

USF PROPERTY CORPORATION

MINUTES OF SPECIAL MEETING

BOARD OF DIRECTORS

MAY 9, 2023

A special meeting of the Board of Directors of the USF Property Corporation was held on May 9, 2023 at the University of South Florida, 4202 E. Fowler Avenue, CGS 402, Tampa, Florida, pursuant to the Corporation's Bylaws, for the purpose of appointing the independent auditor, approving the Corporation's annual financial plan and for the transaction of any other business that may properly come before the Board.

The meeting was held pursuant to Notice duly provided on May 4, 2023. A copy of the meeting Notice is attached to these minutes.

The meeting was called to order by Chair Aebel at 1:27 p.m.

The following directors, who constitute a quorum of the Board of Directors, were present:

Mr. Andrew J. Mayts
Mr. Jose E. Valiente
Mr. Richard J. Sobieray
Ms. Linda O. Simmons
Ms. Erin S. Aebel

The following persons were also present:

Mr. Fell L. Stubbs, Executive Director
Ms. Hilary Black, Senior Associate General Counsel
Ms. Virginia L. Kalil, Chief Internal Auditor
Ms. Dawn M. Rodriguez, Assistant Treasurer
Ms. Mary K. Benton, Assistant Director

Call to Order
and Roll Call

Public Comments
Subject to Procedure
for Appearances before
the Board of Directors

Chair Aebel asked Mr. Stubbs if, under the Procedure for Appearances before the Board of Directors, any party had requested to appear before the Board. Mr. Stubbs stated that no notices requesting appearance before the Board were received in advance of the meeting.

Approval of Minutes

The minutes of the November 1, 2022 annual meeting and February 7, 2023 special meeting were distributed on May 4, 2023. Chair Aebel called for any corrections to the minutes. Hearing none, she asked for a motion to approve the minutes of the annual meeting held on November 1, 2022 and special meeting held on February 7, 2023. The motion was duly made and seconded, and the minutes of the meetings were unanimously approved.

Resolution: Appoint
Independent Auditor

Chair Aebel asked Mr. Stubbs to introduce the resolution. Mr. Stubbs presented Resolution No. PC 05-09-23A for the annual engagement of an independent auditor. The Corporation Bylaws, as well as Section 1004.28 of the Florida Statutes, require that the Corporation engage an independent CPA firm to audit its accounts and records. Mr. Stubbs, as Executive Director of the Corporation, recommends the engagement of KPMG LLP to conduct the audit for fiscal year 2022. KPMG has audited the Corporation for 9 years starting in FY 2014 with a fee of \$60,000. KPMG provided an engagement letter on May 3 with a negotiated fee of \$74,970 for FY 2023. The FY 2022 fee increased five percent from \$71,400 in FY 2022. Mr. Stubbs stated that the five percent increase from FY 2022 is reasonable for auditing the Corporation's unique financial statements. Mr. Stubbs further stated that it is important for the Corporation to utilize a "Big Four" accounting firm such as KPMG for its audit, considering the significance of the Corporation's financing and public reporting obligations, KPMG has provided thorough audits in the years past,

and the Corporation earns an attractive audit bill by submitting financial statements that the auditors regularly complement.

Chair Aebel asked if there were any questions from the Board. Hearing none, she requested a motion to appoint KPMG LLP as auditor of the Corporation. The motion was duly made and seconded, and the following was unanimously approved:

RESOLVED, Resolution PC 05-09-23A, which each director has read, is hereby adopted and the secretary is hereby ordered to attach a copy of the aforesaid resolution to the minutes of the meeting.

Resolution: Approve
Corporation FY 2024
Financial Plan

Chair Aebel asked Mr. Stubbs to introduce the next resolution. Mr. Stubbs presented Resolution No. PC-05-09-23B and stated that the Board was provided with a copy of the FY 2024 Financial Plan on May 4, 2023. The Financial Plan will be presented to the USF Board of Trustees Finance Committee on May 23, 2023. Mr. Stubbs stated that the Corporation's statutory mission is to support the University as its financing arm and is expected to provide low cost, low risk, long-term financing for the University's major capital projects. He reviewed the Corporation's Key Initiatives that will materially impact the Corporation in FY 2024:

(1) Anticipated \$200 million debt issuance to finance a portion of a stadium project to be located Tampa campus, as described earlier in the meeting.

(2) Ensure that the USF Sarasota-Manatee Housing and Student Center Project is delivered on time and on budget by working with the University and the design-builder.

(3) Protect USF's "AA" credit ratings. The Corporation will make annual presentations to Moody's and Standard & Poor's and in connection with the issuance of new debt described above.

(4) Direct oversight of DSOs and Auxiliaries to ensure maintenance of pledged revenues, debt services coverage ratios and reserves.

(5) Compliance with debt covenants including IRS rules on tax exempt bonds and required reporting on EMMA.

(6) Litigation is ongoing against INTO South Florida and INTO USF, Inc.

He also reviewed the Corporation's actions to mitigate operating risks in the current challenging business environment:

(1) Closely monitoring current market conditions, the banking crisis, and rising yield curve to manage exposure to operational risks and financial performance of debt programs, interest rate swap, and University auxiliaries or DSOs.

(2) Closed a transaction to modify the variable rate index on the Series 2012B Certificates of Participation from LIBOR to SOFR as a substitute rate, well in advance of the discontinuance of LIBOR as a benchmark index rate on June 30, 2023.

Mr. Stubbs noted that the major long-term goal of the Corporation beyond FY 2024 is to continue to work with the University and campus leaders to assist with structuring new debt programs or restructure existing programs to meet their needs.

Chair Aebel asked if there were any questions from the Board. Hearing no other questions, Chair Aebel requested a motion to approve the Corporation's Fiscal Year 2024 Financial Plan as presented. The motion was duly made and seconded, and the following was unanimously approved:

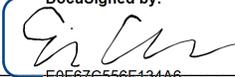
RESOLVED, Resolution PC 05-09-23B, which each director has read, is hereby adopted and the secretary is hereby ordered to attach a copy of the aforesaid resolution to the minutes of the meeting.

Other Business

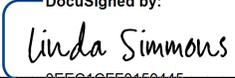
Chair Aebel asked if there were any other items for the Board's consideration. Hearing no further items, Chair Aebel thanked the Board for their support and participation at this special meeting.

Adjournment

There being no further business to come before the Board, the meeting was adjourned on motion duly made and carried at 1:31 p.m.

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Erin S. Aebel, Chair

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Linda O. Simmons, Secretary/Treasurer