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MURRIETA FINANCING AUTHORITY SPECIAL TAX REVENUE BONDS RATING UPGRADED TO A+ BY S&P GLOBAL RATINGS IN CONNECTION WITH ITS \$29.075 MILLION BOND SALE

Refinancing achieves more than \$11 million in gross savings

Murrieta, CA: The City of Murrieta is pleased to announce that on May 12, 2022, the City, through the Murrieta Financing Authority (Authority), successfully sold \$29.075 million of Local Agency Revenue Refunding Bonds. The proceeds from the bonds were used to refund five outstanding series of bonds issued by community facilities districts (CFDs) located in Murrieta. By taking advantage of the historically low interest rates at the time of sale, the City locked in over \$11 million in gross cash flow savings. This process did not extend the length of the bonds, nor did it cost the City of Murrieta any General Fund monies.

Property owners within those CFDs will realize average annual savings ranging between \$337 and \$605 per parcel per year starting with their Fiscal Year 2022-23 property tax bills. The CFDs included: CFD No. 2000-1 (Greer Ranch); CFD No. 2001-1 (Bluestone Communities/Murrieta Highlands) Improvement Area A; CFD No. 2001-1 (Bluestone Communities/Murrieta Highlands) Improvement Area B; CFD No. 2003-1 (Murrieta Springs); and CFD No. 2003-2 (Blackmore Ranch).

During this process, S&P Global Ratings upgraded the Authority's Special Tax Revenue Refunding Bonds from "A" to "A+". The "A+" rating reflects the collective CFDs' very strong incomes, affordable homes, very low taxpayer concentration, and adequate-to-strong financial profile. In addition, the real estate market for the districts is strong and in high demand and the districts have a stable tax base with low annual special tax delinquencies in the past 10 years.

The bonds were sold via a negotiated sale and attracted robust demand from retail and institutional investors, resulting in over \$100 Million of total orders from a wide range of accounts, including some of the largest bond funds in the municipal market. The improvements made on pricing day also resulted in almost \$39,000 more interest cost savings for taxpayers compared to the previous day's estimates. As a result, the City's bonds priced better in certain maturities than other similarly rated financings in other jurisdictions that priced around the same time.

The City's bond finance team included its bond underwriter, Stifel Nicolaus & Company, Inc., municipal advisor, Fieldman, Rolapp & Associates, Inc., bond and disclosure counsel, Stradling, Yocca, Carlson & Rauth, P.C., and special tax consultant, Willdan Financial. Closing of the sale occurred on June 8, 2022, and the existing Special Tax Refunding Bonds, Series 2012, will be redeemed on September 1, 2022. For more information about City of Murrieta's Finance Department, visit www.MurrietaCA.gov/Finance.

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Murrieta's more than 115,000 residents live in one of the safest cities in the U.S., with top-ranked schools, 52 parks, and a dynamic business environment. Central to all of Southern California, Murrieta is truly the gem of the valley. With a median age of 36 and an average household income of \$122,207, Murrieta boasts a well-educated population and a strong labor force. Ranked the fiscally healthiest full-service city in Riverside, San Bernardino, Orange, and Los Angeles counties, Murrieta's future is undoubtedly bright.

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