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New York, November 01, 2019 -- Moody's Investors Service has assigned a Aa2 rating to Carson City School District, Nevada's General Obligation (Limited Tax) School Improvement Bonds Series 2019B in the expected amount of \$11.0 million. Moody's maintains Aa2 ratings on the district's \$48.8 million in outstanding GOLT bonds as well as a Aa2 issuer rating.

#### RATINGS RATIONALE

The Aa2 issuer rating incorporates the large and growing tax base that is still recovering from the recession but is anchored by the state capitol. The rating also considers the district's solid finances with healthy reserves and 2019 unaudited year end results that remain in line with expectations. The district maintains a manageable debt burden and an elevated pension liability.

The Aa2 GOLT rating reflects the absence of a rating distinction between the district's Aa2 issuer and GOLT ratings given the strength of the full faith and credit pledge in Nevada, which Moody's rates at the same level as the issuer ratings of local governments in the state.

#### RATING OUTLOOK

Outlooks are not typically applied to local government entities with this amount of debt outstanding.

#### FACTORS THAT COULD LEAD TO AN UPGRADE

- Substantial and sustained growth in the district's tax base
- Material improvements to the district's reserves and liquidity
- Continued improvement in the district's socioeconomic measures

#### FACTORS THAT COULD LEAD TO A DOWNGRADE

- Substantial declines in the district's tax base
- Deterioration in the district's financial operations

#### LEGAL SECURITY

The district's general obligation limited tax bonds are secured by the district's full faith and credit pledge, subject to Nevada's statutory and constitutional limitations on overlapping levy rates for ad valorem taxes.

#### USE OF PROCEEDS

Proceeds from the bonds will be used for facility expansion, property acquisition and building system replacements.

#### PROFILE

The district provides K-12 educational services to residents of Carson City, Nevada. The district operates 11 schools and serves 7,741 students.

#### METHODOLOGY

The principal methodology used in this rating was US Local Government General Obligation Debt published in September 2019. Please see the Rating Methodologies page on [www.moody.com](http://www.moody.com) for a copy of this methodology.

#### REGULATORY DISCLOSURES

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