

OHIO HIGHER EDUCATIONAL FACILITY COMMISSION

MINUTES OF THE MEETING OF THE COMMISSION

July 20, 2005

The Ohio Higher Educational Facility Commission (the "Commission") met on Wednesday, July 20, 2005, at 11:00 a.m. at the offices of the Ohio Board of Regents, 36th Floor, State Office Building, 30 East Broad Street, Columbus, Ohio, written notice of which had been given to all members of the Commission.

The following members attended: Thomas Needles, Chairman, Richard Petrick, Vice Chairman, John Wells, Secretary, Kenneth Kutina, Deputy Secretary, Wanda Carter and Tahlman Krumm. Ronald E. Cosey and Henry Kasson were absent. Also present was Francis Barry Keefe of Squire, Sanders & Dempsey L.L.P., Bond Counsel to the Commission.

The meeting was called to order by the Chairman. Upon call of the roll, Mr. Wells declared that a quorum was present. He also stated that the notice of this meeting had been given to all media, organizations or other persons who requested that information in accordance, and in full compliance, with Section 121.22 of the Revised Code.

The Chairman noted that the minutes of the Commission meeting of June 15, 2005, were sent to each member and are included in the meeting books for each member. Upon review, the Commission approved the minutes of that meeting as submitted.

ASHLAND UNIVERSITY

Because of scheduling conflicts, James L. Kirtland, Comptroller of Ashland University, joined the meeting by way of a conference telephone. Mr. Kirtland explained that the Commission has previously issued bonds to assist the University in financing the renovation of Kettering Science Center, the construction of a new Sports Sciences/Recreation Center and a new Education Building. The current proposed financing would provide approximately \$3.0 million for equipment and furnishings for those projects. Most of the equipment would be computers, printers and related technology equipment. There may be some fitness and recreation equipment as well. The furnishings would be primarily office furniture.

In response to questions from Dr. Kutina, Mr. Kirtland noted that the three buildings project cost approximately \$39 million plus \$5 million for purchase of property. The University will charge a special recreation fee each semester to help repay the bonds issued for the new Recreation Center. It is estimated that the fee will be in place for about 12 years. Dr. Krumm asked how long the lease-purchase financing would be outstanding. Mr. Kirtland said that the financing would be retired in three years and that the interest rate is expected to be 3.6% per year. Responding to a follow-up question from Mr. Petrick, Mr. Kirtland stated that the principal and interest on the bonds is expected to be paid 90% from operating revenues of the University and 10% from contributions.

At the request of the Chairman, Mr. Keefe reviewed some of the aspects of the lease-purchase financing program, which was established by the Commission at the request of several universities to provide lower cost financings for smaller projects, especially equipment purchases.

Mr. Keefe also noted that the lease-purchase documents are in substantially final form and are presented to the Commission. The resolution approves and authorizes entering into these documents for the University.

Dr. Kutina moved and Mr. Wells seconded the motion that Resolution No. 2005-11 be adopted.

There being no further discussion, the Chairman called for the roll and, pursuant to the roll call, the following votes were cast:

Aye: Carter, Krumm, Kutina, Needles, Petrick, Wells

Nay: None

The Chairman declared the motion passed and Resolution No. 2005-11 adopted.

Resolution No. 2005-11 is as follows:

CALL OF NEXT MEETING AND ADJOURNMENT

The Commission will next meet upon the call of the Chairman. On motion duly made and seconded, the meeting was adjourned.

Secretary