

**MINUTES
FINANCE COMMITTEE**

**UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES**

November 7, 1996

The Finance Committee of the University of Southern Indiana Board of Trustees met on Thursday, November 7, 1996, in Room 101B of the Wright Administration Building. In attendance were Trustees Charles Combs, Tina Kern, and James Will Sr. Also attending was Vice President Richard Schmidt.

There being a quorum present, Mr. Combs called the meeting to order at 9:13 a.m.

Mr. Schmidt reported that Kahn, Dees, Donovan and Kahn, attorneys handling the legal work for the refunding of the student housing bonds, had determined that the initial refunding would need to be limited to \$10,000,000 or less under existing federal tax laws. As a result, it is recommended that refunding the original Mid-American Student Housing (M.A.S.H.) facility bonds in the amount of \$2,562,688 be delayed until calendar year 1997. By delaying refunding these bonds, all other existing housing bonds could be refunded at this time and the total would be below the \$10,000,000 limit.

The first resolution approved by the Finance Committee removes the M.A.S.H. bonds from the current refunding transaction and authorizes the Treasurer, Chairman and Vice Chairman to sign the final documents authorizing the refunding of the remaining housing bonds. (Attachment 1)

The second resolution authorizes refunding the M.A.S.H. bonds during the 1997 calendar year. (Attachment II)

The third resolution authorizes approval of a new bond issue for the construction of additional student housing in the amount of \$4,300,000. (Attachment III)

Mr. Schmidt will discuss the revised student housing bond refunding plan with officials at the Commission for Higher Education and the State Budget Agency.

Mr. Schmidt discussed future opportunities for innovative interim financing vehicles being proposed by bond attorneys, Ice Miller Donadio & Ryan. Through these financing vehicles all Indiana public universities could participate in a financing consortium under a master set of financing documents.

On a motion by Mr. Will, seconded by Mrs. Kern, the Committee approved the three resolutions.

There being no further business, the meeting adjourned at 9:26 a.m.

**RESOLUTIONS OF THE FINANCE COMMITTEE OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF SOUTHERN INDIANA
APPROVING AND AUTHORIZING THE SALE OF
STUDENT HOUSING REVENUE REFUNDING BONDS, SERIES 1996**

WHEREAS, the Board of Trustees (the "**Board**") of the University of Southern Indiana (the "**University**") 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**"), a 1996 Refunding Trust Indenture, and a Bond Purchase Agreement, and such other documentation as may be deemed necessary by the Committee;

WHEREAS, the Committee on September 30, 1996, approved a Plan of Financing which provided for the refunding of City of Evansville Economic Development Revenue Bonds (Mid America Student Housing, Inc. Project) issued October 1, 1983, in the aggregate principal amount of \$3,600,000; Series A (Southern Indiana Higher Education, Inc. Project) issued June 1, 1986 in the aggregate principal amount of \$2,750,000; Series B issued April 1, 1989 in the aggregate principal amount of \$460,000; Series C issued March 1, 1990 in the aggregate principal amount of \$1,100,000; Series D issued March 1, 1991 in the aggregate principal amount of \$550,000; Series E issued March 1, 1992 in the aggregate principal amount of \$550,000; Series F issued February 1, 1993 in the aggregate principal amount of \$1,800,000; University of Southern Indiana Student Housing Revenue Bonds, Series G issued March 6, 1995 in the aggregate principal amount of \$800,000; and Series H issued December 28, 1995 in the aggregate principal amount of \$2,700,000;

WHEREAS, the Committee has determined that it is in the best interest of the University to postpone the refunding of City of Evansville Economic Development Revenue Bonds (Mid America Student Housing, Inc. Project) and proceed with the refunding of the remaining bonds during this calendar year;

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

WHEREAS, the Committee desires to approve the Plan of Financing as revised; and

WHEREAS, there has now been submitted to the Committee a form of 1996 Refunding Trust Indenture (the "**1996 Refunding Trust 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, as revised, which financing has been 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 1996 Refunding Trust 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 1996 Refunding Trust 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 1996 Refunding Trust 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 1996 Refunding Trust 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 1996 Refunding Trust 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.

**RESOLUTIONS OF THE FINANCE COMMITTEE OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF SOUTHERN INDIANA
APPROVING AND AUTHORIZING THE SALE OF
STUDENT HOUSING REVENUE REFUNDING BONDS, SERIES 1997**

WHEREAS, the Board of Trustees (the "**Board**") of the University of Southern Indiana (the "**University**") 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 (the "**Bonds**"), a Refunding Trust Indenture, and a Bond Purchase Agreement, and such other documentation as may be deemed necessary by the Committee;

WHEREAS, the Committee on September 30, 1996, approved a Plan of Financing which provided for the refunding of City of Evansville Economic Development Revenue Bonds (Mid America Student Housing, Inc. Project) issued October 1, 1983, in the aggregate principal amount of \$3,600,000 during 1996;

WHEREAS, the Committee has determined that it is in the best interest of the University to postpone the refunding of City of Evansville Economic Development Revenue Bonds (Mid America Student Housing, Inc. Project) until 1997;

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

WHEREAS, the Committee desires to approve the Plan of Financing as revised; and

WHEREAS, there has now been submitted to the Committee a form of 1997 Refunding Trust Indenture (the "**1997 Refunding Trust 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, as revised, which financing has been 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 1997." 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 1997 Refunding Trust 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 1997 Refunding Trust 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 1997 Refunding Trust 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 1997 Refunding Trust 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 1997 Refunding Trust 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.

**RESOLUTIONS OF THE FINANCE COMMITTEE OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF SOUTHERN INDIANA
APPROVING AND AUTHORIZING THE SALE OF
STUDENT HOUSING REVENUE BONDS, SERIES 1997**

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 bonds secured by the student housing facilities and the revenue generated thereby in order to to construct, furnish and equip student housing facilities on its Evansville campus;

WHEREAS, the Board by Resolution dated this November 7, 1996 (the "**Board Resolution**") is expected to authorize 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 Bonds, Series 1997 (the "**Bonds**"), a Series 1997 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 Indenture (the "**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 Four Million Three Hundred Thousand Dollars (\$4,300,000), which financing has been 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 in the total principal amount not to exceed Four Million Three Hundred Thousand Dollars (\$4,300,000). The Bonds shall be designated "University of Southern Indiana Student Housing Revenue Bonds, Series 1997." The true interest cost of the Bonds shall not exceed the interest cost specified in the Board Resolution. The final maturities of the Bonds shall not extend beyond August 1, 2022. 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 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 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 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 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 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.