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News Release

Bond Ratings Upgraded to AA and Aa1 for Union County Water & Sewer Utility System

November 16, 2015, Monroe, NC - - Three of the nation's leading credit rating agencies recently recognized Union County Enterprise System's growing, sizeable service area and well-managed financial position. The County's Water and Sewer Enterprise \$22.3 million Enterprise Systems Revenue Bonds, Series 2015 ratings were upgraded from AA- to AA by Standard & Poor's Rating Services (Standard & Poor's) and Moody's Investor Services (Moody's) upgraded the rating to Aa1 from Aa2. Fitch Ratings (Fitch) affirmed the County's AA rating.

"I'm very excited to see the financial analysts acclaim what I've known all along, that Union County has an exceptionally-strong team managing its water and sewer enterprises," said County Manager Cindy Coto. "We have a long-standing track record of financial discernment and providing terrific services for our county, and that is a course of action paying off nicely for our residents."

Union County's "steadily growing customer base, with good income levels," "competitive utility rates" and "very strong liquidity position with almost three years of cash on hand" were all referenced by Standard & Poor's in consideration of its AA rating.

Moody's cited Union County's "history of solid debt service coverage, robust liquidity position and prudent management with strong fiscal practices" for upgrading the Enterprise System's bond rating to Aa1.

Fitch declared Union County Enterprise System's "financial performance sound, liquidity substantial" along with its "rapidly growing, primarily residential...population, projected to grow another 25% over the next 10 years" for affirming the AA bond rating.

Rating upgrades allow the County to maintain its continuing commitment to invest in the best water and wastewater infrastructure that deliver environmentally-sensitive services at an extremely competitive price.

"An increase in our bond rating is a huge win for Union County because it allows us to get needed financing at a reduced interest rate," said Jeff Yates, Union County's Chief Financial Officer. "A positive bond rating is reflective of our creditworthiness and can represent a significant cost savings to our county that we can then invest in other critical needs."