

ITEMS FOR DISCUSSION AND ACTION/FISCAL, FACILITIES AND AUDIT

June 17, 2021

ACTION: **Approve Revised Revenue Bond Operating Budgets for 2020-2021**

Board Policy 9008 includes language that "Any college may submit, if needed, revisions to its revenue bond operating budget. Any revision shall not become effective until the Board has approved the revision and the same has been delivered to the Bond Trustee."

The colleges are provided the opportunity to revise their revenue bond budgets for FY21 at this time. They will also have an opportunity in September to request and adjust any carryforward funds from FY21. The colleges have submitted their revised revenue bond budgets for FY21 for Board approval.

Board Policy 9005 requires Chadron and Wayne to maintain a 125% debt service coverage and Peru to maintain 135%. The budgets indicate the Colleges will exceed required debt service coverage as follows:

| | Preliminary | Revised |
|---------|-------------|---------|
| Chadron | 162% | 147% |
| Peru | 221% | 176% |
| Wayne | 277% | 303% |

The reductions in operating budgets reflect the impact to enrollments and occupancy rates due to COVID. Chadron is decreasing their operating budget by \$78,553 and Peru decreased their budget by \$274,662. It is worth noting that the FY22 budgets reflect increases showing that revenues are rebounding.

The System Office recommends approval of the Revised Revenue Bond Operating Budgets for 2020-2021.

ATTACHMENTS:

- CSC Revised Revenue Bond Operating Budget (PDF)
- PSC Revised Revenue Bond Operating Budget (PDF)
- WSC Revised Revenue Bond Operating Budget (PDF)

**Nebraska State College System
Chadron State College
FY21 Revised Revenue Bond Operations Budget**

| Revenue Source | FY21 Revised Budget |
|------------------------------------|--------------------------------|
| Residence Hall/Dormitory Rentals | \$2,357,284 |
| Apartment/House Rentals | \$0 |
| Facilities Rentals | \$0 |
| Food Service Contracts | \$2,566,554 |
| Food Service Commissions | \$0 |
| Facilities Fees | \$903,925 |
| Bookstore Commissions/Income | \$31,000 |
| Trustee Investment/Interest Income | \$75,000 |
| Parking Fees/Fines | \$0 |
| Other | \$114,750 |
| Total Revenue | \$6,048,513 |

Expenditures and Debt Service

| | |
|--------------------------------------|-------------|
| FTE 22.8 | |
| Salaries and Benefits | \$1,504,682 |
| Utilities | \$685,000 |
| Insurance | \$50,000 |
| Equipment & Furnishings | \$0 |
| Capital Outlay | \$0 |
| Telephone/Cable Television/Internet | \$75,000 |
| Supplies | \$131,000 |
| Repairs and Maintenance | \$185,750 |
| Other | \$27,500 |
| Total Operations/Maintenance | \$2,658,932 |
| Food Service Payments | \$2,088,320 |
| Debt Service | \$882,578 |
| Total Food Contract and Debt Service | \$2,970,898 |
| Total Expenses | \$5,629,830 |

Available for Distribution to Subsidiary Funds \$418,683

Debt Service

| | |
|--|-------------|
| FY22 Debt Service (A) | \$882,578 |
| Available for Distribution to Subsidiary Funds | \$418,683 |
| Total Funds Beyond Operations (B) | \$1,301,261 |

Debt Service Coverage Ratio (B / A) 1.47

Note:

Does not include carryforward funds of \$486,288.

**Nebraska State College System
Peru State College
FY21 Revised Revenue Bond Operations Budget**

| Revenue Source | FY21 Revised Budget |
|--|--------------------------------|
| Residence Hall/Dormitory Rentals | \$1,614,251 |
| Apartment/House Rentals | \$137,259 |
| Facilities Rentals | \$1,200 |
| Food Service Contracts | \$1,607,821 |
| Food Service Commissions | \$0 |
| Facilities Fees | \$1,045,902 |
| Bookstore Commissions/Income | \$25,034 |
| Trustee Investment/Interest Income | \$22,268 |
| Parking Fees/Fines | \$0 |
| Federal Grant | \$0 |
| Other | \$44,475 |
| Total Revenue | \$4,498,210 |
| | |
| Expenditures and Debt Service | |
| Salaries and Benefits for 11.58 FTE | \$797,667 |
| Utilities | \$269,421 |
| Insurance | \$61,645 |
| Equipment & Furnishings | \$0 |
| Capital Outlay | \$0 |
| Telephone/Cable Television/Internet | \$52,015 |
| Supplies | \$50,000 |
| Repairs and Maintenance | \$64,256 |
| Other Operating Expenses | \$57,581 |
| Total Operations/Maintenance | \$1,352,585 |
| Food Service Payments | \$1,492,691 |
| Debt Service | \$939,111 |
| Total Food Contract and Debt Service | \$2,431,802 |
| Total Expenses | \$3,784,387 |
| Available for Distribution to Subsidiary Funds | \$713,823 |
| | |
| Debt Service Coverage | |
| FY22 Debt Service (A) | \$939,111 |
| Available for Distribution to Subsidiary Funds | \$713,823 |
| Total Funds Beyond Operations (B) | \$1,652,934 |
| Debt Service Coverage Ratio (B / A) | 1.76 |

Note:

Does not include carryforward funds of \$614,686.

**Nebraska State College System
Wayne State College
FY21 Revised Revenue Bond Operations Budget**

| Revenue Source | FY21 Revised Budget |
|--|--------------------------------|
| Residence Hall/Dormitory Rentals | \$4,600,000 |
| Apartment/House Rentals | \$0 |
| Facilities Rentals | \$4,000 |
| Food Service Contracts | \$4,570,000 |
| Food Service Commissions | \$99,000 |
| Facilities Fees | \$1,620,000 |
| Bookstore Commissions/Income | \$100,000 |
| Trustee Investment/Interest Income | \$109,000 |
| Parking Fees/Fines | \$42,000 |
| Federal Grant | \$468,000 |
| Other | \$66,000 |
| Total Revenue | \$11,678,000 |
| | |
| Expenditures and Debt Service | |
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| Salaries and Benefits for 61.81 FTE | \$2,750,000 |
| Utilities | \$1,000,000 |
| Insurance | \$65,000 |
| Equipment & Furnishings | \$80,000 |
| Capital Outlay | \$30,000 |
| Telephone/Cable Television/Internet | \$155,000 |
| Supplies | \$155,000 |
| Repairs and Maintenance | \$375,000 |
| Other Operating Expenses | \$311,500 |
| Total Operations/Maintenance | \$4,921,500 |
| Food Service Payments | \$2,534,000 |
| Debt Service | \$1,394,476 |
| Total Food Contract and Debt Service | \$3,928,476 |
| Total Expenses | \$8,849,976 |
| Available for Distribution to Subsidiary Funds | \$2,828,024 |
| | |
| Debt Service Coverage | |
| <hr style="border-top: 3px double black;"/> | |
| FY22 Debt Service (A) | \$1,394,476 |
| Available for Distribution to Subsidiary Funds | \$2,828,024 |
| Total Funds Beyond Operations (B) | \$4,222,500 |
| Debt Service Coverage Ratio (B / A) | 3.03 |

Note:

Does not include carryforward amount of \$1,972,385.