



SAN DIEGO COMMUNITY COLLEGE DISTRICT

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NEWS RELEASE

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SDCCD AGAIN EARNS HIGHEST POSSIBLE BOND RATINGS

For the second time in a row, the San Diego Community College District (SDCCD) has earned Standard and Poor's highest bond rating awarded to a community college in California.

The AA+ rating from Standard and Poor's for the district's General Obligation Bonds, Election of 2002, Series 2009, came as Moody's affirmed its Aa2 rating on the district's general bond debt obligation.

These top ratings by both Wall Street bond rating agencies continue to speak to the strong underlying fiscal condition of the SDCCD. It is good news for the district and the taxpayers.

Quotes from Moody's analysis of the district's general bond debt obligation below mirror the analysis of Standard and Poor's:

1. "The rating also considers the district's typically healthy financial position that is well poised to manage this period of fiscal and economic stress and should remain strong."
2. "The district's healthy fiscal position relative to other California community college districts is the result of sound management that took the initiative to prepare for cutbacks at an early stage and has maintained a conservative budgeting approach. As a result, the district has a history of strong balances and operating surpluses."
3. "District management first implemented a hiring freeze and other cost control measures in the early portion of 2007 when it began to appear that the state's financial difficulties may prompt cutbacks. The district also implemented a multi-year plan to reduce costs in future years. That plan includes an ongoing hiring freeze, a district-wide reorganization, not filling vacant positions, and a 10% increase in adjunct faculty that has saved the district approximately \$2.3 million."
4. "Despite the challenges confronting the local economy, Moody's expects that the district's tax base will continue to remain worthy of its current rating . . ."

Commenting on the strong endorsement of the district construction bonds, district Chancellor Constance Carroll said, "We are proud of our district's strong financial management and the progress we have made with our bond measures, which are reflected in these excellent bond ratings. Our community can be confident it is being well served."

Given the continuing turmoil in the regional and local economy, the SDCCD continues to demonstrate that it is possible to maintain sound fiscal management practices that honor its commitment to the taxpayers of San Diego and the employees of the district.

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