

## SECTION IV – SUMMARY OF BONDED DEBT

This section provides historical data regarding Maine’s general obligation debt and other tax-supported debt, including the debt of the Maine Governmental Facilities Authority.

A 25-year history of Maine’s general obligation bonds outstanding as of June 30 is provided in Table IV-1, GENERAL OBLIGATION BONDED DEBT. The outstanding bonds (for the fiscal years 1984 through 2008) are segregated into General Fund, Highway Fund and self-liquidating bonds. General obligation bonds are approved by the voters and pledge the full faith and credit of the state. The self-liquidating bonds were supported by a designated source of revenue, usually generated by fees charged for the use of the facility or capital equipment funded by the bonds. The last self-liquidating bonds outstanding were paid off in fiscal year 2008. The historical data also includes the total of Authorized but Unissued Bonds as of June 30 of each year. Graph IV-1 presents a history of Maine’s bonded debt on a per capita basis and as a percentage of personal income. Per capita amounts are based on population numbers from the United States Department of Commerce, Bureau of Census and Maine’s State Planning Office. Personal income figures are from the United States Department of Commerce, Bureau of Economic Analysis.

Table IV-2, TAX SUPPORTED DEBT SERVICE COSTS, details the annual debt service costs for General Fund and Highway Fund bonds as well as for Maine Governmental Facilities Authority (formerly the Maine Court Facilities Authority) bonds and other debt instruments issued by the state such as certificates of participation and lease-purchase arrangements. Interest on bond anticipation notes is included but interest and principal on self-liquidating bonds are not included because they were funded from dedicated revenue streams that are not considered tax supported sources. A calculation of debt service as a percent of General Fund and Highway Fund revenue is included in the table. This percentage is consistent with the “5% rule” used to guide Maine’s debt policy.

An additional summary of the debt authorizations and issuances of the Maine Governmental Facilities Authority is included in Table IV-3 on page 103.

In addition to the obligations described above, the state’s credit is pledged to guarantee certain loans. As of June 30, 2008 these pledges amounted to the following:

<b>PURPOSE OF GUARANTEE</b>	<b>CONSTITUTIONAL OR STATUTORY LIMITS <sup>(1)</sup></b>	<b>BONDS AUTHORIZED NOT ISSUED - CONTINGENT</b>
Finance Authority of Maine	\$ 90,000,000	\$ 90,000,000
Business Loans to Veterans	4,000,000	4,000,000
Student Loans	4,000,000	4,000,000
School Buildings <sup>(2)</sup>	6,000,000	0
Indian Housing	1,000,000	1,000,000
	\$105,000,000	\$ 99,000,000

<sup>(1)</sup> Except as otherwise noted, the constitutional limits and statutory limits are consistent.

<sup>(2)</sup> The Constitution authorizes issuance of revenue bonds not to exceed \$6,000,000. The statutory bonding authority was repealed by PL 1993, c.494.