Minutes of the Executive Committee Meeting of the Utah State University Board of Trustees held via teleconference commencing at 10:01 a.m.

MEMBERS PRESENT
Jody K. Burnett Chair
Kent K. Alder Vice Chair
Gina Gagon
David H. Huntsman

MEMBERS EXCUSED
John Y. Ferry

UNIVERSITY REPRESENTATIVES PRESENT
David T. Cowley Vice President, Business and Finance
Teresa Denton Staff Assistant
Sydney M. Peterson Secretary of the Board of Trustees

Chair Burnett called the meeting to order.

I. ACTION AGENDA

A. Refunding of Research Revenue Bonds, Series 2018A [Resolution 19-08-06] (Appendix N)

Vice President David Cowley explained that the timing of a refund is urgent and the opportunity can close quickly, so that is the reason for the Executive Committee Meeting so soon after the Board of Trustees regular meeting.

Last year USU issued a $6.2M bond with a maturity date of December 2027. Interest rates have gone down sufficiently to present a refunding opportunity. The Board of Regents requires at least a 3% savings to justify refunding. USU is looking at a 4% savings, or $300,000 over the remaining life of the bond. USU will not draw out more money or change the maturity date; simply pay less in payments. The Board of Regents asks that all refunding requests be presented to them; therefore, refunding must be presented to the trustees first.

This bond was a direct placement with a bank. Vice President Cowley sought rates from different banks. One particular bank is offering 1.8%. Other banks are only offering 2%. USU will directly source to the bank offering a 1.8% interest rate. The old interest rate was approximately 2.5%.

Action: Trustee Huntsman moved to approve the request to refund eligible Research Revenue Bonds, Series 2018A. Trustee Alder seconded the motion. The voting was unanimous in the affirmative.
Action: Trustee Gagon made a motion to adjourn the meeting. Trustee Huntsman seconded the motion; voting was unanimous in the affirmative.

The meeting adjourned at 10:14 a.m.

Jody K. Burnett, Chair

September 27, 2019

Date Approved

Sydney M. Peterson, Secretary

(Minutes taken by Teresa Denton)