



Rating Action: Moody's assigns Aaa to Carroll County, MD's GO Bonds; outlook stable

12 Oct 2022

New York, October 12, 2022 – Moody's Investors Service has assigned a Aaa rating to Carroll County, MD's \$30 million General Obligation Bonds Public Improvement Bonds of 2022. Moody's maintains a Aaa rating on the county's outstanding debt. Following the current sale, the county will have approximately \$308 million in debt outstanding. The outlook is stable.

RATINGS RATIONALE

The Aaa rating reflects the county's large tax base with strong income and wealth metrics and a sound financial position benefiting from formal policies and long-term planning. The county's long-term liabilities are very manageable given overfunded pension systems and strong OPEB funding.

RATING OUTLOOK

The stable outlook reflects the expectation that the county's tax base will continue to expand given proximity to Baltimore and that its financial position will remain healthy supported by formal policies and proactive management.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATING

- N/A

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATING

- Tax base deterioration and weakened income and wealth metrics
- Sustained trend of structural imbalance, leading to narrowed reserves
- Significant increase in debt or long-term liabilities

LEGAL SECURITY

The county's GOULT bonds are general obligations of the county, backed by its full faith and credit pledge and payable from the county's ability to levy ad valorem taxes without limitation upon all assessable property within the county's boundaries.

USE OF PROCEEDS

Bond proceeds will fund various capital needs, including schools, public works and conservation projects.

PROFILE

Carroll County is located 30 miles northwest of Baltimore and 55 miles north of Washington D.C. in the north central part of Maryland (Aaa stable). Encompassing roughly 456 square miles, the county provides a wide range of municipal services, including education and public safety, to a population of about 168,000.

METHODOLOGY

The principal methodology used in this rating was US Local Government General Obligation Debt published in January 2021 and available at <https://ratings.moodys.com/api/rmc-documents/70015>. Alternatively, please see the Rating Methodologies page on <https://ratings.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 on <https://ratings.moodys.com/rating-definitions>.

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