



Board of Trustees
Finance and Facilities Committee Meeting
FAIRWINDS Alumni Center
March 16, 2017

MINUTES

CALL TO ORDER

Trustee Alex Martins, chair of the Finance and Facilities Committee, called the meeting to order at 9:30 a.m. Committee members Robert Garvy, Keith Koons, David Walsh, and Bill Yeargin were present. Committee member John Sprouls attended by teleconference. Chairman Marcos Marchena was present.

NEW BUSINESS

UCF Foundation Refunding of Debt (FFC-1)

William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, and John C. Pittman, Associate Vice President for Administration and Finance, Debt Management, requested approval for the UCF Foundation to refund \$7,965,000 of outstanding loans with BB&T Bank. In 2008, the UCF Foundation refunded variable-rate debt and converted it into fixed-rate-tax-exempt debt. BB&T Bank is waiving any penalties and allowing the UCF Foundation to refund the Series 2008 loan a year earlier than the call date.

The FFC had previously approved the UCF Foundation refunding three loans totaling \$21,635,000 and also creating a Line of Credit with BB&T Bank. The bank changed their terms, however, and the Line of Credit is no longer being considered. The option now is to refund the \$7,965,000 amount.

The committee unanimously approved the item, with Chairman Marchena recusing himself because of a conflict of interest. When the new interest rate is known, Merck and Pittman, in consultation with Chair Martins, will determine whether the interest-rate savings are reasonable, and if so, will execute the transaction.

Chair Martins adjourned the Finance and Facilities Committee meeting at 9:39 a.m.

Respectfully submitted: William F. Merck II
William F. Merck II
Vice President for Administration and Finance
and Chief Financial Officer

4-4-17
Date