

## **Authority Receives Upgraded Rating from Standard & Poors**

At a time when much of the country struggles to maintain its existing credit rating and the U. S. Treasury face a possible downgrading, Standard & Poors recently reviewed the financial condition and health of the Rivanna Water & Sewer Authority and upgraded its bond rating from AA to AA+. This review was a part of Standard & Poors increased efforts to audit public and private corporations to update their assessment of credit worthiness.

“This action represents an independent endorsement of our Board of Directors, the day-to-day direction of our Director of Finance and Administration, and the management of the Authority in general, particularly from a financial perspective,” stated Mr. Tom Frederick, the Authority’s Executive Director. “It confirms that our savings and investing, including capital reserves, debt service coverage, liquidity, and other factors are all solid. It also confirms that we are spending our funds wisely and operating our facilities to meet and exceed the ever challenging and increasing regulatory requirements of the water and wastewater industry as well as the environmental responsibilities the public relies upon. Finally, it is an endorsement of the stability of the Charlottesville community, including City and County governments, and the University of Virginia.”

Standard & Poors is well respected and one of several agencies that rates the credit capability of corporations, and their ratings are relied upon by investors who purchase bonds. Credit ratings help determine the interest rate and capacity at which corporations can borrow money. As the needs of the community and increasing federal and state regulations require major capital improvements that require new debt, this rating becomes very important to the Authority and the ratepayers. The Authority will be seeking new debt as it completes a significant capital program, including a new dam for water supply and several needed wastewater transmission projects.