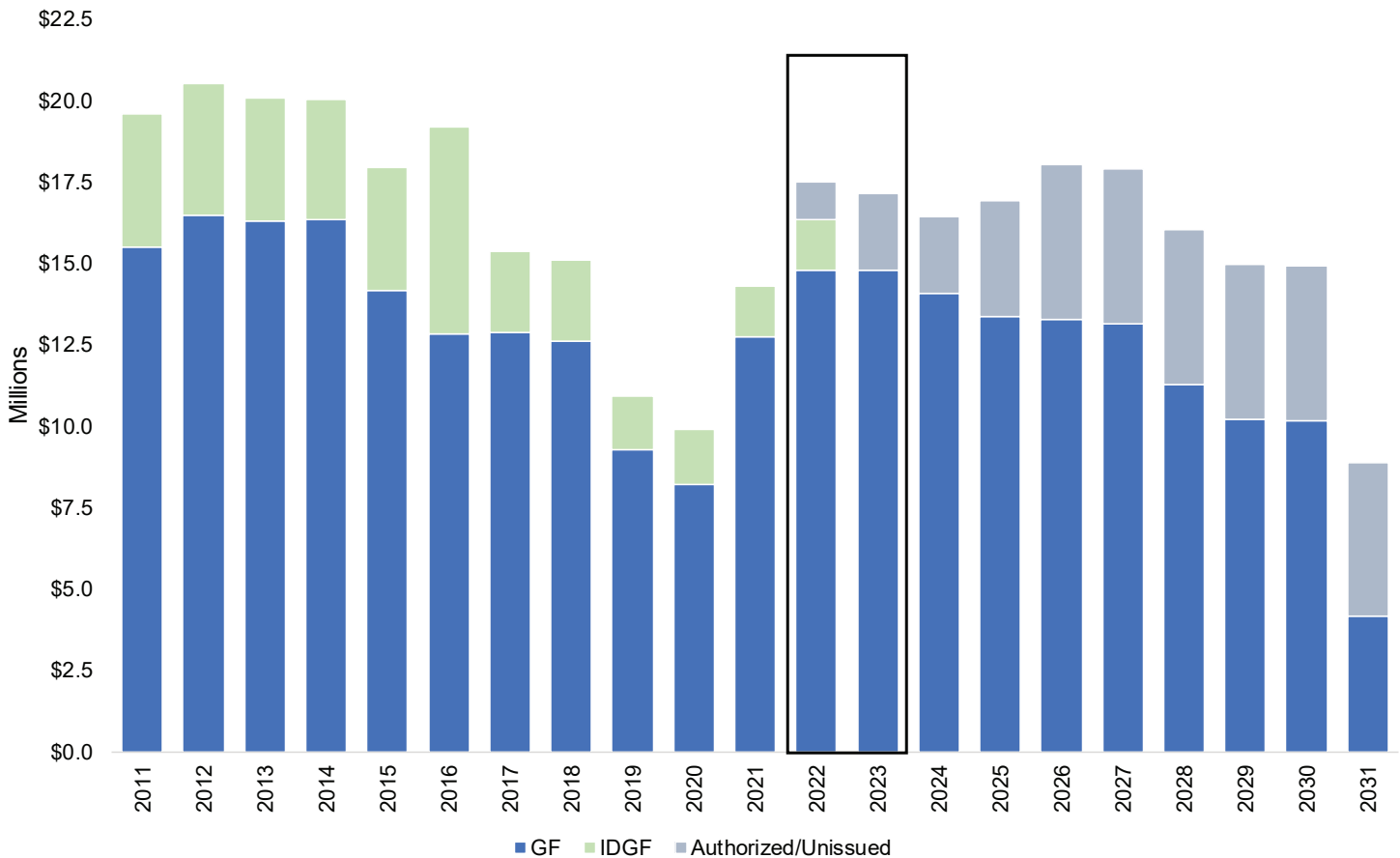


Significant investments in state infrastructure have been historically financed with debt in the form of bond issue proceeds. The general fund obligation for debt service includes three previously authorized bond issues sold in September 2020. In the 2023 biennium, the general fund debt service is expected to average \$15.6 million per year.



This figure illustrates the debt service cost for issued and authorized general obligation (GO) debt, where the full faith and credit of the state is pledged to the repayment. The chart includes historic general fund debt service payments (2011-2020) and the debt service projections (2021-2031) for the following:

- General Fund (GF) – General obligation (GO) bonds paid directly by the general fund (GF). The proceeds from these bond issues primarily funded the construction of state government buildings and a purchase of school trust lands. The total cost of GF bonds now includes debt service for state and local infrastructure projects issued in September 2020. The GF debt will cost \$29.6 million in the 2023 biennium.
- GF Indirect (IDGF) – This category includes GO bonds and special revenue bonds that are paid indirectly through the general fund. The related bond issues include state building energy conservation bonds and revenue bonds for the state hospital that offset general fund revenue that would otherwise flow into the general fund. The total cost of IDGF bonds is \$1.5 million in FY 2022, when the bonds will be fully retired.
- Authorized/Unissued – This category includes the projections for debt services costs on \$51.8 million of authorized but unissued bonds. Included in this category are the remaining bond authority from the 2019 Legislative Session (HB 652), two issues that cover the state’s share of the costs of tribal compacts, and the remaining authority of the state’s share of the St. Mary’s diversion structure and the Montana Heritage Center construction projects. The total cost of Authorized/Unissued bonds is collectively estimated to be \$3.5 million in the 2023 biennium.

Note: The analysis of GO/GF debt service has been updated from LFD’s September Outlook report.