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Board of Regents, Murray State Normal School

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MINUTES OF BOARD OF REGENTSMURRAY STATE TEACHERS COLLEGE

August 27, 1945

The Board of Regents of Murray State Teachers College met in the President's Office, as per the call of the Chairman, at 10:00 A. M. on Monday, August 27, 1945. Dr. C. E. Crume, Judge Charles Ferguson and Mr. George Hart were present. In the absence of Chairman John Fred Williams, Vice Chairman Charles Ferguson presided.

Consideration of Refinancing \$77,000.00 3% Fine Arts Building Revenue Bonds

Mr. M. O. Wrather, Acting President, stated to the Board that this meeting was called for the purpose of considering the action of the Executive Committee of the Board of Regents in connection with calling for payment the \$77,000.00 balance now outstanding of the 3% Fine Arts Building Revenue Bonds and the refinancing of this indebtedness by authorizing an issue of \$77,000.00 Fine Arts Building Revenue Bonds to be dated October 1, 1945 and to bear interest at the rate of 2 1/4% per annum. Mr. C. A. Lucas and Mr. H. L. Sullivan, representatives of Stein Bros. & Boyce, Louisville, Kentucky, holders of the said 3% Fine Arts Building Revenue Bonds were present; their offer for the refunding of the bonds had previously been submitted to the Executive Committee of the Board of Regents of Murray State Teachers College, and had been accepted by that committee. Mr. Wrather called attention to the fact that the 3% Fine Arts Building Revenue Bonds were issued subject to call at any interest payment date upon payment of a call premium of 1/4%. Mr. Wrather added that the refinancing of these bonds would save the college the gross amount of \$8,051.25 in interest which would result in a net saving of \$5,826.25 after deducting the call premium of \$2,225.00, and that Stein Bros. & Boyce had guaranteed a bid of at least 103 and interest on the new issue of \$77,000.00 2 1/4% Fine Arts Building Revenue Bonds. Mr. Wrather added that the Executive Committee had considered the offer of Stein Bros. & Boyce and had approved it, knowing that it would, later, come before the Board for final approval, then he submitted and read the report of the Executive Committee of the Board of Regents, as follows:

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

The Executive Committee of the Board of Regents met in the Director's Room of the Bank of Murray at 2:00 P. M. Wednesday, August 8, 1945 to consider the proposal of Stein Bros. & Boyce, Louisville, Kentucky, for refinancing \$77,000.00 3% Fine Arts Building Revenue Bonds. Mr. M. O. Wrather, Acting President, Mr. George Hart, Mr. C. T. Winslow and Mr. R. E. Broach, Secretary, were present.

Proposal of Stein Bros. & Boyce Accepted and Signed

The proposal of Stein Bros. & Boyce, Louisville, Kentucky in connection with refunding of the \$77,000.00 Fine Arts Building Revenue 3% Bonds was read to the committee composed of Claude T. Winslow, George Hart, R. E. Broach, M. O. Wrather, which committee was appointed by the Board of Regents, and said committee was authorized by the Board of Regents of the Murray State Teachers College to act and enter into a contract for this purpose, subject to final approval of Board of Regents.

The proposal was in words and figures as follows:

August 8, 1945

Executive Committee of  
Murray State Teachers College  
Murray, Kentucky

Gentlemen:

You now have outstanding \$77,000.00 of Murray State Teachers College 3% Fine Arts Building Revenue Bonds. The 3% Fine Arts Building Revenue Bonds are callable on October 1, 1945.

Substantial savings in interest over the life of the bonds can be made by calling these bonds and refunding them into an issue of bonds bearing a lower rate of interest. In order to accomplish this, we make you the following proposal for immediate acceptance or rejection:

1. We will employ attorneys to prepare the resolutions, instruments and documents necessary for the authorization of \$77,000.00 of Fine Arts Building Revenue Refunding Bonds to be dated October 1, 1945, issue to bear interest at the coupon rate of 2 1/4% and to mature as per the attached schedule of maturities which are made a part hereof. The new bonds are to be callable in the same manner as the present issue.

2. You hereby authorize the calling in of the present bonds for payment on October 1, 1945 and authorize the publishing of the call notice. We will pay the cost of publishing the call notices, fees for our attorneys, the cost of publishing the notice of the bond sales, and printing of the bond forms. The offering of the new bonds to be made at public competitive sale and at this sale we will guarantee a bid of at least 103 and interest.

3. To compensate us for our services, expenses and risk, and the fees of our attorneys, and also the publishing of the various notices and the cost of printing the bonds, you are to pay us a sum equal to 3% of the face amount of the refunding bonds. Such compensation to be payable to us whether or not we are the successful bidder at the competitive sales and if we are the successful bidder, we are to be allowed this compensation on the purchase price when payment is made for the bonds.

4. The above proposal is subject to the bonds being approved as to the legality and validity by our attorneys, Messrs. Chapman & Cutler, Chicago, Illinois, and subject to the interest on this type of bond not being subjected to Federal or Kentucky Income taxation prior to delivery date to the successful bidder. Because of present unsettled conditions, we reserve the right to withdraw from this agreement up to August 27, 1945.

Respectfully submitted,

STEIN BROS. & BOYCE

By H. L. Sullivan

Accepted:

M. O. Wrather

Geo. Hart

C. T. Winslow, Sr.

R. E. Broach

After said proposal having been considered, it was moved, and seconded and unanimously carried that said proposal be and the same is hereby accepted by the Committee, consisting of M. O. Wrather, Geo. Hart, C. T. Winslow, R. E. Broach, and which Committee has been duly authorized by the Board of Regents of the Murray State Teachers College to enter into such a contract.

\$77,000.00 MURRAY STATE TEACHERS COLLEGE 3% FINE ARTS BUILDING REVENUE BONDS Figured as of October 1, 1945

Apr. 1	Principal	Interest 3%	Total Requirements	Principal	Interest 2 1/4%	Total Requirements
1946	\$3,000	6 mo. \$1,155	\$4,155	\$3,000	6 mo. \$866.25	\$3,866.25
1947	3,000	2,220	5,220	3,000	1,665.00	4,665.00
1948	3,000	2,130	5,130	4,000	1,597.50	5,597.50
1949	3,000	2,040	5,040	3,000	1,507.50	4,507.50
1950	3,000	1,950	4,950	4,000	1,440.00	5,440.00
1951	4,000	1,860	5,860	4,000	1,350.00	5,350.00
1952	3,000	1,740	4,740	4,000	1,260.00	5,260.00
1953	3,000	1,650	4,650	3,000	1,170.00	4,170.00
1954	4,000	1,560	5,560	5,000	1,102.50	6,102.50
1955	3,000	1,440	4,440	3,000	990.00	3,990.00
1956	4,000	1,350	5,350	5,000	922.50	5,922.50
1957	4,000	1,230	5,230	4,000	810.00	4,810.00
1958	4,000	1,110	5,110	5,000	720.00	5,720.00
1959	4,000	990	4,990	4,000	607.50	4,607.50
1960	4,000	870	4,870	4,000	517.50	4,517.50
1961	5,000	750	5,750	6,000	427.50	6,427.50
1962	5,000	600	5,600	5,000	292.50	5,292.50
1963	5,000	450	5,450	5,000	180.00	5,180.00
1964	5,000	300	5,300	3,000	67.50	3,067.50
1965	5,000	150	5,150	-	-	-
	\$77,000	\$25,545	\$102,545	\$77,000	\$17,493.75	\$94,493.75

\$25,545.00 Interest at present rate 3%

17,493.75 Interest new rate 2 1/4%

\$ 8,051.25

2,225.00 Call premium

\$ 5,826.25 Net savings in interest over life of bonds.

Proposal of Stein Bros. & Boyce for Refinancing \$77,000.00 3% Fine Arts Building Revenue Bonds Accepted


Motion was made by Mr. Hart that the proposal of Stein Bros. & Boyce, Louisville, Kentucky, for refinancing \$77,000.00 3% Fine Arts Building Revenue Bonds be accepted by 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. Hart, aye; Judge Ferguson, aye.

Secretary Authorized To Call for Payment \$77,000.00 3% Fine Arts Building Revenue Bonds and To Ask for Bids To Be Received on September 20, 1945 at 11:00 A. M., for Purchase of Building Revenue Refunding Bonds in the Aggregate Principal Amount of \$77,000.00

Motion was made by Mr. Hart that the Secretary of the Board of Regents of Murray State Teachers College be authorized and directed to call for redemption, as of October 1, 1945, all of the outstanding Fine Arts Building Revenue Bonds, which bonds are dated October 1, 1944, bear interest at the rate of 3% per annum, are issued in the denomination of \$1,000.00 and are numbered from four to eighty, inclusive; and to ask for bids to be received on September 20, 1945, at 11:00 A. M., at the meeting of the Board of Regents which will be held at the college in the City of Murray, Kentucky, for the purchase of 2 1/4% Fine Arts Building Revenue Refunding Bonds in the aggregate principal amount of \$77,000.00, dated October 1, 1945. This motion was seconded by Dr. Crume; and the roll was called on its adoption with the following result: Dr. Crume, aye; Mr. Hart, aye; Judge Ferguson, aye.

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