

**The University of North Carolina at Greensboro
Board of Trustees
Business Affairs Committee
December 7, 2017**

Information Item

BAC – 10 Bond Refinancing

Background Information

I am pleased to report that UNCG is in the process of refinancing portions of bonds at a competitive interest rate resulting in significant savings.

UNCG Bond Refinancing

December 7, 2017

<u>Redeemed</u>	<u>PAR</u>	<u>Coupon Interest</u>	<u>Maturity</u>
2011 General Revenue Bonds	\$57,200,000	3.5% - 5.00%	2036
2012A General Revenue Bonds	<u>\$19,975,000</u>	3.125% - 5.00%	2036
	\$77,175,000		

New Series

2017 General Revenue Refunding Bonds	\$77,175,000	4.00%-5.00%	2036
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(All-In TIC = 2.88%)

Net Present Value of Savings	<u>\$8,624,729</u>
	10.55%

Ratings

Moody's
Standard & Poor's

Aa3 - Stable
A+ Stable

S&P	Moody's	Rating grade description (Moody's)	
AAA	Aaa	Investment grade	Minimal credit risk
AA+	Aa1		Very low credit risk
AA	Aa2		
AA-	Aa3		Low credit risk
A+	A1		
A	A2		
A-	A3		
BBB+	Baa1	Speculative grade	Moderate credit risk
BBB	Baa2		Substantial credit risk
BBB-	Baa3		
BB+	Ba1		
BB	Ba2		High credit risk
BB-	Ba3		
B+	B1		
B	B2		Very high credit risk
B-	B3		
CCC+	Caa1		
CCC	Caa2		In or near default, with possibility of recovery
CCC-	Caa3		
CC	Ca		
C			In default, with little chance of recovery
SD	C		
D			

Charles Maimone

Charles Maimone
Vice Chancellor for Business Affairs