



California State Treasurer Fiona Ma, CPA News Release

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California State Treasurer Fiona Ma Announces Sale of \$695.5 million Public Works Board Refunding Bonds

SACRAMENTO – California State Treasurer Fiona Ma announced the completion of a \$695.5 million bond sale for the State Public Works Board (PWB), which will refinance outstanding lease revenue bonds of the PWB. The bond sale, once settled, is expected to save \$199.6 million in debt service costs over 15 years, or \$164.1 million on a present value basis.

The Lease Revenue Refunding Bonds, 2022 Series A and 2022 Series B, were sold on a forward delivery basis to take advantage of current low tax-exempt interest rates and lock in future savings. The forward delivery structure means that bonds will not be delivered for settlement until a year from now, in March 2022.

The 2022 Series A and 2022 Series B bonds will refinance bonds originally issued in 2012, which provided funding for the following projects for the Department of Corrections and Rehabilitation (CDCR) and the Judicial Council:

- California Health Care Facility, Stockton (CDCR)
- Madera Courthouse (Judicial Council)
- Salinas Valley State Prison, Soledad: Enhanced Outpatient Program Treatment and Office Space (CDCR)
- Kern Valley State Prison (CDCR)

The all-in true interest cost of the bonds is 2.24 percent. The bonds will mature on dates ranging from 2022 to 2036, with bonds initially reoffered to investors at yields ranging from

0.74 percent to 2.17 percent. The bonds are rated Aa3 by Moody's Investors Service, A+ by S&P Global Ratings, and AA- by Fitch Ratings.

UBS Financial Services and Wells Fargo Securities acted as joint senior managers on the offering, with Mischler Financial Group serving as co-senior manager, and 12 firms serving as co-manager.

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Fiona Ma is California's 34th State Treasurer. She was elected on November 6, 2018 with more votes (7,825,587) than any other candidate for treasurer in the state's history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer's Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world's fifth-largest economy and Treasurer Ma is the state's primary banker. Her office processes more than \$2 trillion in transactions within a typical year. She provides transparency and oversight for the government's investment portfolio and accounts, as well as for the state's surplus funds. Treasurer Ma oversees an investment portfolio of about \$125.4 billion, \$34.6 billion of which are local government funds. She serves as agent of sale for all State bonds, and is trustee on outstanding debt of \$93 billion.

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