

**FOR IMMEDIATE RELEASE:** Thursday, December 1, 2022

**CONTACT:** Office of the Treasurer, [gabriella.martin@ct.gov](mailto:gabriella.martin@ct.gov), (959) 529-2468



---

STATE OF CONNECTICUT  
**TREASURER SHAWN T. WOODEN**

---

**TREASURER WOODEN ANNOUNCES \$912 MILLION  
GO BOND SALE WITH RECORD-SETTING RETAIL  
ORDERS FOLLOWING S&P RATING UPGRADE**

***Bond Refunding Saves \$20 Million Bringing Total to \$296  
Million Saved During the Past Four Years***

**HARTFORD, CT** – Today, Connecticut State Treasurer Shawn T. Wooden announced the results of the successful \$912 million State of Connecticut General Obligation (GO) bond offering.

The sale included a total of \$650 million of new money tax-exempt bonds to fund a variety of capital improvements and grant programs across Connecticut and \$262 million of tax-exempt refunding bonds to refinance previously issued bonds for debt service savings.

**S&P Positive Outlook**

In advance of the bond sale, S&P Global Ratings (S&P) upgraded the State's credit rating for the GO bonds and the UConn Debt Service Commitment bonds from "A+" to "AA-" with a "Stable" outlook. S&P also upgraded the Special Tax Obligation (STO), for transportation, bond rating from "AA-" to "AA" with a "Stable" outlook.

"This latest improvement in the State's credit rating from S&P is their confirmation that the State's prudent policies and management continue to keep the State on a strong financial footing," **said Treasurer Shawn Wooden**. "Our State's "AA" category rating across the board puts us on a whole new level. As a result, more retail and institutional investors are paying attention and buying our bonds, which led directly to this record-setting level of orders for our bonds."

The improved S&P rating impacts approximately \$17.5 billion of GO bonds, \$7.6 billion of STO bonds, \$1.6 billion of UConn bonds, as well as other state-backed bonds issued by quasi-public agencies. The S&P upgrade follows presentations to the credit rating agencies by Treasurer Wooden, OPM Secretary Jeffrey Beckham, and staff.

## **Record Orders from Retail Investors**

Treasurer Wooden gave retail investors priority during a dedicated one-day order period on Tuesday, November 29<sup>th</sup>. Retail orders received during this priority period totaled \$2 billion, the highest ever in history on a State of Connecticut bond transaction.

## **Refunding Saves Taxpayers \$20 million**

The \$262 million of refunding bonds will refinance previously issued higher-interest bonds for debt service savings of approximately \$20 million over the next ten years. Since Treasurer Wooden took office in January 2019, he has lowered previously issued debt service by \$296 million, including this transaction.

“By refunding existing debt for savings, we can reduce the state’s fixed costs for years to come. Bottom line, it saves taxpayer dollars,” continued Treasurer Wooden.

## **Orders and Interest Cost**

Orders from both retail and institutional investors for the bond offering totaled \$3.7 billion, far exceeding the amount of bonds offered and contributing to the 3.65% borrowing cost on the \$650 million 20-year new money portion of the bond transaction.

“The ability for the State to continue to achieve a competitive cost of funds is a direct result of Connecticut’s four credit rating upgrades last year, a first in over two decades, as well as the recent rating upgrade from S&P,” said Treasurer Wooden.

## **The \$650 Million of New Money Tax-Exempt Bonds Will Fund:**

- \$250.0 million for School Construction
- \$84.0 million for Grants to Municipalities and Nonprofits
- \$77.0 million for Clean Water Projects and Administration
- \$52.0 million State University and Technical Education School Improvements
- \$45.4 million for Information Technology Investments
- \$30.0 million for Local Capital Improvement Program
- \$25.0 million for Crumbling Foundation Assistance Fund
- \$25.0 million for Capital Equipment
- \$23.6 million for State Equipment, State Facilities Improvements and Asbestos Abatement
- \$14.0 million for Economic Development
- \$11.4 million for Town Aid Road Grants
- \$10.0 million for School Security Infrastructure and Remote Learning Technology
- \$1.6 million for State Libraries
- \$1.0 million for Flood Control projects

## Summary of GO Credit Ratings

Prior to the sale, three of the four credit rating agencies affirmed the State's GO bond credit ratings: Moody's Investors Service affirmed its "Aa3" rating, Fitch Ratings affirmed its "AA-" rating, and Kroll Bond Ratings affirmed its "AA" rating all with "Stable" outlooks. S&P upgraded the State's GO bond credit rating from "A+" to "AA-" with a "Stable" outlook.

Citi and UBS co-led the bond underwriting syndicate that sold the bonds. The transaction is scheduled to close on December 14, 2022.

More information on the State's bonding programs is available at [www.buyctbonds.com](http://www.buyctbonds.com).

###

## About the Office of the State Treasurer

Under the leadership of Connecticut's State Treasurer Shawn T. Wooden, the Office of the Treasurer is dedicated to safeguarding taxpayers' money and the state's financial resources while maximizing returns, minimizing risks, and operating at the highest professional and ethical standards. Through receiving, investing, and disbursing, the Office continues to enhance the State's fiscal stability, financial literacy, college and disability savings, and its approach to leveraging business partnerships to combat social issues such as gun violence, climate change, and equal opportunities in economic growth. Treasurer Wooden currently serves as President of the National Association of State Treasurers and is the only Black elected State Treasurer in the country and the only Black elected official serving statewide in New England. Learn more about the Office of the Treasurer [here](#) and follow along on [Facebook](#), [Instagram](#), and [Twitter](#)