

Press Release

Moody's assigns Aaa to Leesburg, VA's 2019 GO bonds; outlook stable

Moody's Investors Service has assigned a Aaa rating to the Town of Leesburg, VA's \$12.4 million General Obligation (GO) Refunding Bonds, Series 2019. Moody's maintains the Aaa rating on the towns outstanding parity GO bonds. The outlook is stable.

RATINGS RATIONALE

The Aaa rating reflects the town's sizeable tax base, above average wealth levels, and the continued growth of the residential and commercial base. The rating further considers the strong financial position, characterized by formal fiscal policies and long-term financial forecasting, healthy reserve levels, long-term operating stability, and manageable fixed costs.

RATING OUTLOOK

The stable outlook reflects the expectation that the town's financial position will remain sound given demonstrated trends of operating stability, fiscal monitoring, and adherence to formal policies. The outlook also incorporates the town's large tax base that will continue to benefit from its favorable location in the metro-DC region.

FACTORS THAT COULD LEAD TO AN UPGRADE

- Not applicable

FACTORS THAT COULD LEAD TO A DOWNGRADE

- Deterioration in the town's tax base and socioeconomic indicators
- Deterioration of reserves and liquidity
- Weakened financial position in general fund or enterprise funds
- Material increase in debt burden

LEGAL SECURITY

The 2019 GO bonds are secured by the town's unlimited ad valorem tax pledge.

USE OF PROCEEDS (FOR NEW ISSUES)

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The 2019 bonds will refund the Series 2009A Taxable BAB bonds for an estimated net present value savings of \$849,065, or 6.4% of the refunded principal, with no extension of maturity.

PROFILE

The town is located in Loudoun County (Aaa stable) in northern Virginia (Aaa stable), approximately 40 miles from the District of Columbia (Aaa stable), and serves a population of 54,215.

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