

## MONTANA SCHOOL DISTRICTS and INTERCAP BORROWING

### INTERCAP BASICS

Authorized by statute in 1987

Low-interest variable rate loan program

Rate changes every February 16

Current rate: **4.50%**

15-year average: 2.78%

No application deadline.

100% financing. No match requirement.

No up-front fees. No prepayment penalty.

Maximum loan amount limited by the District's debt authority, outstanding debt, and credit analysis results.

Maximum loan term is 15 years useful life of the project, or statutory limit, whichever is less.

### SCHOOL DISTRICT UTILIZATION

221 school districts have utilized the program

387 projects financed

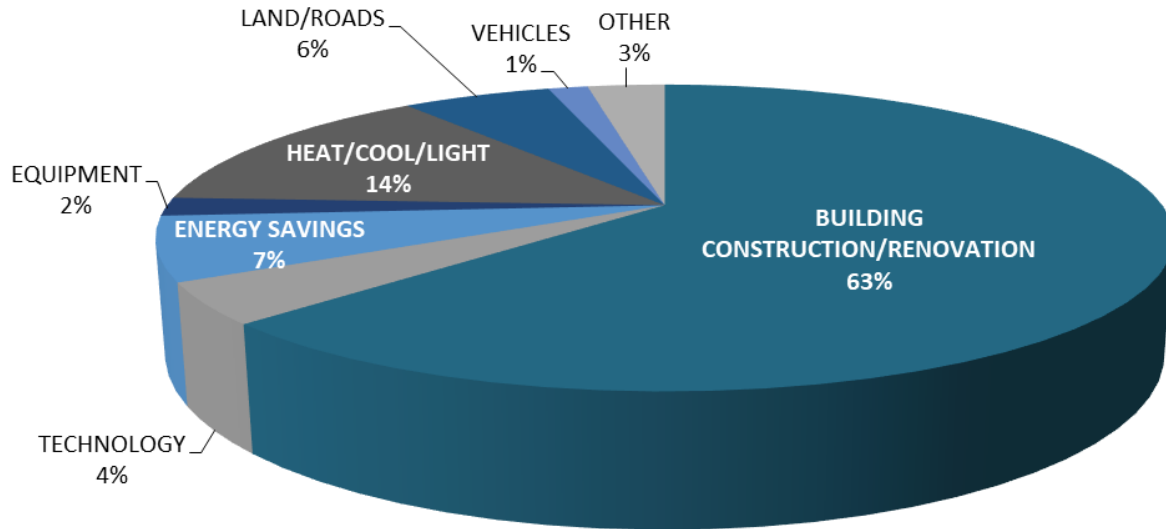
\$73.6 million program funds invested in school projects

\$67.2 million INTERCAP loans outstanding as of the end of February 2026; \$12.8 million are school loans.

### ELIGIBLE PROJECTS

Per 20-9-471, MCA, schools can finance the following projects without a vote:

- New and used vehicles/equipment.
- Storage/maintenance buildings, such as bus barns, and non-permanent modular classrooms. All other new construction or real property purchases must be voted.
- Renovations within the existing walls.
- Energy Retrofit projects
- Cash-flow shortfalls



## LOAN TYPES

The standard credit analysis includes reviewing the application, the past two years of financial information, and the current budget. There are four loan types that schools typically use as follows:

1. General Fund Loan -general promise to pay from any legally available funds, including building reserve permissive levy/school major maintenance aid.
2. Building Reserve Fund Loan - voted
3. General Obligation (GO) Bonds – voted
4. Tax Revenue Anticipation Note – short term cashflow

### 1. GENERAL FUND LOAN

20-9-471, MCA provides the authority for general fund-type loans without a vote.

- Other statutes may apply if designating another fund to supplement the general fund as a repayment source, such as the commonly used 20-9-502, 503, 525, MCA building reserve permissive levy and school major maintenance aid.
- Vote exception – a vote is required for new construction and real property purchase other than bus barns and non-permanent modular classrooms. A site location vote is also required if the property is not contiguous to the district.
- If a voted project, the election information is also reviewed to ensure the steps were followed in accordance with the statute and that the purpose and expiration dates coincide with the use of loan proceeds and the terms.
- Energy performance contract loans fall in this category; however, they are typically financed by other lenders that can offer a fixed interest rate.

## 2. BUILDING RESERVE FUND LOAN

Per 20-9-502 & 503, MCA, provides authority to impose building reserve levies and use them to repay debt.

- Levy may be pledged for up to 15 years to repay debt.
- Election information is reviewed with the loan application to ensure the steps were followed in accordance with the statute and that the amount, purpose, and expiration dates coincide with the use of loan proceeds and the terms.

## 3. GENERAL OBLIGATION BONDS

Per 20-9-4, MCA, provides the authority for the school to issue general obligation bonds and for INTERCAP to purchase them.

- Levy is the pledge of the full faith and credit of the school district's jurisdiction.
- Election information is reviewed with the loan application to ensure the steps were followed in accordance with the statute and that the amount, purpose, and expiration dates coincide with the use of loan proceeds and the terms.
- Bond Counsel is required at the borrower's expense.

## 4. TAX REVENUE ANTICIPATION NOTE

Per 7-6-11, MCA, provides schools with the authority to issue short-term debt.

- Used very seldom.
- Principal and interest on short-term obligations must be repaid from the money derived from the taxes and revenues in anticipation of which they were issued.
- Loan is repaid by June 15 of the fiscal year borrowed.

## HOW TO APPLY

Application is completed online <https://investmentmt.com/INTERCAP/>

Approximately 4-6 weeks from application to funding; longer if over \$1 million.

Contact Peggy Saarela or Louise Welsh with questions at 406-444-0001.

# Montana Board of Investments

## INTERCAP LOAN RATE\* HISTORY

Year	Loan Rate	Year	Loan Rate
1987	5.625%	2007	4.850%
1988	6.625%	2008	4.250%
1989	7.950%	2009	3.250%
1990	7.500%	2010	1.950%
1991	6.350%	2011	1.950%
1992	4.950%	2012	1.250%
1993	4.350%	2013	1.000%
1994	4.500%	2014	1.000%
1995	6.400%	2015	1.250%
1996	4.850%	2016	1.550%
1997	4.750%	2017	2.500%
1998	4.850%	2018	3.150%
1999	4.300%	2019	3.370%
2000	5.600%	2020	2.500%
2001	4.750%	2021	1.650%
2002	3.150%	2022	1.550%
2003	2.850%	2023	5.750%
2004	2.700%	2024	5.750%
2005	3.800%	2025	5.000%
2006	4.750%	<b>2026</b>	<b>4.50%**</b>
Overall Average: 3.964%			
Average past 10 years: 3.567%			
<b>*Variable rate changes every February 16.</b>			
<b>**Existing loans not set up for autopay have 5.03% rate.</b>			

INTERCAP											
LOAN	BORROWER	DESCRIPTION	TERM	Commitment (CMT) Date	CMT AMOUNT	FUND DATE	DRAWN	CMT REMAINING	OUTSTANDING	MATURITY	
2694	VAUGHN ELEMENTARY SCHOOL DISTRICT	Computers for staff and student use	3	04/01/16	47,619	06/17/16	47,619	-	-	06/15/19	
2719	COLSTRIP SCHOOL DISTRICT #19	School building remodel	5	06/16/16	500,000	09/30/16	500,000	-	-	06/15/21	
2722	LAVINA SCHOOL DISTRICT #2	Replace roof and boiler	10	07/22/16	28,096	10/21/16	28,096	-	-	06/15/26	
2726	CULBERTSON ELEMENTARY SCHOOL DISTRICT	Finance classroom addition project	15	07/29/16	1,600,000	08/19/16	1,600,000	-	648,536	06/15/31	
2780	REED POINT ELEMENTARY SCHOOL	Refinance loan that purchased staff housing	15	06/30/17	183,109	07/28/17	183,109	-	87,513	06/15/32	
2782	AUGUSTA ELEMENTARY SCHOOL DISTRICT	Construct a bus barn	15	08/03/17	34,035	03/09/18	34,035	-	-	02/15/33	
2783	AUGUSTA HIGH SCHOOL DISTRICT #45	Construct bus barn	15	08/04/17	135,000	10/20/17	135,000	-	69,315	02/15/33	
2784	SHIELDS VALLEY ELEMENTARY SCHOOL	Purchase school bus	8	08/10/17	42,920	08/31/18	42,920	-	2,939	06/15/26	
2785	SHIELDS VALLEY HIGH SCHOOL DISTRICT	Purchase school bus	8	08/10/17	64,380	08/31/18	64,380	-	4,408	06/15/26	
2789	KESTER SCHOOL DISTRICT #23	Building improvements/exterior grading	10	08/30/17	57,900	12/01/17	57,900	-	-	02/15/28	
2805	BAINVILLE PUBLIC SCHOOL DISTRICT #6	HVAC upgrades, improvements to complete	5	02/20/18	189,142	09/28/18	189,142	-	-	06/15/23	
2808	SCOBEY SCHOOL DISTRICT #1	Finance an activity bus	5	03/08/18	200,000	04/13/18	200,000	-	-	02/15/23	
2818	WINNETT SCHOOL DISTRICT #1	Finance replacement school bus	3	05/21/18	46,680	08/03/18	46,680	-	-	06/15/21	
2836	HAMILTON SCHOOL DISTRICT #3	finance portion of Daly Elementary rehab	15	11/13/18	1,650,000	06/14/19	1,650,000	-	1,052,326	08/15/34	
2837	ST IGNATIUS SCHOOL DISTRICT #28	addressing various deferred maintenance	15	11/13/18	1,157,973	04/05/19	1,157,973	-	713,203	02/15/34	
2842	PLEASANT VALLEY SCHOOL DISTRICT #	purchase vehicle for student transport	5	01/23/19	12,503	03/22/19	12,503	-	-	02/15/24	
2846	KALISPELL SCHOOL DISTRICT #5	interior/exterior lighting energy conservation	15	03/01/19	229,618	02/14/20	229,618	-	151,252	02/15/35	
2847	KALISPELL SCHOOL DISTRICT #5	interior/exterior lighting energy conservation	15	03/01/19	526,382	02/14/20	526,382	-	346,734	02/15/35	
2857	OLNEY-BISSELL SCHOOL DISTRICT	finance deferred maintenance projects	10	06/03/19	120,543	08/02/19	120,543	(0)	7,672	08/15/29	
2864	ANACONDA PUBLIC SCHOOLS	finance new computers and security software	5	07/22/19	126,633	08/30/19	126,633	-	-	06/15/24	
2883	FORT BENTON ELEM SCHOOL DISTRICT	elementary school building's heating system	15	04/08/20	465,604	12/18/20	465,604	-	-	02/15/36	
2887	SACO PUBLIC SCHOOLS	school building roof repair and maintenance	15	04/17/20	248,723	09/18/20	248,723	-	167,441	08/15/35	
2904	HARDIN ELEM SCHOOL DISTRICT 17H	repairing/upgrading Hardin Community Academy	10	08/18/20	1,000,000	10/29/21	1,000,000	-	597,347	06/15/31	
2905	HARDIN HIGH SCHOOL DISTRICT 1	repairing/upgrading Hardin Community Academy	10	08/18/20	500,000	10/29/21	500,000	-	298,636	06/15/31	
2910	POLSON ELEMENTARY SCHOOL DISTRICT #2	Energy retrofit/energy performance contract	15	10/22/20	305,900	05/28/21	305,900	-	223,603	08/15/36	
2911	POLSON HIGH SCHOOL	Energy retrofit/energy performance contract	15	10/22/20	204,600	05/28/21	204,600	-	149,566	08/15/36	
2914	MISSOULA COUNTY HIGH SCHOOL DISTRICT	purchase vehicle for Seeley Swan High School	7	12/14/20	25,000	02/05/21	25,000	-	-	02/15/28	
2925	SHIELDS VALLEY ELEMENTARY SCHOOL	Teacher Housing	15	04/13/21	59,077	05/21/21	59,077	-	42,860	06/15/36	
2926	SHIELDS VALLEY HIGH SCHOOL DISTRICT	Teacher Housing	15	04/13/21	88,615	05/21/21	88,615	-	64,290	06/15/36	
2936	CULBERTSON ELEMENTARY SCHOOL DISTRICT	Boiler Replacement and Security Camera	7	06/18/21	412,105	07/09/21	412,105	-	152,672	08/15/28	
2945	BIG SKY SCHOOL DISTRICT #72	Bus/Transportation facility	15	11/30/21	1,882,540	03/04/22	1,882,540	-	-	02/15/37	
2949	WINNETT SCHOOL DISTRICT #1	Purchase Bus	7	12/28/21	57,087	06/02/23	57,087	-	-	06/15/30	
2952	DRUMMOND PUBLIC SCHOOLS	Purchase Bus	7	02/08/22	125,000	02/25/22	125,000	-	-	02/15/29	
2953	FROID HIGH SCHOOL DISTRICT #65E	Water Heaters purchase & install	10	02/28/22	242,190	07/29/22	242,190	-	153,885	06/15/32	
2967	WINNETT SCHOOL DISTRICT #1	Purchase vehicle	7	05/23/22	33,420	08/19/22	33,420	-	-	06/15/25	
2971	MALTA SCHOOL DISTRICT	Bus/Transportation facility	15	06/15/22	730,000	10/28/22	730,000	-	591,656	06/15/37	
2987	DRUMMOND PUBLIC SCHOOLS	Employee housing	15	02/22/23	593,020	08/25/23	593,020	-	524,622	06/15/38	
3018	DESMET SCHOOL DISTRICT #20	Solar project	15	12/01/23	110,596	1/26/24	110,596	-	100,671	02/15/39	
3023	CULBERTSON ELEMENTARY SCHOOL DISTRICT	Plumbing and Building repairs	10	01/29/24	314,250	08/02/24	314,250	-	281,374	06/15/34	
3024	CULBERTSON HIGH SCHOOL DISTRICT	Plumbing and Building repairs	10	01/29/24	104,750	08/02/24	104,750	-	92,562	06/15/34	
3042	DRUMMOND PUBLIC SCHOOLS	Purchase property	15	05/17/24	95,000	07/26/24	95,000	-	88,710	06/15/39	
3086	RICHEY PUBLIC SCHOOLS	Building repairs	15	06/27/25	120,000			120,000	-		
3092	LAVINA SCHOOL DISTRICT #2	Vehicle	3	10/23/25	42,350			42,350	-		
3097	WINNETT SCHOOL DISTRICT #1	Bus	5	02/04/26	200,000			200,000	-		
<b>GENERAL FUND TOTAL</b>					<b>14,912,360</b>	<b>49%</b>	<b>14,550,010</b>	<b>362,350</b>	<b>6,613,792</b>	<b>53%</b>	
2816	PLAINS SCHOOL DISTRICT #1	Replace high school boiler	5	05/10/18	200,000	07/06/18	200,000	-	-	06/15/23	
3001	GLASGOW SCHOOL DISTRICT	Building improvements	10	05/26/23	400,000	07/28/23	400,000	-	-	06/15/33	
3041	FAIR-MONT-EGAN SCHOOL DISTRICT #3	Building improvements	5	05/15/24	61,189	11/08/24	61,189	-	-	02/15/30	
3056	FORT BENTON ELEM SCHOOL DISTRICT	Plumbing and Building repairs	15	09/10/24	500,000	01/30/26	475,775	24,225	475,775	06/15/35	
3057	FORT BENTON HIGH SCHOOL DISTRICT	Plumbing and Building repairs	15	09/10/24	250,000	01/30/26	176,992	73,008	176,992	06/15/35	
3074	ARROWHEAD SCHOOL DISTRICT #75	Kitchen remodel and expansion	6	01/28/25	68,565	02/28/25	68,565	-	55,521	02/15/31	
3084	PARK CITY HIGH SCHOOL DISTRICT	Vo-Ag building renovation	15	06/06/25	387,238	08/29/25	387,238	-	381,285	06/15/40	
2928	HYSHAM SCHOOL DISTRICT #1	Upgrading HVAC, restroom/locker room	10	04/16/21	390,500	08/06/21	390,500	-	226,774	08/15/31	
2997	SOMERS SCHOOL DISTRICT #29	Expansion of parking lot on school property	10	04/21/23	252,438	10/06/23	252,438	-	201,681	06/15/33	
3046	HELMVILLE ELEMENTARY SCHOOL DISTRICT	Manufactured home (employee housing)	15	07/18/24	300,000	05/16/25	260,700	39,300	257,954	06/15/40	
3080	SWAN RIVER ELEMENTARY DISTRICT #4	HVAC energy efficiency upgrades	15	04/25/25	500,000	08/01/25	500,000	-	493,989	06/15/40	
<b>GENERAL FUND - Building Reserve Permissive Levy Total</b>					<b>3,309,930</b>	<b>11%</b>	<b>3,173,397</b>	<b>136,533</b>	<b>2,269,972</b>	<b>18%</b>	

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LOAN	BORROWER	DESCRIPTION	TERM	Commitment (CMT) Date	CMT AMOUNT	FUND DATE	DRAWN	CMT REMAINING	OUTSTANDING	MATURITY	
2700	HARLOWTON HIGH SCHOOL	School building renovations	4	04/26/16	318,056	06/17/16	318,056	-	-	06/15/20	
2701	HARLOWTON ELEMENTARY	School building renovations	4	04/26/16	212,037	06/17/16	212,037	-	-	06/15/20	
2713	HINSDALE HIGH SCHOOL DISTRICT	Roofing project	5	06/01/16	151,040	04/07/17	151,040	0	-	06/15/21	
2714	HINSDALE ELEMENTARY SCHOOL DISTRICT	Roofing project	5	06/01/16	151,040	04/07/17	151,040	0	-	06/15/21	
2716	BIG SKY SCHOOL DISTRICT #72	Complete building projects	5	06/01/16	830,000	07/22/16	830,000	-	-	06/15/21	
2775	DEER LODGE ELEMENTARY SD	Heating, ventilation, safety and structural	3	05/16/17	212,864	07/07/17	212,864	(0)	-	06/15/20	
2776	LUSTRE ELEMENTARY SCHOOL DISTRICT	Remodel kitchen facility	1	05/18/17	26,093	07/07/17	26,093	-	-	06/15/18	
2796	PARK CITY HIGH SCHOOL DISTRICT	Replace roofs on high school and vo-ag b	5	10/27/17	256,202	07/27/18	256,202	(0)	-	06/15/22	
2798	CORVALLIS SCHOOL DISTRICT #1	Property Purchase	5	11/14/17	1,525,000	06/22/18	1,525,000	-	-	06/15/23	
2807	HELENA ELEMENTARY SCHOOL DISTRICT	Broadwater Elementary School roof repla	6	03/06/18	757,799	01/25/19	757,799	-	-	02/15/24	
2828	ST REGIS SCHOOL DISTRICT	Roofing Project	15	08/08/18	225,000	10/12/18	225,000	-	-	06/15/33	
2859	BIG SKY SCHOOL DISTRICT #72	building on-campus teacher/staff housing	5	06/19/19	518,127	08/09/19	518,127	-	-	08/15/24	
2973	HINSDALE ELEMENTARY SCHOOL DISTRICT	Building improvements	10	08/03/22	332,561	08/25/23	332,561	-	265,598	06/15/33	
2974	HINSDALE HIGH SCHOOL DISTRICT	Building improvements	10	08/03/22	805,975	08/25/23	589,952	216,023	481,388	06/15/33	
2975	WEST YELLOWSTONE K-12 SCHOOL DISTRICT	land purchase for 4-6 plex	10	08/03/22	1,500,000	06/09/23	1,500,000	-	1,203,153	06/15/32	
2999	OLNEY-BISSELL SCHOOL DISTRICT	Building improvements	15	05/03/23	499,881	07/28/23	499,881	-	452,848	06/15/38	
3013	PARK CITY HIGH SCHOOL DISTRICT	Vo-Ag building renovation	5	09/28/23	350,000	12/01/23	350,000	-	205,341	06/15/28	
3039	COLUMBIA FALLS HIGH SCHOOL DISTRICT	Building repairs	2	04/10/24	1,263,364	10/18/24	1,263,364	-	-	06/15/26	
3059	MALTA SCHOOL DISTRICT	Roof/HVAC repairs	8	09/17/24	500,000	01/03/25	500,000	-	444,872	06/15/32	
<b>BUILDING RESERVE - VOTED Total</b>					<b>10,435,039</b>	<b>34%</b>	<b>10,219,016</b>	<b>216,023</b>	<b>3,053,199</b>	<b>24%</b>	
2862	BEAVERHEAD COUNTY HIGH SCHOOL DISTRICT	finance remaining construction and impro	5	07/01/19	550,000	06/05/20	550,000	-	-	06/15/25	
2962	THREE FORKS ELEMENTARY SCHOOL DISTRICT	Construction and improvements education	7	05/05/22	895,000	06/24/22	895,000	-	461,247	06/15/29	
<b>GENERAL OBLIGATION TOTAL</b>					<b>1,445,000</b>	<b>5%</b>	<b>1,445,000</b>	<b>-</b>	<b>461,247</b>	<b>4%</b>	
2717	CASCADE HIGH SCHOOL DISTRICT	Cash flow	1	06/09/16	116,079	07/08/16	116,079	-	-	06/15/17	
2718	CASCADE ELEMENTARY SCHOOL DISTRICT	Cash flow	1	06/09/16	103,410	07/08/16	103,410	-	-	06/15/17	
3090	HOT SPRINGS SCHOOL DISTRICT	Cash flow	1	09/17/25	175,000	10/31/25	175,000	-	175,000	06/15/26	
<b>SHORT TERM TOTAL</b>					<b>394,489</b>	<b>1%</b>	<b>394,489</b>	<b>-</b>	<b>175,000</b>	<b>1%</b>	
<b>Totals from April 1, 2016 to February 28, 2026</b>					<b>30,496,818</b>		<b>29,781,912</b>	<b>714,906</b>	<b>12,573,210</b>		
Percent of total portfolio from April 2016 to Feb. 2026					12%		13%	3%	19%		
ENTIRE PORTFOLIO LAST 10 YEARS					255,918,747		230,926,120	24,992,628	64,948,721		
ENTIRE PORTFOLIO since program inception					765,792,273		740,799,645	24,992,628	67,230,595		