

FCR 10

Office of the President
June 24, 2003

Members, Board of Trustees:

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF
KENTUCKY AUTHORIZING THE ISSUANCE OF APPROXIMATELY \$29,655,000
OF UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS
REVENUE BONDS, SERIES S, TO BE DATED THE FIRST DAY OF THE MONTH
IN WHICH THE BONDS ARE SOLD

Recommendation: that the Board of Trustees approve a Resolution authorizing the issuance of approximately \$29,655,000 of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series S, to be dated the first day of the month in which the Series S Bonds are sold.

The Resolution authorizes the issuance of approximately \$29,655,000 of Series S Bonds for the purpose of financing the Biomedical Sciences Research Building, constituting the Series S Project upon the campus of the University in Fayette County in the Commonwealth of Kentucky, which project will, when completed, become part of the University of Kentucky Consolidated Educational Buildings Project of the University (the "Series S Project").

The Resolution also approves the offering for sale of the Series S Bonds upon the advice of the Financial Advisor, First Kentucky Securities Corporation on a date to be determined by the Treasurer of the University, upon the advice of said Financial Advisor (expected to be July 22, 2003). The Resolution further authorizes the acceptance of the bid for the sale of the Series S Bonds by the Treasurer. The exact principal amount of Series S Bonds to be sold will be determined on the date of sale as the amount required to (i) pay the budgeted costs of the Series S Project, (ii) make the required deposit in the debt service reserve fund, and (iii) pay the costs of issuing the Series S Bonds.

Background: The University presently has outstanding ten series of University of Kentucky Consolidated Educational Buildings Project Revenue Bonds, Series E, J, L (Second Series); G, H, I (Third Series); K (Third Series); M; M (Second Series); N (Second Series); O; P; Q and R (the "Outstanding Bonds") all secured by a pledge of the Revenues (registration fees) and by a statutory mortgage lien against all of the buildings of the Project. The Bond Resolution approves the appointment of the Bank One Trust Company, NA, Lexington, Kentucky, as Trustee, Bond Registrar, Transfer Agent, Payee Bank and Depository Bank, with respect to these Bonds, provides for the execution of the appropriate parity certification establishing that the "coverage" of projected income of the Project over debt service requirements will meet the 1.25 test necessary to establish that the Series S Bonds will rank on a parity with the Outstanding Bonds.

Action taken: Approved Disapproved Other _____