

# **THE NEBRASKA STATE COLLEGE SYSTEM FACILITIES CORPORATION**

**November 10, 2021**

## **MINUTES**

A meeting of the Nebraska State College System Facilities Corporation was called to order at 4:06 p.m. on Wednesday, November 10, 2021, at Wayne State College by President, Gary Bieganski.

Directors present were: Gary Bieganski, President, Chadron; Bob Engles, Auburn; Cap Peterson, Wayne; John Chaney, Omaha; and Marjean Terrell, Hay Springs.

Other corporation officers in attendance were: Monte Kramer, Managing Officer, Lincoln, and Paul Turman, Secretary-Treasurer, Lincoln.

### **APPROVAL OF THE AGENDA**

The meeting agenda was unanimously approved.

### **ELECTION OF OFFICERS**

The following were elected to serve as officers of the Nebraska State College System Facilities Corporation.

Jess Zeiss, President  
John Chaney, Vice President  
Paul Turman, Secretary-Treasurer  
Monte Kramer, Managing Officer

### **APPROVAL OF MINUTES**

The minutes of the November 12, 2020 meeting were unanimously approved.

### **ANNUAL REPORT**

The annual report that included details related to satisfied bonds and outstanding bonds was summarized by Monte Kramer. The 2014 Series Bonds used to construct the Chadron State College Rangeland Project – Phase II, and the renovation of the U.S. Conn Library at Wayne State College were satisfied in June of 2020. Outstanding bonds include the 2016 Series and the 2020 Series. The 2016 bond proceeds were used to payoff the 2006 bonds and to fund the CSC Stadium, PSC Theatre, and the WSC CAT facilities. The principal amount outstanding was \$21,385,000 and interest of \$3,868,097, as of June 30, 2021. The last payment is scheduled for July 15, 2030. Debt service funding comes from an annual state appropriation of \$1,125,000 and Capital Improvement Fees of \$1,440,000. The 2020 bond proceeds were used for the CSC Math and Science facility. The principal amount outstanding was \$23,465,000 and interest of \$7,509,800, as of June 30, 2021. The last payment date is June 15, 2035. Debt service funding comes from an annual state appropriation of \$2,216,000.

The Facilities Corporation annual report was unanimously approved.

## **AUDIT REPORT**

The Facilities Corporation audit for the period of July 1, 2020 to June 30, 2021 was provided to the Board of Directors by Monte Kramer. The BKD audit report included an unqualified opinion on the Facilities Corporation financial statements: *“In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Nebraska State Colleges Facilities Corporation as of June 30, 2021 and 2020, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.”*

The audit report for the Facilities Corporation for the period from July 1, 2020 to June 30, 2021 was unanimously accepted.

## **BOND RESTRUCTURING TO CAPTURE PROCEEDS FROM LB384 FUNDING**

LB384 passed in the 2021 legislative session, which extended State appropriation support for NSCS facilities through 2040. Restructuring existing debt will allow the NSCS to create additional capacity in the near-term to fund facility projects. Mary Jane Darby and Robert Kanzer with Janney Montgomery Scott LLC, the Facilities Corporation and NSCS Board of Trustees financial advisor, joined by videoconference to present information regarding potential restructuring of the Series 2016 bonds to capture proceeds from LB384 funding. Because the 2016 bonds are not callable until 2026, the Facilities Corporation would need to approve the issuance of taxable debt to defease the 2016 bonds and would then need to decide whether to issue tax-exempt or taxable bonds to generate the additional proceeds. The timing of the bond issuance and the expenditure of the bond proceeds need to be considered given that the projects to be funded are still in the planning phase. The Board will continue to monitor the market to see if taxable or non-taxable bonds should be issued and when that could happen.

**ADJOURNMENT** – The meeting was adjourned at 4:56 p.m.

Respectfully submitted,

Monte Kramer  
Managing Officer