

For Immediate Release

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Media Contact: Heather Sumagaysay, Public
Information Officerhsumagaysay@cityofventura.ca.gov**The City of Ventura refinances debt, saving ratepayers over \$15 million**

Ventura, Calif. — The City of Ventura recently refinanced large portions of Ventura Water’s outstanding debt, resulting in a \$15.95 million savings. Bonds and low-interest loans are commonly utilized to fund large-scale capital improvement projects. In 2005, the City received \$20 million from the Safe Drinking Water State Refunding Fund to finance improvements to the Avenue Water Treatment Facility. In 2012 and 2014, the City received a series of bonds to execute necessary upgrades to its water and wastewater systems. The refinancing of these funding sources resulted in a 17 percent savings on Ventura Water’s \$104 million debt balance.

Finance and Technology Director Michael Coon stated, “With interest rates near a historic low, now was the perfect opportunity to evaluate the Water and Wastewater Enterprise debt. Although refinancing can be a timely and intensive process, we are thrilled with the outcome and proud to achieve these savings for our ratepayers.”

The refunding bonds pricing and sale took place on December 3, 2020, with the transaction closing on December 17, 2020. The refunded bonds were assigned a “AA” rating, affirming the City’s strong credit standing. The bonds were well received in the marketplace. Investor demand exceeded supply, resulting in savings that surpassed initial projections.

“Ultimately, these savings will help offset costs that would have been covered by our ratepayers,” said Ventura Water’s General Manager, Susan Rungren. “Ventura Water is committed to responsible fiscal stewardship. We will continue to pursue funding and financing opportunities that limit financial impacts to our customers.”

The City of Ventura is currently undergoing an 18-month long Water and Wastewater Rate Study to ensure sufficient revenue is available to reliably operate and maintain water and wastewater services.

“In the upcoming years, significant investments are needed to improve water quality, meet mandated regulations, and secure sufficient water supply,” stated Susan Rungren.

Recommended rate changes will be presented to City Council in Spring 2021. If approved, new water and wastewater rates will be implemented in July 2021. For more information on Ventura Water’s Water and Wastewater Rate Study visit www.VenturaWaterRates.net.

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