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## **Minnesota Sells \$799 Million General Obligation Bonds**

St. Paul — On Tuesday, the State of Minnesota sold nearly \$799 million of general obligation bonds. The proceeds of the bonds will fund capital investment projects in the State such as construction of higher education facilities, highway projects, and economic and redevelopment projects previously authorized by the legislature. The bond sale also included a refunding that refinanced a portion of the state's outstanding debt, saving the State \$40.4 million through FY2029.

“Today’s bond sale stands as an example that investors have confidence in Minnesota’s fiscal position. We have a balanced budget, growing reserves, and a healthy surplus. Under Governor Dayton’s leadership, Minnesota has taken the necessary steps to make critical investments throughout the state, while also managing our financing affairs in a prudent manner. As a result, our economy is thriving and the credit markets have responded favorably,” said Myron Frans, Commissioner of Minnesota Management and Budget.

Last week, the credit rating agency Fitch Ratings announced that they upgraded Minnesota’s credit rating to AAA, the highest rating awarded by the firm.

“The interest rates we secured were lower than we had projected. Taxpayers can rest assured that this will mean long term savings for Minnesota,” Commissioner Frans said.

The four series of general obligation bonds were sold competitively. The interest cost on the G.O bond issues ranged from 2.13% to 2.29%. The refunding sale, which refinances a portion of the state’s outstanding debt, received an interest rate of 1.57%.

Kutak Rock acted as bond counsel on the transaction and Public Resources Advisory Group was the State’s financial advisor for the sale.

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