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CITY OF NEWPORT BOND REFINANCING NETS \$900,000 SAVINGS

Jim Voetberg, Newport City Manager, announced today that “the city has completed a \$12,040,000 bond refinancing that has netted a savings of \$918,451.” The financing package included the refinancing of three bond bank loans, and borrowing to complete Urban Renewal Agency projects in South Beach.

The Newport City Council and Urban Renewal Agency authorized the refinancing and borrowing at their meetings of June 7, 2010. Voetberg reported that “at the time of approval, it was anticipated that the city would recognize approximately \$750,000 in savings from the refinancing, so it was a pleasant surprise when the savings was \$150,000 greater than planned.” The \$918,451 savings will be realized over the term of the bonds that will mature in 2023. The recently adopted budget anticipated these savings.

Voetberg added that “the city has been working hard this past year at reducing costs and taking advantage of opportunities as they present themselves. When it was recognized a substantial savings could be realized with refinancing, the Finance Department stepped up to the plate and made it happen”. Voetberg specifically recognized Interim Finance Director Ross Schultz and Assistant Finance Director Linda Brown for their work with bond counsel in putting the refinancing package together. Voetberg commented, “Good things are happening at the city and this refinancing is just another example of how we are positioning ourselves to address the challenges of the future.”

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