

MINUTES

UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES JOINT COMMITTEE MEETINGS

September 5, 1996

The University of Southern Indiana Board of Trustees met on Thursday, September 5, 1996, at the Fairfield Inn West, Room B. Present were Trustees Bruce Baker, Louise Bruce, Nicole Cable, Percy Clark, Tina Kern, Thomas McKenna, Harolyn Torain, and James Will Sr. Also attending were President H. Ray Hoops; Vice Presidents John Byrd, Robert Reid, Richard Schmidt, and Sherrienne Standley.

There being a quorum present, the meeting was called to order at 1:03 p.m.

I. LONG-RANGE PLANNING COMMITTEE Ten Year Housing Plan

Mr. Bruce Baker called on Dr. John Byrd to give his report. Dr. Byrd distributed information regarding the ten-year housing plan. Dr. Byrd reported that the increase in full-time students is driving the growth in housing. Dr. Byrd reported the ten-year plan was structured on four pillars: 1) affordability, 2) attractiveness, 3) retention, and 4) supporting academic mission. Dr. Byrd also discussed the different types of housing plans, and focusing on students needs and desires.

Relationship to Master Planning and Architect Selection

Mr. Bruce Baker called on Mr. Richard Schmidt to give his report. Mr. Schmidt discussed the growth of the University. Much of the growth this year has been from outside the Evansville area. Mr. Schmidt requested that the Housing Construction Committee review the resumes provided, and begin the interview process for the architect position once the Committee has agreed on three to five applicants.

II. FINANCE COMMITTEE

Mr. Schmidt discussed the hand outs, and also that USI will have an opportunity to refund all revenue bonds. Approximate cost of refunding the bonds is \$36,000. The various types of bonds will be issued at a fixed rate. The bonds will have a ten-year fixed rate of 5.94% and thereafter, will be fixed for five-year periods. The negotiated fixed rate will generate additional dollar savings. Over the course of a ten-year fixed rate, USI will save approximately \$275,000. The projected savings over the life of the bonds is estimated to be \$532,000.

The Finance Committee met and approved the plan for student housing construction. See attached resolution.

There being no further business, the meeting was adjourned at 1:35 p.m.

FINANCE COMMITTEE RESOLUTION

September 5, 1996

APPROVAL OF FINANCING PLAN FOR STUDENT HOUSING CONSTRUCTION PROJECT

On a motion made by Mr. Will, seconded by Mr. Clark, the sale of student housing refunding bonds, Series 1996, was approved.

WHEREAS, the Board of Trustees (the "Board") of the University of Southern Indiana (the "University") has full power and authority under and by virtue of the laws of the State of Indiana, including, more particularly, the provisions of Indiana Code 20-12-8, to issue refunding bonds secured by the student housing facilities and the revenue generated thereby in order to refund the bonds issued to construct, furnish and equip student housing facilities on its Evansville campus;

WHEREAS, the Board by Resolution dated September 5, 1996 (the "Board Resolution") authorized the Finance Committee (the "Committee") to approve a Plan of Financing and to authorize the execution and delivery of the University of Southern Indiana Student Housing Revenue Refunding Bonds, Series 1996 (the "Bonds"), an Eighth Supplemental Indenture, and a Bond Purchase Agreement, and such other documentation as may be deemed necessary by the Committee;

WHEREAS, the Treasurer has investigated, developed, evaluated, and presented a Plan of Financing to the Committee;

WHEREAS, the Committee desires to approve the Plan of Financing presented by the Treasurer; and

WHEREAS, there has now been submitted to the Committee a form of Eighth Supplemental Indenture (the "Eighth Supplemental Indenture"), a form of Bond Purchase Agreement (the "Bond Purchase Agreement"), and a form of the Bonds in connection with the issuance of the bonds in an aggregate principal amount not to exceed the amount necessary to accomplish said refunding, which financing is in the process of being approved by the State Budget Committee of the State of Indiana;

NOW, THEREFORE, Be it resolved by the Committee as follows:

- Section 1. The issuance of the Bonds by the University on the terms and conditions set forth in the Board Resolution is hereby authorized with a total principal amount not to exceed the amount necessary to accomplish said refunding. The Bonds shall be designated "University of Southern Indiana Student Housing Revenue Refunding Bonds, Series 1996." The true interest cost of the Bonds shall not exceed the interest cost specified in the Board Resolution. The average maturity of the Bonds shall not extend beyond average maturity of the Refunded Bonds at closing. The Bonds shall be sold pursuant to the Bond Purchase Agreement at negotiated sale to Old National Bank in Evansville, The Citizens National Bank of Evansville, Indiana, NBD Bank, N.A., and The National City Bank of Evansville.
- Section 2. The Eighth Supplemental Indenture is approved in substantially the form submitted to the Committee and is made a part of this Resolution as if fully set forth herein. The Chairman or Vice Chairman of the Board, or either of them, is hereby authorized to execute and deliver, and the Treasurer, Secretary, or Assistant Secretary of the University, or one of them, is hereby authorized to attest the signature of and to imprint the corporate seal of the University on the Eighth Supplemental Indenture in substantially the form presented to this meeting, with those changes in form or substance that the officers executing those documents shall approve, such approval to be conclusively evidenced by the execution and delivery thereof, and any such prior actions are hereby ratified and confirmed.

- Section 3. The Bond Purchase Agreement is approved in substantially the form submitted to the Committee and is made a part of this Resolution as if set forth fully herein. The Chairman or Vice Chairman of the Board or either of them, is hereby authorized to execute and deliver the Bond Purchase Agreement in substantially the form submitted to the Committee, with those changes in form or substance that the officers executing that document shall approve, such approval to be conclusively evidenced by the execution and delivery thereof, and any such prior actions are hereby ratified and confirmed.
- Section 4. The Treasurer is hereby authorized to prepare the bond forms, as approved by the Committee in accordance with the Board Resolution required for use in the issuance of the Bonds, and to cause the same to be executed manually or by facsimile by the proper officers of the University as provided in the Eighth Supplemental Indenture. Upon execution of the bonds, the Treasurer shall deliver the bonds to the Trustee for authentication, and upon their authentication, the Treasurer is authorized and directed to deliver the Bonds to the purchasers thereof for payment of the purchase price as provided in the Eighth Supplemental Indenture.
- Section 5. The Chairman, Vice Chairman of the Board and the Treasurer, Assistant Treasurer, Secretary, and Assistant Secretary of the University are, and each of them is hereby authorized and directed to do any and all further acts and things necessary including execution and delivery of such additional or supporting agreements, documents or certificates (including any agreement associated with obtaining bond issuance, if appropriate) as may be requested or necessary in order to complete the transaction contemplated by the Bond Purchase Agreement, the Eighth Supplemental Indenture, and the bond forms hereby authorized.
- Section 6. The University hereby designates the Bonds as qualified tax-exempt obligations for purposes of Section 265(b) of the Internal Revenue Code of 1986.

* Originals of the documents referenced in this Resolution are on file with the official Board of Trustees Minutes.