Contact: Kent Farver

IOWA STATE UNIVERSITY BOND SALE PARAMETERS RESOLUTION

Committee Action Requested: Consider recommending full Board approval of:

1. A resolution authorizing the issuance and establishing parameters for the sale and securing the payment of not to exceed ${24,000,000} par Recreational System Facilities Revenue Bonds, Series I.S.U. 2026, for the purpose of financing a portion of the costs of improving and renovating the State Gym Natatorium and other improvements related to the Recreational Facilities System located on the campus of Iowa State University of Science and Technology, funding a debt service reserve fund, and paying costs of issuance.

Executive Summary:

1. The Board is asked to consider adoption of a parameters resolution providing for the sale and issuance of the Recreation System Facilities Revenue Bonds, Series I.S.U. 2026 (the "Bonds") for Iowa State University. Proceeds from the sale of the Bonds would be used to fund the {State Gymnasium Natatorium System Renewal} project. The receipt and opening of bids are scheduled for 10:00 a.m. on Thursday, November 12, 2026. The parameters resolution allows for the approval of the Bonds, provided the total principal amount of the issue does not exceed ${24,000,000} par and the true interest cost of the Bonds does not exceed {5.5%} and the final maturity is no later than July 1, 2041.

The determination of whether the parameters are satisfied and the execution of the bond purchase agreement will be made by the Executive Director and ISU's Senior Vice President for Operations and Finance, after consultation with Baker Tilly MA, the Board's Municipal Advisor.

Additional Information: The official statement for the bond sale created by Baker Tilly LLC, the Board's Municipal Advisor, may be found at https://www.muniplatform.com/calendar. A copy of the parameters resolution, which was prepared by Ahlers & Cooney, P.C. and reviewed by Baker Tilly LLC, is available from the Board Office.

Recreation System Facilities Revenue Bonds, Series I.S.U. 2026

In September 2026, the Board approved the project description and budget for ISU's {State Gymnasium Natatorium Systems Renewal} project. This project would renew several key systems in the natatorium to maintain continued operation and reduce the risk of system failure. The work includes code compliance upgrades, mechanical system improvements, replacement of pool systems and equipment, and replacement and remediation of the building envelope.

Also in September 2026, the Board approved a reimbursement resolution for the project which permits the University to be reimbursed from the bond issue proceeds for expenditures associated with the project prior to the issuance of the Bonds.

Principal on the Bonds would be repaid over a period of 15 years with anticipated average annual debt service payments of approximately $2,238,443. Interest on the Bonds would be exempt from federal and state taxes (double tax-exempt) for Iowa residents who purchase the Bonds.

The sources of repayment are the income and revenues to be derived from the operation or use of the Recreation System and from any fees or charges implemented by the Board to students for whom the facilities are made available.

The Bond issuance amount is estimated at ${24,000,000}. Depending upon the bids received, this amount may be adjusted up or down. This flexibility will provide sufficient funds for use as follows:

- Project proceeds (estimated at $21,000,000);
- Underwriters discount (estimated at $331,870); and
- Issuance costs (estimated at $127,379).

Specifics of the Bonds are:

- Average Life: 8.329 Years
- Dated: December 1, 2026
- Interest Due: Commencing July 1, 2027 and each January 1 and July 1 thereafter to maturity
- Interest Exemption: Exempt from federal and state taxes for individual purchasers who are residents of Iowa
- Principal Due: July 1, 2027 – 2041
- Optional Call: Bonds maturing on or after July 1, 2037 are callable commencing July 1, 2036 and any date thereafter at par
- Denomination: $5,000 and integral multiples thereof