



SAN DIEGO CITY SCHOOLS

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NEWS RELEASE

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Proposition MM bond refinancing saves taxpayers \$63 million

Program earns top award from San Diego County Taxpayers Association

SAN DIEGO – In June, San Diego City Schools refinanced another \$163 million of Proposition MM bonds by taking advantage of lower interest rates, which will save taxpayers \$13.9 million in future interest payments.

This is the third bond refinancing in less than one year. In total, \$782 million of bonds have been refinanced since August 2004, with interest savings of \$63 million. The savings go directly back to taxpayers as a dollar for dollar reduction of Proposition MM property tax levies.

“When Proposition MM was passed, the school district committed to voters that property tax levies would never go higher than \$95.75 for each \$100,000 of assessed valuation,” said Scott Patterson, Chief Financial Officer for San Diego City Schools. “Not only have we kept that promise, but we are returning savings to the taxpayers as the result of a successful bond refinancing.”

The refinancing efforts have earned Proposition MM the coveted 2005 Grand Golden Watchdog Award from the San Diego County Taxpayers Association (SDCTA). “Watchdogs” are given to programs that exemplify efficient use of tax dollars. The Grand Golden Watchdog is the highest award given.

Proposition MM, passed overwhelmingly by 78 percent of San Diego voters in November 1998, is a bond measure that provides \$1.51 billion toward the modernization of 161 existing school sites and construction of 15 new/rebuilt schools throughout San Diego City Schools. The program consistently receives AA ratings from leading credit agencies, the highest credit ratings among all urban school districts across the country.

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