



SAN DIEGO COMMUNITY COLLEGE DISTRICT

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NEWS RELEASE

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Taxpayers Saving \$80 Million as District Issues its Final Bonds from Props S & N

An ambitious, decade-long program that has transformed San Diego Community College District (SDCCD) campuses reached a milestone Nov. 3 when the district made the final sale in its \$1.55 billion Proposition S and N bond program – resulting in a savings of \$80 million to taxpayers.

In total, \$122 million in Proposition N bonds were sold Nov. 3. In addition, higher bond ratings and an improved financial forecast allowed the district to issue \$524 million in refunded – similar to refinanced – Proposition S and N General Obligation bonds, resulting in a reduction of debt to taxpayers in the amount of \$80 million. Those bonds, too, were sold Nov. 3.

“This bond sale was successful due to the high quality of the district’s financial management, the top bond ratings, and the excellent progress of our construction projects using the public’s investment,” said SDCCD Chancellor Constance M. Carroll.

Prior to the sales, Moody’s Investors Service upgraded the SDCCD from Aa1 to Aaa, marking the third time Moody’s has upgraded the district’s bond rating since 2005. Standard & Poor’s reconfirmed its AA+ rating but changed its rating outlook from “Stable” to “Positive.” Moody’s and S&P recognized in their ratings reports the district’s solid financial position, strong and experienced management team, impressive financial and construction track record, and excellent and innovative operational practices as contributing factors for the upgrades.

“The district is particularly proud of the fact that almost \$80 million in gross debt service savings was realized for the district’s taxpayers whose generosity and support were necessary in the success of the district’s bond measures,” said Maria Nieto Senour, President of the SDCCD’s Board of Trustees.

Proposition S, which authorized the sale of bonds in the amount of \$685 million, was approved by voters in November of 2002. Proposition N, which authorized the sale of bonds in the amount of \$870 million, was approved by voters in November of 2006. Revenue from the two

bond measures is being spent on projects benefiting City, Mesa, and Miramar colleges, and the six campuses of Continuing Education. These projects include nearly 30 major renovations or expansions, 30 new, from-the-ground facilities, and dozens of infrastructure, public safety, and accessibility upgrades across the district.

“We have new facilities at all of our campuses and we have been able to make significant upgrades throughout the district, and all of this has been done in a fiscally responsible manner, which speaks volumes about the leadership in our district,” said Bonnie Ann Dowd, the SDCCD’s Executive Vice Chancellor, Business and Technology Services.

The district has been awarded a perfect score of 100 percent for its bond construction project's performance by the San Diego County Taxpayers Association. Bonds that are being refinanced were originally issued in 2007, 2009, and 2011.

With the bond sales complete, the district can now wrap up the final Proposition N projects, including a new Center for Business Technology and a new Fine Arts & Dramatic Arts building at Mesa College, and extensive modernizations of a child development center and three buildings at City College.

As the second-largest of California’s 72 community college districts, the San Diego Community College District serves approximately 100,000 students annually through three two-year colleges and San Diego Continuing Education. The three colleges, San Diego City College, San Diego Mesa College, and San Diego Miramar College, offer associate degrees and certificates in occupational programs that prepare students for transfer to four-year colleges and entry-level jobs. Mesa College also offers a bachelor’s degree in Health Information Management. Continuing Education offers noncredit adult education at six campuses throughout San Diego.