

July 22, 2015

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Utah State University – Series 2015 Romney Stadium Westside Renovation Revenue Bond

Issue

On May 15, 2015 the Board authorized Utah State University (USU) to proceed with the sale of revenue bonds authorized by the 2015 Legislature to partially finance the renovation and expansion of the west side of the existing Romney football stadium (along with approximately \$8 million to be provided by private gift funds). After a competitive bond sale on June 25, 2015, the bonds closed on July 9, 2015.

The bond sale conformed to all of the parameters approved by the Regents. The following is a brief summary of the results:

- Final Par Amount of the Bonds \$23,900,000
- True Interest Cost (TIC) 3.82%
- Maximum Coupon Rate 5%
- Maturity Date 30.11 years

Additional details about the bond issue may be found in the attached Financing Summary with final pricing results in red type face.

Commissioner's Recommendation

This is an information item only; no action is required.

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David L. Buhler  
Commissioner of Higher Education

DLB/GLS/RPA  
Attachment

**Utah State University  
Student Building Fee Revenue Bonds, Series 2015  
Preliminary Summary Sheet**

Proposed Issue: Student Building Fee Revenue Bonds

Total Approximate Issue Size: \$21,130,000 (**\$23,900,000 Final Par Amount**)

Use of Funds: To provide up to \$23,000,000 to finance the cost of the Romney Stadium Westside Renovation; satisfy any reserve fund requirements; fund any capitalized interest amount; and pay associated costs of issuance.

Detail of Proposed Series 2015 Bonds:

Principal Amount: Not to exceed \$24,500,000 (**\$23,900,000**)

Interest Rate: Not to exceed 5.0% (**max coupon of 5% and True Interest Cost of 3.82%**)

Maturity Date: Not to exceed 31 years (**30.11 years**)

Aggregate Discount: Not to exceed 2% (**Premium of 0.703%**)

Underwriter's Discount: Not to exceed 2% (**1.353%**)

Bond Rating: AA from S&P (**AA rating confirmed**)

Bond Insurance: Anticipated Insurance through Assured Guaranty (**Insurance and Surety Bond provided by Assured Guaranty**)

Source of Repayment: Student Building Fee Revenue Bonds

Timetable Considerations: Regent approval will be sought at their May 15 meeting. The University is proceeding with plans to sell bonds soon after Regent approval is received, with a tentative sale date planned for June 11, 2015. The University anticipates selling bonds by competitive sale, and the underwriter will be whichever bidder provides the lowest borrowing cost (as a combination of interest rates and fees) to the University. The anticipated closing date is Thursday, June 25. (**The bonds were sold on June 25th to Janney Montgomery Scott LLC by competitive sale. The transaction will close on July 9**)