



MEMORANDUM

March 24, 2023

University of Utah – 2023A Revenue Bond Results

Board Policy R590, *Issuance of Bonds for Colleges and Universities*, requires the Office of the Commissioner to report the results of the final bond pricing to the Board in the next meeting after the closing. In the September 2022 meeting, with an addendum in the November 2022, the Board authorized the University of Utah to issue revenue bonds for the acquisition and construction for all or any portion of the Medical Education and Discovery Complex (MEDX) for the construction of the Applied Sciences Project and Refunding Outstanding Bonds. After a negotiated sale on January 11, 2023, the General Revenue bonds closed on February 2, 2023. The bond sale conformed to the parameters approved by the Board:

- True Interest Cost (TIC): 3.46% Approved, 3.40% Secured
- Maximum Coupon Rate: 6% Approved, 5% Secured
- Maturity Date: 30 years Approved, 19 years Secured

The following is a summary of the results. Additional details about the bond issue may be found in the attached Financing Summary prepared by the financial advisor.

| Sources | Med Ed Project | Discovery Center Project | Applied Sciences Project | Total |
|-----------------------------------|------------------------|---------------------------------|---------------------------------|-------------------------|
| Par Value | \$71,255,000.00 | \$59,375,000.00 | \$23,750,000.50 | \$154,380,000.00 |
| Reoffering Premium | 11,229,030.40 | 9,356,807.40 | 3,742,742.50 | \$24,328,580.30 |
| Less Underwriter's Discount | (162,220.37) | (135,174.14) | (54,069.65) | (351,464.16) |
| | \$82,321,810.03 | \$68,596,633.26 | \$27,438,672.85 | \$178,357,116.14 |
| Uses | | | | |
| Series 2023A Project Account | | | \$177,916,558.33 | |
| - Med Ed Subaccount | | 75,000,000.00 | | |
| - Discovery Center Subaccount | | 62,500,000.00 | | |
| - Applied Science Subaccount | | 25,000,000.00 | | |
| - Capitalized Interest Subaccount | | 15,416,558.33 | | |
| Costs of Issuance Account | | | 440,557.81 | |
| | | | \$178,357,116.14 | |

Commissioner's Recommendation

This is an information item only; no action is required.

Attachment