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CONTACT: Office of the Treasurer, michelle.woods-matthews@ct.gov



STATE OF CONNECTICUT

TREASURER SHAWN T. WOODEN

TREASURER WOODEN ANNOUNCES UNIVERSITY OF CONNECTICUT BOND SALE ATTRACTS RECORD DEMAND, ACHIEVES RECORD LOW BORROWING COST, AND SAVES TAXPAYERS \$29 MILLION LARGEST RETAIL ORDERS IN 24-YEAR HISTORY

HARTFORD, CT – Today, Connecticut State Treasurer Shawn T. Wooden announced the results of this week’s University of Connecticut bond sale. The \$279 million UConn 2000 Program bond sale attracted record investor demand, set a new record low overall interest costs of 2.19%, and will save taxpayers \$29 million by refinancing existing bonds. Total orders received during the retail order period were \$455 million, the highest level of retail orders on any UConn 2000 Program bond issuance in its 24-year history.

“On the heels of four major credit rating agencies affirming Connecticut’s general obligation ratings and stable outlooks, the UConn bond sale’s record-setting bond sale builds on that positive momentum,” said State Treasurer Shawn Wooden. “The increasing attractiveness of Connecticut bonds is further proof of our fiscal stability in the eyes of investors. At a time when our State is confronting the ongoing public health crisis and responsibly tackling longstanding fiscal challenges, these results underscore the importance of strong financial governance, saving taxpayer dollars, and staying the course with fiscally-responsible policies.”

Consistent with past practice, retail investors were given priority during a two-day retail order period on December 4 and 7. In addition, institutional investors placed orders for \$365 million of bonds on December 8, bringing total orders to \$820 million.

“Today’s record-setting demand for UConn bonds shows market confidence in UConn and the State of Connecticut,” said Scott Jordan, University of Connecticut Executive Vice President and Chief Financial Officer. “When you invest in UConn, you invest in the people of Connecticut, in Connecticut’s economy, and in scholarship and research with benefits far beyond our borders.”

The overall interest cost on the 20-year new money portion of the sale was 2.19%, the lowest cost on any comparable UConn 2000 Program issuance on record - even lower than the 2.31% interest cost on the State's June 2020 General Obligation bond sale.

Of the \$279 million of bonds issued, \$160 million are new money bonds, and along with associated bond premium will provide \$200 million of funds for UConn infrastructure investments. Key projects being funded include academic and research facilities; improvements to the Fine Arts complex; residential life facilities; library collections; and telecom, equipment and infrastructure improvements at the Storrs and UConn Health campuses.

The remaining \$119 million of bonds issued will refinance existing higher-interest bonds for debt service savings of approximately \$29.0 million over the next ten years. Since Treasurer Wooden took office in January 2019, he has lowered previously issued debt service by \$97 million, including this sale.

"By refunding existing debt for savings, we were able to take advantage of market demand and attractive low interest rates. By doing so, we have reduced the state's fixed costs for years to come, which is positive for our credit ratings, and in turn saves taxpayer dollars," continued Treasurer Shawn Wooden.

In advance of the sale, three major rating agencies affirmed their credit ratings for the UConn 2000 bonding program with Stable outlooks: Moody's Investors Service at 'A1', Standard & Poor's at 'A+', and Fitch Ratings at 'A'.

The bonds are scheduled to close on December 17, 2020. For more information on the State's bond sale visit BuyCtBonds.com.

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