I. Call to Order

Mrs. Warren called the meeting to order at 3:06 p.m. in Room 204 of Morgan Hall on the Washburn University campus.

Dr. Farley thanked the members of the Board for their willingness to convene on short notice.

II. Roll Call

Present were: Mr. Bunten, *Mr. Lagerberg, *Mr. Lykins, Ms. Marquardt, Mrs. Parks, *Mr. Storey, and *Mrs. Warren.

*Participated via telephone conference.

III. Refunding of Series 2001 A & B and Series 2003 Revenue Bonds

Mr. Moore stated the University’s underwriter had contacted the University late on Wednesday, May 26, 2010 to suggest the University include refunding the Series 2003 revenue bonds with refunding of the Series 2001 A & B revenue bonds previously approved for refunding at the May 21, 2010 meeting of the Board of Regents. The underwriter’s suggestion was discussed with President Farley and the entire refunding financial team with the consensus being that a combined refunding was most beneficial to the University. Mr. Moore indicated that the Series 2003 revenue bonds could be refunded on July 1, 2010 with a debt service savings of $250,000 to $300,000 in addition to the savings from the Series 2001 refunding. By combining the refunding of the Series 2001 and 2003 revenue bonds into a single refunding issue, the total present value debt service savings over the life of the refunding bonds would be approximately $1.1 million, a present value savings of over 8% of the current outstanding principal or over 6% on the current debt service. This percent of saving is greater than the 4% saving threshold that had been established as the minimum savings target. The projected true interest cost of the refunding bonds was calculated by the underwriter as 3.06%, and the refunding bonds would be for the same term as the bonds being refunded.

Mr. Storey moved and Ms. Warren seconded a motion to rescind the previous resolution from May 21, 2010 and to approve the new proposed resolution. Mr. Bunten inquired if the Board had a policy of issuing general obligation bonds every year. Dr. Farley and Mr. Moore replied that the University issues only revenue bonds for specific projects.
Judge Marquardt inquired as to the maturity date of the refunded bonds. It is July 1, 2023. Ms. Warren inquired whether the maturity date extends to its furthest date. Mr. Moore clarified that the bonds could be called earlier if resources are available but the maturity date cannot be extended.

Ms. Warren called for a vote. Motion carried.

The meeting adjourned at 3:21 p.m.

Respectfully submitted,

Carol Vogel
Assistant Secretary