



# THE OFFICE OF STATE TREASURER DENISE L. NAPIER

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## NEWS

**FOR IMMEDIATE RELEASE**

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### **State Treasurer Denise L. Nappier Announces Strong Investor Response to State's High Quality Bonds and More Taxpayer Savings**

Connecticut Treasurer Denise L. Nappier today announced an outstanding response to the State's sale of \$527 million in general obligation bonds last week. The State of Connecticut received orders for \$194 million in bonds in retail markets.

"The level of orders from our retail investors in this transaction exceeded our expectations, putting it among the most successful retail bond sales in Connecticut history," Nappier said. The three highest sales in the State's history (in June and December of 2000, and December of 2007), were all led by her administration. In addition, the current sale provided another \$11.1 million in taxpayer savings by refunding bonds at lower rates.

The State of Connecticut received orders for the \$194 million in bonds from individual investors and their investment advisors during the State bond sale. Retail investors placed their orders during the two-day retail order period held on December 3 and December 4, during which individual investors were given priority access before the bonds were offered to large institutional investors.

"I'm delighted that so many retail investors took advantage of this opportunity to make a high-quality investment," said the Treasurer. "This is a win-win situation, because the strong response from retail investors strengthened the State's position during the institutional pricing."

The sale included \$300 million of 20-year fixed-rate tax-exempt new money bonds that were sold at an overall true interest cost of 4.07% and \$46 million in fixed-rate taxable bonds sold at a true interest cost of 4.22%. In addition, the State sold \$181 million of tax-exempt refunding bonds, which refinanced existing debt at lower rates, thereby saving taxpayers \$11.1 million in future debt service. Treasurer Nappier has led an aggressive

debt refinancing program which has produced a total of \$537 million in future debt service savings for Connecticut taxpayers through the refunding and defeasing of existing debt.

The bonds were offered through an underwriting syndicate led by Siebert Brandford Shank & Co., LLC. In her selection of Siebert Brandford Shank, the nation's leading minority and woman-owned bond underwriting firm, Nappier said the firm's exceptional underwriting expertise on similar transactions contributed to Connecticut's strong bond price performance.

"While I'm pleased to open the door wider for women and minority firms to participate fully as professionals within the municipal bond market, our primary focus was to borrow money to fund public capital improvements and state grants at the lowest cost to Connecticut taxpayers," said Nappier. "This firm proved, once again, that you can do both."

Suzanne Shank, president of Siebert Brandford Shank, commented, "The State's credit and financial management strengths are viewed favorably by retail and institutional investors. Their views are supported by the rating agencies--- Moody's, Standard and Poor's, and Fitch--- which rate the State's GO bonds Aa3/AA/AA, respectively." Also key to the success of the sale was Siebert's ability to structure the coupons and the maturities of the transaction to attract significant retail and institutional investor interest.

"Both institutional and retail investors reacted positively to the new supply of Connecticut bonds showing a strong demand for the State's high quality, unenhanced paper," added Nappier.

Nappier also selected the other professionals involved in the sale. The legal team included Day Pitney LLP as lead disclosure counsel and Hunton & Williams as tax counsel. The State was advised on the sale by the financial advisory firms of P.G. Corbin & Company and Acacia Financial Group Inc.

The bond sale is scheduled to close on December 19.

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