

RatingsDirect®

Summary:

Easton, Pennsylvania; General Obligation

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Easton GO (AGM)		
<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed
Easton GO (BAM)		
<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed
Easton GO (BAM)		
<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed

Many issues are enhanced by bond insurance.

Credit Highlight

- S&P Global Ratings affirmed its 'A' ratings on Easton, Pa.'s existing general obligation debt.
- At the same time, we removed the ratings from CreditWatch, where they were placed with negative implications on March 6, 2024.
- The outlook is stable.

The removal from CreditWatch reflects our receipt and review of financial information, including 2022 financial statements, from the city. Following our review of the updated financial information, our long-term rating on the city's debt is unchanged.

Easton's rating and stable outlook reflects its healthy financial position characterized by stable revenues, as over 60% of operating revenue derived from local real estate taxes, as well as a very strong reserve and liquidity position. Credit limitations, in our view, are highlighted by a very weak debt and long-term liability profile in addition to a tax base that, despite ongoing investment and development, trails higher-rated peers' income and wealth metrics.

Outlook

The stable outlook reflects our expectation that the city will achieve at least balanced general fund operations, with ongoing support from federal stimulus, and maintain very strong reserves and liquidity over the outlook period.

For further details on S&P Global Ratings' need for timely information, see "Various Ratings Withdrawn On 91 U.S. Local Governments And Utility Systems," published April 8, 2024, on RatingsDirect. In addition, see "How Quality And Timeliness Of Information Are Incorporated Into U.S. Public Finance's Rating Process," published Dec. 6, 2021.

(For more information, see our analysis on Easton published Jan. 5, 2023, on RatingsDirect.)

Related Research

Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

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