

OHIO HIGHER EDUCATIONAL FACILITY COMMISSION

MINUTES OF THE MEETING OF THE COMMISSION

July 20, 2016

The Ohio Higher Educational Facility Commission (the "Commission") met on Wednesday, July 20, 2016, at 11:00 a.m. in the Board meeting room on the first floor of the Ohio Department of Education Building, 25 S. Front Street, Columbus, Ohio, written notice of which had been given to all members of the Commission.

The following members attended: Kenneth Kutina, Secretary; John Martin; Susan Tate; John Wells; and James Wilson. Absent from the meeting were: Thomas Needles; Jim Bennett; James Shindler; and Wanda Carter. Also present was a representative of the institution appearing before the Commission; Ben Christensen of the Ohio Department of Higher Education; and Alexander G. Burlingame of Squire Patton Boggs (US) LLP, Bond Counsel to the Commission.

The meeting was called to order by the Secretary. Upon call of the roll, the Secretary 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 Secretary noted that the minutes of the Commission meeting of March 16, 2016 were sent to each member prior to this meeting; those minutes are also included in the meeting books for each member. Upon a motion by Mr. Wells that was seconded by Ms. Tate, all Commission members present approved the minutes of that meeting.

UNIVERSITY OF DAYTON

Dr. Kutina next upon Philip G. Chick, Treasurer, to speak to the Commission members regarding the University of Dayton's financing request. Mr. Chick thanked the Commission members, noting that the University was requesting approval for the refinance of certain of its 2006 bonds. The bonds are callable for redemption in December of this year. The University considered various financing options, including tax-exempt and conventional taxable financing structures. The University is considering various new projects for which it may seek approval next year. The proposed refinance transaction will be a direct placement. The University had approached numerous banks for proposals and ultimately selected JPMorgan as bond purchaser. The University has entered into a rate lock transaction with JPMorgan providing for an interest rate at just under 2% and expects to achieve approximately \$5.5 million in net present value savings. The initial credit period for the bonds is 10 years, at which time there will be approximately \$15.2 million principal amount outstanding. Overall, the University is doing well, having achieved an upgrade from Standard & Poor's earlier this year. The University is excited about its new president, Eric F. Spina, who comes from Syracuse University. It enjoys continued success in respect of sponsored research. While there has been a small recent enrollment decline, overall enrollment remains strong. Mr. Chick then enquired of the Commission members as to whether they had any questions.

In response to a question from Mr. Wilson, Mr. Chick confirmed that University housing has been at or over capacity in recent years and it is evaluating potential additional student housing facilities. In response to questions from Ms. Tate, Mr. Chick stated that the proposed financing will be separate from other University debt with independent bond terms. Student recruitment continues to be very competitive, with state institutions of higher education being more aggressive in their recruitment efforts. Responding to a question from Dr. Kutina, Mr. Chick confirmed that the University continues to support its four-year pricing plan, so as to maintain level costs for students. Mr. Chick noted that in addition to considering new projects, the University is also evaluating additional refunding opportunities.

Mr. Burlingame stated that the bond documents have been prepared and are presented in substantially final form. The resolution under consideration approves the issuance of the bonds and related documents.

Mr. Martin moved and Mr. Wells seconded the motion that Resolution No. 2016-05 be adopted.

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

Aye: Kutina; Martin; Tate; Wells; Wilson

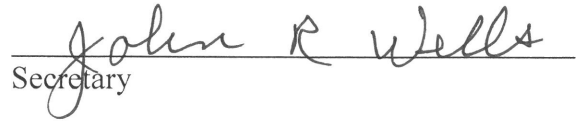
Nay: None

The Secretary declared the motion passed and Resolution No. 2016-05 adopted.

Resolution No. 2016-05 is as follows:

CALL OF NEXT MEETING AND ADJOURNMENT

It is now expected that the Commission will next meet on August 17, 2016 in Columbus, if necessary, or upon the call of the Chair. On a motion duly made and seconded, the meeting was adjourned.


Secretary