Facilites Corp. Board

Meeting Date**: November 12, 2026**

Agenda Item: **1.3**

ITEMS FOR DISCUSSION AND ACTION:

Committee: **Board Action and Discussion Items**

Action Item: **Annual Report**

The attached annual report provides a summary of the current year activity for the Facilities Corporation.

The System Office recommends approval of the Annual Report.

ATTACHMENTS:

- FY2026 Facilities Corporation Annual Report

Nebraska State Colleges Facilities Corporation
Annual Report
For the Year Ended June 30, 2026

A historical overview of the Nebraska State Colleges Facilities Corporation (the Corporation) can be found here.

Audit Results

Forvis Mazars LLP issued an unmodified ("clean") opinion on the Corporation's financial statements for the fiscal years ended June 30, 2026 and 2025. The audit found the statements to present fairly, in all material respects, the financial position and results of operations in accordance with U.S. GAAP.

Project Status

There are no ongoing construction projects for the Corporation during fiscal year 2026.

Long-term Debt

There were no new bond issues in the current year. The following bonds have outstanding debt for the year ended June 30, 2026:

- Series 2020 Bonds – Chadron State College Math Science Project ($16,610,000)
- Series 2022A Bonds – Refunding of 2016 Deferred Maintenance Bonds ($18,070,000)
- Series 2022B Bonds – Athletic & Recreation projects at Wayne State and Peru State Colleges ($15,460,000)

The debt service requirements as of June 30, 2026 are as follows:

Year Ending June 30,	Principal	Interest	Total
2027	2,555,000	2,195,446	4,750,446
2028	2,660,000	2,086,769	4,746,769
2029	2790000	1,957,064	4,747,064
2030	2,925,000	1,820,563	4,745,563
2031	3,070,000	1,676,717	4,746,717
2032-2036	15,175,000	6,331,120	21,506,120
2037-2041	20,965,000	2,446,704	23,411,704
	$ 50,140,000	$ 28,514,383	$ 68,854,383

Key Financial Results

Net position increased approximately $3.0 million during fiscal year 2026. This is due largely to the payment of interest expense and scheduled principal payments, reducing outstanding bond obligations. No transfers for construction projects occurred during the year as all bond-funded projects have been completed. State appropriations of $3.3 million along with Capital Improvement fees of $1.47 million were used to make the necessary debt service payments.

Conclusion
The Corporation remains financially sound, with strong legislative backing and consistent fee revenue ensuring timely debt service payments. Fiscal year 2026 reflects improved net position and continued clean audit results with no material weaknesses or compliance findings.