

Contact: Brad Berg

MASTER LEASE FINANCINGS

Action Requested: Receive the master lease financing report.

Executive Summary: Board policy authorizes the Executive Director to execute lease agreements with a master lease provider on behalf of the Regent institutions. The policy requires master lease financings be reported to the Board at the next available meeting.

Parking System – University of Iowa

In August 2013, the Board adopted a reimbursement resolution permitting the University of Iowa to be reimbursed from future borrowing for costs incurred for the purchase of a Parking Access and Revenue Control System. In June 2014, the Executive Director authorized a 5-year master lease financing of \$4.5 million on behalf of the University of Iowa with Wells Fargo Bank at a tax-exempt interest rate of 2.24% for the acquisition of the System. The master lease financing will be repaid by University Parking System earnings.

Power Plant – University of Northern Iowa

In June 2014, the Board authorized the University of Northern Iowa to enter into a master lease financing agreement for up to \$5 million to finance the Power Plant Air Regulations Compliance, Power Plant Boiler #3 Wall Panel Replacement, and Power Plant Storage Facility projects. Later in June 2014, the Executive Director authorized a 10-year master lease financing of \$5 million on behalf of the University of Northern Iowa with Wells Fargo Bank at a tax-exempt interest rate of 3.06% for the Power Plant projects. The master lease financing will be repaid from University utility budgets over a ten year period.