

Financing Plan for MSU Billings Major Maintenance Projects

A. Overview and Project Costs

MSU Billings has a variety of major maintenance projects that will need to be completed soon, in addition to those that are currently a part of the LRBP process. MSU Billings is seeking construction authority at the November 2025 meeting for projects deemed of the highest priority for major maintenance needs. The debt will be utilized to pay for these major maintenance projects.

B. Financing Plan

To accomplish this project, MSU is requesting authority to issue facilities revenue bonds up to \$7,000,000 par value. Annual debt service (assumed 4.0% interest, 20 years) will be approximately \$520,000 and 5.0% interest rate over 20 years will require an annual debt service payment of \$560,000. As of November 2025, about \$1,000,000 in current debt service payments will be completed, freeing up revenue to fund these much-needed projects.

Summary of Sources to Pay Annual Debt Service	
• Annual Auxiliary Revenues (FY25)	\$2,150,000
• Annual Building Fee Revenues (FY25)	\$1,100,000
• Annual ASMSUB Building Fee Revenues (FY25)	\$586,000
Available Annual Revenues	\$3,836,000
 Estimated Annual Expenditure Obligations	 \$2,718,000
 Annual Debt Service at 5.0%	 \$560,000