

# State of Connecticut General Obligation Bonds 2011 Series B & 2011 Series C Case Study

**\$326,915,000**

**The State of Connecticut**

**\$162,870,000 General Obligation Bonds (2011 Series B)**

**\$89,045,000 Taxable General Obligation Bonds (2011 Series B)**

**\$75,000,000 General Obligation Bonds (2011 Series C) –  
SIFMA Index Bonds**



**Tax Exempt Bonds Maturing 2019-2023**

**Taxable Bonds Maturing 2012-2015**

**SIFMA Index Bonds Maturing 2016 & 2019**

**Sale Date: May 17, 2011**

**Rated: Aa2 / AA / AA**

**Book Running Senior Manager:**

**M.R. BEAL & COMPANY**  
Investment Bankers & Financial Advisors

- The market environment for the State's issuance was favorable given the recent lack of supply and low yields
- Both the tax-exempt and taxable portion of the loan were well received in the market and priced on top of or through a AAA credit that priced the same week
- The State of Connecticut has significant restrictions with respect to the use of premium bond proceeds which made the transaction structurally challenging
- As part of the pricing of the Connecticut transaction, M.R. Beal had a chance to canvas the market with a number of financing structures
- M.R. Beal structured \$75 million of SIFMA notes, including \$50 million of notes maturing in 2016 and \$25 million of notes maturing in 2019. To the best of our knowledge, the 2019 maturity represents the longest maturity for SIFMA notes sold to date
- Spreads on the taxable bonds priced close to triple-A corporate bonds in the market at the same time
- M.R. Beal restructured bonds at pricing to meet investor demand and was able to lower yields by two basis points on the last three maturities, which totaled \$120.75 million of bonds