



# Nebraska State College System

CHADRON | PERU | WAYNE

February 28, 2022

## Call to Order

The meeting was called to order at 3:00 PM by Vice Chairman Jess Zeiss

| Attendee Name   | Title         | Status  | Arrived |
|-----------------|---------------|---------|---------|
| Gary Bieganski  | Trustee       | Present |         |
| John Chaney     | Vice Chairman | Present |         |
| Bob Engles      | Trustee       | Present |         |
| Carter Peterson | Trustee       | Present |         |
| Matt Blomstedt  | Trustee       | Present |         |
| Jess Zeiss      | Chairman      | Present |         |
| Marjean Terrell | Trustee       | Present |         |

## Approval of Meeting Agenda

A motion was made by Trustee Bieganski and seconded by Trustee Engles to approve the Meeting Agenda. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, Blomstedt, Zeiss, and Terrell.

## Public Comments

No public comment

## Items for Discussion and Action

### 1. Fiscal, Facilities and Audit

- 1.1 Approve Resolution Authorizing Facilities Corporation to Issue Facilities Program Bonds to Provide Funding for the WSC Athletic and Recreation Project and the PSC Indoor/Outdoor Recreation Complex, or other Renewal, Replacement, Renovation and Repair Projects and to Refund Series 2016 Corporation Bonds and Related Matters

LB384 passed during the 2021 legislative session and was signed into law by the Governor on April 26, 2021. This legislation extended State capital funding appropriations for the State College Facilities Program out to 2040. This added a total of \$22,230,000 of additional state support, to be matched by \$14,400,000 from NSCS Capital

Improvement Fees. When leveraged with a restructuring of existing debt, the future funding stream can be converted to near-term funding capacity. At the November 2021 meeting, the Board's Financial Advisor provided options for refinancing the Series 2016 (LB957) bonds and extending the maturity from 2030 to 2040, which provides for additional debt capacity in the near term, taking advantage of the extended funding provided by the State in LB384.

In order to issue tax-exempt bonds and meet spend down provisions, and for the Board to make decisions on which projects to fund, the Colleges needed to complete program statements for their proposed projects. PSC received approval to move forward with their program statement for their Indoor/Outdoor Recreation Complex at the September 2021 meeting. WSC proposed an alternative project to the Brandenburg project, and presented the Athletic and Recreation Project to the Board in November. In addition to needing program statements for the proposed projects before issuing bonds, an amendment to the original legislation was submitted this session to confirm that the projects meet the intent of the legislation.

At the January 2021 meeting, the Board decided to allocate the proceeds to two projects: 1) the Wayne State College Athletic & Recreation Project and, 2) the Peru State College Indoor/Outdoor Athletic Complex. The total cost of the WSC project is estimated to be \$25.5 million, with \$14 million requested from bond proceeds. The Program Statement for the Peru State College Indoor/Outdoor Athletic Complex will be presented to the Board at the April 2022 meeting. The cost of that project is currently estimated at \$15 million, with \$10.4 million requested from bond proceeds. Not knowing what the bond market rates will be and the amount of proceeds available, the Board approved 57% of the proceeds from the refinancing be allocated to the WSC Athletic and Recreation Project and 43% toward the PSC Indoor/Outdoor Athletic Complex project. The funding for the PSC project will be contingent on the Board of Trustees approving the Program Statement for this project during the April 2022 meeting.

The plan at this time is to move forward with bonding given uncertainties with the markets, and to fund the approved projects or other renewal, repair, renovation, or replacement projects. Action is necessary by the Board of Trustees to allow the Facilities Corporation to issue the bonds. The Resolution will authorize the Facilities Corporation to refinance the 2016 series bonds and issue new bonds up to \$25,000,000 in aggregate principle and such additional principal as may be necessary to refinance the 2016 refunded bonds. The President, Secretary or Treasurer are authorized to approve the final terms of the issuance and sale of the bonds.

Mary Jane Darby and Rob Kanzer from Janney (financial advisor) and Colleen Duncan from Gilmore and Bell (bond counsel) were available at the Board meeting to respond to any questions.

Rob Kanzer provided the Board with an overview of the refinancing strategy and the projected timeline, which projects closing the bond sale in early April.

A motion to approve the Resolution Authorizing the Facilities Corporation to Issue Facilities Program Bonds to Provide Funding for the WSC Athletic and Recreation Project and the PSC Indoor/Outdoor Recreation Complex, or other Renewal, Replacement, Renovation and Repair Projects and to Refund Series 2016 Corporation Bonds and Related Matters was recommended by the committee to the full Board, which approved the motion. Voting **AYES:** Bieganski, Chaney, Engles, Peterson, Blomstedt, Zeiss, and Terrell.

### **Adjournment**

The meeting was adjourned at 3:20 PM

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Paul Turman, Chancellor

The meeting notice and agenda have been published in the Omaha World Herald <date published in paper> and posted on the Omaha World Herald website. The meeting notice and agenda have also been distributed via email to members of the Board of Trustees, the presidents of the State Colleges, the Associated Press and selected Nebraska newspapers.