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Board of Regents, Murray State Normal School

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MINUTES OF BOARD OF REGENTS
MURRAY STATE TEACHERS COLLEGE

December 27, 1944

The Board of Regents of Murray State Teachers College met in the Office of the President at 10:00 A. M., Wednesday, December 27, 1944, as per the call of the Chairman, with the following members present: Dr. C. E. Crume, Mr. Claude Winslow, Mr. George Hart and Judge Charles Ferguson. In the absence of Chairman John Fred Williams, Vice Chairman Charles Ferguson presided.

Approval of the Minutes of the Board of Regents

Dr. Richmond stated that he had prepared no written agenda since the meeting was called for the purpose of arranging for the sale of \$20,000.00 additional bonds for the completion of the Fine Arts Building, but he recommended that the Minutes of the Board of Regents for the meeting held on October 16, 1944, copies of which had been furnished the individual members of the Board, be approved and signed.

Motion was made by Mr. Hart that the Minutes of the Board of Regents for the meeting held on October 16, 1944 be approved and signed. This motion was seconded by Dr. Crume, and was carried unanimously.

Report of Executive Committee of the Board of Regents on Plans for Retiring \$60,000.00 Balance of \$65,000.00 3% Fine Arts Building Bonds and Issuing \$80,000.00 3% Fine Arts Building Revenue Bonds for Said Refunding and Completion of Building

Dr. Richmond reported to the Board that on November 21, 1944 the Executive Committee of the Board of Regents met and adopted resolutions authorizing the refunding of \$60,000.00 of the original issue of \$65,000.00 3% Fine Arts Building Revenue Bonds and the issuing of \$80,000.00 of bonds in order that the Fine Arts Building may be completed, as follows:

MINUTES OF THE EXECUTIVE COMMITTEE
OF THE BOARD OF REGENTS
OF MURRAY STATE TEACHERS COLLEGE

November 21, 1944

Pursuant to action of the Board of Regents, in session October 16, 1944, the Executive Committee of the Board met in the Office of the President at 2:30 P. M., Tuesday, November 21, 1944, to consider the proposal of Stein Bros. & Boyce, Louisville, Kentucky, for increasing the amount of Building Revenue Bonds for the construction of the Fine Arts Building in the amount of \$20,000.00. President James H. Richmond, Mr. Claude Winslow, Mr. George Hart and Mr. R. E. Broach, the full membership of the Executive Committee, were present. Mr. Chester A. Lucas and Mr. Harold Sullivan, representatives of Stein Bros. & Boyce, Louisville, were also present.

President Richmond called attention to the fact that, although the Fine Arts Building has not yet been completed, work on it has progressed to the extent that it is, now, being occupied, and in addition to the student fees collected for the purpose of paying interest on the bonds authorized issued for its construction and the retirement of the said bonds, a college rental fee for the use of this building will be available to retire additional bonds needed to supply funds to complete the building. Dr. Richmond further stated that through no fault of the college, this building could not be completed without the expenditure of additional funds, adding that the federal government had "let us down" on this project; that we can show that this is a good investment, and the bonds are not at all hazardous; and that the Board of Regents had directed that we should increase the bonded indebtedness on the Fine Arts Building in the amount of \$20,000.00 so that we can complete it.

Mr. Lucas stated that the college had done a good job in handling this bond issue on the Fine Arts Building, which was originally \$65,000.00, by retiring \$5,000.00 of the bonds and by maintaining a balance in the bond fund in an amount exceeding expectations. He added that situations similar to the one at this college had existed in other schools, that the bond issues had been increased in such cases either by securing the consent of all the bondholders for making the increase or by the purchase of all the bonds by his company, and he saw no reason why the bonded indebtedness on the Fine Arts Building could not be increased in the same manner.

Mr. Winslow asked if it would be necessary to call all bonds now outstanding; but Mr. Lucas replied in the negative, adding that if all the bonds were called, it would be necessary to wait until next April to do that, and that he thought his company could get control of all the bonds without any trouble.

Dr. Richmond then recommended that the Executive Committee request Mr. Lucas and Mr. Sullivan, representing Stein Bros. & Boyce, to increase the bonded indebtedness on the Fine Arts Building \$20,000.00 in order to secure funds to complete the building.

Mr. Lucas stated that there is a time element which should be considered in connection with this transaction, and that in order to get the job done as quickly as possible, he had prepared the proposal of Stein Bros. & Boyce for increasing the amount of the bond issue for the construction of the Fine Arts Building in the sum of \$20,000.00. Dr. Richmond suggested that Mr. Lucas read the proposal of Stein Bros. & Boyce to the Executive Committee and that he be furnished a copy of the same for presentation to the other members of the Board of Regents, stating that this was just a mere formality because the Board had passed a resolution at its last meeting asking that this investigation be made. Mr. Lucas then read the proposal of Stein Bros. & Boyce, as follows:

November 21, 1944

Dr. James H. Richmond, President
and Committee
Murray State Teachers College
Murray, Kentucky

Gentlemen:

You advised us that to complete the FINE ARTS BUILDING it will be necessary that an additional \$20,000 of BUILDING REVENUE BONDS be issued.

We handled the original issue of \$65,000 of 3% FINE ARTS BUILDING REVENUE BONDS of which there is \$60,000 of bonds outstanding at this time. As the authorized amount of this issue is limited to \$60,000, to issue additional bonds it will be necessary for the present issue to be cancelled and a new issue of bonds issued in their place.

So as to save time, we are of the opinion that the most logical way to handle this would be to endeavor to have the present holders of the \$60,000 of bonds agree to the issuance of a total of \$80,000 of bonds.

We propose that we contact the present holders of these bonds and offer them an exchange, par for par for the bonds they now own, new 3% FINE ARTS BUILDING REVENUE bonds. The new bonds to bear the same rate of interest, same maturity dates and the same call provision as the present bonds they now hold. It will be necessary

that 100% of the bonds be turned in for exchange and we feel confident that we can work out this plan with the present holders.

So as to provide the additional funds needed to complete the above mentioned building, we will cause to be prepared a new authorized issue of \$80,000 MURRAY STATE TEACHERS COLLEGE FINE ARTS BUILDING REVENUE bonds bearing interest at the rate of 3% and the new bonds to mature as per the attached schedules of maturities which is made a part hereof.

We and our attorneys will do all the work incident to the preparation of the bonds including the preparation of all resolutions, minutes including the notice of sale on the \$20,000 of the bonds or the entire issue of \$80,000 bonds if the attorneys deem it necessary. We will pay all expenses incident to the work including the cost of printing the bonds, cost of publicly advertising the bonds for sale and any and all other expenses that may be incurred in the issuance and sale of these bonds. In the event the above is consummated and at the conclusion of same, we are to be paid a fee equal to 2% of the face amount of the \$60,000 bonds exchanged for our services, expenses and risks and if the holders agree to the exchange and if we obtain control of the bonds to be exchanged so that the entire issue of \$60,000 is under our control, we will guarantee a bid at the public sale of 102 and interest for the additional \$20,000 principal amount of bonds and for our services expenses and risks we are to be compensated in an amount of 4 points.

It is understood that we are not to be prevented from bidding at any public sale and whether or not we are the highest and best bidder for the bonds at any public sale, a sum equal to 4% of the \$20,000 par value bonds and a sum equal to 2% of the \$60,000 par value of bonds to be exchanged is to be paid to us simultaneously with the delivery of the bonds to the successful bidder and payment therefor. In the event we are unsuccessful, these negotiations with the bondholders are to be conducted without any expense whatsoever to the college.

This proposal is subject to the bonds being approved as to legality by our attorneys, Messrs. Chapman & Cutler, Chicago, Illinois, and to said new bonds being exchanged, sold or delivered within 90 days from the date of this proposal, this time limit may be extended by mutual consent and subject to the interest on this type of bonds not being subject to Federal and Kentucky Income Taxation prior to the delivery date of said bonds to the successful purchaser. The issuance of these bonds is also to be subject to the approval of the proper state officials of Kentucky.

If this proposal is agreeable to you, please have the Committee adopt a Resolution approving it.

Respectfully submitted,

STEIN BROS. & BOYCE

By _____

Motion was made by Dr. Richmond that the proposal of Stein Bros. & Boyce, Louisville, Kentucky, as read by Mr. Lucas, for increasing the bond issue for the construction of the Fine Arts Building in the amount of \$20,000.00 be approved. This motion was seconded by Mr. Winslow; and the roll was called on its adoption with the following result: Dr. Richmond, aye; Mr. Winslow, aye; Mr. Hart, aye; Mr. Broach, aye.

There being no further business before the meeting, it was adjourned.

Geo. Hart
Chairman

R. E. Broach
Secretary

Fine Arts Building Revenue Bonds in Amount \$80,000.00 Authorized

Motion was made by Dr. Crume that the Board of Regents approve the action of the Executive Committee, on November 21, 1944, in instituting procedures to retire the balance of \$60,000.00 now outstanding, of the \$65,000.00 issue of 3% Fine Arts Building Revenue Bonds and to issue in lieu thereof \$80,000.00 3% Fine Arts Building Revenue Bonds for the completion of said building. This motion was seconded by Mr. Hart; and the roll was called on its adoption with the following result: Dr. Crume, aye; Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

Stein Bros. & Boyce Arranged for Exchange Bond for Bond in Refunding Fine Arts Building Revenue Bonds

Mr. Harold L. Sullivan, representing Stein Bros. & Boyce, of Louisville, Kentucky, reported that his company had arranged for an exchange, bond for bond, of all the old Fine Arts Building Revenue Bonds (3%) for the same number and amount of the new 3% Fine Arts Building Revenue Bonds, which the Executive Committee of the Board of Regents had directed prepared for sale, and he suggested that the said bonds be offered for sale on January 15, 1945, since that is the date for the next regularly scheduled meeting of the Board of Regents.

Resolution Authorizing and Providing for \$80,000.00 3% Fine Arts Building Revenue Building Bonds for Purpose of Refunding Outstanding Bonds and Defraying Cost of Completing Fine Arts Building Adopted

At this point, Mr. Harold L. Sullivan read a resolution proposing the refunding of all outstanding bonds of the original issue of \$65,000.00 for the construction of the Fine Arts Building, and the sale of bonds totaling \$80,000.00, the funds from the sale of such bonds to be used for the completion of the Fine Arts Building, as follows:

A RESOLUTION authorizing and providing for the issuance of Fine Arts Building Revenue Bonds of 1944 for the purpose of retiring and refunding a like amount of outstanding bonds and defraying the cost of completing the construction of the Fine Arts Building at Murray State Teachers College, and providing for the collection and segregation and distribution of the revenues of said building for the purpose of safeguarding, protecting and paying said bonds.

* * * * *

WHEREAS the Board of Regents of Murray State Teachers College, as the governing authority of said College which is and at all times hereinafter mentioned was a state educational institution, did heretofore pursuant to resolutions adopted on April 10, 1941, and under authority of Chapter 72 of the Acts of the General Assembly of Kentucky, 1934, issue the 3% Fine Arts Building Revenue Bonds of said College in the principal amount of \$65,000.00 for the purpose of constructing a Fine Arts Building on the campus of said College, of which bonds in the principal amount of \$5,000 have been paid and retired and there are presently outstanding bonds in the principal amount of \$60,000, dated April 1, 1941, numbered consecutively from 6 to 65, inclusive, of the denomination of \$1,000, and maturing, subject to right of prior redemption, on April 1 of each of the years 1945 to 1961, inclusive; and

WHEREAS said bonds by their terms are payable only from a fixed amount of the gross income and revenues to be derived from the operation of said Fine Arts Building, and by reason of lack of available funds said building has not been fully completed, and

it is necessary at this time that provisions be made for the issuance of additional bonds to the amount of \$20,000.00 for the purpose of completing construction of said building; and

WHEREAS by reason of the first and paramount pledge of revenues to the payment of the bonds now outstanding it is necessary that same be retired so that such additional bonds may be issued and adequately secured as to payment from such revenues, and it has been represented to said Board of Regents that the holders of said presently outstanding bonds would be willing to surrender said bonds in exchange for a like amount of new bonds which bear the same interest rate and mature at the same times, respectively, as the bonds presently outstanding; and

WHEREAS under the provisions of Section 162.340 et seq. of the Kentucky Revised Statutes, said Board of Regents, acting for and on behalf of said College, is authorized to issue revenue bonds as hereinafter provided for the purpose of refunding said presently outstanding bonds and paying the cost of completing the construction of said Fine Arts Building;

NOW, THEREFORE, Be It and It Is Hereby Resolved and Ordered by the Board of Regents of Murray State Teachers College, as follows:

Section 1. That there are hereby authorized to be issued eighty negotiable coupon revenue bonds of Murray State Teachers College in the aggregate principal amount of \$80,000, each of which shall be designated "Fine Arts Building Revenue Bond of 1944" for the purpose of refunding the outstanding bonds dated April 1, 1941, referred to in the preamble hereof, and for the purpose of defraying the cost of completing the construction of the Fine Arts Building on the campus of said College.

Section 2. That said Fine Arts Building Revenue Bonds of 1944 shall be numbered consecutively from 1 to 80, inclusive, shall be of the denomination of \$1,000, shall be dated October 1, 1944, which is the date to which interest has been paid on the bonds now outstanding and shall mature in numerical order on April 1 of the respective years as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1945	\$3,000	1955	\$3,000
1946	3,000	1956	4,000
1947	3,000	1957	4,000
1948	3,000	1958	4,000
1949	3,000	1959	4,000
1950	3,000	1960	4,000
1951	4,000	1961	5,000
1952	3,000	1962	5,000
1953	3,000	1963	5,000
1954	4,000	1964	5,000
		1965	5,000

provided, however, said bonds shall be optional for redemption on any interest payment date prior to maturity, in whole, or from time to time in part in the inverse order of their numbering, and in the event of such redemption of any of said bonds it is agreed that said Murray State Teachers College will pay to the respective holders upon surrender of such bonds interest in addition to that evidenced by interest coupons maturing on and prior to the redemption date, in an amount equal to one-fourth of one per cent (1/4%) of the principal amount thereof for each year or fraction thereof to elapse between the redemption date and the stated maturity date of such bonds. If and when any such option of redemption is exercised notice thereof identifying the bonds to be redeemed will be given by publication at least once not less than thirty days prior to the redemption date in a newspaper of general circulation in Calloway County, Kentucky. Said bonds shall bear interest from

date thereof until paid or until called for redemption at the coupon rate of three per cent (3%) per annum, payable semi-annually on the first days of April and October in each year. Both principal and interest shall be payable in lawful money of the United States of America at the Bank of Murray in the City of Murray, Kentucky. Said bonds shall be signed by the Chairman of the Board of Regents of Murray State Teachers College and sealed with its corporate seal and attested by the Secretary of said Board, and the interest coupons attached to said bonds shall be executed with the facsimile signatures of said Chairman and said Secretary, and said officials by the execution of said bonds shall adopt as and for their own proper signatures their respective facsimile signatures on said coupons. All of said bonds, together with the interest thereon, shall be payable only out of the "Fine Arts Building Revenue Bond and Interest Redemption Fund", as hereinafter more specifically provided, and shall be a valid claim of the holder thereof only against said fund and the fixed portion or amount of the revenues of the Fine Arts Building on the campus of said College pledged to said fund.

Section 3. That said bonds and coupons shall be in substantially the following form, to wit:

(Form of Bond)

UNITED STATES OF AMERICA

COMMONWEALTH OF KENTUCKY

MURRAY STATE TEACHERS COLLEGE

FINE ARTS BUILDING REVENUE BOND OF 1944

No. _____

\$1,000

KNOW ALL MEN BY THESE PRESENTS: That Murray State Teachers College, as a state educational institution and agency of the Commonwealth of Kentucky, for value received hereby promises to pay to bearer, as hereinafter provided, the sum of One Thousand Dollars (\$1,000) on the first day of April, 19__, but with the option of prior redemption as hereinafter provided and interest on said sum from the date hereof at the rate of three per cent (3%) per annum, payable semi-annually on the first days of April and October in each year until paid, except as the provisions hereinafter set forth with respect to redemption may become applicable hereto, such interest as may accrue on and prior to the maturity of this bond to be paid upon presentation and surrender of the annexed interest coupons as the same severally mature, both principal and interest being payable in lawful money of the United States of America at the Bank of Murray, in the City of Murray, Kentucky.

This bond is one of a duly authorized series of bonds limited to an aggregate principal amount of \$80,000, for the purpose of refunding a like amount of Fine Arts Building Revenue Bonds heretofore issued by said College under date of April 1, 1941, and for defraying the cost of completing the construction of the Fine Arts Building on the campus of said College, and this bond has been issued under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including among others Sections 162.350 to 162.380, inclusive, of the Kentucky Revised Statutes, 1942.

The bonds of the series of which this bond is one are subject to redemption by said College on any interest payment date prior to maturity in whole, or from time to time in part in the inverse order of their numbering, and in the event of such redemption said College agrees to pay to the respective holders upon surrender of

such bonds interest in addition to that evidenced by interest coupons accrued on and prior to the redemption date in an amount equal to one-fourth of one per cent ($1/4\%$) of the principal amount thereof for each year or fraction thereof to elapse between such redemption date and the stated maturity date of the respective bonds. Notice of any such redemption as aforesaid identifying the bonds to be redeemed will be given by publication at least once not less than thirty days prior to the redemption date in a newspaper of general circulation in Calloway County, Kentucky. All of such bonds, as to which said College exercises the right of redemption and as to which notice as aforesaid shall have been given and for the redemption of which, upon the terms aforesaid, funds have been provided, will cease to bear interest on the redemption date.

This bond and the series of which it is one are payable only from revenues to be derived from the operation of said Fine Arts Building, a sufficient portion of which revenues shall be set aside as a special fund for that purpose and identified as the "Fine Arts Building Revenue Bond and Interest Redemption Fund", and this bond and the series of which it is one do not constitute an indebtedness within the meaning of any constitutional provisions or limitations, nor is the credit of the Commonwealth of Kentucky pledged for the payment of this bond. Said College covenants and agrees that said Fine Arts Building and appurtenances will be continuously operated and that sufficient revenues will be collected and set aside in said special fund to promptly pay the principal of and interest on this bond and the series of which it forms a part as the same will become due.

This bond is exempt from taxation in the Commonwealth of Kentucky.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this bond and the series of bonds of which it is one, have existed, have happened and have been performed in due time, form and manner as required by law, and that the amount of this bond, together with all other obligations of said College, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, said Murray State Teachers College has caused this bond to be signed by the Chairman of its Board of Regents and its corporate seal to be hereunto affixed, attested by the Secretary of said Board of Regents, and the coupons hereto attached to be executed with the facsimile signatures of said Chairman and said Secretary, which officials by the execution of this bond do adopt as and for their own proper signatures their respective facsimile signatures appearing on said coupons, and this bond to be dated the First day of October, 1944.

Chairman, Board of Regents

Attest:

Secretary

(Form of Coupon)

No. _____

\$ _____

On the first day of _____, 19____, Murray State Teachers College will pay to bearer _____ Dollars (\$_____) out of its "Fine Arts Building Revenue Bond and Interest Redemption Fund", at the Bank of Murray, in the City of _____

Murray, Kentucky, as provided in and being interest then due on its Fine Arts Building Revenue Bond of 1944, dated October 1, 1944, No. ____.

Chairman Board of Regents

Attest:

Secretary

Section 4. That the provisions, covenants, undertakings, and stipulations for the operation of the Fine Arts Building as set forth in the resolutions adopted on April 10, 1941, pursuant to which bonds herein authorized to be refunded were issued, shall inure and appertain to the bonds hereby authorized, to the same extent and with like force and effect as if herein set out in full, except only in so far as same may be inconsistent with this resolution. The provisions in and by said resolutions whereby there have been created and there is to be maintained a special fund to be known as the Fine Arts Building Revenue Bond and Interest Redemption Fund, and into which there is to be set aside and paid a sufficient portion of the revenues of the Fine Arts Building for the payment of the interest on and the principal of the bonds herein provided to be refunded, are hereby in all respects ratified and confirmed, and all such provisions and all sums remaining therein when the refinancing hereby contemplated has been completed shall inure to and constitute the security for the payment of the interest on and the principal of the bonds hereby authorized, except however, that the computations to be made on a fiscal year basis commencing April 1 of each year and ending on March 31 of the next succeeding year and the amounts to be set aside and paid into said fund in equal monthly installments shall be based upon the bonds hereby authorized and after the issuance of the bonds hereby authorized said special fund shall be used and applied, and is hereby pledged to the payment of the interest on the principal of the bonds herein authorized, and to accumulate a reasonable reserve in said fund for that purpose. The minimum annual amount for fiscal year ending March 31, 1945 shall be \$4,800, and the minimum annual amounts to be set aside into said special fund during each fiscal year commencing April 1, 1945, in order to pay the interest on and the principal of all of the bonds hereby authorized are hereby determined and fixed to be as follows:

<u>During the year</u> <u>ending March 31,</u>	<u>Amount</u>	<u>During the year</u> <u>ending March 31,</u>	<u>Amount</u>
1946	\$5,400	1956	\$5,000
1947	5,400	1957	5,000
1948	5,300	1958	5,000
1949	5,200	1959	5,000
1950	5,100	1960	5,000
1951	5,000	1961	5,600
1952	5,000	1962	5,500
1953	5,000	1963	5,400
1954	5,000	1964	5,300
1955	5,000	1965	4,900

That exclusive of the amounts required to be set aside and applied as hereinbefore provided to the payment of the principal of and interest on the bonds hereby authorized the balance of the revenues from said Fine Arts Building shall be used to pay the reasonably necessary cost of operating and maintaining said building or to purchase or retire bonds which by their terms are payable from such revenues.

Section 5. The said College hereby covenants and agrees with the holder or holders of the bonds herein authorized, and any of them, that it will faithfully and punctually perform all duties

with reference to said Fine Arts Building required by the Constitution and laws of the Commonwealth of Kentucky, including the making and collecting of reasonable and sufficient rates for services afforded thereby, and will segregate the revenues and make application thereof into the respective funds as contemplated by this resolution; and said College further covenants and agrees with the holders of said bonds that so long as any of said bonds are outstanding and unpaid said building will be continuously maintained in good condition and operated, and that such rates and charges for services afforded thereby will be imposed and collected so that the gross revenue will be sufficient at all times to provide for the payment of the operation, maintenance and insuring of said building and to make the prescribed payments into the Fine Arts Building Revenue Bond and Interest Redemption Fund as provided herein.

Section 6. That for the further protection of the holders of the bonds herein authorized to be issued and the coupons thereto attached, a statutory mortgage lien upon said building and all properties connected therewith and belonging thereto, is granted and created by Sections 162.350 and 162.200 of the Kentucky Revised Statutes, which said statutory mortgage lien is hereby recognized and declared to be valid and binding upon said building as provided by law, and shall take effect immediately upon the delivery of any bonds authorized to be issued under the provisions of this resolution. Any holder of said bonds or any of the coupons may either at law or in equity, by suit, action, mandamus or other proceedings, protect the statutory mortgage lien hereby conferred, and may by suit, action, mandamus or other proceedings, enforce and compel performance of all duties required by law, including the fixing and collecting of sufficient revenues for the services of said building and the application thereof.

If there be any default in the payment of the principal of or interest on any of said bonds, or if there be any default in the provisions herein made for such payment, then upon the filing of suit by any holder of said bonds or of any of the coupons, any court having jurisdiction of the action may appoint a receiver to administer said building on behalf of said College with power to charge and collect rates sufficient to provide for the payment of any of said bonds, and for the payment of the operating expenses and to apply the income and revenues in conformity with this resolution and the provisions of said statute laws of Kentucky aforesaid.

Section 7. That the bonds authorized to be issued hereunder and from time to time outstanding shall not be entitled to priority one over the other in the application of the income and revenues of said building, regardless of the time or times of their issuance, it being the intention that there shall be no priority among the bonds regardless of the fact that they may be actually issued and delivered at different times and that any other obligations or indebtedness payable from the revenues of said building shall be made subject to the priority of the bonds herein authorized.

Section 8. That the College hereby covenants and agrees it will cause proper books and accounts with respect to the said building to be kept and that the holders of any of said bonds shall have at all reasonable times the right to inspect same.

Section 9. That the bonds herein authorized, numbered 1 to 60, inclusive, be issued in exchange for and upon surrender and cancellation of a like amount of the presently outstanding bonds hereinbefore identified and provided to be refunded, and that the remaining bonds herein authorized be issued and sold to pay the cost of completing the construction of the Fine Arts Building on the campus of said College. Upon the adoption of this resolution the Secretary of the Board of Regents is hereby authorized and directed to cause notice to be published in the Ledger & Times, a legal newspaper printed and published in the City of Murray, Kentucky, reciting

in such notice that a resolution providing for the issuance of the bonds as herein authorized has been adopted and that at a time and place stated therein, which shall be the time and place of a scheduled meeting of the Board of Regents, the matter of issuing said bonds will be further considered and also that at said meeting anyone interested as a holder of the bonds herein provided to be refunded may appear, and that anyone holding or representing the holders of the bonds herein authorized to be refunded may appear and present proposals for any or all of the bonds as herein authorized on the basis of surrendering a like principal amount of the bonds now outstanding at the time of purchasing the portion of the bonds herein authorized for other than refunding purposes. Said Board of Regents is hereby authorized and directed to consider all proposals made pursuant to such published notice and to award the bonds in the manner and for the purposes as herein provided.

Section 10. That the provisions of this resolution shall constitute a contract between said College and the holder or holders of the bonds herein authorized to be issued, and after the issuance of any of said bonds no change or alteration of any kind in the provisions of this resolution may be made until all of the bonds have been paid in full as to both principal and interest or funds sufficient therefor shall have been duly provided and deposited for that exclusive purpose at the place of payment thereof.

Section 11. That if any section, paragraph, clause or provision of this resolution shall be held to be invalid or ineffective for any reason, the remainder thereof shall remain in full force and effect, it being expressly hereby found and declared that the remainder of this resolution would have been adopted despite the invalidity of such section, paragraph, clause or provision.

Section 12. That all resolutions and orders, or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and that this resolution shall take effect from and after its adoption.

Adopted and approved, _____, 19__.

Chairman

Attest:

Secretary

Motion was made by Mr. Hart that the resolution authorizing the issue of \$80,000.00 3% Fine Arts Building Revenue Bonds for the purpose of refunding \$60,000.00 outstanding Fine Arts Building Revenue Bonds and for the completion of the Fine Arts Building, be adopted as read, and the said bonds be offered for sale at 10:30 A. M. on January 15, 1945, in the President's Office, at the next regularly scheduled meeting of the Board of Regents. This motion was seconded by Dr. Crume; and the roll was called on its adoption with the following result: Dr. Crume, aye; Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

War Production Board Denied Request for Priority Rights for Certain Restricted Material for Completion of Fine Arts Building

Mr. R. E. Broach, Business Manager, reported to the Board that it would be necessary to secure priority rights for certain restricted materials, such as acoustical board and fluorescent

lighting equipment, the cost of which materials would be approximately \$10,000.00, but the War Production Board had disapproved the college's request for the release of such materials, at the present time, for the completion of the Fine Arts Building.

Attorney General Eldon S. Dummit Ruled that Refinancing and Additional Financing of Fine Arts Building Revenue Bonds Authorized by Law and Upheld by Court of Appeals

At this point, a communication from Attorney General Eldon S. Dummit indicating that, as requested, he had reviewed the proposals and conditions in connection with the refinancing of the Fine Arts Building Revenue Bonds and the issuance of additional bonds for the completion of the Fine Arts Building, and that it seemed that the right for financing and additional financing is authorized by law and has been upheld by the Court of Appeals, was read to the Board.

Adjournment

Motion was made by Mr. Hart that the Board adjourn. This motion was seconded by Dr. Crume and was carried unanimously.



Chairman *Pro Tem*



Secretary