SSU Debt

SSU Academic Senate

2/20/14
CSU Debt Program

- E0 994 - Financing and Debt Management Policy

- Systemwide Revenue Bonds (SRB)
  - CSU systemwide program adopted 2002 by BOT
  - Bond rating upgraded in 2013 to high grade
  - SSU Average Interest Rate of approx. 4%
  - 30 year debt issuance
  - Principal + Interest
  - Self Support programs pledge revenues
    - Housing, Parking, Student Union, Health Center, Ex Ed
  - Auxiliary Corporations may also utilize
SSU SRB Debt Program

- SRB funded programs carrying debt at SSU:
  - Housing $178.6M
  - Student Union/Rec Center $12.5M
  - Parking $7.0M

Debt Outstanding

- Housing $178.6M
- Student Union/Rec Center $12.5M
- Parking $7.0M

$198.1M

Annual SRB Debt Service = $11.6M (12/13)
SSU SRB Debt Program

- Release of annual debt obligations:

  Years from now:
  - 10 years  <$ 0.5M>
  - 20 years  <$ 2.9M>
  - 25 years  <$ 6.4M>
  - 30 years  All current outstanding SRB debt
Debt Service Coverage Ratio

- DSCR
  - Net Income / Annual Debt Service Payments

- Per EO 994
  - Minimum Campus DSCR = 1.35
Debt Service Coverage Ratio

2012-2013
Annual SRB Debt Service $11.6M
Net Income Before Debt Service $18.6M

DSCR $18.6M / $11.0M = 1.60
Campus Reserve Policies

- EO 994 requires development and review of reserves for funds responsible for SRB debt payments
- Reserves must address:
  - maintenance and repair
  - working capital
  - capital development
  - catastrophic events
- Campus reserves are reviewed annually
Reserve Balances

- GAAP Unrestricted Net Asset balances, 6/30/13:

  - $18,637,040  Housing
  - $ 6,023,910  Student Union
  - $ 1,880,340  Parking
  - $26,541,290
