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NEWS RELEASE

FOR IMMEDIATE RELEASE

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Mt. Diablo Unified School District Refinances Bonds, Saves Taxpayers Over \$48 Million

Concord, CA – September 24, 2021: Mt. Diablo Unified School District recently refinanced \$198 million in general obligation bonds, which will save District property owners more than \$48 million in taxes over the next 16 years. The District took advantage of interest rates that were near all-time lows due to the COVID pandemic and economic uncertainty to refinance bonds originally sold in 2011 and 2012, when interest rates were higher.

The prior bonds were approved by the District’s voters at elections in 2002 and 2010. The funds from those bond elections were used to build new school facilities and provide for renovations, upgrades, and other classroom improvements to existing schools. Interest rates on the old bonds ranged from 3.50% to 5.50% and the borrowing cost for the new bonds ranges from 0.08% to 1.79%. This difference in rates will save property owners \$48,698,777 through 2037.

“Our community has always trusted us by supporting our bond measures,” said Superintendent Adam Clark. “As stewards of taxpayer dollars, we felt this refinancing was the right thing to do.”

Homeowners in the District will see their property taxes reduced by an average of \$5.25 per \$100,000 in assessed valuation starting next year. This means District homeowners currently paying \$90.90 per \$100,000 in assessed value would see their property taxes drop to \$85.65 per \$100,000 in 2022-23. On a home valued at \$600,000, this would amount to a drop from \$545.40 to \$513.90 a year for an annual savings of \$31.50. Over 16 years, the savings in this scenario would total approximately \$473, depending on assessed value growth.

Chief Business Officer Lisa Gonzales said she keeps an eye on the District’s debt obligations and looks for opportunities to “save money for the District and our homeowners. We were happy with the opportunity to do so with this refinancing.”

The District School Board unanimously approved the bond refinancing on Aug. 25. “With rates near the lowest they have ever been, we wanted to take advantage and lock in savings for our taxpayers,” said Board President Cherise Khaund. “We are thrilled with the results of the sale.”