

## INVESTOR PRESENTATION

**\$1,032,000,000\***

**STATE OF CONNECTICUT**

**SPECIAL TAX OBLIGATION BONDS**

**2021 SERIES A, B, AND C**

**(TRANSPORTATION INFRASTRUCTURE PURPOSES)**

*Preliminary, subject to change\**



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## TRANSACTION SUMMARY

	Special Tax Obligation Bonds Transportation Infrastructure Purposes, 2021 Series A “2021 Series A Bonds”	Special Tax Obligation Refunding Bonds Transportation Infrastructure Purposes, 2021 Series B “2021 Series B Bonds”	Special Tax Obligation Refunding Bonds Transportation Infrastructure Purposes, 2021 Series C (Forward Delivery) “2021 Series C Bonds”
<b>Par Amount*:</b>	\$875,000,000*	\$12,000,000*	\$145,000,000*
<b>Structure*:</b>	<ul style="list-style-type: none"> <li>Serial Bonds maturing 5/1/2022 through 5/1/2041</li> </ul>	<ul style="list-style-type: none"> <li>Serial Bonds maturing on 12/1/2022 and 12/1/2029</li> </ul>	<ul style="list-style-type: none"> <li>Serial Bonds maturing 1/1/2023 through 1/1/2032</li> </ul>
<b>Interest Payments:</b>	<ul style="list-style-type: none"> <li>5/1 and 11/1, commencing 11/1/2021</li> </ul>	<ul style="list-style-type: none"> <li>6/1 and 12/1, commencing 12/1/2021</li> </ul>	<ul style="list-style-type: none"> <li>7/1 and 12/1, commencing 7/1/2022</li> </ul>
<b>Purpose:</b>	<ul style="list-style-type: none"> <li>To fund a portion of the cost of the Infrastructure Program</li> </ul>	<ul style="list-style-type: none"> <li>To current refund outstanding Series 2009-A and 2010C bonds</li> </ul>	<ul style="list-style-type: none"> <li>To current refund (by forward delivery) outstanding Series 2011A and 2011B bonds</li> </ul>
<b>Security:</b>	<ul style="list-style-type: none"> <li>Special obligation of the State payable solely from the Pledged Revenues and other receipts, funds or moneys pledged thereto pursuant to the Act and the Indentures</li> </ul>		
<b>Debt Service Reserve Account:</b>	<ul style="list-style-type: none"> <li>Funded at maximum annual debt service (MADS) of aggregate Senior Lien Bonds</li> </ul>		
<b>Tax Status of Interest:</b>	<ul style="list-style-type: none"> <li>Exempt from Federal income tax</li> <li>Exempt from Connecticut income taxes</li> <li>Not an item of tax preference for purposes of federal alternative minimum tax</li> </ul>		
<b>Optional Redemption*:</b>	<ul style="list-style-type: none"> <li>Subject to optional redemption prior to maturity</li> </ul>	<ul style="list-style-type: none"> <li>Not subject to optional redemption prior to maturity</li> </ul>	<ul style="list-style-type: none"> <li>Not subject to optional redemption prior to maturity</li> </ul>
<b>Ratings*:</b>	<ul style="list-style-type: none"> <li>Moody's: Aa3, Kroll: AA+, S&amp;P: A+, Fitch: A+</li> </ul>		
<b>Expected Pricing*:</b>	<ul style="list-style-type: none"> <li>Retail Order Period: Wednesday, April 21<sup>st</sup></li> <li>Institutional Pricing: Thursday, April 22<sup>nd</sup></li> </ul>		
<b>Expected Closing*:</b>	<ul style="list-style-type: none"> <li>Wednesday, May 12<sup>th</sup></li> </ul>	<ul style="list-style-type: none"> <li>Wednesday, May 12<sup>th</sup></li> </ul>	<ul style="list-style-type: none"> <li>Tuesday, October 19<sup>th</sup> (forward delivery)</li> </ul>

\*Preliminary, subject to change\*

Note: Purchasers of the 2021 Series A, B, and C Bonds should consult their tax advisors regarding the Federal, state and local tax consequences of owning and disposing of the Bonds



# THE STATE'S STO EXHIBITS STRONG CREDIT FUNDAMENTALS

## Transportation is a State Priority

- Long-term commitment to invest in the transportation infrastructure needs of the State
- Continued dedication to providing secure transportation funding sources

## Strong Statutory Framework & Legal Provisions

- First priority lien for Senior Bonds
- 2x Pledged Revenue rate covenant (Budget + ABT)
- Balanced budget requirement (State constitution)
- Constitutional lockbox: STF is a perpetual fund – resources used solely for transportation
- Cash funded Debt Service Reserve Account at MADS

## Diverse & Stable Revenue Source

- Broad base of taxes and fees collected statewide
- No revenue source greater than 31% of Pledged Revenues
- Monthly collection for most Pledged Revenues
- Debt service coverage by Pledged Revenues significantly higher than minimum coverage requirements

## Strong Management Team

- Comprehensive and conservative long-range planning and management of STO program
- Multi-agency collaboration and consensus (Treasury, OPM, DOT, Comptroller)
- Monthly revenue and expense updates by OPM and Comptroller
- Long track record of success at managing the program

## Conservative Debt Profile

- 100% of STO debt is fixed rate with no derivative exposure
- As of May 1, 2021 there are \$6.085 billion of Senior Lien STO Bonds outstanding
- 57.4% of outstanding STO principal will be retired within the next 10 years, providing significant capacity for future capital spending

**Closed System, Revenues Pledged at Time of Receipt**



# LEGISLATIVE ACTION DEMONSTRATES THE STATE'S ONGOING COMMITMENT TO FULLY FUND STO PROGRAM

	Legislative Action	New Revenue Pledge	Revenue Stream Enhancements
<b>2015</b>	<ul style="list-style-type: none"> <li>Approved statutory transportation "lockbox" making the STF a "Perpetual Fund" (resources limited to transportation purposes, including STO DS)</li> </ul>	<ul style="list-style-type: none"> <li>Pledged a portion of the general retail sales tax as a new source of revenue to the STF</li> </ul>	<ul style="list-style-type: none"> <li>Modified the flow of funds for the Oil Companies Tax so that funds flow directly into the STF, eliminating all remaining transfers between the General Fund and the STF</li> </ul>
<b>2016</b>			<ul style="list-style-type: none"> <li>Increased fees to oversize/overweight vehicles</li> <li>Expanded definition of vehicles subject to permit fees to include self-propelled vehicles</li> </ul>
<b>2017</b>	<ul style="list-style-type: none"> <li>Legislation proposing a constitutional amendment that solidifies the 2015 statutory "lockbox" for the STF</li> </ul>	<ul style="list-style-type: none"> <li>Sales tax on dealer car sales deposited into the STF beginning in FY2021 (five year phase-in)</li> </ul>	
<b>2018</b>	<ul style="list-style-type: none"> <li>Constitutional Amendment – voter referendum in November 2018 with 88% general electorate approval of the "lockbox"</li> </ul>	<ul style="list-style-type: none"> <li>Accelerated start date for sales tax on dealer car sales to FY2019 (five year phase-in)</li> </ul>	<ul style="list-style-type: none"> <li>Revenue Covenant limits appropriations to ensure a surplus</li> </ul>
<b>2019</b>		<ul style="list-style-type: none"> <li>Dealer car sales tax adjusted (five year phase in – still 100% by 2023)</li> </ul>	<ul style="list-style-type: none"> <li>Increased motor vehicle receipts (licenses and registrations)</li> </ul>
<b>No Legislative Action Impacting Pledged Revenues Taken in 2020 Session</b>			
<b>2021</b> (Governor's Proposed Budget)	<ul style="list-style-type: none"> <li>Use Transportation and Climate Initiative Program revenues to offset the cost of certain public transit services beginning Jan. 1, 2023</li> </ul>	<ul style="list-style-type: none"> <li>Implement highway use fee effective Jan. 1, 2023</li> <li>Impose a 2% convenience fee for credit card use</li> </ul>	<ul style="list-style-type: none"> <li>Increased sales and use tax from sale of recreational cannabis flows to STF</li> </ul>





# THE SERIES 2021 BONDS WILL CONTINUE TO FUND INVESTMENTS IN KEY TRANSPORTATION PROJECTS

## Capital Funding for New and Ongoing Projects

Project Category	Bond Authorizations (\$ in millions)		
	FY 2021	FY 2022 (Proposed)	FY 2023 (Proposed)
Highway/Bridges	\$279.2	\$301.1	\$316.6
Public Transportation	\$236.0	\$248.1	\$270.8
Fix-It-First Bridge and Roadway Program	\$185.0	\$139.8	\$219.8
Local Transportation Capital Improvement Programs	\$67.0	\$67.0	\$67.0
Facilities	\$15.2	\$68.9	\$43.4
Other	-	\$12.0	\$12.0
<b>Total</b>	<b>\$782.4</b>	<b>\$836.9</b>	<b>\$929.6</b>

Source: PA 20-1 for FY2021; and Governor's Proposed Budget (SB 887) for FY2022 and FY2023

### Major Capital Projects



**I-95 Gold Star Memorial Bridge**

This multi-phase project will accomplish structural steel repairs and replacement of the concrete deck on the northbound bridge carrying I-95 over the Thames River from New London to Groton. Built in 1943, rehabilitated in 1970 and painted in 1990, this structure is 5,931 feet long and carries an average 61,348 vehicles daily. A new deck will restore the roadway surface following the structural repair. The first phase of this project will begin in late 2021 and the final phase is anticipated to be completed in 2027



**New Haven Line Fleet  
Additional 60 M8 Rail Cars**

An additional 60 M8 Rail Cars are on order to support New Haven Line ridership demands. Ridership on the New Haven Line has expanded significantly more than expected over the last few years, especially during peak commutation times. New Haven Line peak trains, the busiest trains, have increased 27% over the past 5 years. Additional trains are necessary to meet demand.



**I-84 / Route 8 Waterbury  
Mixmaster Rehabilitation**

The I-84/Rt 8 interchange and ramps are part of a rehabilitation project which addresses the superstructure and substructure of ten bridges to extend the service life by 25 years. A temporary bypass roadway will minimize traffic disruption while a full deck is replaced. The rehabilitated structures will be strengthened as required to carry permit loads. Safety elements, drainage, concrete and steel work are included. Work to be completed in 2022.



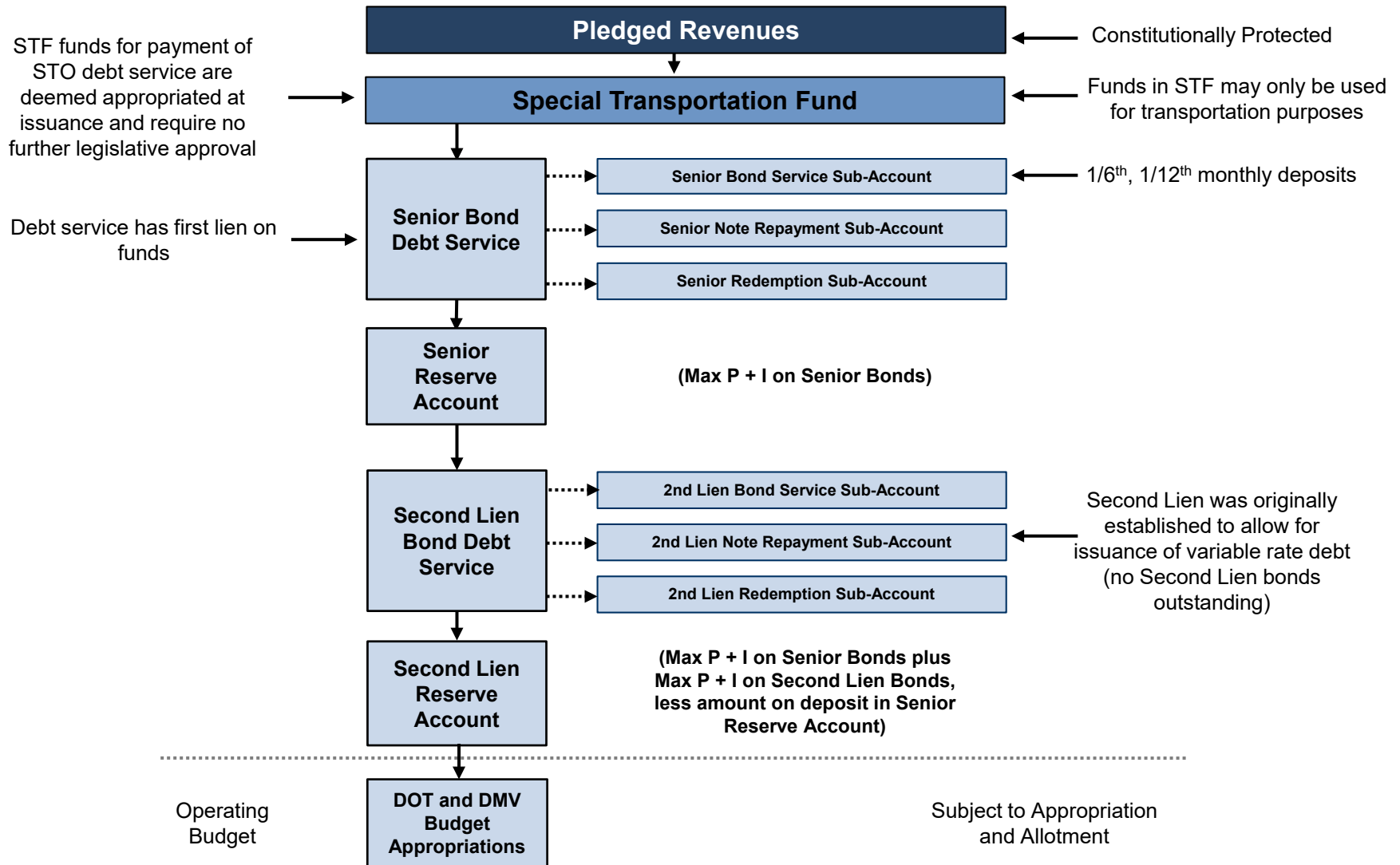
# KEY CREDIT PROVISIONS OF THE STO PROGRAM

<p><b>Pledged Revenues</b></p>	<ul style="list-style-type: none"> <li>Includes: motor fuels taxes; oil companies tax payments; a portion of the general sales and use tax; sales tax on automobile sales – dealer and casual sales; motor vehicle licenses, permits, and fees; motor vehicle fines, penalties, and other charges; Federal BAB subsidy payments; and investment earnings</li> </ul>
<p><b>Debt Service Priority Covenant (Statutory Lien)</b></p>	<ul style="list-style-type: none"> <li>The Act and the Indenture provide that the State shall at all times assure that Pledged Revenues be applied first to Debt Service (first priority lien)</li> </ul>
<p><b>Pledged Revenue Coverage Requirement (Rate Covenant)</b></p>	<ul style="list-style-type: none"> <li>State covenants to provide Pledged Revenues annually of at least 2.0x aggregate Senior Lien Debt Service</li> </ul>
<p><b>Balanced Budget Requirement</b></p>	<ul style="list-style-type: none"> <li>State Constitution requires a balanced budget (i.e., general budget expenditures authorized for any fiscal year cannot exceed the estimated amount of revenue for such year). The Act and the Indenture require that revenues in the STF meet or exceed expenses including debt service and the Pledged Revenue Coverage Requirement</li> </ul>
<p><b>Additional Bonds Test</b></p>	<ul style="list-style-type: none"> <li>Requires both 2.0x Senior debt service coverage and 2.0x aggregate Senior Lien and Second Lien debt service (from Pledged Revenues including current and all succeeding years on outstanding and additional bonds)</li> </ul>
<p><b>Reserve Account Requirement</b></p>	<ul style="list-style-type: none"> <li>Maximum Annual Debt Service of aggregate Senior Lien bonds. The Reserve Account is cash-funded, held with the trustee, and conservatively invested</li> </ul>
<p><b>Constitutional Lockbox</b></p>	<ul style="list-style-type: none"> <li>State Constitution amended after 88% approval of general election on November 2018: STF shall remain a perpetual fund, the resources of which shall be expended solely for transportation purposes (including debt service on Special Tax Obligation Bonds)</li> </ul>



# CLOSED FLOW OF FUNDS AND STRONG LEGAL PROVISIONS

## Flow of Funds- Closed System<sup>(a)</sup>



(a) See Article V of the Indentures of Trust for the Senior Lien and Second Lien Bonds for further detail.

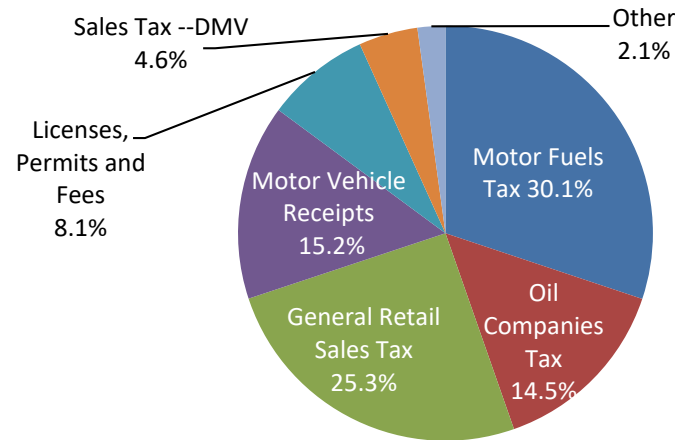




# THE STO CREDIT HAS A STRONG AND DIVERSE REVENUE PLEDGE

- Constitutionally protected Pledged Revenues; lien perfected at the time of receipt
- Diversification of revenues with no revenue source greater than 31% of Pledged Revenues

**Breakdown of FY2020 STF Revenues**

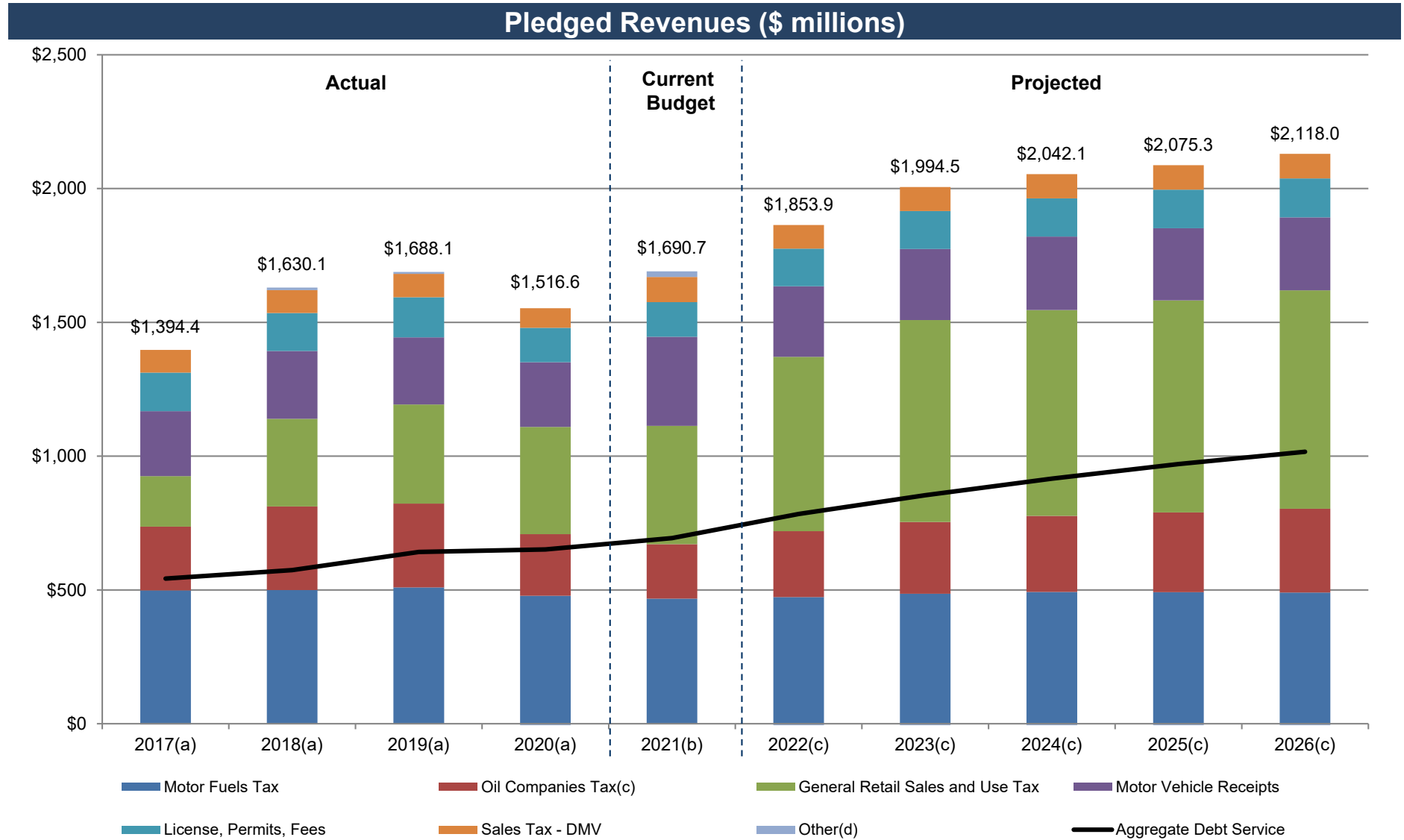


Revenue Source	Revenue Description	FY2020 (\$ in mils)	Time of Receipt
<b>Motor Fuels Tax</b>	<ul style="list-style-type: none"> <li>▪ Gasoline Tax, Special Fuels Tax and Motor Carrier Road Tax</li> <li>▪ Distributors required to pay on the 25th calendar day of each month based on gallons of fuel used or sold during the preceding month</li> </ul>	\$ 478.2	Monthly
<b>Oil Companies Tax</b>	<ul style="list-style-type: none"> <li>▪ 8.1% of the gross earnings from petroleum sales</li> </ul>	230.4	Quarterly
<b>General Retail Sales and Use Tax</b>	<ul style="list-style-type: none"> <li>▪ Sales and Use Tax imposed under Sections 12-408(1)(A) and 12-411(1)(A) of the Connecticut General Statutes</li> </ul>	400.9	Monthly
<b>Motor Vehicle Receipts</b>	<ul style="list-style-type: none"> <li>▪ Fees collected for licenses and services provided by the DMV</li> </ul>	241.6	Daily
<b>Licenses, Permits and Fees</b>	<ul style="list-style-type: none"> <li>▪ Fees levied for certain permits issued and services provided by the State for transportation purposes</li> <li>▪ Certain traffic fines</li> </ul>	128.7	Daily
<b>Sales Tax – DMV</b>	<ul style="list-style-type: none"> <li>▪ The tax imposed on casual sales of motor vehicles, vessels, snowmobiles and aircraft</li> </ul>	73.1	Monthly
<b>Other</b>	<ul style="list-style-type: none"> <li>▪ Interest income and Federal Build America Bond Subsidy receipts</li> <li>▪ Refunds and Transfers to and from other Funds</li> </ul>	34.1 (70.4)	As due/monthly
<b>TOTAL PLEDGED REVENUES</b>		<b>\$ 1,516.6</b>	

*\*Figures may not add due to rounding.  
Percentages are based on the total pledged revenues prior to refunds and transfers*



# TOTAL PLEDGED REVENUES HAVE BEEN STABLE AND ARE PROJECTED TO GROW



(a) Actual per Comptroller's Annual Reports, presented to conform to budgetary categories.

(b) Per the Office of Policy and Management's letter to the Comptroller dated March 19, 2021 for the period ending February 28, 2021.

(c) Pursuant to the January 15, 2021 consensus revenues and estimates of the Office of Policy and Management.

(d) Other revenues are comprised of Federal Build America Bond subsidy receipts, interest income, refunds of taxes, and transfers to/from other funds.



## MULTI-AGENCY TEAM COORDINATED TO MANAGE RESPONSE TO COVID-19

- State has demonstrated willingness to prudently manage the STO bond program
- Multi-agency collaboration to study short-term liquidity and formulate plans for structurally balanced budgets in the biennium and out years to include the impact of federal transportation funds

FY 20-21 Strategies – Strong Liquidity (Current Biennial Budget)
<ul style="list-style-type: none"> <li>▪ Utilize robust STF Cumulative Reserves                             <ul style="list-style-type: none"> <li>– FYE2020 - \$168.1 million - still &gt; 10% despite year-end deficit</li> <li>– FYE2021 – est. at \$118.1 million</li> </ul> </li> <li>▪ Leverage federal funding                             <ul style="list-style-type: none"> <li>– Reduce/negate increased subsidy for transit</li> </ul> </li> <li>▪ Strategies effectively manage projected revenue decline</li> </ul>
FY 22-23 – Balanced Budget Requirement (Governor Proposed Biennial Budget)
<ul style="list-style-type: none"> <li>▪ 2021 Legislative Session – Adopt a new Balanced Biennial Budget for STF (FY 2022 and FY 2023)</li> <li>▪ Add new revenues / revenue enhancements</li> <li>▪ Reduce program expenditures</li> <li>▪ Operating Expenses                             <ul style="list-style-type: none"> <li>– Lower Agency Operating Expenses</li> <li>– Offset Public Transit Operating Expenses</li> </ul> </li> </ul>

Federal Funding (CARES Act/CRRSA/ARP)	
<b>State of Connecticut</b>	<b>\$4.029 billion</b>
<b>CT DOT</b>	<b>\$1.547 billion</b>
<b><u>CARES ACT:</u></b>	
State of Connecticut	\$1,382 million
CT DOT (FTA)	\$489 million
<b><u>CRRSA:</u></b>	
State of Connecticut	\$ ---
CT DOT (FTA & FHWA)	\$458 million
<b><u>ARP:</u></b>	
State of Connecticut (eligible)	\$2,647 million
CT DOT (estimated) (FTA)	\$600 million



# ACTUAL AND PROJECTED STF REVENUES, DEBT SERVICE AND EXPENDITURES

(\$ in Millions)	Fiscal Year Ending June 30									
	2017 <sup>(a)</sup>	2018 <sup>(a)</sup>	2019 <sup>(a)</sup>	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>	2022 <sup>(c)</sup>	2023 <sup>(c)</sup>	2024 <sup>(c)</sup>	2025 <sup>(c)</sup>	2026 <sup>(c)</sup>
<b>Actual &amp; Projected Revenues</b>	<b>Actual</b>				<b>Budget</b>	<b>Projected</b>				
Motor Fuels Tax <sup>(d)</sup>	498.5	499.8	509.7	478.2	467.4	473.3	486.0	492.5	491.5	490.5
Oil Companies Tax <sup>(d)</sup>	238.4	312.5	313.1	230.4	203.5	246.3	268.0	284.2	298.4	313.3
Sales and Use Tax <sup>(d)</sup>	188.4	327.5	370.6	400.9	442.3	651.8	754.6	769.3	792.3	816.0
Motor Vehicle Receipts <sup>(d)</sup>	242.9	253.1	250.4	241.6	332.9	263.5	265.6	274.4	269.6	272.6
LPF Revenue <sup>(d)</sup>	144.0	141.9	150.1	128.7	129.6	140.7	141.9	143.1	144.2	145.4
Sales Tax - DMV <sup>(d)</sup>	85.0	85.9	87.3	73.1	94.0	88.2	89.5	90.4	91.3	92.2
Federal Payments <sup>(d)</sup>	12.2	12.2	12.3	12.3	11.8	11.0	10.1	9.2	8.1	6.9
Interest Income <sup>(d)</sup>	9.0	17.7	37.4	21.8	4.9	5.1	5.5	6.4	7.7	9.2
Transfers from/(to) Other Funds <sup>(e)</sup>	(6.5)	(5.5)	(5.5)	(35.5)	24.5	(5.5)	(5.5)	(5.5)	(5.5)	(5.5)
<b>Total Revenues</b>	<b>1,411.7</b>	<b>1,645.0</b>	<b>1,725.2</b>	<b>1,551.5</b>	<b>1,710.9</b>	<b>1,874.4</b>	<b>2,015.7</b>	<b>2,064.0</b>	<b>2,097.7</b>	<b>2,140.8</b>
Refunds	(17.3)	(14.9)	(37.1)	(34.9)	(20.2)	(20.5)	(21.2)	(21.9)	(22.3)	(22.8)
<b>Total Net Revenues</b>	<b>1,394.4</b>	<b>1,630.1</b>	<b>1,688.1</b>	<b>1,516.6</b>	<b>1,690.7</b>	<b>1,853.9</b>	<b>1,994.5</b>	<b>2,042.1</b>	<b>2,075.3</b>	<b>2,118.0</b>
<b>Actual &amp; Projected Debt Service and Expenditures</b>										
Debt Service on the Bonds <sup>(f)</sup>	542.6	574.4	642.2	651.3	693.8	783.8	854.0	916.0	970.7	1,016.3
Debt Service on Transportation Related General Obligation Bonds <sup>(g)</sup>	0.6	0.6	-	-	-	-	-	-	-	-
DOT Budgeted Expenses <sup>(h)</sup>	592.8	639.9	677.7	697.6	710.8	734.1	747.1	767.8	797.4	828.1
DMV Budgeted Expenses	62.6	59.7	66.2	62.3	67.2	71.6	73.8	74.4	77.3	80.4
Other Budget Expenses <sup>(i)</sup>	227.4	195.8	206.1	240.5	255.5	283.0	293.8	296.3	294.4	307.7
Program Costs Paid from Current Operations	13.6	11.5	21.5	16.7	13.7	17.4	17.4	17.7	18.1	18.4
Estimated Unallocated Lapses <sup>(j)</sup>	-	-	-	0.0	0.0	(12.0)	(12.0)	(12.0)	(12.0)	(12.0)
<b>Total Expenditures</b>	<b>1,439.6</b>	<b>1,482.0</b>	<b>1,613.8</b>	<b>1,668.3</b>	<b>1,741.0</b>	<b>1,877.9</b>	<b>1,974.1</b>	<b>2,060.2</b>	<b>2,145.9</b>	<b>2,238.9</b>
<b>Excess (Deficiency)</b>	<b>(45.2)</b>	<b>148.1</b>	<b>74.4</b>	<b>(151.4)</b>	<b>(50.3)</b>	<b>(24.0)<sup>(k)</sup></b>	<b>20.4<sup>(k)</sup></b>	<b>(18.1)</b>	<b>(70.6)</b>	<b>(120.9)</b>
<b>Revised Cumulative Excess (Deficiency)</b>	<b>97.6</b>	<b>245.7</b>	<b>320.1</b>	<b>168.4</b>	<b>118.1</b>	<b>94.1</b>	<b>114.5</b>	<b>96.4</b>	<b>25.9</b>	<b>(95.0)</b>

\*Figures may not add due to rounding.

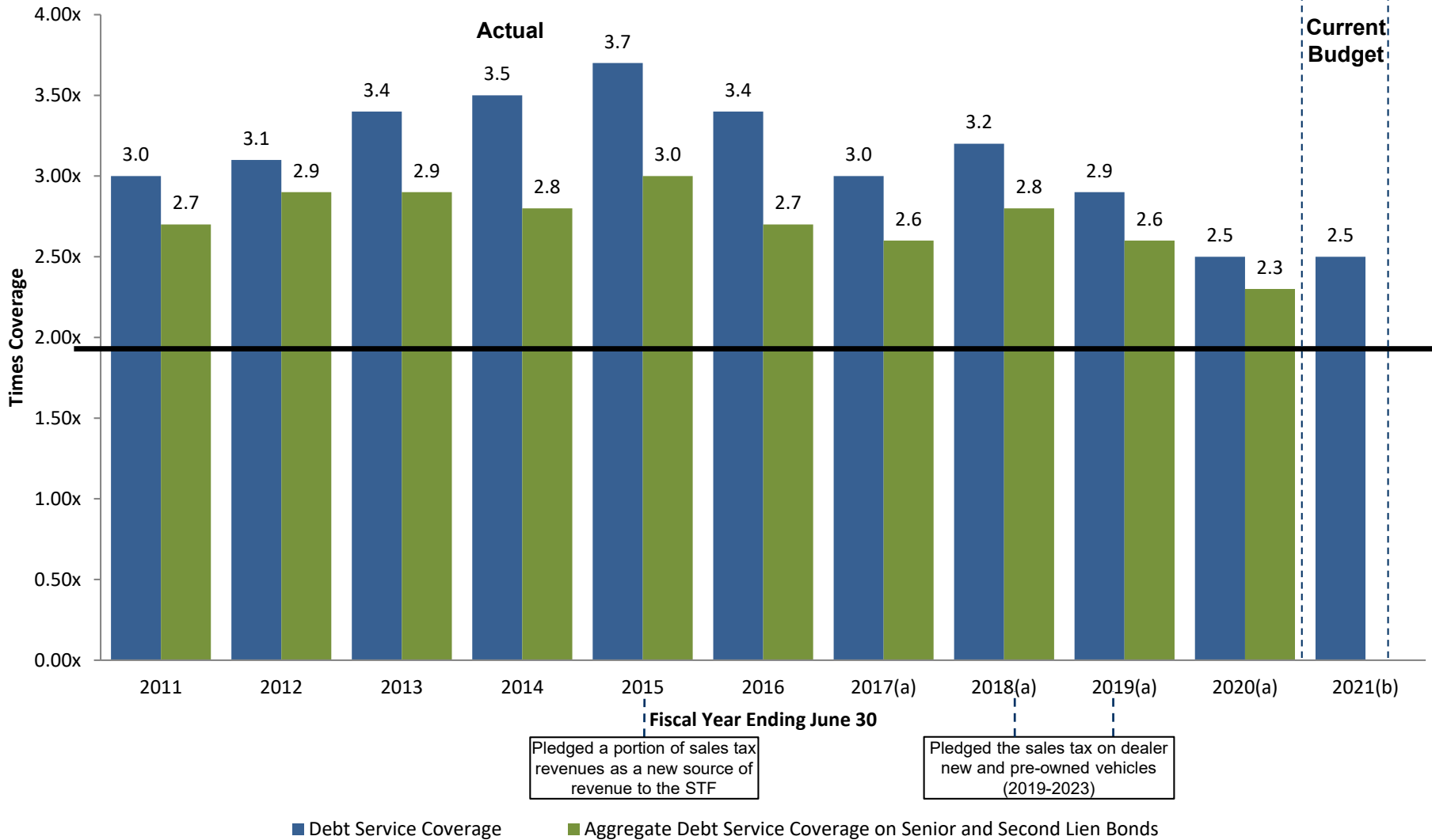
## Balanced Budget Requirement

Footnotes included in Appendix



# HISTORICALLY HAVE MAINTAINED STRONG DEBT SERVICE COVERAGE

## Debt Service Coverage



(a) Actual per Comptroller's Annual Reports, presented to conform to budgetary categories. Certain fiscal year 2015 expenditures were adjusted to reflect the conversion to GAAP budgeting in fiscal year 2014.

(b) Per the Office of Policy and Management's letter to the Comptroller dated March 19, 2021 for the period ending February 28, 2021.





# STRONG TRACK RECORD OF ADDING TO PLEDGED REVENUES AND RESIZING ANNUAL ISSUANCE BASED ON THE REVENUES OF THE STF

- The State has covenanted to levy sufficient taxes and fees to provide debt service coverage and sufficient pledged revenue to provide at minimum 2.0x coverage at the end of each fiscal year (rate covenant)
  - Additional Bonds Test also requires 2.0x coverage from Pledged Revenues for current and all succeeding years on outstanding and additional bonds
- Conservative long-term forecasting supports STO's debt service coverage outperformance (orange=projection; green=actual)
- 15-year history of meeting or exceeding out-year debt service coverage projection

Actual Compared to Projected Debt Service Coverage																							
Series	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2002 A	2.30x	2.30x	2.20x	2.10x	2.10x	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2002 B	2.40x	2.30x	2.20x	2.20x	2.20x	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2003 A	-	2.20x	2.30x	2.30x	2.20x	2.20x	2.20x	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2003 B	-	2.10x	2.30x	2.30x	2.30x	2.30x	2.30x	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2004 AB	-	2.10x	2.30x	2.30x	2.30x	2.30x	2.30x	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2005 A	-	-	2.30x	2.40x	2.40x	2.40x	2.50x	2.50x	2.50x	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2007 A	-	-	-	-	2.50x	2.70x	2.80x	2.70x	2.60x	2.60x	2.50x	-	-	-	-	-	-	-	-	-	-	-	-
2008 A	-	-	-	-	-	2.70x	2.60x	2.70x	2.50x	2.50x	2.50x	-	-	-	-	-	-	-	-	-	-	-	-
2008 1	-	-	-	-	-	2.70x	2.60x	2.60x	2.50x	2.50x	2.40x	-	-	-	-	-	-	-	-	-	-	-	-
2009 1	-	-	-	-	-	-	2.60x	2.60x	2.50x	2.50x	2.40x	-	-	-	-	-	-	-	-	-	-	-	-
2009 ABC	-	-	-	-	-	-	2.60x	2.50x	2.60x	2.60x	2.60x	2.80x	2.80x	-	-	-	-	-	-	-	-	-	-
2010 ABC	-	-	-	-	-	-	-	2.50x	2.60x	2.70x	2.60x	2.70x	2.70x	-	-	-	-	-	-	-	-	-	-
2011 AB	-	-	-	-	-	-	-	-	2.60x	2.70x	2.80x	2.80x	2.80x	2.70x	2.60x	-	-	-	-	-	-	-	-
2012 AB	-	-	-	-	-	-	-	-	-	2.70x	2.90x	2.90x	2.90x	2.80x	2.70x	-	-	-	-	-	-	-	-
2013 A	-	-	-	-	-	-	-	-	-	-	2.90x	2.90x	2.80x	2.80x	3.00x	2.80x	2.60x	-	-	-	-	-	-
2014 AB	-	-	-	-	-	-	-	-	-	-	-	2.90x	2.80x	2.90x	3.10x	2.80x	2.60x	-	-	-	-	-	-
2015 AB	-	-	-	-	-	-	-	-	-	-	-	-	2.80x	3.00x	2.90x	2.90x	2.80x	2.60x	2.40x	-	-	-	-
2016 AB	-	-	-	-	-	-	-	-	-	-	-	-	-	3.00x	2.80x	2.70x	2.70x	2.50x	2.30x	-	-	-	-
2018 A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.60x	2.70x	2.50x	2.40x	2.30x	-	-	-
2018 BC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.60x	2.80x	2.60x	2.60x	2.50x	-	-	-
2020A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.60x	2.40x	2.30x	2.30x	2.30x	2.30x



# HISTORICAL AND PROJECTED DEBT SERVICE COVERAGE LEVELS REMAIN STRONG

(\$'s in millions)	Fiscal Year Ending June 30							
	2020 <sup>(a)</sup>	2021 <sup>(b)</sup>	2022 <sup>(c)</sup>	2023 <sup>(c)</sup>	2024 <sup>(c)</sup>	2025 <sup>(c)</sup>	2026 <sup>(c)</sup>	
	Actual	Budget	Projected					
1	Special Transportation Fund Net Revenues	1,516.6	1,690.7	1,853.9	1,994.5	2,042.1	2,075.3	2,118.0
2	Principal and Interest Requirements of the 2009A – 2020A Senior Bonds <sup>(d)</sup> .....	610.8	654.1	654.1	654.1	644.6	626.5	597.6
3	Actual and Projected Debt Service Coverage for the 2009A – 2020A Senior Bonds <sup>(e)</sup> .....	2.5x	2.6x	2.8x	3.0x	3.2x	3.3x	3.5x
4	Projected Principal and Interest Requirements for Additional Senior Bonds <sup>(f)</sup> .....	-	34.7	124.7	194.9	266.4	339.2	413.7
5	Actual and Projected Aggregate Debt Service Coverage for Outstanding and Projected Senior Bonds <sup>(g)</sup> .....	2.5x	2.5x	2.4x	2.4x	2.2x	2.1x	2.1x
6	Principal and Interest Requirements on the Outstanding Second Lien Bonds <sup>(h)</sup> .....	40	-	-	-	-	-	-
7	Actual and Projected Debt Service Coverage for all Outstanding Senior Bonds and Outstanding Second Lien Bonds <sup>(i)</sup> .....	2.3x	2.5x	2.4x	2.4x	2.2x	2.1x	2.1x

- a) Actual per Comptroller's Annual Reports, presented to conform to budgetary categories.
- b) Per the Office of Policy and Management's letter to the Comptroller dated March 19, 2021 for the period ending February 28, 2021.
- c) Pursuant to the January 15, 2021 consensus revenues and estimates of the Office of Policy and Management.
- d) Reflects actual Principal and Interest Requirements on the Senior Bonds then outstanding as paid to the Trustee on a one-sixth interest and one-twelfth principal monthly deposit basis.
- e) Line 1 divided by Line 2.
- f) These figures represent Principal and Interest Requirements on special tax obligation bonds, and include the Bonds listed in the table under "Debt Service On Outstanding Bonds" excluding Principal and Interest Requirements on refunded Bonds. The figures also reflect the issuance of additional bonds with level debt service and a twenty year final maturity in the principal amount and at the average interest costs for each of the following fiscal years: \$875 million at 5.0% for each of fiscal years 2021 through 2026, both inclusive. Such amounts for additional bonds, and the projected Debt Service on the Bonds, reflect adjustments made in projected expenditures funded by the Special Transportation Fund. Includes budgeted amounts for actual and estimated rebate liability on the Bonds under the Code, as well as ancillary banking and auditing fees. Assumes no issuance of Notes.
- g) Line 1 divided by the sum of Lines 2 and 4.
- h) Reflects actual Principal and Interest Requirements on the Second Lien Bonds. As of April 7, 2020, there are no Second Lien Bonds outstanding.
- i) Line 1 divided by the sum of Lines 2, 4 and 6.

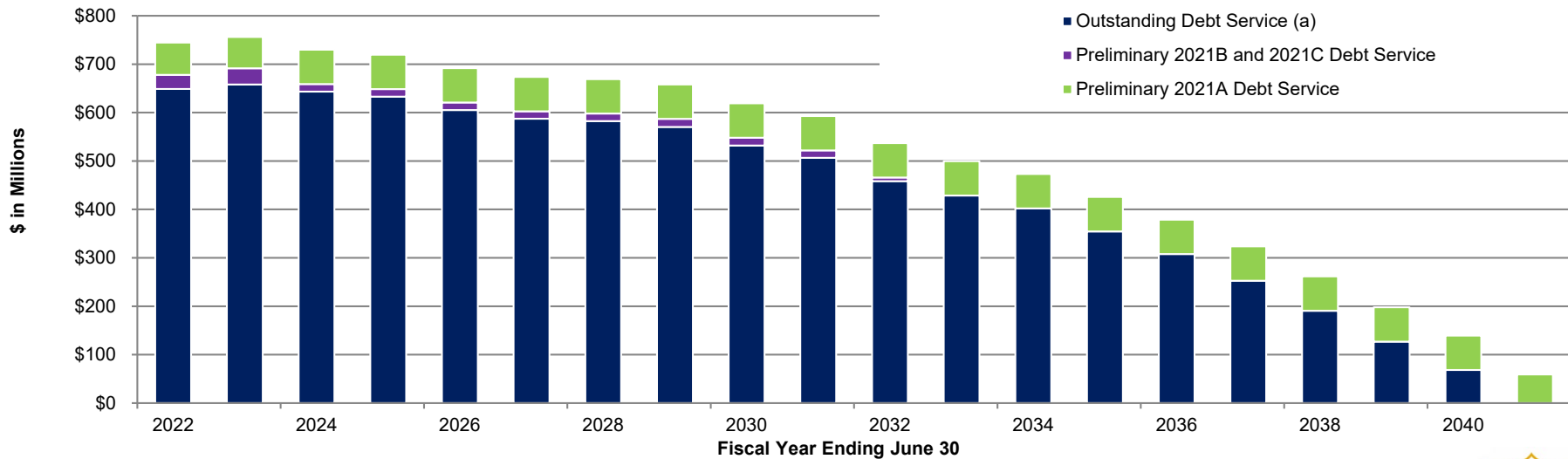


# THE 2021 ISSUANCE: \$1,032 MILLION SERIES 2021 A, B, AND C

Overview and Use of Proceeds			
	2021A	2021B	2021C
Delivery Date	May 12, 2021	May 12, 2021	October 19, 2021
Use of Proceeds	■ New Money	■ Current Refunding of Series 2009-A and 2010C	■ Forward refunding of Series 2011A and 2011B

Bond Maturity Table			
Maturity Year	Par Amount (Due 5/1)	Par Amount (Due 12/1)	Par Amount (Due 1/1)
2022	\$ 24,695,000	\$ 9,980,000	
2023	20,745,000		\$ 35,570,000
2024	29,490,000		9,965,000
2025	30,960,000		10,470,000
2026	32,510,000		10,990,000
2027	34,135,000		11,540,000
2028	35,845,000		12,120,000
2029	37,635,000	2,020,000	12,725,000
2030	39,515,000		13,365,000
2031	41,490,000		14,030,000
2032	43,565,000		14,225,000
2033	45,745,000		
2034	48,030,000		
2035	50,435,000		
2036	52,955,000		
2037	55,605,000		
2038	58,385,000		
2039	61,305,000		
2040	64,370,000		
2041	67,585,000		
<b>Total*</b>	<b>\$ 875,000,000</b>	<b>\$ 12,000,000</b>	<b>\$ 145,000,000</b>

## Pro Forma Debt Service



Note: Preliminary, subject to change.

a) Outstanding Debt Service does not include refunded bonds.



# ANTICIPATED TRANSACTION TIMING AND CONTACT INFORMATION

April 2021							May 2021							October 2021						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3							1						1	2
4	5	6	7	8	9	10	2	3	4	5	6	7	8	3	4	5	6	7	8	9
11	12	13	14	15	16	17	9	10	11	12	13	14	15	10	11	12	13	14	15	16
18	19	20	21	22	23	24	16	17	18	19	20	21	22	17	18	19	20	21	22	23
25	26	27	28	29	30		23	24	25	26	27	28	29	24	25	26	27	28	29	30
							30	31						31						

  Key Dates

Key Contacts	Timing*	Other Working Group Members
<p><b>State of Connecticut (OT)</b>                      Peter McAlpine  <i>Principal Debt Mgt. Specialist</i>                      Debt Management Division                      Office Number: 860-702-3257                      Email: <a href="mailto:peter.mcalpine@ct.gov">peter.mcalpine@ct.gov</a></p> <p><b>Bookrunning Senior Manager</b>                      Freda Wang  <i>Managing Director</i>                      Goldman Sachs &amp; Co. LLC                      Office Number: 212-902-2892                      Email: <a href="mailto:freda.wang@gs.com">freda.wang@gs.com</a></p> <p>Nikki Faison-Miller  <i>Vice President</i>                      Goldman Sachs &amp; Co. LLC                      Office Number: 917-343-8253                      Email: <a href="mailto:nikki.faison-miller@gs.com">nikki.faison-miller@gs.com</a></p>	<p>Monday, April 12<sup>th</sup>                      POS Mailed and Investor Presentation                      Posted</p> <p>Wednesday, April 21<sup>st</sup>                      Retail Pricing</p> <p>Thursday, April 22<sup>nd</sup>                      Institutional Pricing</p> <p>Wednesday, May 12<sup>th</sup>                      Closing (Series 2021A and 2021B)</p> <p>Tuesday, October 19<sup>th</sup>                      Closing (Series 2021C)</p>	<p><b>Co-Bond Counsel</b>                      Pullman &amp; Comley, LLC                      Lewis &amp; Munday, P.C.</p> <p><b>Financial Advisor</b>                      Robert Rodriguez  <i>Director</i>                      Public Financial Management                      Office Number: 646-561-0710                      Email: <a href="mailto:rodriguezr@pfm.com">rodriguezr@pfm.com</a></p> <p>Mark Gooding  <i>Managing Director</i>                      Estrada Hinojosa                      Office Number: 212-946-4926                      Email: <a href="mailto:mgooding@ehmuni.com">mgooding@ehmuni.com</a></p> <p><b>Co-Underwriters' Counsel</b>                      Squire Patton Boggs (US) LLP                      Shipman &amp; Goodwin LLP</p>

\*Preliminary, subject to change.



# FOOTNOTES TO SLIDE 12: ACTUAL AND PROJECTED STF REVENUES, DEBT SERVICE AND EXPENDITURES

- (a) Actual per Comptroller's Annual Reports, presented to conform to budgetary categories.
- (b) Per the Office of Policy and Management's letter to the Comptroller dated March 19, 2021 for the period ending February 28, 2021.
- (c) Pursuant to the January 15, 2021 consensus revenues and estimates of the Office of Policy and Management.
- (d) See "Discussion of Projected Pledged Revenues," footnotes to Table 3, and "Description of Revenue Sources of the Special Transportation Fund" herein.
- (e) Pursuant to C.G.S. Section 14-164m, \$6.5 million will be transferred annually from the Special Transportation Fund to the Emission Enterprise Fund. Section 671 of Public Act 17-2 of the June Special Session reduces the Emission Enterprise Fund transfer to \$5.5 million beginning October 1, 2017. Pursuant to section 371 of Public Act 19-117, a transfer of \$30 million from the Special Transportation Fund will occur in fiscal year 2020 to be used as revenue for the Special Transportation Fund in fiscal year 2021.
- (f) These figures represent Principal and Interest Requirements on special tax obligation bonds, and include the Bonds listed in the table under "Debt Service On Outstanding Bonds" excluding Principal and Interest Requirements on refunded Bonds. The figures also reflect the issuance of additional bonds with level debt service and a twenty-year final maturity in the principal amount and at the average interest costs for each of the following fiscal years: \$875 million at 5.0% for each of fiscal years 2021 through 2026, both inclusive. Such amounts for additional bonds, and the projected Debt Service on the Bonds, reflect adjustments made in projected expenditures funded by the Special Transportation Fund. See "The Department of Transportation-Implementation of and Funding for the Infrastructure Program" herein. Includes budgeted amounts for actual and estimated rebate liability on the Bonds under the Code, as well as ancillary banking and auditing fees. Assumes no issuance of Notes.
- (g) Represents payment of that portion of debt service on outstanding general obligation bonds which bear the same ratio to all such debt services as the sum of the amount of bond authorization allocated to the Department by the State Bond Commission in each year that such bonds were issued bears to the total amount of general obligation bonds authorized by the State Bond Commission during all such years.
- (h) The major components of the Department's annual budgeted and projected expenses are payments for (i) the rail and bus subsidy; (ii) State highway maintenance costs; (iii) aid to towns for local highway and repair maintenance; and (iv) salaries, data processing and other general administrative costs. The adopted fiscal year 2016 and fiscal year 2017 budgets include \$3.3 million and \$2.3 million, respectively, related to the Connecticut Airport Authority. See "Organization and Responsibilities-Former Bureau of Aviation/Connecticut Airport Authority" herein.
- (i) Represents the cost of fringe benefits, pension costs and salary adjustments for the Department, the DMV and the Department of Energy and Environmental Protection.
- (j) The Special Transportation Fund budget includes amounts for unallocated lapses to recognize that not all budget expenditures will be fully expended and will lapse for budget purposes. The unallocated lapse is reduced by a corresponding amount as agency lapses are identified within specific accounts.
- (k) Pursuant to Section 18 of Article Third of the Constitution of the State of Connecticut, C.G.S. Section 13b-77(c)(6) and Section 7.1(6) of the Senior Indenture (see "Appendix D-Covenants"), the General Assembly is required to adopt a balanced budget for the Special Transportation Fund for the fiscal year 2022 and fiscal year 2023 biennium. See "Governor's Proposed Revenue and Expenditure Changes of the Special Transportation Fund" below Table 8; and see "Governor's Proposed Budget Legislative Changes" herein. The 2021 regular legislative session convened on January 6, 2021 and adjourns on June 9, 2021.

