

Rating Action: Moody's Assigns a Aa1 to Woburn, MA's \$7.9M GOLT Bonds

Global Credit Research - 14 Mar 2017

New York, March 14, 2017 -- Issue: General Obligation Municipal Purpose Loan of 2017 Bonds; Rating: Aa1; Rating Type: Underlying LT; Sale Amount: \$7,900,000; Expected Sale Date: 03/16/2017; Rating Description: General Obligation Limited Tax

Summary Rating Rationale

Moody's Investors Service has assigned a Aa1 rating to the City of Woburn, MA's \$7.9 million General Obligation Municipal Purpose Loan of 2017 Bonds. Moody's maintains a Aa1 rating on the city's outstanding general obligation debt.

The Aa1 rating reflects the city's sizable, expanding tax base located in the Boston Metropolitan Statistical Area (MSA), strong reserve and liquidity positions coupled with financial flexibility, and solid wealth and income indicators. The rating also incorporates the city's manageable debt burden inclusive of future borrowing plans.

Rating Outlook

Outlooks are generally not assigned to underlying ratings for local government credits with this amount of debt outstanding.

Factors that Could Lead to an Upgrade

Material improvement of wealth levels

Material tax base expansion

Factors that Could Lead to a Downgrade

Deterioration of wealth levels

Significant increase to debt burden

Decline in reserves

Legal Security

The bonds are secured by the city's general obligation limited tax pledge as debt service has not been excluded from the tax levy limits of Proposition 21/2.

Use of Proceeds

The proceeds of the bonds will provide financing for various city projects such as elementary school, Leland Park, and various water projects.

Obligor Profile

The City of Woburn has a population of 39,100 and is located in Middlesex County approximately 10 miles northwest of Boston.

Methodology

The principal methodology used in this rating was US Local Government General Obligation Debt published in December 2016. Please see the Rating Methodologies page on www.moody's.com for a copy of these methodologies.

Regulatory Disclosures

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