

## General Obligation Bond Program

**\$20.9bn outstanding (as of 04/30/2016)**

### Overview:

- Issued Pursuant to Chapter 29 of the Massachusetts General Laws
- Secured by the full faith and credit of the Commonwealth
- Issued for a variety of purposes, such as transportation, affordable housing, education, information technology and public safety
- Sold as consolidated loans, with allocation of bond proceeds to capital spending done in arrears
- Bonds rated 'AA+/Aa1/AA+' by S&P, Moody's and Fitch, respectively

### Composition:

- \$17.3bn or 83% of outstanding bonds are fixed rate and \$3.6bn or 17% are variable rate
- \$2.3bn or 64% of the variable rate bonds are synthetically fixed through interest rate swap agreements
- \$1.3bn or 6.3% of outstanding bonds are unhedged variable rate bonds
- Variable rate debt consists of LIBOR, SIFMA and CPI Index bonds, auction rate securities, variable rate demand notes, direct purchases and college opportunity bonds

