



TEXAS TECH UNIVERSITY SYSTEM

# 2024 Bond Issuance

James Mauldin, CPA, CTP

*Vice Chancellor and Chief Financial Officer*

August 8-9, 2024

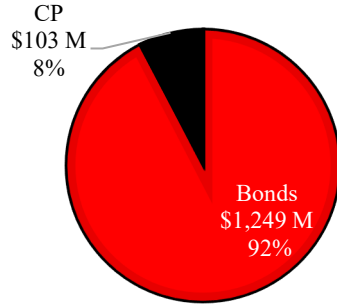


# TTUS Total Debt Outstanding

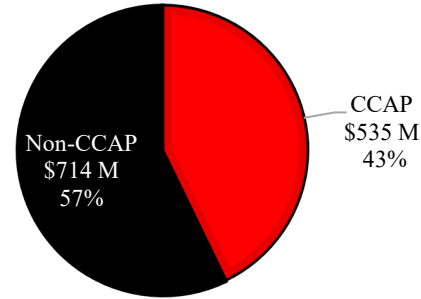
## As of August 1, 2024



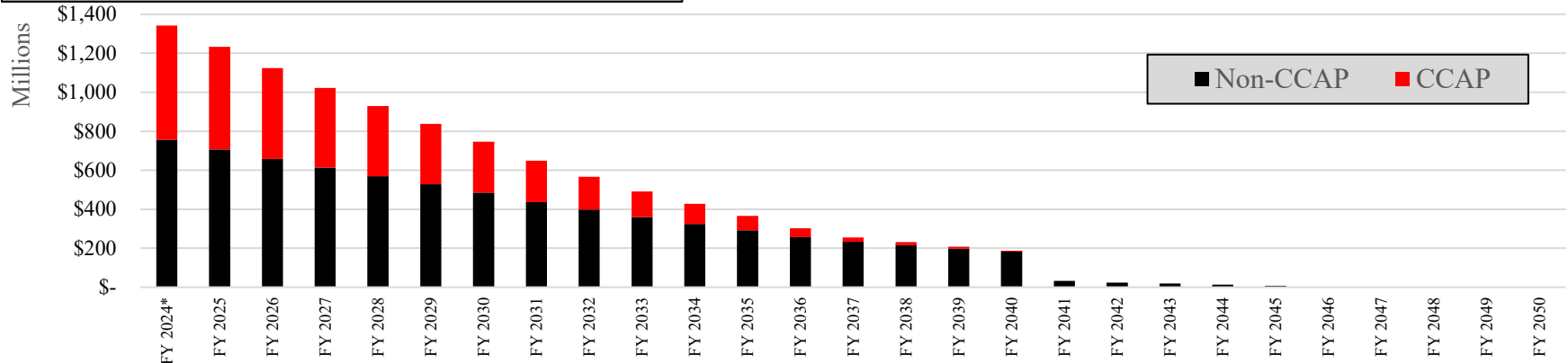
**TOTAL DEBT OUTSTANDING = \$1.35B**



**TOTAL BOND DEBT OUTSTANDING = \$1.25B**



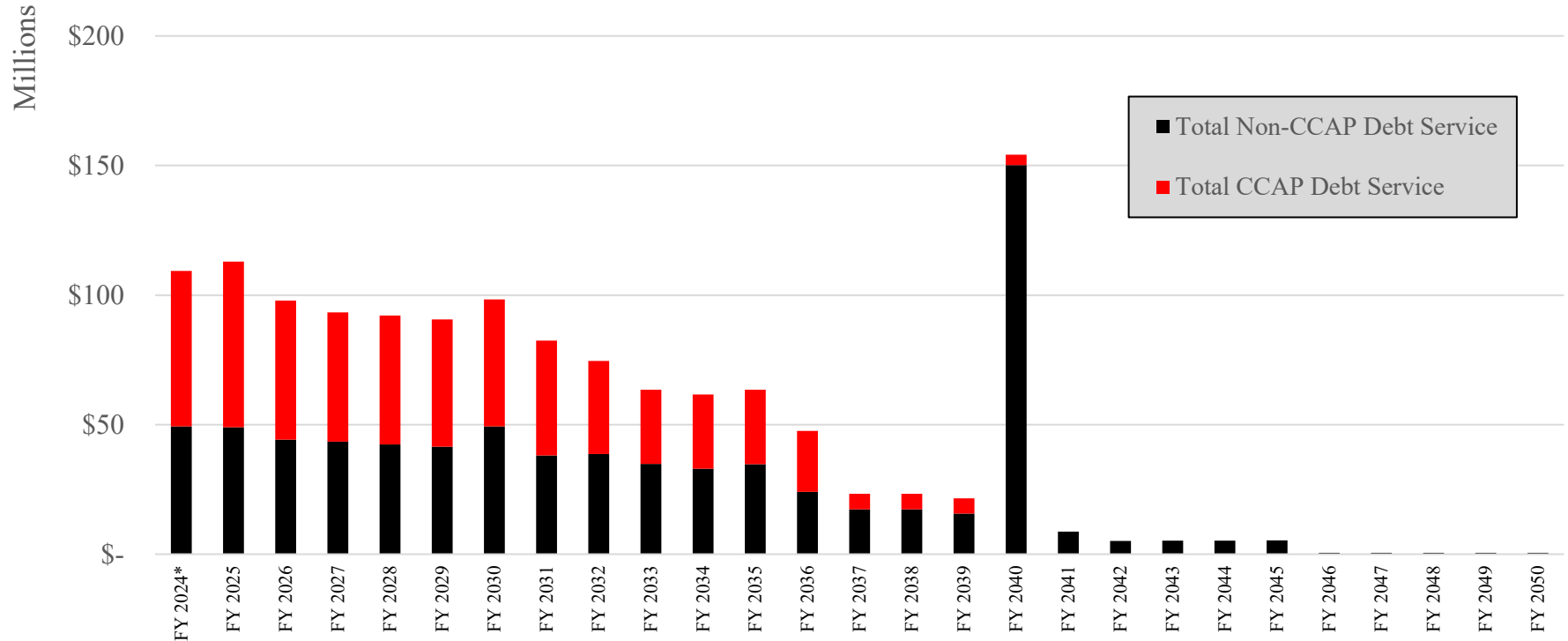
**TOTAL BOND DEBT OUTSTANDING: As of 8/31/23**



\*FY 2024 total includes a principal and interest payment of \$82.7M, paid in February 2024

# TTUS Annual Debt Service on Bonds

## As of August 31, 2023



\*FY 2024 total includes a principal and interest payment of \$82.7M, paid in February 2024

# TTUS Financial Analysis

## Review of Key Ratios



	FY 2020	FY 2021	FY 2022	FY 2023
Operating Revenues	\$2.05B	\$2.10B	\$2.43B	\$2.58B
Operating Cash Flow Margin (%)	12.50%	15.11%	17.89%	13.76%
Total Cash and Investments to Operating Expenses (x)	1.37x	1.65x	1.54x	1.46x
Annual Debt Service Coverage	3.01x	3.45x	4.11x	2.27x

# KBRA Surveillance Report of TTUS

## Report Published July 10, 2024



- Affirmed AA+ Rating with Stable Outlook
  
- Credit Positives of TTUS
  - Solid finances, characterized by substantial liquidity, diverse funding, and typically balanced operations.
  - Healthy student demand, driven by an expansive operation that includes academic and health institutions.
  - Highly experienced leadership.
  
- Credit Challenges of TTUS
  - On-going plan for debt issuance driven by capital-intensive nature of operations.

# TTUS Peer Comparisons

## State of Texas Systems



	UT System	A&M System	TTU System	UH System	Texas State System	UNT System	TWU System
Moody's	Aaa	Aaa	Aa1	Aa2	Aa2	Aa2	Aa3
S&P	AAA	AAA	AA+	AA	-	-	A+
Fitch	AAA	AAA	AA+	-	AA	AA	-
KBRA	-	-	AA+	-	-	-	-

# Bond Issuance Authorization Request



- The 21<sup>st</sup> Supplemental Bond Resolution requests authorization for the issuance and sale of the “Board of Regents of TTUS Revenue Financing System Refunding and Improvement Bonds, Series 2024” tax-exempt and taxable bonds in the maximum aggregate amount of **\$550 million**. Such delegated authority **expires 365 days** from date of adoption of the resolution.

# Summary of Projects in 2024 Bond Issuance



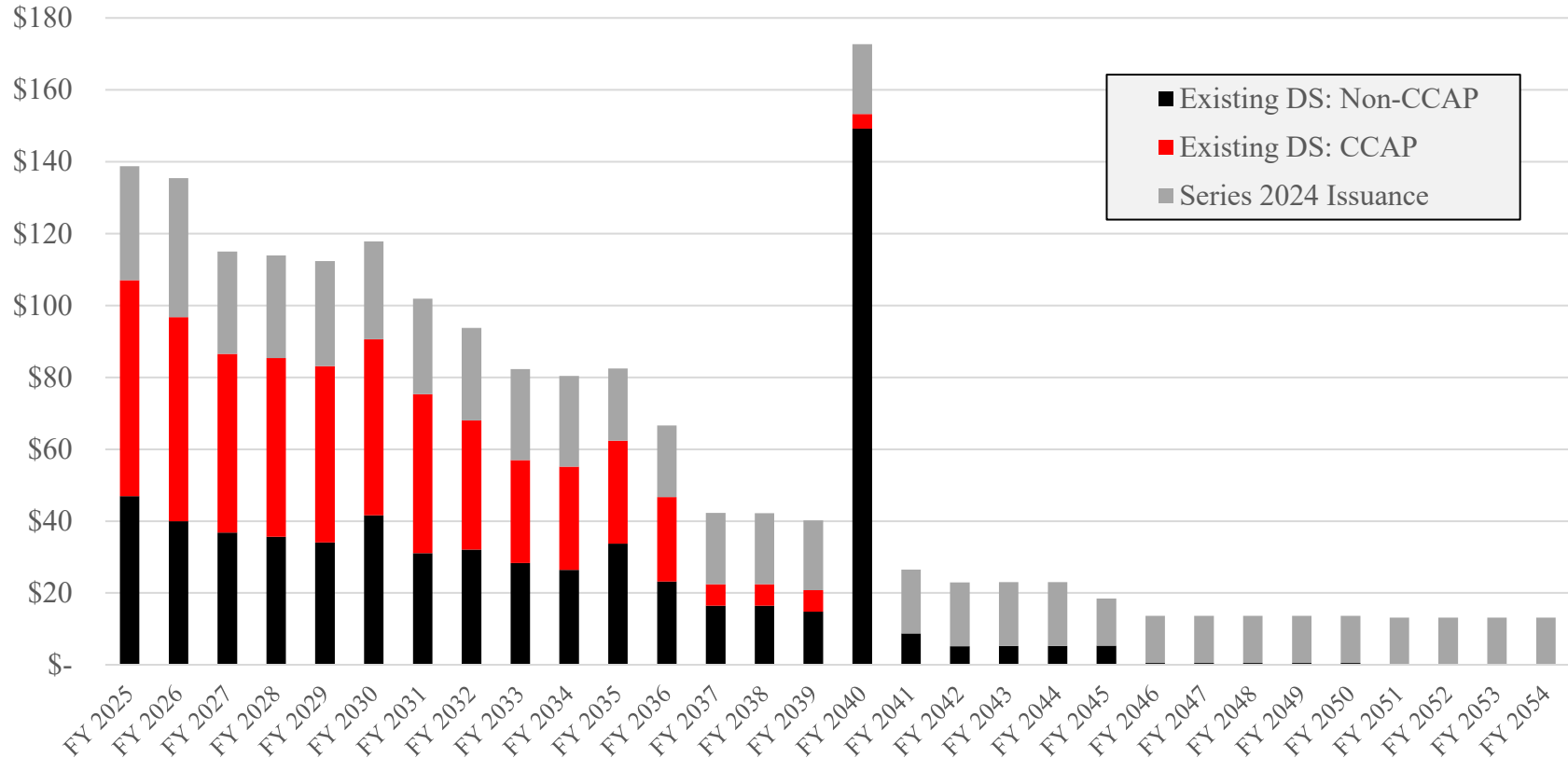
## FY 2024 Issuance: Possible Project List

Bond Series	Campus	Description of Projects
2024 - NEW	ASU, TTU	Red Raider Facilities Foundation Projects, Academic Sciences Building, Various Athletics, ASU-Various Renovations
2015A - Refinance	HSCEP, TTU	West Village Housing, West Village Hospitality, RCOBA addition w/ student fees, HSCEP Nursing Building
2015B - Refinance	ASU, HSCEP, TTU	Research Park, Jones colonnade, USA reno, Bayer, 2006 series refunding, ASU debt under TX State System



# Proforma Debt Service Profile

Issue \$362M, with 30-year max debt service





# Questions?



TEXAS TECH UNIVERSITY SYSTEM™