

FCR 5

Office of the President
June 24, 2016

Members, Board of Trustees:

A RESOLUTION PROVIDING FOR THE AUTHORIZATION, ISSUANCE
AND SALE OF GENERAL RECEIPTS REFUNDING OBLIGATIONS OF THE
UNIVERSITY OF KENTUCKY, PURSUANT TO THE TRUST AGREEMENT
DATED AS OF NOVEMBER 1, 2005.

Recommendation: that the Board of Trustees approve a Resolution authorizing the issuance, in one or more installments, of General Receipts Refunding Obligations in the principal amount or respective principal amounts required to accomplish the refunding of certain outstanding General Receipts Obligations under the Trust Agreement, specifically set forth in Exhibit A of the Resolution (collectively, the "Prior Obligations"), to be designated as "University of Kentucky General Receipts Refunding Bonds," with such series designation that is appropriate to the order of issuance thereof, and to be dated as of a date determined by the Treasurer.

The Resolution approves the issuance of Refunding Obligations for the purpose of refunding the Prior Obligations between July 1, 2016 and June 30, 2017, when debt service savings can be realized and interest rates prevailing in the bond market at the time of sale of the Obligations hereby authorized are favorable.

The Resolution also approves the offering for sale of the Refunding Obligations in one or more installments, on a date or dates to be determined by the Treasurer of the University, upon the advice of the Financial Advisor to the University. The Resolution further authorizes the acceptance of the bid or bids for the sale of the Refunding Obligations by the Treasurer. The exact principal amount of Refunding Obligations to be sold will be determined on the date or dates of sale as the amount required to (i) refund the Prior Obligations, and (ii) pay the costs of issuing the Refunding Obligations.

Background: Conditions in the bond market can change quickly and may provide an opportunity to refund the Prior Obligations and achieve debt service savings. The Refunding Obligations issued to refund the Prior Obligations may be sold as separate series and may be sold at different times, depending on market conditions.

The Board adopted a resolution approving a Trust Agreement dated as of November 1, 2005 (the "Trust Agreement") authorizing the issuance, from time to time, of Obligations (as defined in the Trust Agreement) to finance and refinance capital projects. The Refunding Obligations will be issued under the Trust Agreement. The Resolution authorizes the issuance of the Refunding Obligations, establishes certain specific terms of the Refunding Obligations, provides for a competitive sale of the Refunding Obligations, including approval of the forms of a Notice of Bond Sale, Official Terms and Conditions of Bond Sale, Official Bid Form and Official Statement, and authorizes Supplemental Trust Agreements, Escrow Agreements and Continuing Disclosure Agreements related to the Refunding Obligations.

Action taken: Approved Disapproved Other _____