



# PRESS RELEASE

**Poway Unified School District**

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## **Poway Unified announces CFD Special Tax reduction plan, saving taxpayers over \$1.1 billion**

(SAN DIEGO, CA) – The Poway Unified School District (PUSD) is pleased to announce that it has developed a plan to accelerate the termination of many of its 38 community facilities districts (CFDs) and improvement areas (IAs) by paying off existing debt sooner than originally planned. This would save District CFD and IA homeowners as much as \$1.1 billion over the course of the 30-year plan.

Currently 16,000 homes, with an approximate population of 47,000 residents, are located within the District's CFDs and IAs. In existence since 1989, the CFDs and IAs have provided the PUSD with the resources necessary to accommodate robust enrollment growth over the past three decades. The CFDs and IAs have accomplished this by issuing municipal bonds and using the bond proceeds to fund improvements that benefit the CFD residents. Homeowners within the CFDs and IAs are then assessed special taxes to service the debt related to these bonds.

To date, the District's CFDs have helped fund the construction of 14 new schools\* and the expansion of four other schools, as well as non-school facilities and infrastructure related to community development. After decades of robust growth, however, PUSD's enrollment has plateaued. The Special Tax Reduction Plan allows the District the flexibility to continue to fund school facilities if/when needed, but also to repay debt and reduce special taxes in advance of the plan and contingent on an annual review by the Board.

The District's CFDs and IAs currently have over \$400 million in outstanding debt, and without any early repayments, the outstanding debt would not be fully retired until 2049. However, under the Special Tax Reduction Plan, the projected final termination dates are as many as 5 to 30 years earlier than originally scheduled.

As part of the reduction plan, PUSD will evaluate annually: 1) CFD and IA debt service obligations; 2) any future facilities' needs, based on enrollment projections and the Facilities Master Plan; and, 3) the ability to reduce or terminate the levy of special taxes by repaying debt early.

For the purposes of this reduction plan, CFD and IA Districts fall into one of three categories:

- Joint Acquisition Agreement (JAA Districts)

- Certificates of Participation IAs (COP Districts)
- Available Surplus District (Surplus Districts)

Below is a summary of the special tax reduction plan for each of the JAA District’s senior bonds

District	Final Maturity of Senior Bonds	Par Optional Call Date	Projected Call Date	Projected Special Tax Savings	Projected Years Prepaid
CFD No. 2	9/1/2028	9/1/2025	9/1/2025	\$40,323,968	17 Years
CFD No. 4	9/1/2031 and 9/1/2042	9/1/2023 and 9/1/2026	9/1/2031	38,041,278	16 Years
CFD No. 6 <sup>(1)</sup>	9/1/2035 and 9/1/2036	9/1/2022 and 9/1/2025	9/1/2032	155,763,856	11 Years
CFD No. 8 IA B	9/1/2028	9/1/2026	9/1/2027	3,814,777	6 Years
CFD No. 9	9/1/2028	9/1/2026	9/1/2028	3,478,379	15 Years
CFD No. 10	9/1/3032	9/1/2026	9/1/2030	69,390,443	17 Years
CFD No. 12	9/1/2032 and 9/1/2042	9/1/2023 and 9/1/2026	9/1/2029	29,170,832	15 Years
CFD No. 13	9/1/2042	9/1/2023	9/1/2026	43,012,491	23 Years
CFD No. 14	9/1/2036	9/1/2025	9/1/2033	121,578,326	18 Years
CFD No. 15	N/A	N/A	9/1/2023	133,068,643	34 Years
<b>Total</b>				<b>\$637,642,994</b>	

Below is a summary of the special tax reduction plan for each COP District’s senior bonds

District	Final Maturity of Senior Bonds	Par Optional Call Date	Projected Call Date	Projected Special Tax Savings	Projected Years Prepaid
CFD No. 6 IA A	9/1/2033	9/1/2026	9/1/2032	\$9,154,948	5 Years
CFD No. 6 IA B	9/1/2036	9/1/2025	9/1/2034	22,786,798	6 Years
CFD No. 6 IA C	9/1/2042	9/1/2026	9/1/2040	6,345,983	7 Years
CFD No. 10 IA A	9/1/2031	9/1/2026	9/1/2031	7,991,965	6 Years
CFD No. 10 IA B	9/1/2031	9/1/2026	9/1/2031	4,797,155	6 Years
CFD No. 10 IA C	9/15/2033	9/15/2023	9/15/2032	2,856,147	7 Years
CFD No. 10 IA D	9/15/3032	9/15/2023	9/15/2032	3,467,791	6 Years
CFD No. 10 IA E	9/15/2032	9/15/2023	9/15/2032	4,121,197	6 Years
CFD No. 10 IA F	9/1/2041	9/1/2026	9/1/2039	1,756,311	8 Years
CFD No. 11 IA A	9/15/2034	9/15/2023	9/15/2033	13,520,905	11 Years
CFD No. 11 IA B	9/15/2035	9/15/2024	9/15/2034	12,369,786	12 Years
CFD No. 14 IA A	9/1/2036	9/1/2025	9/1/2035	99,263,241	16 Years
<b>Total</b>				<b>\$188,432,227</b>	

Below is the reduction plan for each of the Surplus Districts:

District	Final Maturity of Senior Bonds	Par Optional Call Date	Projected Call Date	Projected Special Tax Savings	Projected Years Prepaid
CFD No. 1	10/1/2020	10/1/2018	10/1/2020	\$47,648,267	21 Years
CFD No. 2 IA 1	9/15/2042	9/15/2023	9/15/2040	2,533,918	9 Years
CFD No. 3	9/1/2028	9/1/2025	9/1/2026	9,580,606	16 Years
CFD No. 5	9/1/2028	9/1/2025	9/1/2027	3,166,756	15 Years
CFD No. 7	9/1/2028	9/1/2025	9/1/2026	2,691,108	14 Years
CFD No. 10 IA F Supp	NA	NA	9/1/2020	2,955,183	32 Years
CFD No. 11 IA C	9/15/2035	9/15/2024	9/15/2031	22,774,286	15 Years
CFD No. 11 Zone 1	9/15/2037	9/15/2023	9/15/2036	8,309,763	8 Years
CFD No. 11 Zone 2	9/15/2032 and 9/15/2042	9/15/2023 and 9/15/2024	9/15/2038	8,193,730	10 Years
CFD No. 11 Zone 3	9/15/2032 and 9/15/2042	9/15/2023 and 9/15/2024	9/15/2035	16,945,867	13 Years
CFD No. 15 IA A	9/1/2044	9/1/2024	9/1/2042	6,331,556	7 Years
CFD No. 15 IA B	NA	NA	9/1/2020	50,661,406	37 Years
CFD No. 15 IA C	9/1/2046	9/1/2026	9/1/2040	15,436,485	10 Years
CFD No. 15 IA D	NA	NA	9/1/2020	49,014,020	37 Years
CFD No. 16	9/1/2049	9/1/2030	9/1/2035	39,501,932	19 Years
CFD No. 16 IA A	9/1/2049	9/1/2030	9/1/2048	13,329,677	6 Years
<b>Total</b>				<b>\$299,074,559</b>	

For more information, please contact PUSD Associate Superintendent of Business, Ron Little at [rlittle@powayusd.com](mailto:rlittle@powayusd.com)

### Current and Future CFD-Funded Projects

#### Oak Valley Middle School Expansion

The Oak Valley Middle School project added a new building with eight classrooms was completed in September 2020.

#### Del Norte High School Expansion

The most recent project to be funded by CFD resources was approved by the Board of Education on May 14, 2020, and includes six additional classrooms to meet the growing student enrollment, including three specifically designed to support science programs/curriculum. Also included is the installation of a synthetic turf field to support PE, band, an athletic program and the addition of a restroom building for athletics.

#### Del Sur Elementary School Possible Expansion

Pursuant to the District's Long Range Facilities Master Plan, the addition of a new classroom building at Del Sur Elementary School has been identified as a possible expansion project in 2023 or 2024. The estimated 2023 construction cost for this project is \$12 million.

\*Del Norte High School, Del Sur Elementary School, Design39Campus, Willow Grove Elementary School, Stone Ranch Elementary School, Monterey Ridge Elementary School, Oak Valley Middle School, Adobe Bluffs Elementary School, Highland Ranch Elementary School, Creekside Elementary School, Shoal Creek Elementary School, Park Village Elementary School, Mesa Verde Middle School, Westview High School

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