



SAN DIEGO CITY SCHOOLS

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NEWS RELEASE

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Proposition MM receives Grand Golden Watchdog Award from San Diego County Taxpayers Association

Bond refinancing saves taxpayers \$26 million

SAN DIEGO – Proposition MM has received the coveted Grand Golden Watchdog Award from the San Diego County Taxpayers Association (SDCTA). SDCTA gives “Watchdogs” to programs in San Diego County that exemplify efficient use of tax dollars. The Grand Watchdog is the highest award given.

Proposition MM, passed 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 12 new and three rebuilt schools throughout San Diego City Schools. Proposition MM is the largest active public works program in the County of San Diego, and the second largest in California.

SDCTA cited the recent refinancing/refunding of \$306 million of previously issued Proposition MM bonds as the catalyst for the award selection. In a Summer 2004 bond sale, the school district took advantage of lower interest rates, which yielded a \$26 million gross interest savings. **The savings go directly back to taxpayers as a dollar for dollar reduction of their Proposition MM property tax levies.**

“When Proposition MM was passed, the school district committed to voters that property tax levies for Proposition MM 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.”

Proposition MM continues to receive AA ratings from leading credit agencies, the highest credit ratings among all urban school districts across the country. The modernization of existing schools is two years ahead of schedule, and the program is on track to be completed within budget.

The awards were announced at SDCTA’s annual banquet on Wednesday, May 18.