

SENATE BILL #1968

Title: ASUW Contribution to Union Renovation

Date: January 16, 2001

Authors: ASUW President Calvert

Sponsors: Senators Lance, Partridge, and Vigil

1. WHEREAS, renovations to the Wyoming Union began in 1998 in an effort to
2. better serve students, faculty and staff; and
3. WHEREAS, a \$10 million, 20-year bond was issued in 1999 to pay for the
4. project, with debt service being paid by contributions from the Union Reserve,
5. the University Bookstore, federal mineral royalties, and full-time student fee
6. revenues (see Addendum A); and
7. WHEREAS, the construction bid awarded for Phases 1, 2 and 3 exceeded the
8. \$7,318,800 construction budget by \$1,544,200, and additional project costs
9. resulted in an overall budget shortfall of \$1,578,575; and
10. WHEREAS, a new \$1.62 million, 20-year bond will have to be issued in 2001
11. to cover the budget shortfall, with debt service payments equaling approxi-
12. mately \$135,501.30 annually; and
13. WHEREAS, full-time students will already experience a fee increase of
14. \$22.00 in FY 2002 to pay for the original Series 1999 Bond Issue; and
15. WHEREAS, it is important that full-time students not bear the entire cost of
16. the new bond issue, especially as students will not have full access to the
17. building until FY 2003; and
18. WHEREAS, the Associated Students of the University of Wyoming (ASUW)

19. Student Government is located in the Wyoming Union, as is the ASUW
20. Senate Chamber; and
21. WHEREAS, ASUW currently earns five (5) percent or approximately
22. \$133,000 in interest income annually (including the Special Projects Fund
23. created by Senate Bill #1857); and
24. WHEREAS, the University Administration has agreed to pay \$50,000
25. annually from federal mineral royalties for a total of \$1 million; and
26. WHEREAS, the Wyoming Union currently assesses a \$15 full-time student
27. fee for planning, renovation and construction of the building, \$2.75 of which
28. the Union administration has agreed to realign for debt service payment of the
29. Series 2001 Bond Issue.
30. THEREFORE, be it enacted by the Student Senate of the Associated
31. Students of the University of Wyoming that the ASUW Student Government
32. shares the cost of the Series 2001 Bond Issue with the University and the
33. Union for the first three years; and
34. THEREFORE, be it further enacted by the Student Senate of the Associated
35. Students of the University of Wyoming that \$35,000 be allocated from the
36. five (5) percent annual interest earned on the ASUW Student Loan Account,
37. the ASUW Endowment and the ASUW Reserve for three years (FY 2002-
38. FY 2004) for the annual debt service payments of the Series 2001 Bond Issue
39. for the Wyoming Union. Allocation from each interest account will be:
40. ASUW Student Loan Account=\$20,000.00; ASUW Endowment=\$7,500.00;
41. ASUW Reserve=\$7,500.00. Total expenditures will equal \$105,000.00:

42. ASUW Student Loan Account=\$60,000.00 (see Addendum B); ASUW

43. Endowment=\$22,500.00; ASUW Reserve=\$22,500.00.

Referred to: Committee of the Whole

Date of Passage: January 17, 2001

Special session of ASUW Senate

Signed:

Rita B. Englund

(ASUW Chairperson)

“Being enacted on January 18, 2001, I do hereby sign my name hereto and

approve this Senate action.”

David A. ...

ASUW President

Roll call vote: 21-1-2

**WYOMING STUDENT UNION
TOTALS - DEBT SERVICE AND PROJECT EXPENDITURES
Assumes Series 1001 debt service will be split between the University, ASUW, Student Union Fee and Union Reserve**

Series 1999 Bond Issue	
Total debt service ⁽¹⁾	\$ 16,182,161.00
Funding:	
Union Reserve	\$ 1,393,825.00 8.6%
Bookstore	\$ 3,305,268.00 20.4%
Student Union Fee ⁽²⁾	\$ 6,071,534.00 37.5%
University match ⁽³⁾	\$ 5,411,534.00 33.4%
	<u>\$ 16,182,161.00 100.0%</u>
Series 2001 Bond Issue	
Total debt service ⁽⁴⁾	\$ 2,576,051.00
Proposed funding:	
University match	\$ 1,000,000.00 38.8%
Union Reserve ⁽⁵⁾	\$ 876,051.00 34.0%
ASUW ⁽⁶⁾	\$ 105,000.00 4.1%
Student Union Fee ⁽⁷⁾	\$ 595,000.00 23.1%
	<u>\$ 2,576,051.00 100.0%</u>

Summary - Total Project Expenditures			
Source of Funds	Debt Service Payments	Addn't Project Funding	Total Expenditures
Union Reserve	\$ 2,269,876.00		\$ 2,269,876.00 11.2%
Bookstore	\$ 3,305,268.00		\$ 3,305,268.00 16.3%
Student Union Fee	\$ 6,071,534.00	\$ 595,000.00	\$ 6,666,534.00 32.8%
University match	\$ 6,411,534.00	\$ 558,596.00	\$ 6,970,130.00 34.3%
Interest income ⁽⁸⁾		\$ 897,514.00	\$ 897,514.00 4.4%
ASUW		\$ 141,000.00	\$ 141,000.00 0.7%
Physical Plant		\$ 11,500.00	\$ 11,500.00 0.1%
Pepsi Income		\$ 58,575.00	\$ 58,575.00 0.3%
	<u>\$ 18,058,212.00</u>	<u>\$ 2,262,185.00</u>	<u>\$ 20,320,397.00 100.0%</u>

- Note 1: Series 1999 Bonds in the par amount of \$9,660,000 were issued for the construction of the Wyoming Student Union. The bonds will be repaid over 20 years, resulting in total debt service payments of \$16,182,161.
- Note 2: The previously approved Student Union Fee of \$22/semester goes into effect Fall semester of 2001.
- Note 3: The University match, which will be paid from Federal Mineral Royalties, goes into effect fiscal year 2004, the first year FMR funds become available.
- Note 4: The Series 2001 Bonds will be issued January 2001 in the par amount of \$1,620,000. The bonds will be repaid over 20 years resulting in total debt service payments of approximately \$2,710,026.
- Note 5: Students currently pay a mandatory \$15/semester Union Renovation fee, \$2.75 of which will be reallocated to payment of Series 2001 debt service.
- Note 6: ASUW will make Series 2001 debt service payments for three years from interest income earned on the ASUW Student Loan Account, the ASUW Reserve and the ASUW Endowment.
- Note 7: The Student Union Fee should be increased by \$2.25 in fiscal year 2005 to pay for the remaining years of the Series 2001 debt service.
- Note 8: The interest income earned by investing the bonds throughout the duration of the 20-year issuance.

WYOMING STUDENT UNION
ASUW Contribution for Series 2001 Debt Service
16-Jan-01

ASUW Contribution:	FY 2002-04	
	Annual Payment	Total Expenditures
Student Loan Interest Account ⁽⁵⁾	\$20,000.00	\$60,000.00
Endowment Interest Account ⁽⁶⁾	\$7,500.00	\$22,500.00
Reserve Interest Account ⁽⁷⁾	\$7,500.00	\$22,500.00
	<u>\$35,000.00</u>	<u>\$105,000.00</u>

Series 2001 Bond Issue	
Total debt service⁽¹⁾	<u>\$2,576,051.00</u>
Annual debt service	<u>\$128,802.55</u>
Proposed funding:	
Source of Funds	Total Expenditures
University match	\$ 1,000,000.00
Union Reserve ⁽²⁾	\$ 876,051.00
ASUW contribution ⁽³⁾	\$ 105,000.00
Student Union Fee ⁽⁴⁾	\$ 595,000.00
	<u>\$ 2,576,051.00</u>
	38.8%
	34.0%
	4.1%
	23.1%
	<u>100.0%</u>

- Note 1: The Series 2001 Bonds will be issued January 2001 in the par amount of \$1,620,000. The bonds will be repaid over 20 years resulting in total debt service payments of approximately \$2,710,026.
- Note 2: Students currently pay a mandatory \$15/semester Union Renovation fee, \$2.75 of which will be reallocated to the Student Union fee for the payment of Series 2001 debt service.
- Note 3: ASUW will make the FY 2002 debt payment from three ASUW interest accounts: ASUW Student Loan, ASUW Endowment, and ASUW Reserve.
- Note 4: The Student Union Fee should be increased by \$2.25 in fiscal year 2005 to pay for the remaining years of the Series 2001 debt service.
- Note 5: Interest earned as of 10/31/00 on the student loan account equaled \$20,315.17.
- Note 6: ASUW legislation mandates that the 5% interest earned on the endowment be allocated by the Budget and Planning Committee annually for special projects proposed by students, faculty and/or staff. Estimated annual interest is \$62,000.
- Note 7: Interest earned on the reserve in FY 2000 equaled \$13,968.00.