



ORANGE COUNTY WATER DISTRICT

NEWS RELEASE

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ORANGE COUNTY WATER DISTRICT MAINTAINS ‘AAA’ FITCH RATING

District’s strong financial stability fosters water reliability for the region

FOUNTAIN VALLEY, Calif. (December 22, 2016) —The Orange County Water District’s (OCWD; the District) commitment to sound financial management was validated recently when Fitch Ratings affirmed its ‘AAA’ rating. OCWD has maintained the ‘AAA’ rating since 2008. The exceptional rating allows OCWD to borrow money more easily and at lower interest rates resulting in a cost savings for the 19 water retail agencies served by the District and their 2.4 million customers in north and central Orange County.

The District’s financial performance was cited as “...exemplary, marked by strong financial policies, limited fixed expenditures, and a history of increasing rates in line with operating and capital costs.”

“OCWD’s consistently favorable financial standing has allowed it to provide greater water reliability for the region by financing and securing funding for critical water infrastructure projects, including the Groundwater Replenishment System,” stated OCWD President Denis Bilodeau. “The staff and Board strive to manage the District in a sound financial manner to help make the region resilient to economic downturns, droughts and variations in water demands, aged infrastructure failures, and catastrophic events. Achieving this rating puts us in a good position to continue to protect the region from these factors.”

The District manages the Orange County Groundwater Basin that provides approximately 75 percent of the region’s water demand. OCWD’s revenues are derived primarily from annual groundwater pumping assessments and property taxes, which have been stable over time. In addition, the District maintains financial reserves and completes extensive financial reporting that includes year-to-year budget reports and third party annual audits. All of these factors and OCWD’s financial management were evaluated when Fitch Ratings affirmed the District’s high credit rating.

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Ensuring that Orange County’s businesses and residents continue to receive the water they need, when they need it, requires advanced planning and significant investments in infrastructure. OCWD’s pending and future capital improvement and refurbishment and replacement projects over the next five years will cost approximately \$446 million. Accessing state and federal grants and low-interest rate loans are essential to building these projects.

ABOUT OCWD

OCWD manages the vast Orange County Groundwater Basin which provides 75% of the water demands of 2.4 million people in north and central Orange County. The District is committed to enhancing Orange County’s groundwater quality and reliability in an environmentally friendly and economical manner. The following cities utilize the groundwater basin: Anaheim, Buena Park, Costa Mesa, Cypress, Fountain Valley, Fullerton, Garden Grove, Huntington Beach, Irvine, La Palma, Los Alamitos, Newport Beach, Orange, Placentia, Santa Ana, Seal Beach, Stanton, Tustin, Villa Park, Westminster and Yorba Linda. For more information about the Orange County Water District, call (714) 378-3200 or visit www.ocwd.com.

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