IDAHO RECEIVES FAVORABLE CREDIT RATINGS FOR TAX ANTICIPATION NOTE ISSUANCE

FOR IMMEDIATE RELEASE
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Boise, Idaho — Idaho State Treasurer Julie Ellsworth is pleased to announce that given Idaho’s strong history of conservative fiscal management, rating agencies continue to rate the annual Tax Anticipation Note (TAN) favorably. The TAN issuance is used as a tool to smooth cash flow throughout the fiscal year. In a Moody’s ratings report dated June 3rd, 2019, they summarize their ratings rationale with the following:

“The highest short-term rating on the TANs reflects the State of Idaho's strong underlying credit quality (Aa1 Issuer Rating), a history of conservative cash flow projections and strong projection accuracy, solid projected coverage of TAN principal at maturity, ample liquidity afforded by resources available from other state funds. In addition, the state has a history of effective and active cash management.”

The TAN issuance is overseen by Idaho State Treasurer, Julie A. Ellsworth. On June 20th, 2019, the 2019 TAN was priced and sold via a competing bidding process utilizing a Dutch auction format. Treasurer Ellsworth stated the following:

“We are extremely pleased with a successful TAN sale and believe it is reflective of the financial strength of the State of Idaho and our conservative cash management philosophy. We sold the $546,185,000 TAN issue at a very competitive interest rate of 1.32%. The State received 18 bids from 7 different financial institutions. The entire issue was purchased by one buyer, Bank of America Merrill Lynch. The strong demand and competitive pricing results, demonstrate the financial market’s view that the State of Idaho is one of the strongest credits in the country. This is a great result for the State of Idaho and its taxpayers.”

The execution of the TAN process was truly a group effort. Senator Dan Johnson (Lewiston) and Rep. Neil Anderson (Blackfoot) were tremendous assets as representatives of the Legislature during this process. The State Treasurer would like to thank them and the rest of the team, including David Fulkerson from the Governor’s Division of Financial Management. Piper Jaffray performed as our municipal advisor to this transaction in a highly effective fashion. We appreciate all the efforts of the entire team to bring this deal to investors and continue the history of successful Tax Anticipation Note issuance for our great state.