

Minutes of the Meeting of the Executive Committee of the Board of Trustees, University of Kentucky, August 2, 1945.

The Executive Committee of the Board of Trustees of the University of Kentucky met in the President's Office at 10:40 a.m., Thursday, August 2, 1945. The following members were present: Judge Richard C. Stoll, H. D. Palmore, J. C. Everett, H. S. Cleveland and R. P. Hobson. President H. L. Donovan and Comptroller Frank D. Peterson, Secretary of the Board, were present.

A. Approval of Minutes.

The minutes of the Executive Committee of June 29 were approved as published.

B. Report of the Comptroller.

The Comptroller submitted a final report for the fiscal year ended June 30, 1945. The statement of realized income was examined in detail. The report showed the budget estimate of combined income to be over-realized for the fiscal year. The expenditures for colleges and departments for the year were within appropriations.

The income for the Experiment Station and Extension Division exceeded the budget estimates and the expenditures for these Divisions did not exceed total appropriations, but adjustments in some departmental appropriations are necessary.

The statement of receipts and expenditures of Restricted Funds was examined and explained. The same was true concerning the statement of receipts and expenditures of all Agency funds handled by the Comptroller's Office.

After a brief discussion of the report, the Committee took the following action:

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1. Upon motion duly made, seconded and carried, the report of the Comptroller is received, accepted and ordered filed.

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C. Plans for Completion of Animal Pathology Building and Remodeling of Old Veterinary Building.

President Donovan reported request of Dean Cooper for authority to procure plans for completion of the wing of the Animal Pathology Building and remodeling of the old Veterinary building for use as a Meat Laboratory. He read the following letter from Dean Cooper, with recommendation that the request be granted.

July 30, 1945

President H. L. Donovan
University of Kentucky

Dear President Donovan:

The Board of Trustees, upon your recommendation, has previously approved the remodeling of the old veterinary building for use as a meats laboratory. Also upon your recommendation, the Board approved the completion of the wing of the animal pathology building as originally provided in the plans and the removal and reconstruction of the old hospital barn, which was a part of the original plan.

It may be that there will be opportunity to undertake construction in the not-too-distant future and I therefore wish to request that authorization be procured for drawing plans for the wing of the animal pathology building and remodeling the old veterinary building for use as a meats laboratory, construction to be undertaken when it becomes feasible. I regard it as especially important that the remodeling job be done in time for use by students who may enroll at the next calendar year.

Sincerely yours,

(Signed) Thomas Cooper
Dean and Director

The Committee heard the letter read and took the following action:

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2. Upon motion duly made, seconded and carried, Dean Cooper is authorized to procure plans for the wing of the Animal Pathology Building and remodeling the old Veterinary Building for use as a Meat Laboratory.

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D. Budget Increases.

President Donovan submitted request for increase of \$600 in the budget for the University Extension Department. He explained that the amount was necessary to provide additional secretarial service while members of the Extension Department staff are assigned to do work in connection with the campaign for the Frances Jewell McVey Memorial Fund.

The Committee heard the request and took the following action:

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3. Upon motion duly made, seconded and carried, the Comptroller is authorized to transfer from the unappropriated surplus of the General Operating Budget of the University the sum of \$600 to the University Extension Department.

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E. Gift from WHAS Radio Station.

President Donovan reported that the WHAS Radio Station, Louisville, Ky., had presented to the University Radio Station one directional short-wave antenna. He read the following letter and recommended that the gift be accepted.

July 18, 1945

Dr. H. L. Donovan, President
University of Kentucky
Lexington, Kentucky

Dear Dr. Donovan:

Radio Station WHAS, Louisville, has presented us with a rather elaborate, very carefully engineered, directional short-wave antenna for our use in picking up other FM radio stations that we might wish to rebroadcast.

The antenna was built in the WHAS shops at Eastwood and represents an original design, although we would have to pay several hundred dollars, at least, if we were to buy something somewhat similar.

I thought you would want to take cognizance of this gift in the usual manner.

Very truly yours,

(Signed) Elmer G. Sulzer
Director of Public Relations

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- 4. Upon motion duly made, seconded and carried, the gift to the University Radio Station of one directional short-wave antenna from Radio Station WHAS, Louisville, Ky., is ordered accepted, and the President is requested to write a letter of appreciation to the donor.

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F. Budget Adjustment for the Year 1944-45.

The Comptroller brought to the attention of the Executive Committee the fact that a few of the Department appropriations had been exceeded during the fiscal year 1944-45. He explained that each overdraft was small and tentatively authorized, subject to the approval of the Executive Committee. He read the list and recommended increases for the following:

Board of Trustees	\$ 20.00
Dean of Women	25.00
Service Men's Survey	60.00
YMCA & YWCA	10.00
Anatomy & Physiology	90.00
Military Science	60.00
Appropriation for Draperies and Installation, Memorial Hall..	1309.97

The Committee took the following action:

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- 5. Upon motion duly made, seconded and carried, the Comptroller is authorized to increase the appropriation for each of the departments listed above in the amount recommended.

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G. Sale of University Building Revenue Refunding Bonds.

The Secretary reported that, pursuant to authorization of the Board of Trustees under date of July 24, 1945, the following Notice of Issuance of Bonds was inserted in the Lexington Leader in the City of Lexington:

NOTICE OF ISSUANCE OF BONDS

Public notice is hereby given that on July 24, 1945, the Board of Trustees of the University of Kentucky at Lexington, Kentucky, adopted a resolution authorizing and providing for the issuance and delivery of \$507,000 principal amount of University Building Revenue Refunding Bonds, to be dated July 1, 1945, to mature serially on July 1 of each of the years 1947 to 1962, inclusive, but optional for redemption on any interest payment date prior to maturity. It is provided in and by said resolution that said bonds are to be issued and delivered for the purpose of refunding a like amount of the presently outstanding University Building Revenue Bonds dated January 1, 1936, and interest accruals thereon, and that said University Building Revenue Refunding Bonds are to be so issued and delivered when the bonds and evidences of interest accrued thereon are surrendered and canceled. The Executive Committee of said Board of Trustees will meet at the Administration Building in the City of Lexington, Kentucky, on the 2nd day of August, 1945, at 10:30 a.m., and then and there further consider the matter of issuing said bonds and also receive and consider proposals for said bonds. In order to determine the most advantageous proposal each bidder will be required to surrender for cancellation a like amount of the bonds and evidences of accrued interest thereon to be refunded simultaneously with the issuance and delivery of the University Building Revenue Refunding Bonds.

The printed bonds and the legal opinion of Chapman and Cutler, Chicago, Illinois, will be furnished to the successful bidder without cost.

Each bidder will be required to qualify by furnishing a certified check in the sum of \$5,000.00 payable to the order of the Secretary of said Board of Trustees. Such checks of any unsuccessful bidders will be returned after the opening and consideration of the bids, but the check of the successful bidder will be retained until delivery of the bonds and the amount thereof shall constitute the agreed liquidated damages in the event the successful bidder fails or refuses to perform in accordance with the accepted bid. In the event that prior to the delivery of said bonds the income therefrom to an individual becomes taxable under any federal income tax law the successful bidder will be relieved of the obligation to accept delivery and the deposited check will be returned on request.

Frank D. Peterson
Secretary, Board of Trustees

The Secretary further reported that, pursuant to Notice of Issuance of Bonds, he had received bid from J. J. Hilliard & Son and Almstedt Brothers, Louisville, Ky., and after being instructed, opened the bid and read same to members of the Committee.

J. J. B. HILLIARD & SON
Investment Securities
Louisville, Ky.

Aug. 2, 1945

Members of the Executive Committee of the
Board of Trustees of the
University of Kentucky
Lexington, Ky.

Gentlemen:

Responsive to your notice of issuance of bonds dated July 25, 1945, copy of which is attached hereto and made a part hereof, we own and hereby agree to sell and deliver to you, \$480,000 principal amount of University of Kentucky Building Revenue 3% bonds maturing July 1, 1946 to July 1, 1965, inclusive, at a price of \$1,110.00 per \$1000 bond and \$20,000 principal amount of the same issue, which were due July 1, 1945 at \$1000.00 per \$1000 bond, all plus accrued interest from Jan. 1, 1945, to date of delivery and, we agree to buy from you, \$507,000 principal amount of 1 3/4% Revenue Refunding Bonds and to pay therefor a price of \$1,000.00 per \$1000 bond plus accrued interest from July 1, 1945, to date of delivery, all in accordance with the terms and conditions of the Bond Resolution authorized and adopted by the Board of Trustees of the University of Kentucky at Lexington, Ky. under date of July 24, 1945.

We further agree to pay the legal fees of Messrs. Chapman & Cutler, for the printing of the blank bond forms, the fee of the Louisville Trust Co. for putting this business on their books and also all other expenses incurred by us incidental to the issuance of the refunding bonds referred to herein.

Our good faith check for \$5,000.00 is attached hereto and is to be held uncashed by you and to be returned to us when delivery of the above bonds is made.

This proposal is made with the expectation that the Refunding Bonds can and will be delivered to us on or before Sept. 1, 1945; otherwise, we reserve the right to withdraw from our commitment any time thereafter on 10 days' written notice.

Respectfully submitted

J.J.B.HILLIARD & SON
ALMSTEDT BROS.

J.J.B.HILLIARD & SON

By (Signed) Marion H. Cardwell
Member of Firm.

It was then stated that no other bid had been received for the obvious reason that all of the University of Kentucky Building Revenue 3% bonds maturing July 1, 1945, to July 1, 1965, inclusive, were in the hands of J.J.B. Hilliard and Almstedt Brothers. It was reported that representatives of the bidding firms were present, and, upon being invited, these came before the Executive Committee. After a full discussion by the Committee, the following action was taken.

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6. This being the time and place fixed in the Notice of Issuance of Bonds, as heretofore published by the Secretary of the Board of Trustees, and the proposals offered having been opened and duly considered, J. C. Everett introduced and caused to be read a resolution entitled "A RESOLUTION confirming the issuance and delivery of \$507,000 University Building Revenue Refunding Bonds", and moved its adoption, which was seconded by H.S. Cleveland.

A RESOLUTION confirming the issuance and delivery of \$507,000 University Building Revenue Refunding Bonds.

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WHEREAS notice of the issuance of \$507,000 University Building Revenue Refunding Bonds has heretofore been given in strict compliance with the provisions of the resolution heretofore adopted by the Board of Trustees on July 24, 1945, authorizing the issuance of said bonds; and

WHEREAS the best proposal received for said bonds is from J.J.B. Hilliard & Son and Almstedt Brothers;

NOW, THEREFORE, Be It Resolved by the Executive Committee of the Board of Trustees of the University of Kentucky as follows:

Section 1. That no one has appeared responsive to the published notice referred to in the preamble hereof to offer objections to the issuance and delivery of the proposed bonds.

Section 2. That upon being advised in the premises, it is hereby determined that the proposal of J. J. B. Hilliard & Son and Almstedt Brothers for \$507,000 University Building Revenue Refunding Bonds as advertised is the highest and best bid received, and that said bonds be and the same are hereby awarded thereon to said J. J. B. Hilliard & Son and Almstedt Brothers.

Section 3. That all resolutions or parts of resolutions in conflict herewith be and the same are hereby repealed.

Passed and approved, August 2, 1945.

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After due discussion of said resolution, and upon the roll being called, the following voted:

Aye: Stoll, Hobson, Everett, Cleveland, Palmore.

Nay: None.

Whereupon, said Resolution was duly adopted.

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H. Adjournment.

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7. Upon motion duly made, seconded and carried, the meeting was adjourned at 1:00 p.m.

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Frank D. Peterson
Secretary, Board of
Trustees