

## RATING AGENCIES REAFFIRM MDC'S STABLE FINANCIAL OUTLOOK

*District maintains favorable rating in advance of upcoming bond sales*

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For Immediate Release

(HARTFORD, CT) – Chief Executive Officer Scott W. Jellison announced today that two major rating agencies, Moody's Investors Service and S&P Global Ratings, have reaffirmed The Metropolitan District's (MDC) "double A" bond rating with a stable outlook. This favorable credit rating contributes to an estimated \$1.2 million of interest expense savings for MDC's customers on its refunded bonds.

The MDC sought these ratings in advance of bond sales planned for August and November of 2021. These bonds will finance \$48.3 million in water projects, \$71.1 million in sewer projects, \$38.8 million in combined funding projects, and will refund an estimated \$18.5 million of previously issued debt.

The ratings from Moody's and Standard & Poor's represent a high-grade rating awarded by each of these agencies. Because of this rating, The MDC is assured of receiving favorable interest rates when it issues bonds to finance its capital projects.

"I am grateful to my staff for their due diligence and for the prudent fiscal path that the MDC has taken over the last several years which has earned this favorable rating. It will allow us to continue to invest and improve our complex infrastructure" said CEO Jellison. "I hope all MDC customers and our Commissioners take pride in our strong credit rating, which is being put to good use as we invest in important projects across the district."

The rating reports issued by the two credit rating agencies present a thorough, objective, and independent analysis of the MDC's financial operations and credit strength. Standard and Poor's reports, "[The rating reflects an] affluent service area, which consists of eight member municipalities in the Hartford metropolitan statistical area (MSA)" and a "strong historic financial performance, along with a well-funded rate stabilization fund."

Moody's reports, "[The rating] is driven by the MDC's large service area with well above average income levels particularly in the suburban cities" and "also reflects the system's strong water supply, stable service area, and solid financial profile highlighted by healthy cash and reserves."

Both rating agencies mention that a significant reduction in reserves and any turmoil affecting receipt of payments from underlying municipalities could put downward pressure on the rating.

***About MDC:** The MDC is a nonprofit municipal corporation chartered by the Connecticut General Assembly in 1929. The MDC provides water, wastewater treatment and other services to its member towns: Bloomfield, East Hartford, Hartford, Newington, Rocky Hill, West Hartford, Wethersfield and Windsor. In addition, the District supplies treated water to portions of Glastonbury, South Windsor, Farmington, East Granby and Portland.*

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