

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Independent Auditor's Report and Financial Statements
June 30, 2015 and 2014



Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
June 30, 2015 and 2014

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Independent Auditor's Report

The Board of Trustees
Nebraska State Colleges Student Fees and Facilities Revenue and Refunding Bond Program
Lincoln, Nebraska

We have audited the accompanying basic financial statements, which are comprised of statements of net position as of June 30, 2015 and 2014, and the related statements of revenues, expenses and changes in net position and of cash flows for the years then ended and the related notes to the basic financial statements, as listed in the table of contents, of the Nebraska State Colleges Student Fees and Facilities Revenue and Refunding Bond Program (the Program), a program of the Nebraska State College System.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Nebraska State Colleges Student Fees and Facilities Revenue and Refunding Bond Program as of June 30, 2015 and 2014, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Program's basic financial statements. Schedules 1-5, 7 and 8, listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. Schedules 6 and 9 listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

BKD, LLP

Lincoln, Nebraska
October 23, 2015

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Statements of Net Position
June 30, 2015 and 2014

Assets and Deferred Outflow of Resources	<u>2015</u>	<u>2014</u>
Current Assets		
Restricted cash and cash equivalents	\$ 17,635,924	\$ 15,082,010
Accounts receivable, net	466,591	561,647
Interest receivable	18,460	17,654
Prepaid expenses and other charges	2,973	6,545
Deposit with vendor	18,658	6,780
Total current assets	<u>18,142,606</u>	<u>15,674,636</u>
Noncurrent Assets		
Restricted cash and cash equivalents	2,235,170	4,596,086
Capital assets, net of accumulated depreciation	39,148,759	37,686,345
Total noncurrent assets	<u>41,383,929</u>	<u>42,282,431</u>
Total assets	<u>59,526,535</u>	<u>57,957,067</u>
Deferred Outflow of Resources		
Unamortized bond refunding amount, net	47,293	51,070
Total deferred outflow of resources	<u>47,293</u>	<u>51,070</u>
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	1,081,473	1,394,048
Accrued compensated absences	21,825	21,656
Unearned revenue	317,162	318,335
Interest payable	346,111	304,245
Capital lease payable-current portion	32,283	-
Revenue bonds payable-current portion	1,515,000	885,000
Deposits held in custody for others	700	4,800
Other	4,100	837
Total current liabilities	<u>3,318,654</u>	<u>2,928,921</u>
Noncurrent Liabilities		
Accrued compensated absences	289,965	287,710
Unearned revenue	883,528	1,198,085
Capital lease payable, net of current portion	96,634	-
Revenue bonds payable, net of current portion	25,407,913	26,917,391
Total noncurrent liabilities	<u>26,678,040</u>	<u>28,403,186</u>
Total liabilities	<u>29,996,694</u>	<u>31,332,107</u>
Net Position		
Net investment in capital assets	14,002,452	13,369,094
Restricted		
Expendable		
Debt service	1,516,118	885,037
By enabling legislation	14,058,564	12,421,899
Total net position	<u>\$ 29,577,134</u>	<u>\$ 26,676,030</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Statements of Revenues, Expenses and Changes in Net Position
Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating Revenues		
Rentals	\$ 7,965,011	\$ 7,589,301
Food service	8,957,884	8,515,661
Food service commission	68,845	73,119
Facilities fees	3,179,003	3,055,548
Application fee	83,700	92,000
Bookstore	225,944	276,717
Parking permits	84,267	82,357
Vending	80,705	63,057
Recreation center	10,130	8,590
Other	117,128	134,486
	<u>20,772,617</u>	<u>19,890,836</u>
Operating Expenses		
Compensation and benefits	4,592,912	4,504,252
Contractual services	474,625	351,952
Supplies and materials	941,047	950,695
Depreciation	1,604,386	1,515,366
Utilities	1,762,759	1,869,541
Repairs and maintenance	1,825,930	2,616,188
Communications	252,130	258,670
Food service	5,833,914	5,605,751
Other	122,451	68,214
	<u>17,410,154</u>	<u>17,740,629</u>
Operating Income	<u>3,362,463</u>	<u>2,150,207</u>
Nonoperating Revenue (Expenses)		
Investment income	226,888	177,712
Interest expense	(684,267)	(716,651)
Bond issuance costs	-	(61,930)
Loss on disposal of asset	-	(87,232)
Other nonoperating expenses	(3,980)	(6,179)
	<u>(461,359)</u>	<u>(694,280)</u>
Net nonoperating expenses	<u>(461,359)</u>	<u>(694,280)</u>
Increase in Net Position	2,901,104	1,455,927
Net Position, Beginning of Year	<u>26,676,030</u>	<u>25,220,103</u>
Net Position, End of Year	<u>\$ 29,577,134</u>	<u>\$ 26,676,030</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Statements of Cash Flows
Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating Activities		
Rentals	\$ 7,963,468	\$ 7,504,208
Food service	8,709,456	8,559,388
Food service commission	65,757	73,119
Facilities fees	3,162,881	3,050,100
Application fee	83,560	91,800
Bookstore	237,139	265,081
Parking permits	84,236	82,451
Vending	63,236	17,677
Recreation center	10,130	8,590
Payment to vendors	(11,103,686)	(11,854,257)
Payments to employees	(4,607,420)	(4,507,952)
Other	127,197	129,932
	<u>4,795,954</u>	<u>3,420,137</u>
Net cash provided by operating activities		
Capital and Related Financing Activities		
Proceeds from bonds	-	4,270,000
Purchase of capital assets	(3,291,147)	(4,299,367)
Principal paid on bonds payable	(885,000)	(6,450,000)
Interest paid on capital lease	(2,817)	-
Interest paid on bonds payable	(650,692)	(790,793)
Bond issuance costs	-	(61,930)
Other	(2,000)	(6,179)
	<u>(4,831,656)</u>	<u>(7,338,269)</u>
Net cash used in capital and related financing activities		
Investing Activities		
Investment income	228,700	180,733
	<u>228,700</u>	<u>180,733</u>
Net cash provided by investing activities		
Increase (Decrease) in Cash and Cash Equivalents	192,998	(3,737,399)
Cash and Cash Equivalents, Beginning of Year	<u>19,678,096</u>	<u>23,415,495</u>
Cash and Cash Equivalents, End of Year	<u>\$ 19,871,094</u>	<u>\$ 19,678,096</u>
Reconciliation of Cash and Cash Equivalents to the Statements of Net Position		
Restricted cash and cash equivalents - current	\$ 17,635,924	\$ 15,082,010
Restricted cash and cash equivalents - noncurrent	2,235,170	4,596,086
	<u>\$ 19,871,094</u>	<u>\$ 19,678,096</u>
Total cash and cash equivalents		

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Statements of Cash Flows - Continued
Years Ended June 30, 2015 and 2014

	2015	2014
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities		
Operating income	\$ 3,362,463	\$ 2,150,207
Depreciation expense	1,604,386	1,515,366
Changes in operating assets and liabilities		
Accounts receivable	93,076	(94,435)
Prepays	(8,306)	26,185
Unearned revenue	(315,730)	61,847
Accounts payable and accrued liabilities	56,878	(238,363)
Accrued compensated absences	2,424	(23,632)
Other assets and liabilities	763	22,962
	\$ 4,795,954	\$ 3,420,137
Net Cash Provided by Operating Activities		
Supplemental Cash Flows Information		
Accounts payable incurred for capital asset purchases	\$ 376,940	\$ 747,993

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 1: Description of the Entity and Program

The Board of Trustees (the Board) of the Nebraska State College System (NSCS) was established in 1919 under a provision of the state constitution. The Board has seven members, six of whom are appointed by the governor to six-year terms with legislative approval. The Nebraska Commissioner of Education serves as an ex-officio member. The Board is responsible for policy and oversight of Nebraska's three state Colleges: Chadron State College (established in 1911), Peru State College (established in 1867), and Wayne State College (established in 1910).

The Board, for the benefit of the Nebraska State Colleges, issues bonds to finance the construction, repair, and maintenance of revenue bond buildings owned and operated by the three state colleges (the Colleges). The Student Fees and Facilities Revenue and Refunding Bond Program (the Program) provides funding for general operations as well as funding for various construction and renovation projects as specified by the individual bond documents. The Program is designed to provide greater flexibility to finance revenue bond projects at the three Colleges. The current revenue bond master resolution was approved in 2002 by the Board.

Note 2: Basis of Presentation

The accompanying financial statements of the Program, which include Bond Series 2003, 2010, 2011, 2012, 2013, and 2014, have been prepared in accordance with U.S. generally accepted accounting principles, as prescribed by the Governmental Accounting Standards Board (GASB) using the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange transaction takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange activities are recognized when all applicable eligibility requirements are met. Nonexchange transactions that are not program specific, investment income, and interest on capital asset-related debt are included in nonoperating revenues and expenses.

Note 3: Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents are stated at fair value. Cash and cash equivalents held by the Nebraska State Treasurer are deposited on a pooled basis in a State fund. Income earned by the pool is allocated to the Program based upon average daily balances. From time to time, the Nebraska State Investment Officer, as allowed by statute, participates in securities lending transactions, which make use of amounts on deposit from the Program. Securities lending transactions cannot be

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 3: Summary of Significant Accounting Policies - Continued

Cash and Cash Equivalents - Continued

specifically identified as amounts on deposit from the Program and, as such, are not included in the financial statements for the years ended June 30, 2015 and 2014.

The Program considers all liquid investments with original maturities of three months or less to be cash equivalents. At June 30, 2015 and 2014, cash equivalents consisted of money market accounts held by the bond trustee and pooled funds invested by the Nebraska State Investment Officer. All amounts are considered restricted, either for debt service or by enabling legislation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred inflows and outflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expense, and other changes in net position during the reporting period. Actual results could differ from those estimates.

Accounts Receivable

The Program's accounts receivable consist primarily of charges for student room and board and facilities fees, charges for room and board for various summer camps, a guaranteed bookstore commission, and vending contract receivable. The accounts receivable for charges for student room and board and facilities fees are recorded net of estimated uncollectible amounts. The allowance for uncollectible amounts was \$373,654 and \$334,952 at June 30, 2015 and 2014, respectively. Management does not believe an allowance for doubtful accounts is necessary for the other accounts receivable at June 30, 2015 and 2014.

Capital Assets

The Program's capital assets are recorded at cost as of the date of acquisition, or fair value at the date of donation if acquired by gift. The Program follows the capitalization policy set forth by the Board for the NSCS. Generally, equipment that has a cost in excess of \$5,000 at the date of acquisition and has an expected useful life of two or more years is capitalized. Also, all land, buildings, infrastructure and construction in progress are capitalized if they are expected to meet the Program's capitalization threshold as dictated by the capitalization policy. In addition, interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. Art objects, specimens, artifacts, and collections are expensed so long as the items meet three conditions in accordance with GASB 34. Asset depreciation is computed

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 3: Summary of Significant Accounting Policies - Continued

Capital Assets - Continued

using the straight-line method over the estimated useful life of each asset beginning with the month of purchase. The following estimated useful lives are being used by the NSCS:

Buildings and improvements	25-50 years
Infrastructure	10-30 years
Furniture, fixtures and equipment	3-10 years

Compensated Absences

The NSCS's policies permit most employees to accumulate vacation benefits. Staff earn 12 to 25 days of vacation each year and may accrue vacation up to the maximums established in Board policy and/or in the respective bargaining agreements. An employee's accrued vacation is paid out to the employee upon termination. Expense and the related liability are recognized as vacation benefits when earned whether the employee is expected to realize the benefit as time off or cash. In addition, professional and support staff receive a cash payment of one-fourth of accrued sick leave upon retirement from the NSCS. Expense and the related liability for sick leave benefits are recognized when earned to the extent the employee is expected to realize the benefit in cash determined using the termination payment method. Sick leave benefits expected to be realized as paid time off are recognized as an expense when the time off occurs.

Unearned Revenue

Unearned revenue represents facilities fees collected in advance for the summer term for which the College has not met all the applicable eligibility requirements and longevity bonus revenues and investment (improvement) revenues from food service and/or vending contractors, which are being amortized over the life of the contracts.

Income Taxes

As a state institution, the income of the NSCS and the Program is generally exempt from federal and state income taxes under Section 115(a) of the Internal Revenue Code and provisions of state law. However, the NSCS and the Program is subject to federal income tax on any unrelated business taxable income.

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 3: Summary of Significant Accounting Policies - Continued

Deferred Outflows of Resources and Deferred Inflows of Resources

A deferred outflow of resources is a consumption of net position by the Program that is applicable to a future reporting period and a deferred inflow of resources is an acquisition of net position by the Program that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate. Deferred outflows of resources of the Program consist of unamortized bond refunding amounts. The Program has no deferred inflows of resources as of June 30, 2015 and 2014.

Classification of Revenues and Expenses

The Program has classified its revenues and expenses as either operating or nonoperating according to the following criteria:

Operating revenues include activities that have the characteristics of exchange transactions, such as 1) student tuition and fees, net of waivers and 2) sales and services of auxiliary enterprises. Operating expenses represent the full cost of providing the services and goods associated with operating revenues. These expenses are accrued when incurred and measurable.

Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions and investment income. Nonoperating expenses include debt service expenses.

Application of Restricted and Unrestricted Resources

When both restricted and unrestricted resources are available for use, it is the Program's policy to use restricted resources first, and then unrestricted resources as they are needed.

Net Position

Net position of the Program is required to be classified into three components – net investment in capital assets, restricted, and unrestricted. The Program has no unrestricted net position component as any Program revenues not restricted by other sources are restricted for the purpose of the operation and maintenance of the Program per enabling legislation. The Program's net position is classified as follows:

The net investment in capital assets component of net position represents the total investment in capital assets, net of accumulated depreciation and outstanding debt obligations related to the acquisition, construction or improvement of those capital assets. Deferred outflows and inflows of resources that are attributable to the acquisition, construction or improvement of those assets, if any, are included in this component of net position. If there are significant unspent related debt

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 3: Summary of Significant Accounting Policies - Continued

Net Position - Continued

proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets.

The restricted expendable component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), contributors, or law or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Waivers

Room and board are reported net of institutional waiver allowances in the statement of revenues, expenses and changes in net position. The institutional waivers on room and board for the Program for the years ended June 30, 2015 and 2014, were approximately \$1,698,000 and \$1,498,000, respectively.

Reclassifications

Certain reclassifications have been made to the 2014 financial statements to conform to the 2015 financial statement presentation. These reclassifications had no effect on change in net position.

Note 4: Cash and Cash Equivalents

Deposits

All Program deposits are either insured or collateralized. By state statute, the State Treasurer is required to ensure that all state funds are either insured by Federal Deposit Insurance Corporation (FDIC), collateralized by securities held by the cognizant Federal Reserve Bank, or invested in U.S. government obligations. The Program's deposits with the State Treasurer are pooled with the funds of other state agencies and then, in accordance with statutory limitations, deposited in banks or invested as the State Treasurer may determine. Interest on funds held by the State Treasurer is periodically disbursed to the participating agencies. These funds are considered to be cash and cash equivalents which are available for expenditures as needed.

At June 30, 2015 and 2014, cash and cash equivalents of \$11,568,048 and \$10,794,292 on the statements of net position represent the Program's equity position in the State Treasurer's Short-Term Investment Pool (STIP). Additional information on the deposit and investment risk associated with STIP funds may be obtained from the State of Nebraska's Comprehensive Annual Financial Report (CAFR). An electronic version of this report is available by accessing the Nebraska Auditor of Public Accounts website (www.auditor.nebraska.gov) and clicking "APA Reports Issued."

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 4: Cash and Investments - Continued

Cash Equivalents

At June 30, 2015 and 2014, the Program has money market mutual funds and cash accounts held by the bond trustee totaling \$8,303,046 and \$8,883,804, respectively, which were entirely covered by collateral in the trustee's name. Management of these assets of the Program is delegated to the bond trustee as appointed by the Board. All money market mutual funds are redeemable in full immediately and are shown as restricted cash and cash equivalents in the statements of net position as they are held for the Program's debt service and expenditures. The money market mutual funds held by the bond trustee are rated AAAM by S&P and Aaa by Moody's.

Note 5: Capital Assets

The Program's capital assets activity for the year ended June 30, 2015, was:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Assets					
Land	\$ 498,649	\$ -	\$ -	\$ -	\$ 498,649
Building and improvements	59,964,255	670	-	6,669,187	66,634,112
Equipment	664,152	203,841	(5,660)	-	862,333
Infrastructure	605,252	977	-	10,900	617,129
Construction in progress	5,184,528	2,861,312	-	(6,680,087)	1,365,753
Total assets	66,916,836	3,066,800	(5,660)	-	69,977,976
Accumulated depreciation					
Building and improvements	28,728,470	1,500,859	-	-	30,229,329
Equipment	390,492	66,035	(5,660)	-	450,867
Infrastructure	111,529	37,492	-	-	149,021
Total accumulated depreciation	29,230,491	1,604,386	(5,660)	-	30,829,217
Net capital assets	\$ 37,686,345	\$ 1,462,414	\$ -	\$ -	\$ 39,148,759

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 5: Capital Assets - Continued

The Program's capital assets activity for the year ended June 30, 2014, was:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Assets					
Land	\$ 498,649	\$ -	\$ -	\$ -	\$ 498,649
Building and improvements	59,805,981	-	(205,246)	363,520	59,964,255
Equipment	464,502	34,521	-	165,129	664,152
Infrastructure	307,108	-	-	298,144	605,252
Construction in progress	<u>1,144,577</u>	<u>4,866,744</u>	<u>-</u>	<u>(826,793)</u>	<u>5,184,528</u>
Total assets	62,220,817	4,901,265	(205,246)	-	66,916,836
Accumulated depreciation					
Building and improvements	27,570,141	1,371,288	(118,014)	(94,945)	28,728,470
Equipment	184,768	110,779	-	94,945	390,492
Infrastructure	<u>78,230</u>	<u>33,299</u>	<u>-</u>	<u>-</u>	<u>111,529</u>
Total accumulated depreciation	<u>27,833,139</u>	<u>1,515,366</u>	<u>(118,014)</u>	<u>-</u>	<u>29,230,491</u>
Net capital assets	<u>\$ 34,387,678</u>	<u>\$ 3,385,899</u>	<u>\$ (87,232)</u>	<u>\$ -</u>	<u>\$ 37,686,345</u>

Interest expense capitalized, net of related interest income for the Program, was \$14,447 and \$55,376 for the fiscal years ended June 30, 2015 and 2014, respectively.

Note 6: Long-Term Liabilities

The following is a summary of long-term obligation transactions for the Program for the year ended June 30, 2015:

	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Accrued compensated absences	\$ 309,366	\$ 21,825	\$ (19,401)	\$ 311,790	\$ 21,825
Capital lease payable	-	131,588	(2,671)	128,917	32,283
Bonds payable	27,900,000	-	(885,000)	27,015,000	1,515,000
Bond premium, net of accumulated amortization	39,017	-	(2,787)	36,230	-
Bond discount, net of accumulated amortization	<u>(136,626)</u>	<u>-</u>	<u>8,309</u>	<u>(128,317)</u>	<u>-</u>
Total long-term liabilities	<u>\$ 28,111,757</u>	<u>\$ 153,413</u>	<u>\$ (901,550)</u>	<u>\$ 27,363,620</u>	<u>\$ 1,569,108</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 6: Long-Term Liabilities - Continued

The following is a summary of long-term obligation transactions for the Program for the year ended June 30, 2014:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Accrued compensated absences	\$ 332,997	\$ 21,656	\$ (45,287)	\$ 309,366	\$ 21,656
Bonds payable	30,080,000	4,270,000	(6,450,000)	27,900,000	885,000
Bond premium, net of accumulated amortization	-	39,249	(232)	39,017	-
Bond discount, net of accumulated amortization	(147,816)	-	11,190	(136,626)	-
Total long-term liabilities	<u>\$ 30,265,181</u>	<u>\$ 4,330,905</u>	<u>\$ (6,484,329)</u>	<u>\$ 28,111,757</u>	<u>\$ 906,656</u>

Note 7: Capital Lease

The State of Nebraska, through the Department of Administrative Services (DAS) – Accounting Division, has a Master Lease Agreement to be used by various agencies to purchase equipment. Peru State College used this financing arrangement to finance equipment for their wireless internet upgrade. Payback of this lease will be funded 43% through the Program and 57% through Peru State College general funds. Peru State College’s Master Lease expires in fiscal year 2019.

Future minimum Master Lease payments for the Program as of June 30, 2015, were:

Year(s) ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 32,283	\$ 1,511	\$ 33,794
2017	32,713	1,081	33,794
2018	33,148	645	33,793
2019	30,773	204	30,977
	<u>\$ 128,917</u>	<u>\$ 3,441</u>	<u>\$ 132,358</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 8: Revenue and Refunding Bonds Outstanding

Under the bond resolutions for the Student Fees and Facilities Revenue and Refunding Bond Program, revenues and earnings derived from operations of all revenue facilities and special student fees are pledged for payment of the principal and interest amount of the bonds. The bonds are not obligations of the State of Nebraska, and no tax funds shall be appropriated for payment of principal and interest.

Student Fees and Facilities Revenue Bonds Series 2003

In June 2003, the Board authorized the issuance of \$6,910,000 of Student Fees and Facilities Revenue Bonds Series 2003 (Series 2003A - \$5,085,000 and Series 2003B - \$1,825,000). The purpose of the issuance was to finance improvements to the Colleges' facilities.

Bonds maturing on or after July 1, 2014, were redeemable on or after July 1, 2013. On June 5, 2014, the Series 2003B debt, with principal outstanding of \$755,000, was extinguished while Series 2003A debt, with principal outstanding of \$4,490,000, was refunded using Student Fees and Facilities Revenue and Refunding Bonds Series 2014 proceeds.

Student Fees and Facilities Revenue Bonds Series 2010

In September 2010, the Board authorized the issuance of \$5,000,000 of Student Fees and Facilities Revenue Bonds Series 2010. The purpose of the issuance was to finance improvements to Wayne State's Pile Hall.

Bonds outstanding as of June 30, 2015 and 2014, totaled \$4,135,000 and \$4,340,000, respectively. Annual principal installments are due on July 1 in variable amounts ranging from \$210,000 to \$275,000 through July 1, 2025, and term bonds of \$1,535,000 due on July 1, 2030, with mandatory sinking fund redemption payments ranging from \$285,000 to \$330,000, with interest ranging from 1.60% to 4.00%.

Bonds maturing on or after July 1, 2016, are able to be redeemed, in part or in whole, on or after January 1, 2016.

Student Fees and Facilities Revenue Bonds Series 2011

In November 2010, the Board authorized the issuance of \$3,600,000 of Student Fees and Facilities Revenue Bonds Series 2011. The purpose of the issuance was to finance improvements to Peru State's Morgan Hall.

Bonds outstanding as of June 30, 2015 and 2014, totaled \$3,190,000 and \$3,330,000, respectively. Annual principal installments are due on July 1 in variable amounts ranging from \$140,000 to \$205,000 through July 1, 2026, and term bonds of \$1,185,000 due on July 1, 2031, with mandatory sinking fund redemption payments ranging from \$215,000 to \$260,000, with interest ranging from 2.00% to 5.05%.

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 8: Revenue and Refunding Bonds Outstanding - Continued

Student Fees and Facilities Revenue Bonds Series 2011 - Continued

Bonds maturing on or after July 1, 2017, are able to be redeemed, in part or in whole, on or after July 1, 2016.

Student Fees and Facilities Revenue and Refunding Bonds Series 2012

In April 2012, the Board authorized the issuance of \$8,750,000 of Student Fees and Facilities Revenue and Refunding Bonds Series 2012 (Series 2012A - \$6,045,000 and Series 2012B - \$2,705,000). The purpose of the issuance was to redeem in full the outstanding principal amount of the Student Fees and Facilities Revenue and Refunding Bonds Series 2002.

On July 1, 2012, the net proceeds from Series 2012 bonds were used to redeem the Series 2002 bonds. This advanced refunding reduced total debt service payments over the remaining 15 years by \$2,264,673. Bond refunding resulted in an estimated economic gain of \$1,515,352. The difference between the reacquisition price and the net carrying amount of the old debt has been deferred and is amortized over the remaining life of the new debt, which is same as the life of the refunded debt.

Bonds outstanding as of June 30, 2015 and 2014, totaled \$7,685,000 and \$8,225,000, respectively, and consisted of Series 2012A (Wayne State College Project - \$5,305,000 and \$5,680,000, respectively) and Series 2012B (Peru State College Project - \$2,380,000 and \$2,545,000, respectively). Annual principal installments are due on July 1. Series 2012A annual installments range from \$380,000 to \$460,000 through July 1, 2027, with interest rates ranging from 0.60% to 3.20%. Series 2012B annual installments range from \$165,000 to \$205,000 through July 1, 2027, with interest rates ranging from 0.60% to 3.20%.

Bonds maturing on or after July 1, 2018, are able to be redeemed, in part or in whole, on or after July 1, 2017.

Student Fees and Facilities Revenue Bonds Series 2013

In September 2012, the Board authorized the issuance of \$7,735,000 of Student Fees and Facilities Revenue Bonds Series 2013. The purpose of the issuance was to finance the construction of Chadron State's Eagle Ridge housing and maintenance to several revenue bond building roofs.

Bonds outstanding as of both June 30, 2015 and 2014, totaled \$7,735,000. Annual principal installments are due on July 1 in variable amounts ranging from \$355,000 to \$435,000 through July 1, 2028, and term bonds of \$2,360,000 due on July 1, 2033, with mandatory sinking fund redemption payments ranging from \$445,000 to \$500,000, with interest ranging from 0.60% to 3.00%.

Bonds maturing on or after July 1, 2018, are able to be redeemed, in part or in whole, on or after January 3, 2018.

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 8: Revenue and Refunding Bonds Outstanding - Continued

Student Fees and Facilities Revenue Refunding Bonds Series 2014

In April 2014, the Board authorized the issuance of \$4,270,000 of Student Fees and Facilities Revenue and Refunding Bonds Series 2014. The purpose of the issuance was to redeem in full the outstanding principal amount of the Student Fees and Facilities Revenue and Refunding Bonds Series 2003A.

On June 5, 2014, the net proceeds from Series 2014 bonds were used to redeem the Series 2003A bonds. This current refunding reduced total debt service payments over the remaining 14 years by \$1,085,523. Bond refunding resulted in an estimated economic gain of \$654,661. The difference between the reacquisition price and the net carrying amount of the old debt has been deferred and is amortized over the remaining life of the new debt, which is same as the life of the refunded debt.

Bonds outstanding as of June 30, 2015 and 2014, totaled \$4,270,000. Annual principal installments are due on July 1 in variable amounts ranging from \$265,000 to \$360,000 through July 1, 2028, with interest ranging from 0.35% to 4.00%.

Bonds maturing on or after July 1, 2020, are able to be redeemed, in part or in whole, on or after July 1, 2019.

Bond Maturities

Maturities of revenue and refunding bonds outstanding and related interest payments as of June 30, 2015, are as follows:

<u>Chadron State College</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year(s) ending June 30:			
2016	\$ 620,000	\$ 266,471	\$ 886,471
2017	630,000	262,786	892,786
2018	635,000	256,604	891,604
2019	640,000	247,888	887,888
2020	655,000	238,108	893,108
2021 – 2025	3,435,000	978,861	4,413,861
2026 – 2030	3,475,000	519,735	3,994,735
2031 – 2034	1,915,000	116,925	2,031,925
	<u>\$ 12,005,000</u>	<u>\$ 2,887,378</u>	<u>\$ 14,892,378</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 8: Revenue and Refunding Bonds Outstanding - Continued

Bond Maturities - Continued

<u>Peru State College</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year(s) ending June 30:			
2016	\$ 305,000	\$ 178,960	\$ 483,960
2017	320,000	174,741	494,741
2018	315,000	169,646	484,646
2019	325,000	163,531	488,531
2020	330,000	156,318	486,318
2021 – 2025	1,795,000	633,590	2,428,590
2026 – 2030	1,670,000	295,308	1,965,308
2031 – 2032	510,000	26,008	536,008
	<u>\$ 5,570,000</u>	<u>\$ 1,798,102</u>	<u>\$ 7,368,102</u>

<u>Wayne State College</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year(s) ending June 30:			
2016	\$ 590,000	\$ 240,357	\$ 830,357
2017	595,000	234,070	829,070
2018	590,000	226,362	816,362
2019	605,000	217,021	822,021
2020	620,000	205,921	825,921
2021 – 2025	3,295,000	798,654	4,093,654
2026 – 2030	2,815,000	280,571	3,095,571
2031	330,000	6,600	336,600
	<u>\$ 9,440,000</u>	<u>\$ 2,209,556</u>	<u>\$ 11,649,556</u>

<u>Nebraska State Colleges (Total)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year(s) ending June 30:			
2016	\$ 1,515,000	\$ 685,788	\$ 2,200,788
2017	1,545,000	671,597	2,216,597
2018	1,540,000	652,612	2,192,612
2019	1,570,000	628,440	2,198,440
2020	1,605,000	600,347	2,205,347
2021 – 2025	8,525,000	2,411,105	10,936,105
2026 – 2030	7,960,000	1,095,614	9,055,614
2031 – 2034	2,755,000	149,533	2,904,533
	<u>\$ 27,015,000</u>	<u>\$ 6,895,036</u>	<u>\$ 33,910,036</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 8: Revenue and Refunding Bonds Outstanding - Continued

Bond Covenants

The bond resolution requires the revenues of the facilities paid into the revenue bond fund during any fiscal year shall, after deducting from these the costs of operations and maintenance of the facilities and food service costs during such fiscal year, be at least equal to 110% of the amount of principal and interest maturing during such year. Board policy is more restrictive than the bond resolution and requires Chadron State College and Wayne State College maintain a minimum 125% debt service coverage and Peru State College maintain a 135% debt service coverage ratio. The debt service coverage for the years ended June 30, 2015 and 2014, was as follows:

	2015	2014
Chadron State College	875 %	331 %
Peru State College	332 %	292 %
Wayne State College	371 %	272 %

Note 9: Pension Plan

The Nebraska State Colleges have a defined contribution retirement plan currently in effect, which was established by the Board of Trustees and may be amended by the Board in accordance with Neb. Rev. Stat. § 85-320 (Reissue 2008). The plan covers all faculty, professional staff, and support staff, and provides investment options and annuity contracts administered by the Teachers Insurance and Annuity Association - College Retirement Equities Fund (TIAA-CREF). The plan provides retirement and death benefits to plan members and their beneficiaries. Benefit provisions are contained in the plan document and may be amended by action of the Board of Trustees. Contribution rates for both 2015 and 2014, expressed as a percentage of covered payroll, were 6% for plan members and 8% for the Nebraska State Colleges. Contributions actually made for the fiscal year ended June 30, 2015 and 2014, by plan members and the Nebraska State Colleges related to the Program were approximately \$136,700 and \$182,300; and \$140,600 and \$187,400, respectively. A total of 101 and 96 Program employees participated in the plan during fiscal years 2015 and 2014, respectively.

Membership in the plan was mandatory for all full-time faculty and staff who attained the age of thirty. Voluntary membership is permitted for all full-time faculty and staff upon reaching the second anniversary of their employment and the attainment of age twenty-five. The plan benefits are fully vested at the date of contribution.

The NSCS also sponsors a supplemental retirement annuity (SRA) plan, Roth individual retirement account (IRA), and 457 deferred compensation supplemental plan. Program plan members contributed approximately \$20,600 to the SRA, \$7,000 to the Roth IRA, and \$0 to the 457 plan in 2015 and contributed approximately \$51,500 to the SRA, \$900 to the Roth IRA, and \$0 to the 457 plan in 2014. The NSCS does not contribute to these supplemental plans.

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

Note 10: Commitments and Contingencies

The Board has approved resolutions for capital improvements and extraordinary repairs to be made from Contingency Maintenance and Surplus Funds held by the bond fund trustee. At June 30, 2015, the unexpended balance of outstanding Board resolutions under construction commitments totaled:

Chadron State College	\$ 1,458,000
Peru State College	988,000
Wayne State College	<u>1,312,000</u>
	<u>\$ 3,758,000</u>

Included in the table above are Board-approved resolutions for capital improvements and extraordinary repairs, which were approved at the March 26, 2015 Board meeting for \$650,000, \$875,000, and \$950,000 for Chadron State College, Peru State College, and Wayne State College, respectively. These funds are restricted from use until July 1, 2015.

Supplementary Information

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Schedules of Net Position
June 30, 2015

	Chadron	Peru	Wayne	Total
Assets and Deferred Outflow of Resources				
Current Assets				
Restricted cash and cash equivalents	\$ 5,951,969	\$ 3,130,225	\$ 8,553,730	\$ 17,635,924
Accounts receivable, net	102,862	194,855	168,874	466,591
Interest receivable	4,269	1,431	12,760	18,460
Prepaid expenses and other charges	1,193	1,780	-	2,973
Deposit with vendor	18,658	-	-	18,658
Total current assets	<u>6,078,951</u>	<u>3,328,291</u>	<u>8,735,364</u>	<u>18,142,606</u>
Noncurrent Assets				
Restricted cash and cash equivalents	900,217	498,773	836,180	2,235,170
Capital assets, net of accumulated depreciation	13,036,256	7,236,321	18,876,182	39,148,759
Total noncurrent assets	<u>13,936,473</u>	<u>7,735,094</u>	<u>19,712,362</u>	<u>41,383,929</u>
Total assets	<u>20,015,424</u>	<u>11,063,385</u>	<u>28,447,726</u>	<u>59,526,535</u>
Deferred Outflow of Resources				
Unamortized bond refunding amount, net	25,426	7,789	14,078	47,293
Total deferred outflow of resources	<u>25,426</u>	<u>7,789</u>	<u>14,078</u>	<u>47,293</u>
Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities	58,277	306,975	716,221	1,081,473
Accrued compensated absences	9,732	1,644	10,449	21,825
Unearned revenue	-	-	317,162	317,162
Interest payable	134,000	90,522	121,589	346,111
Capital lease payable-current portion	-	32,283	-	32,283
Revenue bonds payable-current portion	620,000	305,000	590,000	1,515,000
Deposits held in custody for others	-	-	700	700
Other	4,100	-	-	4,100
Total current liabilities	<u>826,109</u>	<u>736,424</u>	<u>1,756,121</u>	<u>3,318,654</u>
Noncurrent Liabilities				
Accrued compensated absences	129,305	21,837	138,823	289,965
Unearned revenue	-	-	883,528	883,528
Capital lease payable, net of current portion	-	96,634	-	96,634
Revenue bonds payable, net of current portion	11,335,410	5,251,853	8,820,650	25,407,913
Total non-current liabilities	<u>11,464,715</u>	<u>5,370,324</u>	<u>9,843,001</u>	<u>26,678,040</u>
Total liabilities	<u>12,290,824</u>	<u>6,106,748</u>	<u>11,599,122</u>	<u>29,996,694</u>
Net Position				
Net investment in capital assets	1,985,569	1,867,814	10,149,069	14,002,452
Restricted				
Expendable				
Debt service	621,058	305,032	590,028	1,516,118
By enabling legislation	5,143,399	2,791,580	6,123,585	14,058,564
Total net position	<u>\$ 7,750,026</u>	<u>\$ 4,964,426</u>	<u>\$ 16,862,682</u>	<u>\$ 29,577,134</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Schedules of Net Position
June 30, 2014

	Chadron	Peru	Wayne	Total
Assets and Deferred Outflow of Resources				
Current Assets				
Restricted cash and cash equivalents	\$ 4,683,462	\$ 2,440,489	\$ 7,958,059	\$ 15,082,010
Accounts receivable, net	242,520	134,447	184,680	561,647
Interest receivable	3,487	1,333	12,834	17,654
Prepaid expenses and other charges	1,155	5,390	-	6,545
Deposit with vendor	6,780	-	-	6,780
Total current assets	<u>4,937,404</u>	<u>2,581,659</u>	<u>8,155,573</u>	<u>15,674,636</u>
Noncurrent Assets				
Restricted cash and cash equivalents	2,895,089	498,773	1,202,224	4,596,086
Capital assets, net of accumulated depreciation	11,997,964	6,956,599	18,731,782	37,686,345
Total noncurrent assets	<u>14,893,053</u>	<u>7,455,372</u>	<u>19,934,006</u>	<u>42,282,431</u>
Total assets	<u>19,830,457</u>	<u>10,037,031</u>	<u>28,089,579</u>	<u>57,957,067</u>
Deferred Outflow of Resources				
Unamortized bond refunding amount, net	27,381	8,438	15,251	51,070
Total deferred outflow of resources	<u>27,381</u>	<u>8,438</u>	<u>15,251</u>	<u>51,070</u>
Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities	857,494	97,944	438,610	1,394,048
Accrued compensated absences	9,093	2,599	9,964	21,656
Unearned revenue	-	-	318,335	318,335
Interest payable	88,697	91,877	123,671	304,245
Revenue bonds payable-current portion	-	305,000	580,000	885,000
Deposits held in custody for others	-	2,500	2,300	4,800
Other	837	-	-	837
Total current liabilities	<u>956,121</u>	<u>499,920</u>	<u>1,472,880</u>	<u>2,928,921</u>
Noncurrent Liabilities				
Accrued compensated absences	120,809	34,527	132,374	287,710
Unearned revenue	-	-	1,198,085	1,198,085
Revenue bonds payable, net of current position	11,953,429	5,555,758	9,408,204	26,917,391
Total non-current liabilities	<u>12,074,238</u>	<u>5,590,285</u>	<u>10,738,663</u>	<u>28,403,186</u>
Total liabilities	<u>13,030,359</u>	<u>6,090,205</u>	<u>12,211,543</u>	<u>31,332,107</u>
Net Position				
Net investment in capital assets	2,194,678	1,594,614	9,579,802	13,369,094
Restricted				
Expendable				
Debt service	-	305,002	580,035	885,037
By enabling legislation	4,632,801	2,055,648	5,733,450	12,421,899
Total net position	<u>\$ 6,827,479</u>	<u>\$ 3,955,264</u>	<u>\$ 15,893,287</u>	<u>\$ 26,676,030</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Schedules of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2015

	Chadron	Peru	Wayne	Total
Operating Revenues				
Rentals	\$ 2,857,450	\$ 1,606,511	\$ 3,501,050	\$ 7,965,011
Food service	2,723,687	1,534,776	4,699,421	8,957,884
Food service commission	-	-	68,845	68,845
Facilities fees	1,096,816	876,762	1,205,425	3,179,003
Application fee	32,250	15,500	35,950	83,700
Bookstore	27,796	38,148	160,000	225,944
Parking permits	-	8,340	75,927	84,267
Vending	28,872	6,415	45,418	80,705
Recreation center	-	-	10,130	10,130
Other	50,216	26,026	40,886	117,128
	<u>6,817,087</u>	<u>4,112,478</u>	<u>9,843,052</u>	<u>20,772,617</u>
Operating Expenses				
Compensation and benefits	1,731,329	607,037	2,254,546	4,592,912
Contractual services	97,541	185,347	191,737	474,625
Supplies and materials	213,100	166,125	561,822	941,047
Depreciation	463,143	295,385	845,858	1,604,386
Utilities	547,708	299,198	915,853	1,762,759
Repairs and maintenance	388,142	174,567	1,263,221	1,825,930
Communications	136,915	8,993	106,222	252,130
Food service	2,036,694	1,179,703	2,617,517	5,833,914
Other	72,132	22,770	27,549	122,451
	<u>5,686,704</u>	<u>2,939,125</u>	<u>8,784,325</u>	<u>17,410,154</u>
Operating Income	<u>1,130,383</u>	<u>1,173,353</u>	<u>1,058,727</u>	<u>3,362,463</u>
Nonoperating Revenue (Expenses)				
Investment income	48,125	18,359	160,404	226,888
Interest expense	(255,961)	(182,550)	(245,756)	(684,267)
Other nonoperating expense	-	-	(3,980)	(3,980)
	<u>(207,836)</u>	<u>(164,191)</u>	<u>(89,332)</u>	<u>(461,359)</u>
Increase in Net Position	922,547	1,009,162	969,395	2,901,104
Net Position, Beginning of Year	<u>6,827,479</u>	<u>3,955,264</u>	<u>15,893,287</u>	<u>26,676,030</u>
Net Position, End of Year	<u>\$ 7,750,026</u>	<u>\$ 4,964,426</u>	<u>\$ 16,862,682</u>	<u>\$ 29,577,134</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Schedules of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2014

	Chadron	Peru	Wayne	Total
Operating Revenues				
Rentals	\$ 2,643,800	\$ 1,572,438	\$ 3,373,063	\$ 7,589,301
Food service	2,582,061	1,445,228	4,488,372	8,515,661
Food service commission	-	-	73,119	73,119
Facilities fees	1,095,580	788,407	1,171,561	3,055,548
Application fee	32,000	18,300	41,700	92,000
Bookstore	76,423	36,294	164,000	276,717
Parking permits	-	7,025	75,332	82,357
Vending	8,962	7,246	46,849	63,057
Recreation center	-	-	8,590	8,590
Other	54,506	31,020	48,960	134,486
	<u>6,493,332</u>	<u>3,905,958</u>	<u>9,491,546</u>	<u>19,890,836</u>
Operating Expenses				
Compensation and benefits	1,565,204	596,795	2,342,253	4,504,252
Contractual services	64,651	99,312	187,989	351,952
Supplies and materials	162,185	189,041	599,469	950,695
Depreciation	406,866	293,059	815,441	1,515,366
Utilities	564,814	344,763	959,964	1,869,541
Repairs and maintenance	1,368,591	195,168	1,052,429	2,616,188
Communications	134,626	17,591	106,453	258,670
Food service	1,931,786	1,148,684	2,525,281	5,605,751
Other	58,898	22,423	(13,107)	68,214
	<u>6,257,621</u>	<u>2,906,836</u>	<u>8,576,172</u>	<u>17,740,629</u>
Operating Income	<u>235,711</u>	<u>999,122</u>	<u>915,374</u>	<u>2,150,207</u>
Nonoperating Revenue (Expenses)				
Investment income	10,732	17,097	149,883	177,712
Interest expense	(249,744)	(185,500)	(281,407)	(716,651)
Bond issuance costs	(61,930)	-	-	(61,930)
Loss on disposal of asset	(87,232)	-	-	(87,232)
Other nonoperating expense	-	-	(6,179)	(6,179)
	<u>(388,174)</u>	<u>(168,403)</u>	<u>(137,703)</u>	<u>(694,280)</u>
Increase (Decrease) in Net Position	(152,463)	830,719	777,671	1,455,927
Net Position, Beginning of Year	<u>6,979,942</u>	<u>3,124,545</u>	<u>15,115,616</u>	<u>25,220,103</u>
Net Position, End of Year	<u>\$ 6,827,479</u>	<u>\$ 3,955,264</u>	<u>\$ 15,893,287</u>	<u>\$ 26,676,030</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Schedules of Cash Flows
Year Ended June 30, 2015

	<u>Chadron</u>	<u>Peru</u>	<u>Wayne</u>	<u>Total</u>
Operating Activities				
Rentals	\$ 2,896,538	\$ 1,566,031	\$ 3,500,899	\$ 7,963,468
Food service	2,795,394	1,509,014	4,405,048	8,709,456
Food service commission	-	-	65,757	65,757
Facilities fees	1,095,706	869,922	1,197,253	3,162,881
Application fee	32,100	15,510	35,950	83,560
Bookstore	28,304	38,858	169,977	237,139
Perking permits	-	8,340	75,896	84,236
Vending	28,872	6,295	28,069	63,236
Recreation center	-	-	10,130	10,130
Payment to vendors	(3,540,387)	(2,006,814)	(5,556,485)	(11,103,686)
Payment to employees	(1,720,415)	(622,524)	(2,264,481)	(4,607,420)
Other	45,410	30,895	50,892	127,197
	<u>1,661,522</u>	<u>1,415,527</u>	<u>1,718,905</u>	<u>4,795,954</u>
Capital and Related Financing Activities				
Purchase of capital assets	(2,214,721)	(253,930)	(822,496)	(3,291,147)
Principal paid on bonds payable	-	(305,000)	(580,000)	(885,000)
Principal paid on capital lease	-	(2,817)	-	(2,817)
Interest paid on bonds payable	(223,127)	(182,305)	(245,260)	(650,692)
Other	-	-	(2,000)	(2,000)
Net cash used in capital and related financing activities	<u>(2,437,848)</u>	<u>(744,052)</u>	<u>(1,649,756)</u>	<u>(4,831,656)</u>
Investing Activities				
Investment income	49,961	18,261	160,478	228,700
Net cash provided by investing activities	<u>49,961</u>	<u>18,261</u>	<u>160,478</u>	<u>228,700</u>
Increase (Decrease) in Cash and Cash Equivalents	(726,365)	689,736	229,627	192,998
Cash and Cash Equivalents, Beginning of Year	<u>7,578,551</u>	<u>2,939,262</u>	<u>9,160,283</u>	<u>19,678,096</u>
Cash and Cash Equivalents, End of Year	<u>\$ 6,852,186</u>	<u>\$ 3,628,998</u>	<u>\$ 9,389,910</u>	<u>\$ 19,871,094</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position				
Restricted cash and cash equivalents - current	\$ 5,951,969	\$ 3,130,225	\$ 8,553,730	\$ 17,635,924
Restricted cash and cash equivalents - noncurrent	900,217	498,773	836,180	2,235,170
Total cash and cash equivalents	<u>\$ 6,852,186</u>	<u>\$ 3,628,998</u>	<u>\$ 9,389,910</u>	<u>\$ 19,871,094</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Schedules of Cash Flows - Continued
Year Ended June 30, 2015

**Reconciliation of Net Operating Income
to Net Cash Provided by Operating Activities**

	<u>Chadron</u>	<u>Peru</u>	<u>Wayne</u>	<u>Total</u>
Operating income	\$ 1,130,383	\$ 1,173,353	\$ 1,058,727	\$ 3,362,463
Depreciation expense	463,143	295,385	845,858	1,604,386
Changes in operating assets and liabilities				
Accounts receivable	139,658	(60,408)	13,826	93,076
Prepays	(11,916)	3,610	-	(8,306)
Unearned revenue	-	-	(315,730)	(315,730)
Accounts payable and accrued liabilities	(72,144)	19,732	109,290	56,878
Accrued compensated absences	9,135	(13,645)	6,934	2,424
Other assets and liabilities	3,263	(2,500)	-	763
Net Cash Provided by Operating Activities	<u>\$ 1,661,522</u>	<u>\$ 1,415,527</u>	<u>\$ 1,718,905</u>	<u>\$ 4,795,954</u>

Supplemental Cash Flows Information

Accounts payable incurred for capital asset purchases	\$ 20,920	\$ 189,299	\$ 166,721	\$ 376,940
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Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Schedules of Cash Flows
Year Ended June 30, 2014

	<u>Chadron</u>	<u>Peru</u>	<u>Wayne</u>	<u>Total</u>
Operating Activities				
Rentals	\$ 2,593,472	\$ 1,538,747	\$ 3,371,989	\$ 7,504,208
Food service	2,565,105	1,421,058	4,573,225	8,559,388
Food service commission	-	-	73,119	73,119
Facilities fees	1,087,210	779,272	1,183,618	3,050,100
Application fee	31,800	18,300	41,700	91,800
Bookstore	82,420	35,686	146,975	265,081
Perking permits	-	7,015	75,436	82,451
Vending	8,962	7,215	1,500	17,677
Recreation center	-	-	8,590	8,590
Payment to vendors	(4,566,797)	(1,946,671)	(5,340,789)	(11,854,257)
Payment to employees	(1,582,309)	(601,681)	(2,323,962)	(4,507,952)
Other	53,959	31,618	44,355	129,932
	<u>273,822</u>	<u>1,290,559</u>	<u>1,855,756</u>	<u>3,420,137</u>
Capital and Related Financing Activities				
Proceeds from bonds	4,270,000	-	-	4,270,000
Purchase of capital assets	(4,096,550)	-	(202,817)	(4,299,367)
Principal paid on bonds payable	(4,695,000)	(295,000)	(1,460,000)	(6,450,000)
Interest paid on bonds payable	(309,962)	(184,806)	(296,025)	(790,793)
Bond issuance costs	(61,930)	-	-	(61,930)
Other	-	-	(6,179)	(6,179)
	<u>(4,893,442)</u>	<u>(479,806)</u>	<u>(1,965,021)</u>	<u>(7,338,269)</u>
Investing Activities				
Investment income	16,529	16,963	147,241	180,733
	<u>16,529</u>	<u>16,963</u>	<u>147,241</u>	<u>180,733</u>
Increase (Decrease) in Cash and Cash Equivalents	(4,603,091)	827,716	37,976	(3,737,399)
Cash and Cash Equivalents, Beginning of Year	<u>12,181,642</u>	<u>2,111,546</u>	<u>9,122,307</u>	<u>23,415,495</u>
Cash and Cash Equivalents, End of Year	<u>\$ 7,578,551</u>	<u>\$ 2,939,262</u>	<u>\$ 9,160,283</u>	<u>\$ 19,678,096</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position				
Restricted cash and cash equivalents - current	\$ 4,683,462	\$ 2,440,489	\$ 7,958,059	\$ 15,082,010
Restricted cash and cash equivalents - noncurrent	2,895,089	498,773	1,202,224	4,596,086
	<u>\$ 7,578,551</u>	<u>\$ 2,939,262</u>	<u>\$ 9,160,283</u>	<u>\$ 19,678,096</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Schedules of Cash Flows - Continued
Year Ended June 30, 2014

**Reconciliation of Net Operating Income
to Net Cash Provided by Operating Activities**

	<u>Chadron</u>	<u>Peru</u>	<u>Wayne</u>	<u>Total</u>
Operating income	\$ 235,711	\$ 999,122	\$ 915,374	\$ 2,150,207
Depreciation expense	406,866	293,059	815,441	1,515,366
Changes in operating assets and liabilities				
Accounts receivable	(12,242)	(41,701)	(40,492)	(94,435)
Prepays	27,390	(5,390)	4,185	26,185
Unearned revenue	-	-	61,847	61,847
Accounts payable and accrued liabilities	(360,810)	25,054	97,393	(238,363)
Accrued compensated absences	(17,857)	(7,783)	2,008	(23,632)
Other assets and liabilities	(5,236)	28,198	-	22,962
Net Cash Provided by Operating Activities	<u>\$ 273,822</u>	<u>\$ 1,290,559</u>	<u>\$ 1,855,756</u>	<u>\$ 3,420,137</u>

Supplemental Cash Flows Information

Accounts payable incurred for capital asset purchases	\$ 747,993	\$ -	\$ -	\$ 747,993
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Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Schedules of Revenues, Expenses and Changes in Net Position by Fund Type
Year Ended June 30, 2015

	Operation and Maintenance Funds				Funds Held by Trustee and State of Nebraska Operations				Plant				Overall Total
	Chadron State College	Peru State College	Wayne State College	Total	Investment Pool			Total	Chadron State College	Peru State College	Wayne State College	Total	
					Chadron State College	Peru State College	Wayne State College						
Operating Revenues													
Rentals	\$ 2,857,450	\$ 1,606,511	\$ 3,501,050	\$ 7,965,011	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,965,011
Food service	2,723,687	1,534,776	4,699,421	8,957,884	-	-	-	-	-	-	-	-	8,957,884
Food service commission	-	-	68,845	68,845	-	-	-	-	-	-	-	-	68,845
Facilities fees	1,096,816	876,762	1,205,425	3,179,003	-	-	-	-	-	-	-	-	3,179,003
Application fee	32,250	15,500	35,950	83,700	-	-	-	-	-	-	-	-	83,700
Bookstore	27,796	38,148	160,000	225,944	-	-	-	-	-	-	-	-	225,944
Parking permits	-	8,340	75,927	84,267	-	-	-	-	-	-	-	-	84,267
Vending	28,872	6,415	45,418	80,705	-	-	-	-	-	-	-	-	80,705
Recreation center	-	-	10,130	10,130	-	-	-	-	-	-	-	-	10,130
Other	50,216	26,026	40,886	117,128	-	-	-	-	-	-	-	-	117,128
Total operating revenues	6,817,087	4,112,478	9,843,052	20,772,617	-	-	-	-	-	-	-	-	20,772,617
Operating Expenses													
Compensation and benefits	1,731,329	607,037	2,254,546	4,592,912	-	-	-	-	-	-	-	-	4,592,912
Contractual services	97,541	185,347	191,737	474,625	-	-	-	-	-	-	-	-	474,625
Supplies and materials	213,100	166,125	561,822	941,047	-	-	-	-	-	-	-	-	941,047
Depreciation	-	-	-	-	-	-	-	-	463,143	295,385	845,858	1,604,386	1,604,386
Utilities	547,708	299,198	915,853	1,762,759	-	-	-	-	-	-	-	-	1,762,759
Repairs and maintenance	77,666	43,345	267,753	388,764	310,476	131,222	995,468	1,437,166	-	-	-	-	1,825,930
Communications	136,915	8,993	106,222	252,130	-	-	-	-	-	-	-	-	252,130
Food service	-	-	-	-	2,036,694	1,179,703	2,617,517	5,833,914	-	-	-	-	5,833,914
Other	72,132	22,770	27,549	122,451	-	-	-	-	-	-	-	-	122,451
Total operating expenses	2,876,391	1,332,815	4,325,482	8,534,688	2,347,170	1,310,925	3,612,985	7,271,080	463,143	295,385	845,858	1,604,386	17,410,154
Operating Income (Loss)	3,940,696	2,779,663	5,517,570	12,237,929	(2,347,170)	(1,310,925)	(3,612,985)	(7,271,080)	(463,143)	(295,385)	(845,858)	(1,604,386)	3,362,463
Nonoperating Revenue (Expenses)													
Investment income	7,243	7,400	21,382	36,025	40,882	10,959	139,022	190,863	-	-	-	-	226,888
Interest expense	-	-	-	-	(255,961)	(182,550)	(245,756)	(684,267)	-	-	-	-	(684,267)
Other nonoperating revenue (expense)	-	-	(3,980)	(3,980)	-	-	-	-	-	-	-	-	(3,980)
Net nonoperating revenues (expenses)	7,243	7,400	17,402	32,045	(215,079)	(171,591)	(106,734)	(493,404)	-	-	-	-	(461,359)
Income (Loss) Before Other Revenues, Expenses, Gains or (Losses)	3,947,939	2,787,063	5,534,972	12,269,974	(2,562,249)	(1,482,516)	(3,719,719)	(7,764,484)	(463,143)	(295,385)	(845,858)	(1,604,386)	2,901,104
Other Revenues, Expenses, or Gains (Losses)													
Transfers in (out), net	(4,080,133)	(2,728,494)	(5,582,932)	(12,391,559)	2,578,698	2,153,387	4,592,674	9,324,759	1,501,435	575,107	990,258	3,066,800	-
Net other revenues, expenses, or gains (losses)	(4,080,133)	(2,728,494)	(5,582,932)	(12,391,559)	2,578,698	2,153,387	4,592,674	9,324,759	1,501,435	575,107	990,258	3,066,800	-
Increase (Decrease) in Net Position	(132,194)	58,569	(47,960)	(121,585)	16,449	670,871	872,955	1,560,275	1,038,292	279,722	144,400	1,462,414	2,901,104
Net Position, Beginning of Year	162,470	280,280	(697,383)	(254,633)	(5,332,955)	(3,281,615)	(2,141,112)	(10,755,682)	11,997,964	6,956,599	18,731,782	37,686,345	26,676,030
Net Position, End of Year	\$ 30,276	\$ 338,849	\$ (745,343)	\$ (376,218)	\$ (5,316,506)	\$ (2,610,744)	\$ (1,268,157)	\$ (9,195,407)	\$ 13,036,256	\$ 7,236,321	\$ 18,876,182	\$ 39,148,759	\$ 29,577,134

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Schedules of Revenues, Expenses and Changes in Net Position by Fund Type
Year Ended June 30, 2014

	Operation and Maintenance Funds				Funds Held by Trustee and State of Nebraska Operations				Plant				Overall Total
					Investment Pool								
	Chadron State College	Peru State College	Wayne State College	Total	Chadron State College	Peru State College	Wayne State College	Total	Chadron State College	Peru State College	Wayne State College	Total	
Operating Revenues													
Rentals	\$ 2,643,800	\$ 1,572,438	\$ 3,373,063	\$ 7,589,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,589,301
Food service	2,582,061	1,445,228	4,488,372	8,515,661	-	-	-	-	-	-	-	-	8,515,661
Food service commission	-	-	73,119	73,119	-	-	-	-	-	-	-	-	73,119
Facilities fees	1,095,580	788,407	1,171,561	3,055,548	-	-	-	-	-	-	-	-	3,055,548
Application fee	32,000	18,300	41,700	92,000	-	-	-	-	-	-	-	-	92,000
Bookstore	76,423	36,294	164,000	276,717	-	-	-	-	-	-	-	-	276,717
Parking permits	-	7,025	75,332	82,357	-	-	-	-	-	-	-	-	82,357
Vending	8,962	7,246	46,849	63,057	-	-	-	-	-	-	-	-	63,057
Recreation center	-	-	8,590	8,590	-	-	-	-	-	-	-	-	8,590
Other	54,506	31,020	48,960	134,486	-	-	-	-	-	-	-	-	134,486
Total operating revenues	6,493,332	3,905,958	9,491,546	19,890,836	-	-	-	-	-	-	-	-	19,890,836
Operating Expenses													
Compensation and benefits	1,565,204	596,795	2,342,253	4,504,252	-	-	-	-	-	-	-	-	4,504,252
Contractual services	60,400	99,312	187,989	347,701	4,251	-	-	4,251	-	-	-	-	351,952
Supplies and materials	159,935	189,041	599,469	948,445	2,250	-	-	2,250	-	-	-	-	950,695
Depreciation	-	-	-	-	-	-	-	-	406,866	293,059	815,441	1,515,366	1,515,366
Utilities	564,814	344,763	959,964	1,869,541	-	-	-	-	-	-	-	-	1,869,541
Repairs and maintenance	73,317	76,145	261,225	410,687	1,295,274	119,023	791,204	2,205,501	-	-	-	-	2,616,188
Communications	134,626	17,591	106,453	258,670	-	-	-	-	-	-	-	-	258,670
Food service	-	-	-	-	1,931,786	1,148,684	2,525,281	5,605,751	-	-	-	-	5,605,751
Other	58,898	22,423	(13,107)	68,214	-	-	-	-	-	-	-	-	68,214
Total operating expenses	2,617,194	1,346,070	4,444,246	8,407,510	3,233,561	1,267,707	3,316,485	7,817,753	406,866	293,059	815,441	1,515,366	17,740,629
Operating Income (Loss)	3,876,138	2,559,888	5,047,300	11,483,326	(3,233,561)	(1,267,707)	(3,316,485)	(7,817,753)	(406,866)	(293,059)	(815,441)	(1,515,366)	2,150,207
Nonoperating Revenue (Expenses)													
Investment income	6,721	6,324	27,624	40,669	4,011	10,773	122,259	137,043	-	-	-	-	177,712
Interest expense	-	-	-	-	(249,744)	(185,500)	(281,407)	(716,651)	-	-	-	-	(716,651)
Bond issuance costs	-	-	-	-	(61,930)	-	-	(61,930)	-	-	-	-	(61,930)
Loss on disposal of asset	-	-	-	-	-	-	-	-	(87,232)	-	-	(87,232)	(87,232)
Other nonoperating revenue (expense)	-	-	(202)	(202)	-	-	(5,977)	(5,977)	-	-	-	-	(6,179)
Net nonoperating revenues (expenses)	6,721	6,324	27,422	40,467	(307,663)	(174,727)	(165,125)	(647,515)	(87,232)	-	-	(87,232)	(694,280)
Income (Loss) Before Other Revenues, Expenses, Gains or (Losses)	3,882,859	2,566,212	5,074,722	11,523,793	(3,541,224)	(1,442,434)	(3,481,610)	(8,465,268)	(494,098)	(293,059)	(815,441)	(1,602,598)	1,455,927
Other Revenues, Expenses, or Gains (Losses)													
Transfers in (out), net	(3,849,846)	(2,484,158)	(5,519,478)	(11,853,482)	(848,602)	2,484,158	5,316,661	6,952,217	4,698,448	-	202,817	4,901,265	-
Net other revenues, expenses, or gains (losses)	(3,849,846)	(2,484,158)	(5,519,478)	(11,853,482)	(848,602)	2,484,158	5,316,661	6,952,217	4,698,448	-	202,817	4,901,265	-
Increase (Decrease) in Net Position	33,013	82,054	(444,756)	(329,689)	(4,389,826)	1,041,724	1,835,051	(1,513,051)	4,204,350	(293,059)	(612,624)	3,298,667	1,455,927
Net Position, Beginning of Year	129,457	198,226	(252,627)	75,056	(943,129)	(4,323,339)	(3,976,163)	(9,242,631)	7,793,614	7,249,658	19,344,406	34,387,678	25,220,103
Net Position, End of Year	\$ 162,470	\$ 280,280	\$ (697,383)	\$ (254,633)	\$ (5,332,955)	\$ (3,281,615)	\$ (2,141,112)	\$ (10,755,682)	\$ 11,997,964	\$ 6,956,599	\$ 18,731,782	\$ 37,686,345	\$ 26,676,030

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Cash Receipts and Disbursements, Trustee's Account
Year Ended June 30, 2015
(With Comparative Totals for Year Ended June 30, 2014)

		Chadron State College								
		2015								
	Revenue Fund	Surplus Fund	Bond Fund	Reserve Fund 2013	Project Fund 2013	Reserve Fund 2014	COI Fund 2014	Total 2015	Total 2014	
Receipts										
Bond issuance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,270,819	
Board of trustees deposits	6,607,994	-	-	-	-	-	-	6,607,994	6,432,222	
Income from investments	21	36,996	4	52	5,758	4	-	42,835	83,538	
Receipts before transfer of funds	6,608,015	36,996	4	52	5,758	4	-	6,650,829	10,786,579	
Transfer of funds, net	(3,245,507)	2,350,005	896,616	(104)	(5)	(4)	(1,001)	-	-	
Total receipts	3,362,508	2,387,001	896,620	(52)	5,753	-	(1,001)	6,650,829	10,786,579	
Disbursements										
Remitted to operation and maintenance fund	2,665,000	-	-	-	-	-	-	2,665,000	2,580,000	
Payments on food service contract	2,048,572	-	-	-	-	-	-	2,048,572	1,903,907	
Remitted to paying agent										
Bond principal	-	-	-	-	-	-	-	-	4,695,000	
Bond interest	-	-	223,128	-	-	-	-	223,128	480,249	
Payments to contractors and others	-	595,342	-	-	1,999,571	-	-	2,594,913	5,711,534	
Total disbursements	4,713,572	595,342	223,128	-	1,999,571	-	-	7,531,613	15,370,690	
Excess (deficiency) of receipts over disbursements	(1,351,064)	1,791,659	673,492	(52)	(1,993,818)	-	(1,001)	(880,784)	(4,584,111)	
Balance at Beginning of Year	2,281,512	2,239,921	81,565	518,362	1,993,818	381,908	1,001	7,498,087	12,082,198	
Balance at End of Year	\$ 930,448	\$ 4,031,580	\$ 755,057	\$ 518,310	\$ -	\$ 381,908	\$ -	\$ 6,617,303	\$ 7,498,087	
Balance at End of Year Consisted of										
Cash	\$ -	\$ -	\$ -	\$ 518,310	\$ -	\$ -	\$ -	\$ 518,310	\$ 894,077	
Savings and money market accounts	930,448	1,634,110	755,057	-	-	381,908	-	3,701,523	4,704,424	
State of Nebraska Operating Investment Pool	-	2,397,470	-	-	-	-	-	2,397,470	1,899,586	
	\$ 930,448	\$ 4,031,580	\$ 755,057	\$ 518,310	\$ -	\$ 381,908	\$ -	\$ 6,617,303	\$ 7,498,087	

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Cash Receipts and Disbursements, Trustee's Account
Year Ended June 30, 2015
(With Comparative Totals for Year Ended June 30, 2014)

	Peru State College					Total	
	2015					2015	2014
	Revenue Bond	Surplus Fund	Bond Fund	Reserve Fund 2011	Reserve Fund 2012B		
Receipts							
Board of trustees deposits	\$ 3,966,650	\$ -	\$ -	\$ -	\$ -	\$ 3,966,650	\$ 3,782,091
Income from investments	12	10,944	9	3	23	10,991	10,610
Receipts before transfer of funds	3,966,662	10,944	9	3	23	3,977,641	3,792,701
Transfer of funds, net	(2,245,822)	1,760,000	485,876	(9)	(45)	-	-
Total receipts	1,720,840	1,770,944	485,885	(6)	(22)	3,977,641	3,792,701
Disbursements							
Remitted to operation and maintenance fund	1,185,980	-	-	-	-	1,185,980	1,350,000
Payments on food service contract	1,197,722	-	-	-	-	1,197,722	1,085,550
Remitted to paying agent:							
Bond principal	-	-	305,000	-	-	305,000	295,000
Bond interest	-	-	182,305	-	-	182,305	184,805
Payments to contractors and others	-	394,702	-	-	-	394,702	120,661
Total disbursements	2,383,702	394,702	487,305	-	-	3,265,709	3,036,016
Excess (deficiency) of receipts over disbursements	(662,862)	1,376,242	(1,420)	(6)	(22)	711,932	756,685
Balance at Beginning of Year	960,402	807,250	396,880	276,126	222,675	2,663,333	1,906,648
Balance at End of Year	<u>\$ 297,540</u>	<u>\$ 2,183,492</u>	<u>\$ 395,460</u>	<u>\$ 276,120</u>	<u>\$ 222,653</u>	<u>\$ 3,375,265</u>	<u>\$ 2,663,333</u>
Balance at End of Year Consisted of:							
Cash	\$ -	\$ -	\$ -	\$ -	\$ 222,653	\$ 222,653	\$ 222,675
Savings and money market accounts	297,540	1,618,225	395,460	276,120	-	2,587,345	1,886,327
State of Nebraska Operating Investment Pool	-	565,267	-	-	-	565,267	554,331
	<u>\$ 297,540</u>	<u>\$ 2,183,492</u>	<u>\$ 395,460</u>	<u>\$ 276,120</u>	<u>\$ 222,653</u>	<u>\$ 3,375,265</u>	<u>\$ 2,663,333</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Cash Receipts and Disbursements, Trustee's Account
Year Ended June 30, 2015
(With Comparative Totals for Year Ended June 30, 2014)

	Wayne State College					Total	
	2015						
	Revenue Fund	Surplus Fund	Bond Fund	Reserve Fund 2010	Reserve Fund 2012A	2015	2014
Receipts							
Board of trustees deposits	\$ 9,532,475	\$ -	\$ -	\$ -	\$ -	\$ 9,532,475	\$ 9,490,182
Income from investments	14	139,048	34	-	-	139,096	119,615
Receipts before transfer of funds	9,532,489	139,048	34	-	-	9,671,571	9,609,797
Transfer of funds, net	(2,533,093)	1,700,000	833,137	(7)	(37)	-	-
Total receipts	6,999,396	1,839,048	833,171	(7)	(37)	9,671,571	9,609,797
Disbursements							
Remitted to operation and maintenance fund	4,400,000	-	-	-	-	4,400,000	4,000,000
Payments on food service contract	2,617,517	-	-	-	-	2,617,517	2,525,281
Remitted to paying agent:							
Bond principal	-	-	580,000	-	-	580,000	1,460,000
Bond interest	-	-	245,260	-	-	245,260	297,816
Payments to contractors and others	-	1,242,831	-	-	-	1,242,831	894,170
Total disbursements	7,017,517	1,242,831	825,260	-	-	9,085,608	9,177,267
Excess (deficiency) of receipts over disbursements	(18,121)	596,217	7,911	(7)	(37)	585,963	432,530
Balance at Beginning of Year	128,168	6,584,808	703,706	346,407	489,817	8,252,906	7,820,376
Balance at End of Year	\$ 110,047	\$ 7,181,025	\$ 711,617	\$ 346,400	\$ 489,780	\$ 8,838,869	\$ 8,252,906
Balance at End of Year Consisted of							
Cash	\$ -	\$ -	\$ 711,617	\$ -	\$ -	\$ 711,617	\$ 703,743
Savings and money market accounts	110,047	451,552	-	-	-	561,599	472,557
State of Nebraska Operating Investment Pool	-	6,729,473	-	346,400	489,780	7,565,653	7,076,606
	\$ 110,047	\$ 7,181,025	\$ 711,617	\$ 346,400	\$ 489,780	\$ 8,838,869	\$ 8,252,906

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Rentals
Years Ended June 30, 2015 and 2014

Chadron State College	2015	2014
Facility		
High Rise Dormitory	\$ 1,004,104	\$ 888,766
Andrews Hall	604,407	583,666
Kent Hall	694,166	630,954
Edna Work Hall	230,422	224,303
Edna Work Wing	212,428	220,679
Brooks Hall	167,387	193,018
Eagle Ridge	169,531	-
Family housing	147,176	151,695
Guest housing	72,941	78,430
Less room waivers	<u>(445,112)</u>	<u>(327,711)</u>
Total rentals	<u>\$ 2,857,450</u>	<u>\$ 2,643,800</u>
Peru State College	2015	2014
Facility		
Centennial Complex	\$ 811,027	\$ 798,609
Eliza Morgan Hall	450,546	507,643
Delzell Hall	374,857	332,683
Guest and temporary housing	33,316	21,439
Faculty housing	49,775	38,908
Oak Hill	91,587	48,252
Less room waivers	<u>(204,597)</u>	<u>(175,096)</u>
Total rentals	<u>\$ 1,606,511</u>	<u>\$ 1,572,438</u>
Wayne State College	2015	2014
Facility		
Bowen Hall	\$ 1,036,402	\$ 991,249
Berry Hall	840,503	737,220
Morey Hall	525,024	540,691
Neihardt Hall	445,195	446,027
Anderson Hall	399,659	438,421
Pile Hall	425,032	389,625
Terrace Hall	370,278	358,216
Family housing	-	4,400
Guest housing	57,495	51,934
Less room waivers	<u>(598,538)</u>	<u>(584,720)</u>
Total rentals	<u>\$ 3,501,050</u>	<u>\$ 3,373,063</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Operation and Maintenance Fund Expenditures
Years Ended June 30, 2015 and 2014

Chadron State College	2015	2014
Salaries, payroll taxes, and benefits	\$ 1,731,329	\$ 1,565,204
Utilities	547,708	564,814
Communication services	136,915	134,626
Supplies	213,100	159,935
Repairs and maintenance	77,666	73,317
Professional and contractual services	97,541	60,400
Other	72,132	58,898
	<u>2,876,391</u>	<u>2,617,194</u>
Total operation and maintenance fund expenditures	<u>\$ 2,876,391</u>	<u>\$ 2,617,194</u>

Peru State College	2015	2014
Salaries, payroll taxes, and benefits	\$ 607,037	\$ 596,795
Utilities	299,198	344,763
Communications	8,993	17,591
Supplies	166,125	189,041
Repairs and maintenance	43,345	76,145
Professional and contractual services	185,347	99,312
Other	22,770	22,423
	<u>1,332,815</u>	<u>1,346,070</u>
Total operation and maintenance fund expenditures	<u>\$ 1,332,815</u>	<u>\$ 1,346,070</u>

Wayne State College	2015	2014
Salaries, payroll taxes, and benefits	\$ 2,254,546	\$ 2,342,253
Utilities	915,853	959,964
Communication services	106,222	106,453
Supplies	561,822	599,469
Repairs and maintenance	267,753	261,225
Professional and contractual services	191,737	187,989
Other	27,549	(13,107)
	<u>4,325,482</u>	<u>4,444,246</u>
Total operation and maintenance fund expenditures	<u>\$ 4,325,482</u>	<u>\$ 4,444,246</u>

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Insurance in Force
(Unaudited)
Year Ended June 30, 2015

Chadron State College	
Type	Coverage Amount
Business interruption value	\$ 6,700,000
Blanket contents	4,305,789
Fire and extended coverage:	
Dormitories and housing facilities, 90% coinsurance	53,901,988
Student union and other buildings, 90% coinsurance	13,399,620
Peru State College	
Type	Coverage Amount
Business interruption value	\$ 4,939,041
Blanket contents	2,137,713
Fire and extended coverage:	
Dormitories and housing facilities, 90% coinsurance	18,470,529
Student union and other buildings, 90% coinsurance	5,542,234
Wayne State College	
Type	Coverage Amount
Business interruption value	\$ 16,104,158
Blanket contents	5,706,687
Fire and extended coverage:	
Dormitories and housing facilities, 90% coinsurance	47,790,046
Student union and other buildings, 90% coinsurance	23,440,899

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Debt Service Coverage
Years Ended June 30, 2015 and 2014

<u>Chadron State College</u>	<u>2015</u>	<u>2014</u>
Receipts		
Rentals	\$ 2,857,450	\$ 2,643,800
Facilities fees	1,096,816	1,095,580
Food service	2,723,687	2,582,061
Other	<u>139,134</u>	<u>171,891</u>
Total receipts	6,817,087	6,493,332
Interest earned	<u>48,125</u>	<u>10,732</u>
Total additions	<u>6,865,212</u>	<u>6,504,064</u>
Deductions		
Operation and maintenance expenditures (note)	2,876,391	2,617,194
Food service contract payments	<u>2,036,694</u>	<u>1,931,786</u>
Total deductions	<u>4,913,085</u>	<u>4,548,980</u>
Available for debt service, reserves, etc.	<u>\$ 1,952,127</u>	<u>\$ 1,955,084</u>
Debt service: principal and interest requirement (note)	223,127	591,170
Debt service coverage	875%	331%

Note: In accordance with the debt agreement, expenditures paid for capital improvements and extraordinary repairs that were charged to surplus and construction funds held by the trustee in the amount of \$310,476 and \$1,301,775 during the years ended June 30, 2015 and 2014, respectively, have not been deducted in arriving at the debt service coverage. The debt service requirement amount includes principal and interest payments due in 2015 and 2014.

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Debt Service Coverage
Years Ended June 30, 2015 and 2014

Peru State College	2015	2014
Receipts		
Rentals	\$ 1,606,511	\$ 1,572,438
Facilities fees	876,762	788,407
Food service	1,534,776	1,445,228
Other	94,429	99,885
Total receipts	4,112,478	3,905,958
Interest earned	18,359	17,097
Total additions	4,130,837	3,923,055
Deductions:		
Operation and maintenance expenditures (note)	1,332,815	1,346,070
Food service contract payments	1,179,703	1,148,684
Total deductions	2,512,518	2,494,754
Available for debt service, reserves, etc.	<u>\$ 1,618,319</u>	<u>\$ 1,428,301</u>
Debt service: principal and interest requirement (note)	487,305	488,755
Debt service coverage	332%	292%

Note: In accordance with the debt agreement, expenditures paid for capital improvements and extraordinary repairs that were charged to surplus and construction funds held by the trustee in the amount of \$131,222 and \$119,023 during the years ended June 30, 2015 and 2014, respectively, have not been deducted in arriving at the debt service coverage. The debt service requirement amount includes principal and interest payments due in 2015 and 2014.

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Debt Service Coverage
Years Ended June 30, 2015 and 2014

Wayne State College	2015	2014
Receipts		
Rentals	\$ 3,501,050	\$ 3,373,063
Facilities fees	1,205,425	1,171,561
Food service	4,768,266	4,561,491
Other	<u>368,311</u>	<u>385,431</u>
Total receipts	9,843,052	9,491,546
Interest earned	<u>160,404</u>	<u>149,883</u>
Total additions	<u>10,003,456</u>	<u>9,641,429</u>
Deductions		
Operation and maintenance expenditures (note)	4,325,482	4,444,246
Food service contract payments	<u>2,617,517</u>	<u>2,525,281</u>
Total deductions	<u>6,942,999</u>	<u>6,969,527</u>
Available for debt service, reserves, etc.	<u>\$ 3,060,457</u>	<u>\$ 2,671,902</u>
Debt service: principal and interest requirement (note)	825,260	982,386
Debt service coverage	371%	272%

Note: In accordance with the debt agreement, expenditures paid for capital improvements and extraordinary repairs that were charged to surplus and construction funds held by the trustee in the amount of \$995,468 and \$791,204 during the year ended June 30, 2015 and 2014, respectively, have not been deducted in arriving at the debt service coverage. The debt service requirement amount includes principal and interest payments due in 2015 and 2014.

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Bonds Outstanding
Year Ended June 30, 2015

Chadron State College	Principal Amount, Series 2013 and Series 2014
Maturing July 1:	
2015	\$ 620,000
2016	630,000
2017	635,000
2018	640,000
2019	655,000
2020	655,000
2021	675,000
2022	690,000
2023	700,000
2024	715,000
2025	740,000
2026	760,000
2027	780,000
2028	750,000
2029	445,000
2030	460,000
2031	470,000
2032	485,000
2033	500,000
Total	\$ 12,005,000

Note: The schedule above has been prepared using the mandatory sinking fund redemption requirements for term bonds rather than the actual maturity date.

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Bonds Outstanding
Year Ended June 30, 2015

Peru State College	Principal Amount, Series 2011 and Series 2012B
Maturing July 1:	
2015	\$ 305,000
2016	320,000
2017	315,000
2018	325,000
2019	330,000
2020	335,000
2021	345,000
2022	360,000
2023	370,000
2024	385,000
2025	395,000
2026	410,000
2027	405,000
2028	225,000
2029	235,000
2030	250,000
2031	<u>260,000</u>
Total	<u>\$ 5,570,000</u>

Note: The schedule above has been prepared using the mandatory sinking fund redemption requirements for term bonds rather than the actual maturity date.

Nebraska State Colleges
Student Fees and Facilities Revenue and Refunding Bond Program
Bonds Outstanding
Year Ended June 30, 2015

Wayne State College	Principal Amount, Series 2010 and Series 2012A
Maturing July 1:	
2015	\$ 590,000
2016	595,000
2017	590,000
2018	605,000
2019	620,000
2020	630,000
2021	640,000
2022	655,000
2023	675,000
2024	695,000
2025	715,000
2026	745,000
2027	730,000
2028	305,000
2029	320,000
2030	330,000
Total	\$ 9,440,000

Note: The schedule above has been prepared using the mandatory sinking fund redemption requirements for term bonds rather than the actual maturity date.

Nebraska State Colleges Student Fees and Facilities Revenue and Refunding Bond Program Occupancy (Unaudited) Year Ended June 30, 2015

	Chadron State College											
	Summer session 2014			First term			Second term			Summer session 2015		
	Capacity	Number	Percentage	Capacity	Number	Percentage	Capacity	Number	Percentage	Capacity	Number	Percentage
High Rise Dormitory	422	-	-	422	312	74	422	278	66	422	2	-
Edna Work/Wing Hall	186	6	3	186	132	71	186	107	58	186	9	5
Kent Hall	275	-	-	275	249	91	275	182	66	275	2	1
Andrews Hall	284	1	-	284	182	64	284	149	52	284	2	1
Brooks Hall	84	-	-	84	46	55	84	40	48	84	1	1
Eagle Ridge	69	-	-	69	49	71	69	38	55	69	3	4
Family housing*	41	16	39	40	36	90	40	29	73	28	15	54
	<u>1,361</u>	<u>23</u>		<u>1,360</u>	<u>1,006</u>		<u>1,360</u>	<u>823</u>		<u>1,348</u>	<u>34</u>	

* One West Court unit was taken offline in Fall 2014. In the Summer of 2015 Chadron State College demolished several of the West Court units.

	Peru State College								
	First term			Second term			Summer session		
	Capacity	Number	Percentage	Capacity	Number	Percentage	Capacity	Number	Percentage
Centennial Complex	296	236	80	296	183	62	296	-	-
Eliza Morgan Hall	148	118	80	148	117	79	148	-	-
Delzell Hall	146	124	85	146	91	62	146	-	-
Faculty housing	8	8	100	8	8	100	8	8	100
Oak Hill**	11	11	100	11	11	100	11	-	-
	<u>609</u>	<u>497</u>		<u>609</u>	<u>410</u>		<u>609</u>	<u>8</u>	

** Oak Hill is apartment housing which has been converted to student housing. Students are paying the regular housing rates on a per bed basis. The 11 apartment units can house up to 40 students. Occupancy for first and second term were 32 and 26 beds, respectively

	Wayne State College											
	Summer - July 2014			First term		Second term		Summer - May 2015		Summer - June 2015		
	Capacity	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	
Anderson Hall	159	-	-	132	83	114	72	-	-	-	-	
Berry Hall	306	-	-	272	89	245	80	-	-	-	-	
Bowen Hall	435	-	-	353	81	283	65	-	-	-	-	
Morey Hall	231	-	-	184	80	136	59	-	-	-	-	
Neihardt Hall	161	-	-	137	85	120	75	-	-	-	-	
Pile Hall	139	8	6	128	92	116	83	12	9	7	5	
Terrace Hall	140	-	-	118	84	109	78	-	-	-	-	
	<u>1,571</u>	<u>8</u>		<u>1,324</u>		<u>1,123</u>		<u>12</u>		<u>7</u>		

Note: Occupancy numbers are based on occupancy levels at the end of each term and do not reflect changes that may occur during the course of each term. The occupancy percentages are based on the number of beds occupied, as the rooms were designed. In many cases, students elect to pay a higher rate for a two-bed room and occupy it as a private room. The "room occupancy" rate, which is higher at all three colleges than the bed occupancy percentages, gives a clearer picture of the situation that exists.