NET STATE TAX SUPPORTED DEBT AND OTHER BONDED DEBT

STATE BOND COMMISSION

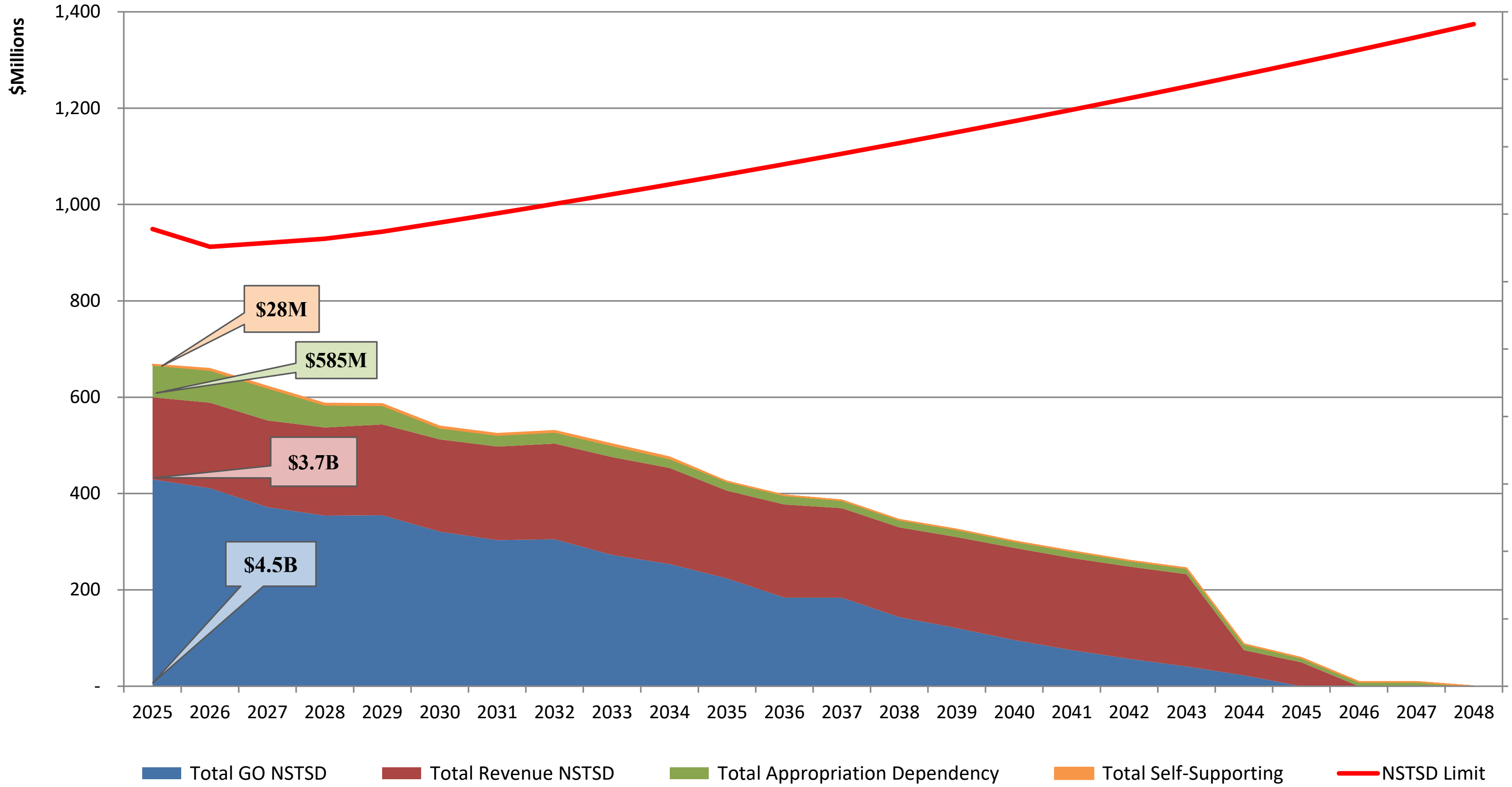
DEPARTMENT OF TREASURY

January 16, 2025

Net State Tax Supported Debt (NSTSD) Limitation

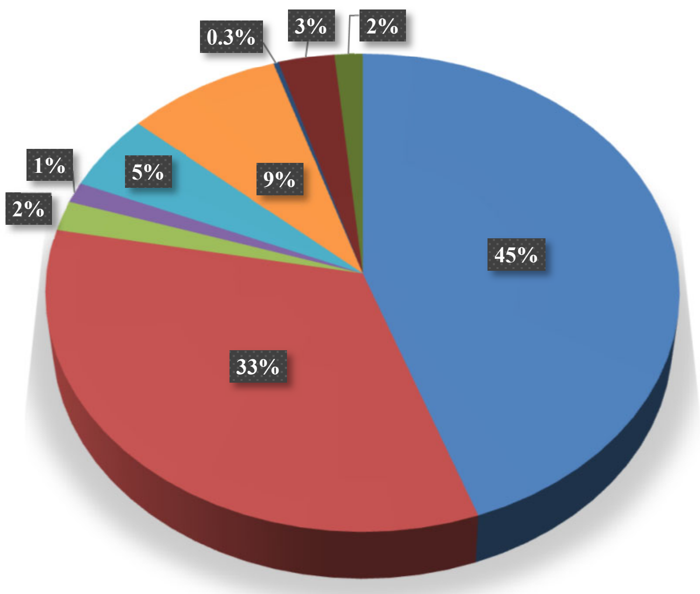
- Article VII, Section 6(F) of the constitution & R.S. 39:1367 govern NSTSD.
- Constrains the amount of debt that can be issued (“debt limit”). Debt service can be no more than 6% of the REC forecast revenues in any fiscal year.
- The 1^{st} adopted REC forecast of the fiscal year establishes the debt limit.
- The December 2024 REC forecast is applicable and will be until the REC adopts an official forecast in FY 2026.
- 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 2025 is 4.22%.
- Approximately $795 M of proceeds can be raised annually within the 6% NSTSD limitation, assuming 20-year level debt.

NSTSD as of December 31, 2024



Total NSTSD outstanding was $8.6 B of which $6.4 B was principal and $2.2 B was interest.

Total Debt Outstanding
As of December 31, 2024

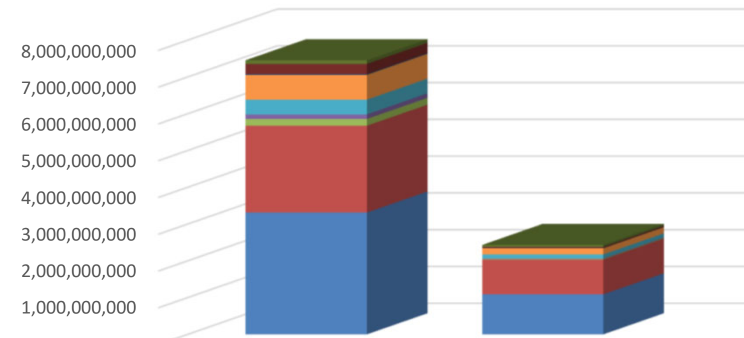


The State has $9.9 B ($7.5 B principal and $2.4 B interest) in outstanding debt classified as NSTSD and Non-NSTSD secured by the full faith and credit of the State, by an annual appropriation of the Legislature or by a specified/dedicated revenue source.

Seven transactions were completed in FY 24, of which two were refundings providing the State $30.9 M in savings through maturity and $25.5 M in present value savings.

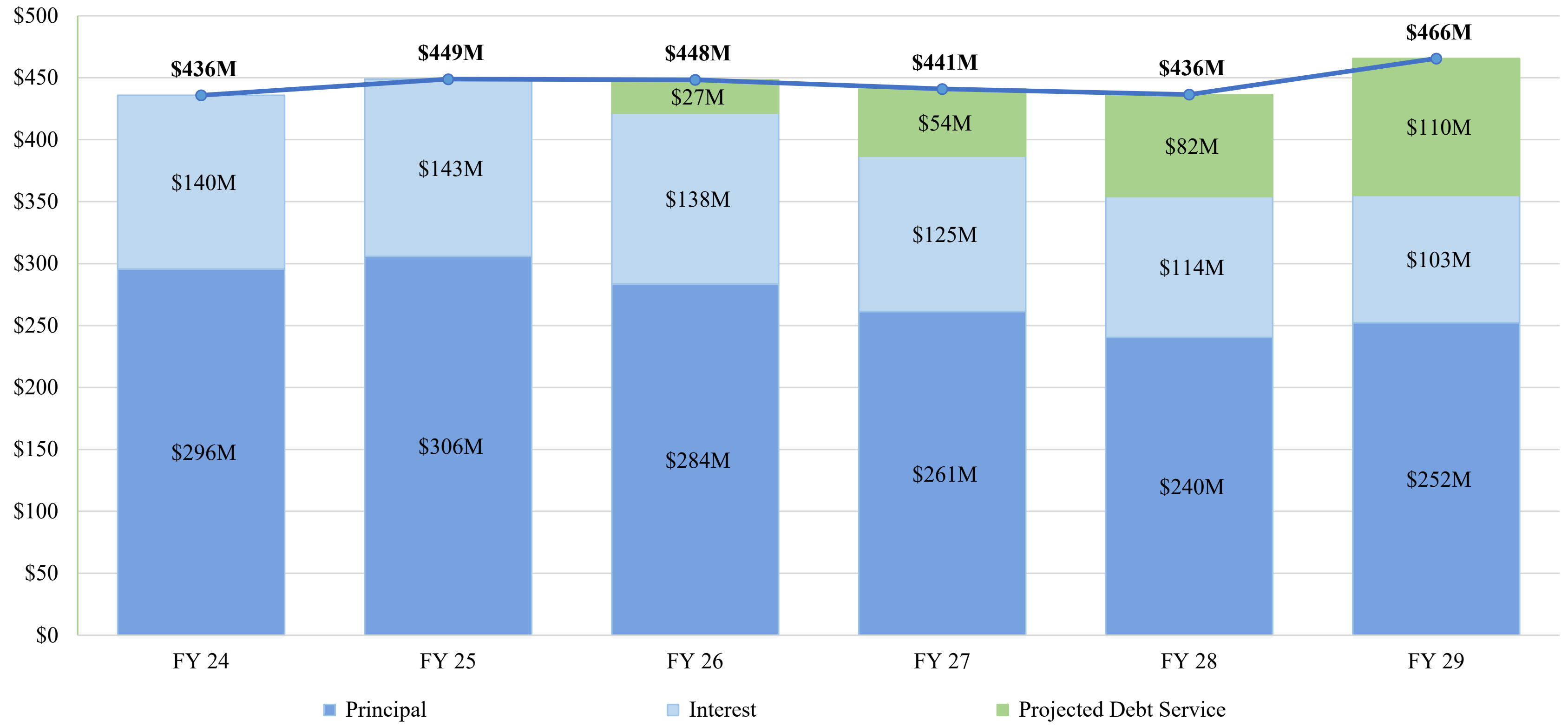
Four transactions have occurred in FY 25 to date, of which three were refundings providing the State $89.7 M in savings through maturity and $55.4 M in present value savings.

Four more transactions are anticipated to close in FY 25 including refundings of GO and Gas & Fuels debt, with an additional two more transactions possibly in FY 26.



	Principal	Interest
Other Debt	98,278,993	54,908,127
Deepwater Horizon	276,347,788	29,742,554
Self- Supporting	22,205,000	6,016,117
Appropriation Dependent	674,960,000	167,038,248
GARVEEs	400,100,000	110,872,250
Unclaimed Property	123,230,000	13,679,256
State Hwy Improvement	185,625,000	14,905,055
Gas & Fuels	2,360,670,000	946,893,918
General Obligaton	3,311,865,000	1,087,816,101

GO Issuance Cost Effect on the Budget

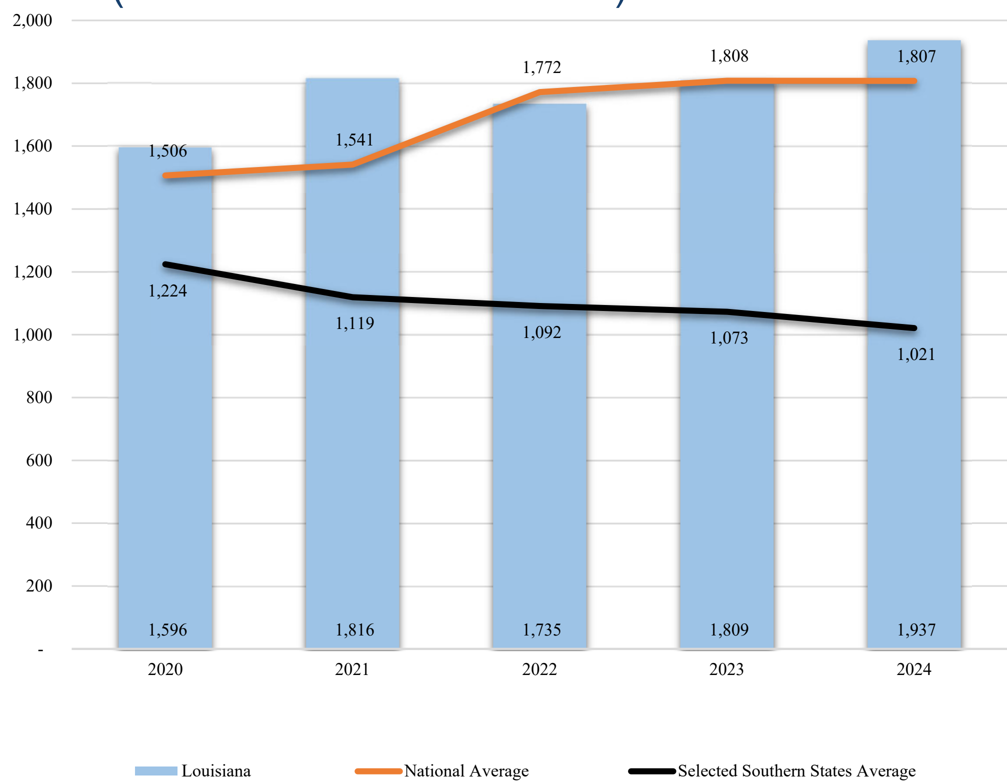


Projected debt service assumes cost of new GO Bonds to be issued in the spring in an amount of $350 M issued annually beginning in FY 25 to fund Capital Outlay Projects.

Gasoline & Fuels Variable Rate Bonds and Swaps

- $420.99 M of variable rate bonds outstanding as of December 31, 2024.
- 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)

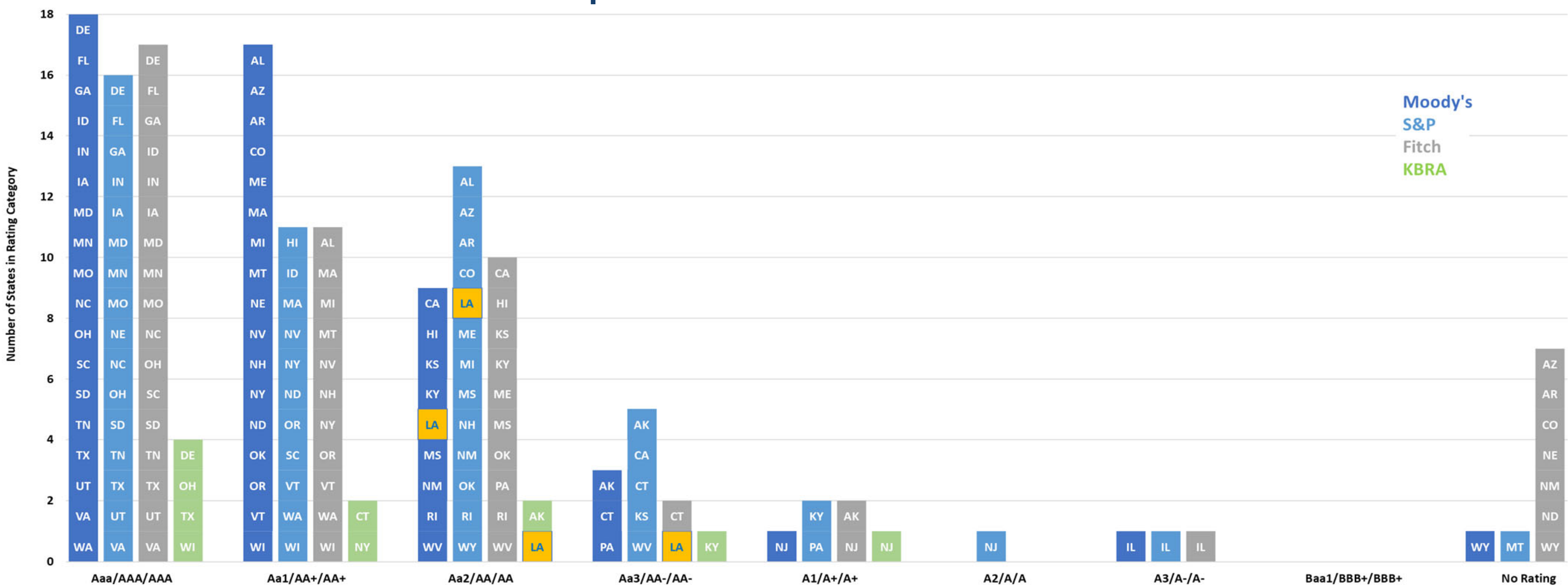


Sources: Moody's Investors Service, Sector Profile - US State Liabilities Report

Selected Southern States includes Alabama, Arkansas, Georgia, Kentucky, Mississippi and Tennessee

- Per Capita debt increased by $128 per person from $1,809 in fiscal 2022 to $1,937 in fiscal 2023
- Increase accounts for a population decline of 16,492 and an increase in outstanding debt reported by Moody's, such as debt issued by Louisiana Citizens Property Insurance Corporation and the Louisiana Insurance Guaranty Association
- 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, debt issued by Citizens and LIGA, unamortized bond premiums/discounts and accreted interest.

Louisiana’s Credit Rating Compared to Other States



40 States do not have a KBRA rating.
As of December 31, 2024

- S&P upgraded the State’s rating from AA- to AA and revised the outlook from positive to stable in March 2024
- Moody’s S&P, Fitch, and KBRA current GO Bond ratings is Aa2, AA, AA-, AA, respectively
- Stable Outlook by all four rating agencies