



STATE OF CONNECTICUT
TREASURER SHAWN T. WOODEN

TREASURER WOODEN ANNOUNCES CONNECTICUT'S CREDIT RATINGS AFFIRMED WITH STABLE OUTLOOKS

Connecticut Remains Stable While Thirteen Other States Have Had Credit Rating Downgrades or Negative Outlooks Since the COVID-19 Outbreak.

Hartford, CT - Today, Connecticut State Treasurer Shawn T. Wooden announces that Moody's Investors Service, S&P Global Ratings, Fitch Ratings, and Kroll Ratings affirmed the State of Connecticut's general obligation credit ratings and stable outlooks in advance of the issuance of bonds during the next 30-days. The ratings were affirmed at Moody's 'A1'; S&P 'A'; Fitch 'A+'; and, Kroll 'AA-'. In their reports, the rating agencies cited Connecticut's sizable Budget Reserve Fund as a stabilizing factor that strengthens our ability to weather the economic downturn caused by the COVID-19 pandemic. The fully funded Budget Reserve Fund, combined with strong and measured fiscal leadership from Treasurer Wooden and the State, yielded the stable outlook that has led to strong investor demand and record low interest rates.

"Maintaining our credit ratings and outlooks is an important independent assessment that will continue to provide benefits to the State's long-term financial sustainability," said State Treasurer Shawn Wooden. "The steps we have taken has put us in a strong position comparatively, especially when considering that thirteen other states have had their credit rating or outlook downgraded during the pandemic. Having a Budget Reserve Fund that is currently over \$3 billion provides the State with planned financial flexibility and contributes to our ability to maintain strong investment-grade credit ratings needed to access funding for critical infrastructure investments at attractive interest rates, saving taxpayer dollars."

"The COVID-19 pandemic has created a unique budget and economic environment filled with uncertainty and sudden paradigmatic shifts," said Office of Policy and Management Secretary Melissa McCaw. "Yet, thanks to our state's strong financial governance, transparency, robust cash position, and historic levels of savings, our credit ratings remain unchanged. While there are significant challenges ahead; including producing a balanced budget for the biennium ahead and confronting the ongoing public health crisis, the credit rating agencies have made it clear that we are on the right track and Connecticut is a great place to invest."

In addition, on November 16, 2020, three credit rating agencies affirmed with stable outlooks the University of Connecticut General Obligation Bonds backed by the State (“UConn 2000 Bonds”). The ratings on the UConn 2000 Bonds are Moody’s ‘A1’, S&P ‘A+’; and Fitch ‘A’.

“The affirmation of the State’s credit rating with stable outlooks further demonstrates to investors that Connecticut is well-managed and positioned to address the financial challenges brought on by the pandemic,” continued State Treasurer Wooden. “My office requested the ratings reviews in advance of two large State bond issuances coming to market before the end of the calendar year.”

This week, \$279 million of UConn 2000 Bonds are being sold. This UConn 2000 Bond financing includes approximately \$160 million of new bonds being issued to fund various improvements at the University as part of the multi-year capital improvements plan, and \$119 million of refunding bonds to refinance existing bonds to lower interest rates to capture debt service savings. The UConn 2000 Bond closing is scheduled for December 17, 2020.

Following the UConn bond sale, Treasurer Wooden is scheduled to sell \$800 million of General Obligation bonds on December 15, 2020. This General Obligation bond issue will fund \$200 million of local school construction projects; \$146 million of improvements to state universities and community colleges; \$86 million of grants for economic development, municipalities and not-for-profits; \$78 million for technology improvements; \$77 million for the Crumbing Foundations program; \$71 million for Clean Water Fund grants; and the balance for various state programs including housing, environmental initiatives, renovation of state buildings and the Small Business Express Program. The General Obligation bond closing is scheduled for January 6, 2021.

More information on these bond sales is available at BuyCTBonds.com

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