

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

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New York, June 23, 2021 -- Moody's Investors Service assigns a Aaa to Fox Point (Village of), WI's \$3.2 million General Obligation Promissory Notes, Series 2021. 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 \$14.7 million in outstanding GOULT bonds. The outlook is stable.

RATINGS RATIONALE

The Aaa reflects the village's growing and wealthy tax base located near the City of Milwaukee (A2 negative), a healthy financial position, with strong reserve levels, and moderate debt and pension burdens. The rating further reflects limited levying flexibility due to state imposed restrictions, along with a smaller scope of operations compared to other Aaa rated credits.

RATING OUTLOOK

The stable outlook reflects our expectations that the village's strong financial profile and local economy will continue to remain healthy given a conservative management team and a growing and affluent tax base. The stable outlook is further bolstered by the village's debt and pension burdens, which are expected to remain manageable.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATING

- Not applicable

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATING

- Declines in the tax base or resident economic factors
- Narrowing of current reserves and/or liquidity
- Growth in fixed costs

LEGAL SECURITY

The Series 2021 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 2021 notes will finance various street, storm 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 an estimated population of over 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://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.com/researchdocumentcontentpage.aspx?docid=PBC_79004.

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