

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Annual Report on Institutional Revenue Bond Indebtedness

Issue

Regent Policy R590, *Issuance of Bonds for Colleges and Universities*, requires the Office of the Commissioner to prepare and submit an annual report on institutional indebtedness for the USHE system to the Board. The attached report for 2016 fulfills this requirement.

Background

State statute allows the State Board of Regents to issue revenue bonds on behalf of USHE institutions after the bonds have been approved by the State Legislature. Seven of the eight USHE institutions had outstanding debt as of June 30, 2016. Salt Lake Community College paid its last principal payment in June, 2016 and no longer has debt outstanding. The following table summarizes the outstanding indebtedness of each institution:

Institution	Original Amount	Outstanding Balance as of June 30, 2016	% Outstanding
University of Utah	\$1,134,015,000	\$725,880,000	64%
Utah State University	\$204,940,000	\$175,975,000	86%
Weber State University	\$59,685,000	\$53,440,000	90%
Southern Utah University	\$28,730,000	\$15,590,000	54%
Snow College	\$16,810,000	\$14,885,000	89%
Dixie State University	\$26,510,000	\$23,860,000	90%
Utah Valley University	\$64,170,000	\$46,850,000	73%
Salt Lake Community College	No Debt Outstanding		
<b>USHE Total</b>	<b>\$1,534,860,000</b>	<b>\$1,056,480,000</b>	<b>69%</b>

The attached Annual Report on Institutional and Revenue Bonded Indebtedness provides additional information on each of the USHE revenue bonds that were outstanding as of June 30, 2016. All bonds are being retired on schedule with debt service requirements being met or exceeded in every case.

Commissioner's Recommendation

This is an information item; no action is required.

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David L. Buhler  
Commissioner of Higher Education

DLB/KLH/RPA  
Attachment

**Utah System of Higher Education - Annual Report on Institutional and Revenue Bonded Indebtedness**  
**Fiscal Year 2016**



Institutional Bond System	Original Amount	Series	Purpose	Debt Service Coverage Requirement	Debt Service Coverage as of June 30, 2016	Maturity Date	Continuing Disclosure Submitted	Outstanding Balance as of June 30, 2016
<b>University of Utah</b>								
Auxiliary & Campus Facilities	\$ 120,240,000	1998A	Student Housing and Refunding	1.00	3.52	2029	15-Dec-2016	30,365,000
Auxiliary & Campus Facilities	23,515,000	2010A	Student Housing Refunding (1998A, 1999A, and 2001)	1.00	3.52	2020	15-Dec-2016	615,000
Auxiliary & Campus Facilities	42,525,000	2010C	Honors Housing and Guest House Expansion (taxable)	1.00	3.52	2036	15-Dec-2016	39,950,000
Auxiliary & Campus Facilities	46,235,000	2012A	Parking and Athletic Center	1.00	3.52	2022	15-Dec-2016	11,475,000
<i>Subtotal Auxiliary &amp; Campus</i>	<i>232,515,000</i>							<i>82,405,000</i>
Hospital Revenue	77,145,000	2006A	Hospital West Pavilion Expansion and Refunding (2001)	1.10	17.07	2021	15-Dec-2016	11,315,000
Hospital Revenue	9,135,000	2009A	Neuropsychiatric Institute expansion (nontaxable)	1.10	17.07	2016	15-Dec-2016	2,240,000
Hospital Revenue	41,785,000	2009B	Neuropsychiatric Institute expansion (taxable)	1.10	17.07	2030	15-Dec-2016	41,785,000
Hospital Revenue	36,120,000	2010	Ambassador Building, Orthopaedic Center	1.10	17.07	2020	15-Dec-2016	11,200,000
Hospital Revenue	20,145,000	2011A	Hospital Revenue Refunding (2008A)	1.10	17.07	2026	15-Dec-2016	15,370,000
Hospital Revenue	66,480,000	2011B	South Jordan Health Center	1.10	17.07	2020	15-Dec-2016	14,990,000
<i>Subtotal Hospital Revenue</i>	<i>250,810,000</i>							<i>96,900,000</i>
Research Facilities	9,360,000	2008A	Research Facilities Refunding (2007A)	2.50	16.92	2022	15-Dec-2016	4,670,000
Research Facilities	19,080,000	2009A	USTAR Infrastructure (nontaxable)	2.50	16.92	2019	15-Dec-2016	6,350,000
Research Facilities	27,730,000	2009B	USTAR Infrastructure (taxable)	2.50	16.92	2029	15-Dec-2016	27,730,000
<i>Subtotal Research Facilities</i>	<i>56,170,000</i>							<i>38,750,000</i>
General Revenue	127,925,000	2013A	Law School, Student Life, Parking, Bball Training	N/A	13.77	2043	15-Dec-2016	127,925,000
General Revenue	100,000,000	2013B	Commercial Paper Refunding of Hospital and ACFS	N/A	13.77	2043	15-Dec-2016	60,000,000
General Revenue	32,785,000	2014A	Refunding of Hospital and Research Bonds	N/A	13.77	2027	15-Dec-2016	31,740,000
General Revenue	76,200,000	2014B	Lassonde, Infrastructure, Refunding of Hospital Bonds	N/A	13.77	2038	15-Dec-2016	74,740,000
General Revenue	45,330,000	2015A	MidValley Clinic, Refunding of Research and ACFS	N/A	13.77	2034	15-Dec-2016	39,765,000
General Revenue	91,570,000	2015B	Parking, Infrastructure, Refunding of Hospital and ACFS	N/A	13.77	2035	15-Dec-2016	91,570,000
General Revenue	68,210,000	2016A	Orson S. Hall, Orthopaedic Center, Refunding ACFS	N/A	13.77	2036	15-Dec-2016	68,210,000
<i>Subtotal General Revenue</i>	<i>542,020,000</i>							<i>493,950,000</i>
Certificates of Participation	42,450,000	2007	Central and Co-generation Plants and Refunding	N/A	N/A	2017	15-Dec-2016	4,090,000
Certificates of Participation	10,050,000	2015	Certificates of Participation Refunding (2007)	N/A	N/A	2022	15-Dec-2016	9,785,000
<i>Subtotal Cert. of Participation</i>	<i>52,500,000</i>							<i>13,875,000</i>
<b>UU Total</b>	<b>\$ 1,134,015,000</b>							<b>\$ 725,880,000</b>

<b>Utah State University</b>								
Student Fee & Housing	\$ 39,155,000	2007	Student Fee & Housing Refunding (2004)	1.10	2.93	2035	29-Feb-2016	37,955,000
Student Fee & Housing	24,455,000	2015	Student Housing Facility	1.10	2.93	2038	29-Feb-2016	24,455,000
<i>Subtotal Student Fee &amp; Housing</i>	<i>63,610,000</i>							<i>62,410,000</i>
Research Revenue Bonds	22,000,000	2009	Early Childhood and Early Care Ed. and Bingham Bldgs.	2.50	7.63	2031	23-Dec-2015	2,725,000
Research Revenue Bonds	11,070,000	2010	Research Revenue Refunding (2009, 2003, 2002A)	2.50	7.63	2018	23-Dec-2015	4,500,000
Research Revenue Bonds	19,500,000	2015A	Research Facility	2.50	7.63	2047	23-Dec-2015	19,500,000
Research Revenue Bonds	13,145,000	2015B	Research Revenue Refunding (2009)	2.50	7.63	2031	23-Dec-2015	13,145,000
<i>Subtotal Research Revenue</i>	<i>65,715,000</i>							<i>39,870,000</i>
Student Building Fee Revenue	8,405,000	2013	Student Bldg. Refunding (2004: Stadium, Fieldhouse)	1.10	1.10	2026	29-Feb-2016	7,160,000

Institutional Bond System	Original Amount	Series	Purpose	Debt Service Coverage Requirement	Debt Service Coverage as of June 30, 2016	Maturity Date	Continuing Disclosure Submitted	Outstanding Balance as of June 30, 2016
Student Building Fee Revenue	43,310,000	2013B	Life & Wellness Cntr. and Athletic Complex/Training	1.10	1.10	2045	29-Feb-2016	42,635,000
Student Building Fee Revenue	23,900,000	2015	Football Stadium Renovations	1.10	1.10	2046	29-Feb-2016	23,900,000
<i>Subtotal Student Building</i>	<i>75,615,000</i>							<i>73,695,000</i>
<b>USU Total</b>	<b>\$ 204,940,000</b>							<b>\$ 175,975,000</b>

<b>Weber State University</b>								
Student Facilities	\$ 10,155,000	2007	Student Housing Refunding (2001A)	1.25	1.40	2031	1-Dec-2016	8,515,000
Student Facilities	14,015,000	2010A	Student Housing	1.25	1.40	2040	1-Dec-2016	12,890,000
Student Facilities	17,380,000	2012	Student Housing	1.25	1.40	2032	1-Dec-2016	14,830,000
Student Facilities	18,135,000	2015	Refunding (2005: Student Union Building)	1.25	1.40	2030	1-Dec-2016	17,205,000
<b>WSU Total</b>	<b>\$ 59,685,000</b>							<b>\$ 53,440,000</b>

<b>Southern Utah University</b>								
Auxiliary & Student Building Fee	\$ 12,025,000	2008	Student Housing	1.15	1.89	2033	16-Mar-2016	800,000
Auxiliary & Student Building Fee	8,285,000	2011	Student Housing	1.15	1.89	2023	16-Mar-2016	6,370,000
Auxiliary & Student Building Fee	8,420,000	2016	Student Housing Refunding (2008)	1.15	1.89	2033	24-Aug-2016	8,420,000
<b>SUU Total</b>	<b>\$ 28,730,000</b>							<b>\$ 15,590,000</b>

<b>Snow College</b>								
Student Fee & Housing	\$ 16,810,000	2011	Student Housing	1.10	1.48	2036	29-Jan-2016	14,885,000
<b>Snow Total</b>	<b>\$ 16,810,000</b>							<b>\$ 14,885,000</b>

<b>Dixie State University</b>								
Lease Revenue	\$ 5,195,000	2006	Refunding (1999A: Dixie Center)	N/A	N/A	2023	27-Dec-2016	2,545,000
General Revenue	21,315,000	2015	Student Housing	N/A	N/A	2046	27-Dec-2016	21,315,000
<b>DSU Total</b>	<b>\$ 26,510,000</b>							<b>\$ 23,860,000</b>

<b>Utah Valley University</b>								
Municipal Bldg. Auth. Ut. County	\$ 3,900,000	2004A	Baseball Stadium and Improvements	1.10	1.27	2019	18-Jan-2016	1,380,000
Student Cntr. Bldg. Fee & Unified	11,020,000	2004A	Refunding (2000 and 1995A: Student Center)	1.10	1.27	2020	18-Jan-2016	1,855,000
Student Cntr. Bldg. Fee & Unified	49,250,000	2012A	Student Life and Wellness Bldg. & Parking	1.10	1.27	2033	18-Jan-2016	43,615,000
<b>UVU Total</b>	<b>\$ 64,170,000</b>							<b>\$ 46,850,000</b>

<b>Salt Lake Community College</b>			No Debt Outstanding					<b>\$ -</b>
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<b>USHE Total</b>	<b>\$ 1,534,860,000</b>							<b>\$1,056,480,000</b>
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