



Media Contact:
Lily Lopez
Director of External Affairs
909.348.8215

Walnut Valley Water District Saves \$2.3 Million, Receives AA+ S&P Credit Rating, & Plans for Future Affordability

Diamond Bar, CA (September 21, 2021) - Walnut Valley Water District's Board of Directors authorized a bond refinancing plan that will save more than \$2.3 million over the next 17 years. This action paired with the District's intent to reduce its CalPERS unfunded liability creates pathways for District-wide financial sustainability and affordability.

The District's bond refinancing was approved at the Special Board Meeting held on July 20, 2021. On July 29, 2012, the District successfully priced its \$15,380,000 Water Revenue Refunding Bonds, Series 2021A resulting in total savings of \$2.32 million. The District intends to apply the refunding savings to its CalPERS unfunded liability, which will result in the elimination of more than \$4.47 million in total liability payments.

"The District maintains the same proactive approach towards financial planning as it does with its water supply reliability," said General Manager, Erik Hitchman. "With interest rates at an all-time low, the refunding provides real savings for our customers and helps demonstrate our ongoing commitment to being fiscally responsible.

During the refunding process, the District's credit rating was upgraded from AA to AA+. The District's AA+ rating, from S&P Global Ratings, is the second-highest credit rating an organization can receive and affirms the District's strong financial and operational stability.

"We are delighted to be designated with the honor of an AA+ rating from S&P Global Ratings," said Director of Finance, Joshua Byerrum. "Our sound financial position during these unprecedented times reflects our Board and staff's commitment to efficient operations, a thoughtful capital improvement program, and responsible fiscal policies and practices."

S&P Global ratings allow agencies like WVWD to receive lower interest rates when it is necessary to obtain loans or issue bonds. Since bonds often have 15-30 year terms, having a lower interest rate can produce substantial cost savings to customers. Upholding a good credit rating shows that the District is in good fiscal health and can continue to reliably and affordably serve customers.

Walnut Valley Water District is a not-for-profit, California special district that provides quality drinking water to over 100,000 people in the communities of Diamond Bar, Walnut, Rowland Heights, Industry, Pomona, and West Covina.

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