

Material Event Disclosure – July 25, 2016

City of Riverside 2009 Water Revenue Bonds, Series B

Pursuant to the requirements of the Continuing Disclosure Certificate for the above referenced issue, notice is hereby given of a material event consistent with Rule 15c2-12 of the Securities and Exchange Commission. The following additional material events have occurred since the last material event disclosure provided by the City:

- **Actions taken relative to the rating on the bonds:**

- (1) – On July 12, 2016, Standard and Poor lowered its underlying rating (SPUR) to “AA+” from “AAA” for the City of Riverside’s water revenue bonds. Reflecting S&P’s revised rating criteria for U.S. Municipal Waterworks and Sanitary Sewer Utility Revenue Bonds, as published in RatingsDirect on Jan. 19, 2016.
- (2) – On July 22, 2016, Standard and Poor raised its underlying rating (SPUR) to “AAA” from “AA+” for the City of Riverside’s water revenue bonds. Reflecting S&P’s further clarity on the City’s upcoming rate plan and financial forecast.

THE BELOW DISCLOSURE INFORMATION HAS PREVIOUSLY BEEN PROVIDED

- **Actions taken relative to the rating on the bonds:**

- (1) – In accordance with its March 16, 2010, announcement, Moody’s has recalibrated its rating on the bonds from “Aa3” to “Aa2”
- (2) – In accordance with its March 25, 2010, report “Recalibration of U.S. Public Finance Ratings”, Fitch has recalibrated its rating on the bonds from “AA” to “AA+”
- (3) – On May 5, 2011, Standard and Poor raised its underlying rating (SPUR) to “AAA” from “AA+” for previously issued water revenue bonds.