1. Issue: MaSU requests the SBHE issue Housing and Auxiliary Facilities Revenue Refunding Bonds for the purpose of refinancing the outstanding self-liquidating revenue bonds, with the stipulation that the present value of the debt savings be not less than 3%. The request includes issuance of bonds, execution of related documents, authorize the MaSU President and VP for Finance to approve the sale based on the stipulations noted below, and appoint bond counsel and municipal advisors for the purpose of preparing the documents and executing the sale.

2. Proposed motion: MaSU requests authorization of a resolution approving:

1. The issuance of not to exceed $3,000,000 State Board of Higher Education of the State of North Dakota, Mayville State University, Housing and Auxiliary Facilities Revenue Refunding Bonds, Series 2017A, for the purpose of refinancing the outstanding MaSU Housing and Auxiliary Facilities Revenue Bonds, Series 2010 (Build America Bonds), maturing on and after October 1, 2017, and paying the costs of issuance of the Series 2017A bonds;
2. Authorize the execution of a Supplemental Indenture of Trust, Bond Purchase Agreement and Related Documents;
3. Authorize the MaSU President and Vice President for Business Affairs to approve the sale of the bonds (Series 2017A) provided that the true interest rate not exceed 5%, provided the present value of the debt service savings is not less than 3%. The approximate final date upon which the principal amount of the obligation will mature or become payable is October 1, 2029; and
4. Appoint the firm of Arntson Stewart Wegner PC as the bond counsel and AMKO Advisors, LLC (Independent Municipal Advisors to Government) as the municipal advisor.

3. Background: Previously issued revenue bonds have higher rates of return for investors, resulting in increased costs to MaSU in servicing the debt. Reissuance at this time may result in a lower rate of return, and subsequent cost savings to MaSU. The sale will not go forward unless savings are realized as per the above motion.

4. Financial implications: Refinancing the existing revenue bonds will result in a savings of not less than 3%.

5. Academic implications: None

6. Legal/policy issues: Refinancing of existing self-liquidating revenue bonds previously approved by the legislature requires no additional legislative approval.
7. **Review Process:** Reviewed by Tonder

8. **Enclosures:** (agenda item and related material)

9. **Contact person:** Steven P. Bensen, VP for Business Affairs

10. **Chancellor’s Recommendation:** Chancellor recommends approval.