



Office of the Indiana
Treasurer of State

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BOND BANK

Indiana Bond Bank Secures Historically Low 0.63% All-In Interest Rate on \$79 Million for Local Units of Government

INDIANAPOLIS (January 28, 2021) – The Indiana Bond Bank (IBB) and Indiana State Treasurer Kelly Mitchell are pleased to announce securing a 0.63% all-inclusive interest rate for 22 local units of government borrowing through the IBB’s 2021 Advance Funding Program. The 0.63% interest rate marks the lowest rate in the 32-year history of the Program.

As an all-inclusive rate, the 0.63% incorporates all professional and legal fees associated with borrowing. The 22 participating entities borrowed nearly \$79 million while paying zero dollars out-of-pocket to participate.

The Indiana Bond Bank’s Advance Funding Program enjoys a 32-year reputation of delivering highly competitive rates for annual cash flow borrowing thanks to key features such as:

- Efficient market access through pooling
- Experienced professional team
- Standardized documents
- Zero out-of-pocket costs
- Hands-on, public-sector-focused customer service

Since its inception in 1989, the Advance Funding Program has served over 250 local units of government and has issued over \$13.9 billion to Hoosier communities. “What makes the Indiana Bond Bank unique is that it is a public sector entity serving other public sector entities,” said Treasurer Mitchell, who serves as Chair of the Indiana Bond Bank Board. “That alignment in mission and values translates into features that enhance the program value for local governments. This year’s 0.63% interest rate is a direct testament to that.”

“The historically low rate is an amazing result for the schools, communities and others who chose our Advance Funding Program this year,” noted Mark Wuellner, Executive Director of the Indiana Bond Bank. “We were fortunate to price during favorable market conditions, and know that won’t always be the case. What units do have control over is

their efficiency in accessing the market. Choosing IBB's Advance Funding Program is the best way to maximize efficiency.”

Under the Advance Funding Program, units of government “pool” their needs with other units, which creates a larger issue under the well-known IBB brand. IBB's single set of professionals use streamlined documents to keep fees low; fees which are shared amongst all participants and included in the interest rate, resulting in zero out of pocket expense.

The local units of government participating in the 2021 Advance Funding Program represent a diverse pool including 4 cities, 15 schools, a library, a township and a fire protection district.

The Indiana Bond Bank will offer a mid-year round of the Advance Funding Program, with information available in March of 2021. Units of government interested in participating or learning more about the Program should visit <https://inbondbank.com/advance-funding-program/> or email at midyear@inbondbank.com.

Find more information on the Indiana Bond Bank's programs and services at www.inbondbank.com and <https://www.ibbinvestors.com/>.

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ABOUT THE INDIANA BOND BANK

The Indiana Bond Bank is a quasi-governmental agency established by the Indiana General Assembly in 1984. The Bond Bank is a self-funded entity and does not receive any appropriations from the State of Indiana. The mission of the Bond Bank is to deliver targeted financial solutions to local units of government. The Bond Bank serves Indiana cities, towns, townships, public school corporations, counties, public libraries, county hospitals, and public universities.

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