

NET STATE TAX SUPPORTED DEBT AND OTHER BONDED DEBT



STATE BOND COMMISSION

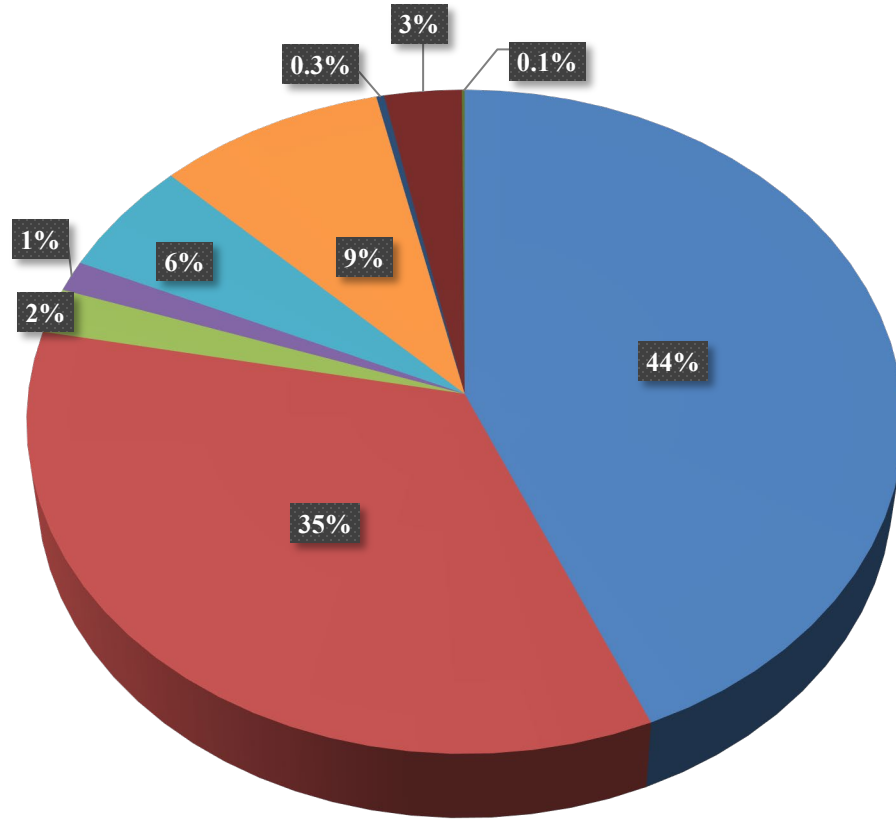
DEPARTMENT OF TREASURY

February 15, 2024

Net State Tax Supported Debt (NSTSD) Limitation

- Article VII, Section 6(F) of the constitution & R.S. 39:1367 govern NSTSD.
- Constrains the amount of debt that can be issued (“debt limit”). Debt service can be no more than 6% of the REC forecast revenues in any fiscal year.
- The 1st adopted REC forecast of the fiscal year establishes the debt limit.
- The December 2023 REC forecast is applicable and will be until the REC adopts an official forecast in FY 2025.
- In order to determine the amount of bond proceeds that can be raised in any year and remain within the debt limit certain assumptions are made as to revenues beyond the REC forecast, interest rates and future issuances.
- Any changes in a variable affecting the projections will result in a change to the outcome. The projection model is revised as needed to account for any changes.
- The NSTSD percentage for Fiscal Year 2024 is 4.30%.
- Approximately \$750 M of proceeds can be raised annually within the 6% NSTSD limitation, assuming 20-year level debt.

Total Debt Outstanding As of December 31, 2023

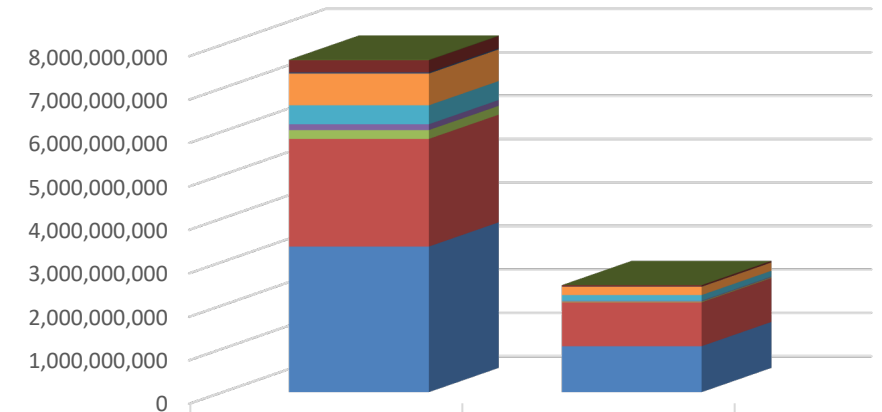


The State has \$10.1 billion in outstanding debt classified as NSTSD and Non-NSTSD secured by the full faith and credit of the State, by an annual appropriation of the Legislature or by a specified/dedicated revenue source.

Six transactions were completed in FY 23, of which four were issued by SBC, and three were refundings providing the State \$2.7 M in savings through maturity and \$2.4 M in present value savings.

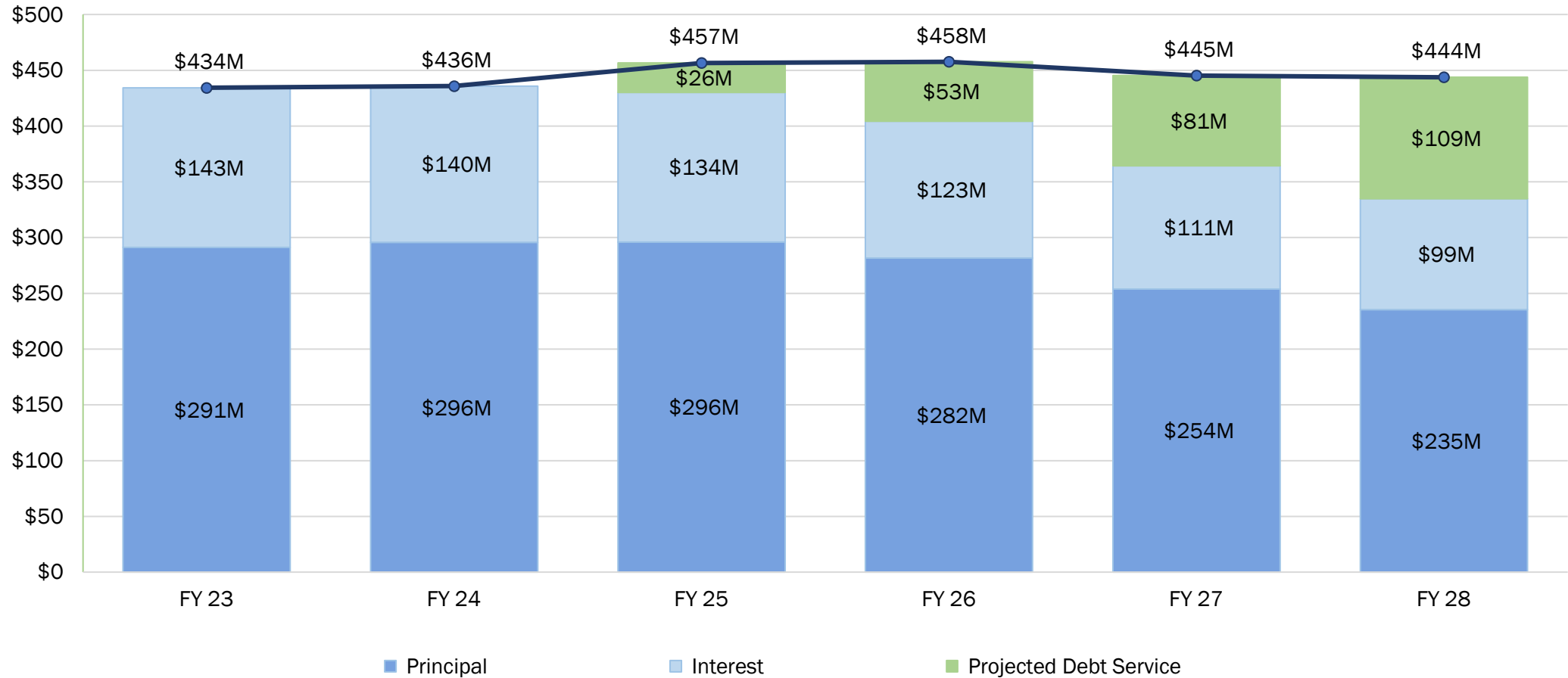
Five transactions have occurred in FY 24 to date, of which four were issued by SBC.

A new GO bond sale is anticipated in spring 2024 to fund capital outlay projects



	Principal Outstanding	Interest Outstanding
Other Debt	10,374,755	1,149,653
Deepwater Horizon	282,731,616	30,279,994
Self-Supporting	25,850,000	5,661,956
Appropriation Dependent	730,734,000	191,352,986
GARVEEs	436,120,000	132,490,008
Unclaimed Property	134,560,000	16,225,826
State Hwy Improvement	203,345,000	17,802,148
Gas & Fuels	2,479,430,000	1,009,926,599
General Obligation	3,349,035,000	1,057,198,695

Effect of New GO Debt Cost on the Budget

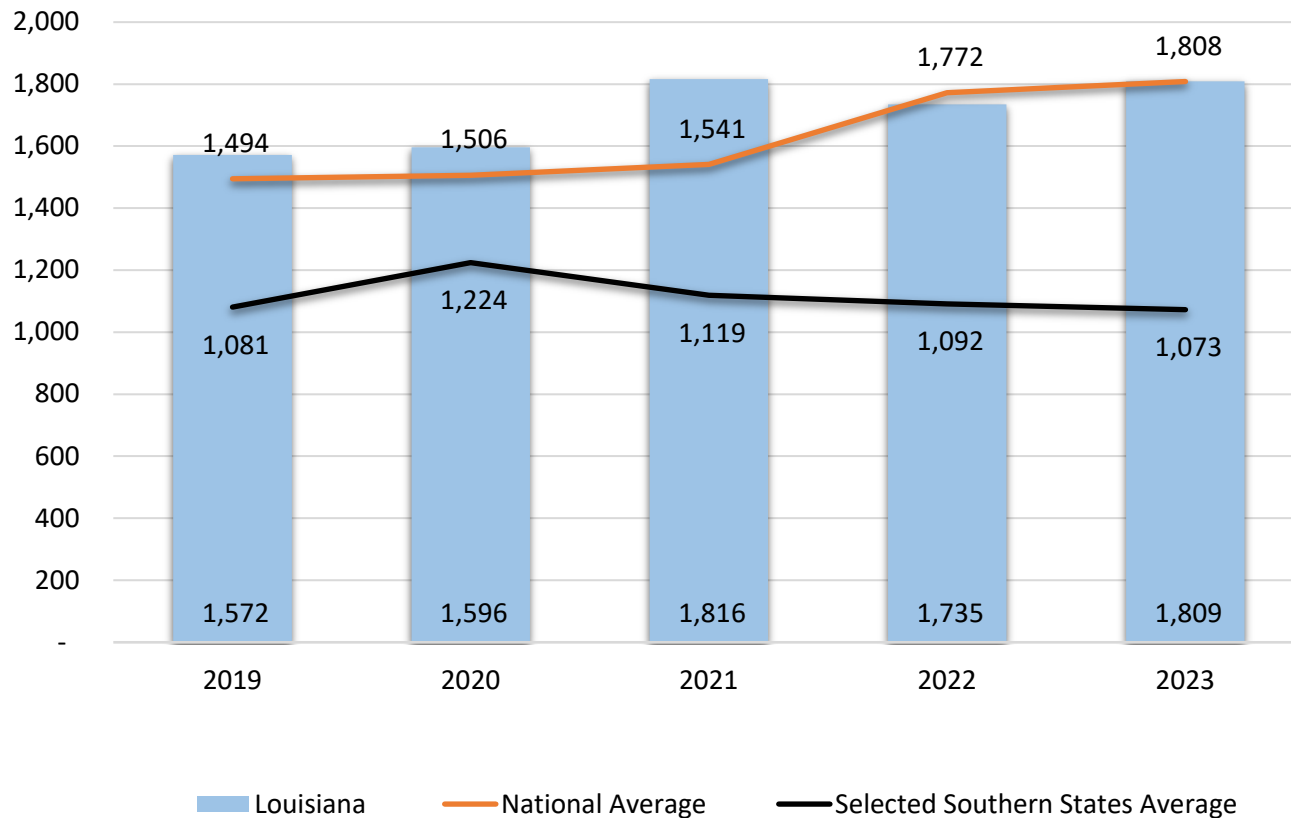


Projected debt service assumes cost of new GO Bonds to be issued in the spring in an amount of \$350 M issued annually beginning in FY 24 to fund Capital Outlay Projects.

Gasoline & Fuels Variable Rate Bonds and Swaps

- \$422.515 million of variable rate bonds outstanding as of December 31, 2023.
- Variable rate bonds are hedged with multiple interest rate swap agreements to mitigate exposure to variable interest rates with respect to the bonds.
- State receives a variable rate from swap counterparty that offsets the variable rate paid on the bonds.
- State pays a fixed rate to swap counterparty.

Per Capita Debt (Bonded Indebtedness)



- Per Capita debt increased by \$74 per person from \$1,735 in fiscal 2021 to \$1,809 in fiscal 2022
- Increase accounts for a population decline of 33,806 and an increase in outstanding debt reported by Moody's
- Rank 18th in the nation
- Moody's considers Louisiana's outstanding net tax-supported debt (NTSD) to include debt supported by statewide taxes (GO Bonds, Revenue Bonds & certain debt issued by various entities and secured by annual appropriation by the Legislature), GARVEE Bonds, Tobacco Settlement, certain notes and loans as reported in the ACFR, unamortized bond premiums/discounts and accreted interest.
- Per Capita debt calculation only accounts for outstanding principal and does not account for any interest.

Sources: Moody's Investors Service, Sector Profile - US State Liabilities Report

Selected Southern States include: Alabama, Arkansas, Georgia, Kentucky, Mississippi and Tennessee

Louisiana's Credit Rating Compared to Other States

Aaa (17 States)	Aa1 (16 States)	Aa2 (10 States)	Aa3 (4 States)	A1 (1 State)	A3 (1 State)
Delaware	Alabama	California	Alaska	New Jersey	Illinois
Florida	Arizona	Hawaii	Connecticut		
Georgia	Arkansas	Kansas	Kentucky		
Idaho	Colorado	Louisiana	Pennsylvania		
Indiana	Massachusetts	Maine			
Iowa	Michigan	Mississippi			
Maryland	Montana	New Mexico			
Minnesota	Nebraska	Oklahoma			
Missouri	Nevada	Rhode Island			
North Carolina	New Hampshire	West Virginia			
South Carolina	New York				
South Dakota	North Dakota				
Tennessee	Ohio				
Texas	Oregon				
Utah	Vermont				
Virginia	Wisconsin				
Washington					

Source: Moody's Investors Service, Rating changes for the 50 states from 1970

- S&P revised the State's outlook from stable to positive in March 2023
- Kroll issued its first Louisiana GO Bond rating of AA with stable outlook in April 2023
- Moody's S&P, and Fitch current GO Bond ratings is Aa2, AA- and AA-, respectively
- Stable Outlook by Moody's, and Fitch