



The Office Of State Treasurer  
Denise L. Nappier

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## News

FOR IMMEDIATE RELEASE  
December 8, 2016

### **TREASURER NAPIER SAVES TAXPAYERS \$29.3 MILLION THROUGH DEBT REFINANCING** *General Obligation Refunding Bond Sale Announced*

HARTFORD, CT – A \$327.4 million General Obligation refunding bond sale conducted earlier this week will save taxpayers \$29.3 million in debt service over eight fiscal years, State Treasurer Denise L. Nappier announced today.

“This latest bond sale reflects our ongoing commitment to proactively manage the State’s debt and to take advantage of opportunities in order to achieve real savings for Connecticut’s citizens,” Treasurer Nappier said. “The savings from this bond sale will provide some relief to the state budget -- just when it is needed most!”

Of the savings, \$2.8 million will be applied to Fiscal Year 2017 as already anticipated in current budget projections. The remaining \$26.5 million will reduce debt costs in the state budget, starting in Fiscal Year 2018.

The General Obligation refunding bonds were sold as fixed rate bonds and the proceeds will refinance existing higher cost bonds to lower interest rates for budget savings. The total interest cost was 2.25 percent.

The bonds were first offered to individual investors during a one day retail order period on Monday, December 5. Over \$186 million in orders came in from retail investors, the highest level on a General Obligation bond sale since June 2014. An additional \$197.9 million of orders came in from institutional investors on the final pricing date of December 6, 2016.

“The retail orders support our belief in the solid value of State bonds. We are delighted to see such strong public demand for Connecticut bonds as worthy investments. By giving individual investors priority during the retail order period, we provide them a compelling opportunity to generate tax-exempt investment income,” said Treasurer Nappier.

The bonds were sold by an underwriting syndicate led by William Blair. The law firms of Day Pitney LLP and Soeder & Associates LLC serve as disclosure counsel with Robinson & Cole LLP and Soeder

& Associates serving as tax counsel. Acacia Financial Group, Inc. and PFM are the financial advisors for General Obligation bond sales. The bond sale is scheduled to close on December 21, 2016.

***Treasurer Nappier's Debt Refinancing Program***

The Treasurer's Office has refinanced or defeased \$13.1 billion in bonds through the execution of 77 separate financing transactions since Treasurer Nappier took office in January 1999. Total refunding savings on such bond sales now exceeds \$1.1 billion. These transactions involved each of the State's bonding programs, including General Obligation bonds, Special Tax Obligation bonds for transportation infrastructure, Clean Water Fund bonds, University of Connecticut bonds, Bradley Airport bonds, and other bonding programs.

"The State bonding program finances critical infrastructure, and my job is to make sure these investments are funded at the lowest possible cost for taxpayers." said Treasurer Nappier.

Connecticut typically issues bonds with twenty-year maturities, with provisions that allow the State to pay them off after ten years at no cost. Savings are achieved by refinancing bonds to lower interest rates as well as refinancing longer maturity bonds with shorter maturity, lower cost bonds.

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