



FOR IMMEDIATE RELEASE
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**Moody's Investors Service Upgrades the City of Waukeee's Sewer Bonds
from A1 Rating to Aa3 Rating**

Waukeee is the only City in the State of Iowa to Receive Upgrade

Waukeee, Iowa—Moody's Investors Service has upgraded the City of Waukeee Sewer Enterprise, Iowa's outstanding revenue debt from an A1 rating to an Aa3 rating. The enterprise has \$14.5 million of outstanding revenue debt as of June 30, 2014, of which \$1.1 million and \$2.4 million is rated by Moody's. This action concludes a review for possible upgrade that Moody's initiated on December 15, 2014, in conjunction with their new municipal utility revenue debt methodology.

From Moody's Investors Service Report:

Summary Rating Rationale

The Aa3 reflects the system's growing service area in the Des Moines (Aa2 stable) metro area; unlimited rate setting authority; strong liquidity and satisfactory debt service coverage; moderate debt burden and additional future liabilities expected due to ongoing capital needs of the Des Moines Wastewater Reclamation Authority (WRA; Aa3); and satisfactory legal provisions.

Waukeee's Strengths

- Growing service area favorably located in Des Moines metropolitan area
- Independent rate-setting authority coupled with annual review of rates
- Strong liquidity

What Could Make the Rating Go Up?

- Strong expansion and diversification of customer base
- Maintenance of solid net working capital and liquidity
- Strengthening of debt service coverage ratios

What Could Make the Rating Go Down?

- Significant increases in customer concentration
- Deterioration in annual debt service coverage below similarly rated enterprises
- Significant leveraging of net revenues above affordable levels

To view the complete report from Moody's Investors Service, please visit www.waukee.org or www.moodys.com.

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The City of Waukee is recognized as the fastest growing city within the state of Iowa and is located in Dallas County—one of the fastest growing counties within the United States. The official Census estimate based on July 2013 data is 17,077. Waukee offers a family-friendly environment featuring quality parks, schools and trails. The City is also dedicated to economic development and expanding business opportunities, including the creation of its future mixed-use development, Kettlestone. For more information, visit www.waukee.org.