

Sale of Special Obligation Bonds – UNC Asheville

The Board of Governors is authorized to issue special obligation bonds for capital improvements projects that have been approved by the General Assembly. Although a specific source of funding is used by a campus when retiring these bonds, special obligation bonds are generally payable from all campus revenues excluding tuition, State appropriations, and restricted reserves.

UNC Asheville has requested that the Board issue special obligation bonds for the purpose of (1) financing (a) the completion of the Karl Straus Track Building and (b) Student Recreation Center improvements, both on the UNC Asheville campus, and (2) paying the costs incurred in connection with the issuance of the 2014 Bonds. The 2014 Bonds may be issued in one or more series, including any combination of tax-exempt bonds and taxable bonds as the President of the University, or his designee, in consultation with the appropriate officers at UNCA, determine to be in the best interest of the University.

The issuance of bonds for these projects will not exceed a par amount of \$1,039,500. The renovations of Karl Straus Track Building and Student Recreation Center improvements will be financed with revenues from debt service fees previously approved by the Board of Governors.

UNC Asheville currently has an issuer credit rating of A1 by Moody's Investor Service. After issuance of these bonds, it is expected UNCA will maintain its rating.

Parker Poe is bond counsel; First Tryon Advisors is the financial advisor.

It is recommended that the President of the University, or his designee, be authorized to sell the special obligation bonds.

**RESOLUTION OF THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH
CAROLINA AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION BONDS TO FUND
AND REFINANCE SPECIAL OBLIGATION BOND PROJECTS FOR UNC ASHEVILLE**