



**SPRINGFIELD WATER AND SEWER COMMISSION  
P.O. BOX 995, SPRINGFIELD, MA 01101**

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Contacts: Springfield Water and Sewer Commission  
413-452-1330

**FOR IMMEDIATE RELEASE**

**Springfield Water and Sewer Commission  
Receives Rating Upgrade from Standard & Poor's**

The Springfield Water and Sewer Commission is pleased to announce that Standard & Poor's Ratings Services (S&P) has upgraded its rating for the sale of general revenue refunding bonds to "AA Stable" from "AA- with Stable Outlook." The Commission sells bonds to finance its Capital Improvements Program which includes infrastructure improvement projects that are essential to providing continued water and wastewater services in a sustainable manner. Financing of infrastructure renewal and rehabilitation projects allows for stable and affordable rates while preserving and protecting public health and safety and meeting regulatory obligations. The Commission's strong bond rating is significant because it translates to lower financing costs for necessary projects, a financial benefit to Commission customers. The Commission will realize a present value savings of \$2.43 million over the next twelve years as the result of refinancing current outstanding bonds.

Standard & Poor's based the rating upgrade on the Commission's continued strengthening and formalization of strong financial and operational practices and policies. The rating reflects an extremely strong financial risk profile which includes very strong liquidity and strong debt service coverage. Other management highlights include the formalization of financial policies which require a five-year financial forecast; the creation of a stabilization fund to help keep rates stable in the event that an unexpected occurrence has a significant financial impact on the Commission; and the implementation of a 20-year capital improvement plan that is updated annually.

The Commission has historically exhibited strong financial operations and stewardship. This is the eighth bond rating issuance for the Commission since its formation in 1996. The Commission was assigned a single "A" rating for the first bond issuance in 2001, an upgraded rating of "A+" in 2008, and an upgraded rating of "AA-" in 2014.



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The Commission provides drinking water and/or wastewater services to approximately 250,000 customers in the City of Springfield and the Towns of Ludlow, Agawam, Longmeadow, East Longmeadow, West Springfield, Wilbraham and Southwick.

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