 2022A notes are backed by the village's GOULT pledge which benefits from a dedicated property tax levy, unlimited as to rate or amount.

USE OF PROCEEDS

The Series 2022A notes will finance various storm water, water and other capital projects for the village.

PROFILE

The Village of Fox Point is located just north of Milwaukee along the Lake Michigan shoreline. The village spans an area of approximately three square miles and serves about 6,600 residents.

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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