



RCWD News Release

RANCHO CALIFORNIA WATER DISTRICT
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DATE: November 8, 2017

RELEASE: Immediate

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SUBJECT: *Fitch Raises Rancho California Water District's Credit Rating to 'AAA'*

District receives highest possible credit rating which will reduce financing costs and benefit ratepayers!

Temecula, CA November 8, 2017–

Fitch Ratings- San Francisco announced that it has assigned Rancho California Water District's (RCWD/District) credit rating to 'AAA' on all District bonds. Last year, Standard and Poor's rating agency also upgraded the District to a AAA rating. The upgraded ratings will benefit ratepayers as the District will incur lower financing costs.

Fitch – one of the big three international ratings agencies—credited the upgrade to the District's strong financial performance despite the recent challenges with lower water sales during the drought, due to its affordable service rates, active management of its debt to minimize risk and maximize savings, as well as good operational and financial management practices and policies.

Fitch also noted strengths including a manageable five-year capital plan and satisfactory resolution to the creation of the Santa Rosa Regional Resources Authority which will facilitate required wastewater treatment plant upgrades.

“We are proud that RCWD’s conservative fiscal policies have been recognized by Fitch, as a higher bond rating will bring real savings to our customers,” said Steve Corona, RCWD Board President. “This upgrade is a testament to the well-founded board policies and principles guiding RCWD’s planning efforts.”

Achieving a ‘AAA’ rating will benefit the District and its customers by allowing it to borrow money more easily and at lower interest rates with the savings being used to help fund additional infrastructure projects to further bolster the reliability, resiliency, and efficiency of the water system to continue providing affordable and safe drinking water to its customers. The high rating will also increase the number and variety of investors willing to invest in the District’s bonds, creating enhanced opportunities for economic sustainability in Temecula, Murrieta and the surrounding area.

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Formed in 1965, Rancho California Water District supplies an area consisting of approximately 150 square miles. The District serves the area known as Temecula/Rancho California, which includes the City of Temecula, parts of Murrieta, and other contiguous lands. The District is separated into two divisions: the Santa Rosa Division generally west of I-15 and Rancho Division generally east of I-15. The District currently provides sewer service to the Cal Oaks and Bear Creek areas.

“The mission of the Rancho California Water District is to deliver reliable, high-quality water, wastewater and reclamation services to its customers and communities in a prudent and sustainable manner.”