



News Release

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Western Refinances Bond Debt in Murrieta Division to Assist Customers and Improve Infrastructure

RIVERSIDE, CA – Sept. 8 – At a time when cities and states are backing off bonds amid budget concerns and unable to move forward with improvement projects, Western’s Board of Directors voted yesterday to capitalize on the low interest rate environment and refinance its Murrieta Community Facilities District (CFD) bonds.

Western’s CFO Rod LeMond said, “We looked at the trend in the municipal bond market and realized the low interest rates provide a unique opportunity for Western to refinance the existing CFD bonds and save a lot in interest expense.”

By refinancing Western’s CFD bonds, \$4.5 million in long-term interest rate savings will provide a lower annual tax bill for a portion of the Murrieta Division customers.

For other Murrieta Division customers who live within CFD area 88-1, the refinancing will generate additional funds for needed water infrastructure in the Division without increasing the existing CFD amounts on their tax bills. Western hosted a special Community Meeting the evening of Aug. 29 to explain the refinancing opportunity and answer questions. Customers who attended the meeting were favorable toward foregoing their estimated \$27 in annual CFD tax savings to generate nearly \$600,000 for improving Murrieta’s water infrastructure.

The water infrastructure improvements will expand local water sources and continue Western’s trend of lessening dependence on imported water, which is typically four times more costly than local groundwater.

“The District constantly reviews options to secure the water supply for our customers and this is a big win for everyone,” said John V. Rossi, general manager of Western.

Board President Brenda Dennstedt echoed Rossi, adding, “This was definitely a win-win for everyone. I’m pleased the District was able to take advantage of low interest rates on behalf of our customers. With the bond restructuring, we were able to achieve several objectives for our Murrieta area customers including new funding for significant infrastructure improvements, a reduction in annual taxes collected for many of our customers and all with no increases in taxes.”

Western Municipal Water District provides water supply, wastewater disposal and water resource management to the public in a safe, reliable, environmentally sensitive and financially responsible manner.

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