



**CENTENNIAL**  
WATER AND SANITATION DISTRICT

**FOR IMMEDIATE RELEASE**

March 31, 2017

**FOR MORE INFORMATION:**

Sherry Eppers, 720-240-4908

**Centennial Water shares news of upgrade of revenue bonds to AAA**

Centennial Water and Sanitation District, which serves Highlands Ranch and parts of northern Douglas County, is proud to announce that Standard & Poor's (S&P) Global Ratings has upgraded its rating on Centennial's water and sewer revenue bonds to AAA from AA+ with a stable outlook. The AAA rating is the highest rating that can be earned. The strong credit rating enables Centennial Water to issue debt at lower borrowing costs, which in turn reduces ratepayer costs in the long run.

The rating reflects S&P's assessment of Centennial Water's strengths, including strong financial and operational management practices and policies. The upgrade is due to the maintenance of credit factors that, under S&P's new criterial methodology, lead to an extremely strong credit profile. The stable outlook reflects S&P's view that the extremely strong enterprise and financial risk profiles should be sustainable.

"We are proud that our history of strong financial management has been recognized by S&P with their top rating," said General Manager John Kaufman. "Our finance team works hard to efficiently manage our organization's finances. This upgrade is a reflection of their hard work and expertise."

According to S&P, "The enterprise risk profile reflects our view of the district's:

- Service area participation in the broad and diverse Denver-Aurora-Lakewood metropolitan statistical area economy;
- Affluent, primarily residential, underlying customer base with incomes considered strong;
- Competitive customer rates, given the strong wealth levels;
- Very low industry risk as a monopolistic service provider of an essential public utility; and

- Strong operational management practices and policies, in our view.

The financial risk profile reflects S&P's view of the district's:

- Strong financial profile when considering, unrestricted liquidity, coverage of all fixed costs, and system leverage; and strong financial management practices and policies, in our view.”

The district serves a total population of about 95,000, with a customer base of about 43,000. Residential customers account for approximately 90 percent consumption, resulting in what S&P said they view as a very diverse customer base. Income and wealth indicators for Highlands Ranch and Douglas County are both well above national averages, with the median household effective buying income (EBI) representing 190 percent and 181 percent of the national average, respectively. Given these income characteristics, S&P said they consider rates affordable.

###

*Centennial Water & Sanitation District is the water and wastewater utility in Highlands Ranch. Centennial Water provides high quality water through the Joseph B. Blake Water Treatment Plant located in Highlands Ranch. Wastewater is treated at the Marcy Gulch Wastewater Treatment Plant to meet stringent water quality standards before it is discharged. Since 1981, Centennial Water has built a reliable and highly-respected water portfolio, based on a conjunctive use system, to serve its customers. Its major water source is surface water from the South Platte River, supplemented with groundwater from deep aquifer wells throughout Highlands Ranch. For more information about Centennial Water & Sanitation District, which serves Highlands Ranch, please visit [www.centennialwater.org](http://www.centennialwater.org), or call 303-791-0430.*