

APPENDIX D

Sale of Bonds – Appalachian State University

The General Assembly, at the request of the Board, authorized Appalachian State University to renovate and improve Student Residence Facilities (August 1999), renovate Athletic Facilities (August 2003), construct a Central Campus Parking Deck (August 1999), and construct a Living Learning Residential Center (September 1997).

The University now requests to issue revenue bonds for the following: (1) to renovate White Residence Hall (approximately \$7 million); (2) to renovate Lovill Residence Hall (approximately \$5 million); (3) and to construct a new Athletics Field House and install new football stadium field turf and other improvements to athletic facilities (approximately \$16 million). A debt service fee of \$75 has been approved to provide the revenue stream to finance the Athletic Facilities project; revenues collected from parking permit fees provide the revenue stream to finance the Parking Deck project; and revenues collected from housing fees provide the revenue stream to finance the housing renovations and construction. The University is now ready to proceed with the project and has requested authority to issue bonds not to exceed \$28,000,000 to provide permanent financing for these new projects.

The University also proposes to refund two outstanding debt issues: (1) Parking System Revenue Bonds, Series 2000 (approximately \$10 million) and (2) Housing and Student Center System Revenue Bonds, Series 2000 (approximately \$13 million). The University requests authority to issue bonds not to exceed \$23,000,000 to refund the debt previously issued. It is estimated that the savings from refunding the issues will total \$600,000 to \$750,000.

It is recommended that the following Resolution be adopted and that the Vice President for Finance be authorized to sell the bonds between the March and June meetings of the Board.

RESOLUTION OF THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION BONDS TO FUND A SPECIAL OBLIGATION BOND PROJECT FOR APPALACHIAN STATE UNIVERSITY.