



**FOR IMMEDIATE RELEASE**  
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## **State Issues Series 2010 General Obligation Bonds**

**Juneau-** The State of Alaska priced its Series 2010 General Obligation Bonds on Tuesday, December 8 in the amount of \$200 million. These bonds are the first financing component of the Library, Education, and Educational Research Facility Bond series approved by Alaska’s voters last month. The State used an underwriting syndicate led by Citigroup, with RBC Capital Markets serving as co-senior manager and J.P. Morgan and BofA Merrill Lynch serving as co-managers.

The sale was made across three separate series, Build America Bonds, Qualified School Construction Bonds and Tax Exempt Bonds. This financing structure was designed to achieve a low cost of funds and included the prudent use of available Federal subsidies.

Deputy Commissioner Jerry Burnett said, “In an otherwise challenging market environment, the State's transaction was very well received by investors.”

Mr. Burnett added that the Department of Revenue credits this to:

- The strength of the State's financial position, name in the market, and high credit rating.
- Alaska’s recent credit rating upgrade with Moody’s to Aaa (the best available rating), representing the highest credit rating in the State's history.
- A strong reception from domestic and international investors alike, which allowed the State to reduce interest rates by as much as 0.20% on the day of pricing.

The 23-year financing achieved an all-in borrowing cost to the State of 2.78%. The State received tremendous retail participation on the tax-exempt Series C Bonds, over \$9 million of which were placed with in-state Alaska retail accounts, accounting for over 25% of the Series C Bonds.

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