

**COLLEGE OF SOUTHERN IDAHO
JUNIOR COLLEGE DISTRICT**

**BOARD OF TRUSTEES MEETING
MARCH 16, 1992**

**CSI PRESIDENT'S BOARD ROOM
5:30 p.m.**

A G E N D A

Tax Anticipation Note

Ekotek

COLLEGE OF SOUTHERN IDAHO
JUNIOR COLLEGE DISTRICT
BOARD OF TRUSTEES MEETING
March 16, 1992

CALL TO ORDER: 5:30 p.m. PRESIDING: Bill Babcock

ATTENDING: Trustees: Bill Babcock, Dr. Thad Scholes and Donna Brizee

College Administration: Gerald Meyerhoeffer, President
John M. Mason, Secretary/Treasurer
Robert Alexander, College Attorney
Dr. Michael Glenn, Assistant to the President
Annette Jenkins, Public Information Officer

Visitors: Pat Selelyo, Faculty Senate
Mark Sugden, Faculty Senate
Michael Moore, Bond Attorney
Times News: Kirk Mitchell

MINUTES OF FEBRUARY 24, 1992, will be approved at the special Board meeting to be held March 23, 1992.

TREASURERS REPORT: The Treasurer's report for February 1992 will be considered for approval at the Special Board Meeting to be held on March 23, 1992.

The Board conducted the following business:

1. Donna Brizee made a MOTION to appoint Bill Babcock Interim Board Chairman for the purpose of conducting official business during the March 16, 1992 meeting. Affirmative vote was unanimous.
2. Revenue Anticipation Note Resolution 92-1 was discussed. The resolution authorized the Board to issue a one-year revenue anticipation note for 1.5 million dollars to First Security Bank at an interest rate of 3.4%. Resolution 92-1 was approved on MOTION by Dr. Thad Scholes. Affirmative vote was unanimous.
3. The Board discussed the offer of Holland and Hart, Attorneys at Law, to allow the College to pay \$2.77 per gallon for clean up of the alleged 3,054 gallons of oil taken from CSI to the Eckotek site between 1978 and 1988. The \$8,459.58 the College is being asked to pay will indemnify the College against further claims for site clean up costs of \$58,350,000.

CSI Trustees
March 16, 1992
Page 2

Based upon information obtained by both Bob Alexander and Mike Mason, the most cost effective way to handle this situation is to pay the \$8,459.58. Legal and administrative costs incurred in fighting the EPA would far exceed this amount.

It was also noted that the College acted in an environmentally responsible way in giving the oil to Ecotek with the understanding that the oil was being recycled.

The offer to settle for \$2.77 per gallon expires on March 20, 1992. The amount of future settlement costs is uncertain.

The Board authorized the payment of the \$8,459.58 to Holland & Hart for the purpose of settling the EPA claim against the College on MOTION by Donna Brizee. Affirmative vote was unanimous.

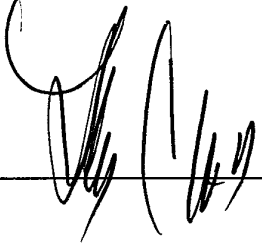
4. The Board accepted the high bid of \$1,505 for the sale of obsolete compugraphic equipment from the Printing and Graphics Department on Motion by Dr. Thad Scholes. Affirmative vote was unanimous.

ADJOURNMENT was declared at 5:38 p.m.



John M. Mason, Secretary-Treasurer

APPROVED March 23, 1992



Chairman

Board file

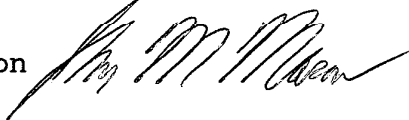
COLLEGE OF SOUTHERN IDAHO

315 Falls Avenue • P.O. Box 1238
Phone 208-733-9554 FAX 208-734-2362
Twin Falls, Idaho 83303-1238

March 5, 1992

To: President Meyerhoeffer and the College of Southern Idaho
Board of Trustees

From: Mike Mason



Re: Environmental Protection Agency Ekotek Claim

We received notice last week from the EPA that we were liable for environmental damage as a result of oil sent to Ekotek, Inc. between 1978 and 1988. CSI had an arrangement with Ekotek during that time period to pick up used motor from the campus. Ekotek would haul the oil to their Salt Lake City site for recycling.

We can document that 535 gallons was sent to Ekotek but our records do not indicate all of the oil Ekotek picked up. This is due to the fact that we gave them most of the oil with the understanding it would be recycled.

Evidently the oil was improperly disposed of at the Ekotek site in Salt Lake City along with other extremely hazardous chemicals.

Upon receiving the notice, I called Laura Williams of the EPA and tried to negotiate a settlement. She stated that the EPA would only settle with a group of PRP's (Potentially Responsible Parties) and that we would have to join one of these groups. She also advised me that we were on the Special Notice List. This means that the EPA has determined that we are liable. If we feel we are not liable, we will have to go to court to dispute their claim.

I then called Denise Kennedy of Holland & Hart, Attorneys At Law. Holland & Hart is one of the groups the EPA is recognizing as an agent to handle the settlement. She advised me that the EPA had determined we were a liable polluter and that Holland & Hart was representing several other liable parties.

Ms. Kennedy said that the EPA had changed its position in recent years. This shift in policy now has the EPA prosecuting all liable parties instead of just the larger ones. She said we were in with some very sophisticated players and may find it advantageous to come to a settlement soon.

The limited liability settlement Holland & Hart is offering us expires on March 20, 1992. This settlement requires us to pay \$2.77 per gallon for the 3,054 gallons that they claim we have sent to the Ekotek site. This \$8,459.58 settlement amount will cover our liability on site clean up for costs up to \$58,350,000. Clean up costs over this amount would again be pro-rated back to us.

A total liability settlement of \$7.76 per gallon is also being offered. This \$23,699.04 settlement offer covers all of our possible liability and does not contain a re-opener clause.

Based upon both Bob Alexander's and my conversations with Denise Kennedy, we are recommending that CSI agree to settle for \$2.77 per gallon for a total settlement of \$8,459.58. Accepting this settlement offer will most likely shield us from any future claims for at least 3 to 4 years. There is also a reasonable expectation that \$58,350,000 will cover all of the clean up costs.

Additionally, a General Notice Recipients list has gone out notifying additional parties that they may have a liability. If clean up costs continue to grow, some of these parties may also be drawn in to participate in the costs.

While the College has acted in a responsible manner in trying to properly dispose of and recycle oil, Laura Williams of the EPA, Denise Kennedy of Holland & Hart and Bob Alexander all indicate that administrative and legal costs trying to fight this will far exceed the settlement offer of \$8,459.58. The EPA also feels very strongly that we would lose anyway.

I called Gary Fay and he is going to submit a claim on our insurance to see if we are covered in this area. He will advise us of our insurance coverage in this area prior to the March 16, 1992 Board meeting.

If you have any questions or need further information, do not hesitate in contacting me.

cc: Bob Alexander

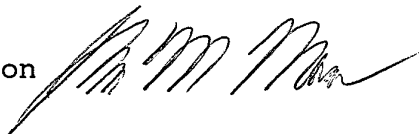
COLLEGE OF SOUTHERN IDAHO

315 Falls Avenue • P.O. Box 1238
Phone 208-733-9554 FAX 208-734-2362
Twin Falls, Idaho 83303-1238

March 16, 1992

To: President Meyerhoeffer and the College of Southern Idaho
Board of Trustees

From: Mike Mason



Re: Sale of Compugraphic Equipment

We received three local appraisals and properly advertised the compugraphic equipment we are requesting permission to sell. Based upon the recommendation of Dr. Mike Glenn, I recommend that the Board accept the high bid of \$1,505 from The Print Shoppe of Filer, Idaho.

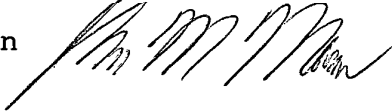
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Twin Falls, Idaho 83303-1238

March 16, 1992

To: President Meyerhoeffer and the College of Southern Idaho
Board of Trustees

From: Mike Mason



Re: Revenue Anticipation Note Bids

The following interest rate bids were received for our
\$1,500,000 Revenue Anticipation Note:

Bank	Interest Rate	Interest Cost
First Security Bank	3.40%	\$50,716.67
West One Bank	4.26%	\$65,549.86
First Federal Savings Bank of Twin Falls	4.50%	\$67,500.00

Based upon these bids, I recommend that we accept the low
bid of 3.4% with an interest cost of \$50,716.67 from First
Security Bank.

RESOLUTION NO. 92-1

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE COLLEGE OF SOUTHERN IDAHO COMMUNITY COLLEGE DISTRICT, AUTHORIZING THE ISSUANCE AND SALE OF A REVENUE ANTICIPATION NOTE IN THE PRINCIPAL AMOUNT OF \$1,500,000 FOR THE PURPOSE OF PROVIDING FUNDS IN ANTICIPATION OF THE RECEIPT OF TAXES, STATE APPROPRIATED FUNDS, AND OTHER REVENUES FOR THE 1991-1992 FISCAL YEAR; DECLARING THE AMOUNT OF TAXES, STATE APPROPRIATED FUNDS, AND OTHER REVENUES ESTIMATED TO BE RECEIVED FOR THE 1991-1992 FISCAL YEAR, IN ANTICIPATION OF WHICH THE REVENUE ANTICIPATION NOTE IS ISSUED; PROVIDING FOR THE FORM, ISSUANCE, SALE, AND REDEMPTION OF SAID NOTE; CREATING A REVENUE ANTICIPATION NOTE REDEMPTION FUND FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTE; AND PROVIDING OTHER TERMS AND COVENANTS RELATING THERETO

WHEREAS, the College of Southern Idaho Community College District (the "District") is a community college district duly created and operating under and pursuant to Title 33, Chapter 21, Idaho Code; and

WHEREAS, the District, by and through its Board of Trustees (the "Board"), has duly adopted a budget and has duly provided for the levy and collection of taxes and the receipt of other moneys, in the manner provided by law, for the 1991-1992 Fiscal Year of the District, which commenced on July 1, 1991, and which ends on June 30, 1992; and

WHEREAS, the Board has determined that the District will experience, during the 1991-1992 Fiscal Year, a temporary cash-flow deficit, and the Board desires to issue revenue anticipation notes of the District, pursuant to and as authorized by Title 63, Chapter 31, Idaho Code, in order to provide funds to meet such deficit pending the collection of ad valorem taxes and the receipt of state appropriated funds and other revenues for the 1991-1992 Fiscal Year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE COLLEGE OF SOUTHERN IDAHO COMMUNITY COLLEGE DISTRICT as follows:

Section 1: For the purpose of providing funds to pay current expenses in anticipation of the collection of ad valorem taxes and the receipt of state appropriated funds and other revenues (collectively, the "Revenues") for the 1991-1992 Fiscal Year (the "Fiscal Year"), the Board hereby authorizes the issuance and sale of a revenue anticipation note, designated "The College of Southern Idaho Community College District Revenue Anticipation Note, Series 1992" (the "Note"), in the principal amount of \$1,500,000, to be

issued, sold, and delivered in the manner provided by Title 63, Chapter 31, Idaho Code.

Section 2: The Note is being issued for the purpose of providing funds for the payment of current expenses of the District in anticipation of the collection and receipt of Revenues for the Fiscal Year.

Section 3: The Note shall be dated as of its date of delivery, shall mature on March 15, 1993, shall be issued as a single note, in bearer form, in the denomination of \$1,500,000, shall bear interest at a fixed rate of 3.40% per annum from its date until paid, calculated on the basis of a 365-day year, which interest shall be payable on the date of maturity of the Note, and shall not be subject to call or redemption prior to its stated maturity date. The Note shall be substantially in the form set forth in Exhibit "A" which is annexed hereto and by reference made a part hereof.

Section 4: The Note shall be typewritten or printed, shall be executed by the Chairman or Acting Chairman of the Board and countersigned by the Treasurer of the District, which signatures shall be manual, and shall have the official seal of the District impressed thereon.

Section 5: The Note shall be payable in lawful money of the United States of America, principal and interest, at the office of the Treasurer of the District, Twin Falls, Idaho. The Note shall be a negotiable instrument within the meaning of the Uniform Commercial Code.

Section 6: There is hereby created and shall be maintained in the office of the District Treasurer a fund and account, separate and distinct from all other funds of the District, designated as the "Revenue Anticipation Note, Series 1992, Redemption Fund" (the "Redemption Fund"). The proceeds of all Revenues collected and received by the District subsequent to March 16, 1992, for the Fiscal Year, shall be placed, immediately upon receipt, in said Redemption Fund until such time as the moneys and investment earnings accumulated therein, or reasonably anticipated to be earned thereon by the date of maturity of the Note, shall be fully sufficient to pay the principal of and the interest on the Note at maturity. All moneys in the Redemption Fund shall be invested, in lawful investments of the District, so as to mature on or before March 15, 1993. The moneys so accumulated in the Redemption Fund are hereby irrevocably pledged, appropriated, and set apart for the aforesaid purposes only. Nothing herein shall be construed to limit the payment of the principal of and interest on the Note solely to Revenues deposited in the Redemption Fund, but the Note shall be direct and general obligations of the District, for the

payment of which the full faith, credit, and resources of the District are hereby pledged.

Section 7: The District further covenants with the purchaser and any subsequent holders of the Note as follows:

A. Taxes anticipated to be received by the District for the Fiscal Year were levied for the Fiscal Year in the amount of \$2,615,000. \$960,967 of said taxes are estimated to be received by the District subsequent to March 16, 1992. State appropriated funds and other revenues anticipated to be received by the District for the Fiscal Year were duly budgeted for the Fiscal Year in the amount of \$9,392,512. The District estimates that it will receive \$1,739,800 of said state appropriated funds and other revenues subsequent to March 16, 1992.

B. The principal amount of the Note issued pursuant to this Resolution does not exceed seventy-five percent (75%) of the Revenues duly budgeted by the Board for the Fiscal Year and not yet collected or received by the District.

C. The proceeds of the Note will be used exclusively for the same purposes for which said taxes were levied and such other Revenues budgeted.

D. None of the proceeds of the Note will be used, directly or indirectly, (i) to make or finance loans to persons, or (ii) in any trade or business carried on by any person (other than use as a member of the general public), and the Note will not be a "private activity bond" within the meaning of Section 141 of the Internal Revenue Code of 1986 (the "Code").

E. The District has general taxing powers. The Note is not a "private activity bond" within the meaning of Section 141 of the Code. 95% or more of the net proceeds of the Note are to be used for the governmental activities of the District. The District has no subordinate entities. The District has not issued, and will not issue, tax-exempt obligations in calendar year 1992 in a face amount which exceeds \$5,000,000. Accordingly, under Section 148(f)(4)(C) of the Code, the District is not required to pay rebates to the United States under Section 148(f) of the Code.

F. The District hereby designates the Note as a "qualified tax-exempt obligation" within the meaning and for the purposes of Section 265(b)(3) of the Code, and the District will not designate more than \$10,000,000, including the Note, as qualified tax-exempt obligations during the 1992 calendar year.

G. The District will comply with the provisions of the Code which are necessary for interest paid on the Note to be excluded

from gross income for purposes of federal income taxation (except for certain minimum taxes on corporations), will make no use of the proceeds of the Note that would result in the interest on the Note being includable in gross income within the meaning of Section 103(a) of the Code, and in particular will take no action which would cause the Note to become an arbitrage bond within the meaning of Section 148 of the Code. A certificate that the Note is not an arbitrage bond within the meaning of Section 148 of the Code will be provided to the purchaser at the time of delivery of the Note.

Section 8: All actions heretofore taken by the Dean of Finance relative to the sale of the Note are hereby ratified and approved. The form of the Notice of Sale prepared by the Dean of Finance and utilized in the solicitation of offers for the purchase of the Note is ratified and approved.

Section 9: The offer of First Security Bank of Idaho, N.A., of Twin Falls, Idaho, to purchase the Note, is hereby approved. The sale and delivery of the Note to First Security Bank of Idaho, N.A., in accordance with said offer, are hereby authorized and approved.

Section 10: The Chairman, Acting Chairman, and Secretary-Treasurer (or any one or more of such officials, as may be appropriate to the circumstances) are hereby authorized and directed to execute, on behalf of the District, all such additional documents, certificates, and instruments as may be necessary to carry out the intent of this Resolution.

Section 11: This Resolution shall take effect and be in force immediately upon its passage and approval.

DATED this 16th day of March, 1992.

THE COLLEGE OF SOUTHERN IDAHO
COMMUNITY COLLEGE DISTRICT

By _____
Acting Chairman

ATTEST:

Secretary of the Board

No. One

\$1,500,000

UNITED STATES OF AMERICA
STATE OF IDAHO

THE COLLEGE OF SOUTHERN IDAHO COMMUNITY COLLEGE DISTRICT
REVENUE ANTICIPATION NOTE, SERIES 1992

THE COLLEGE OF SOUTHERN IDAHO COMMUNITY COLLEGE DISTRICT, a political subdivision of the State of Idaho, for value received, acknowledges itself to owe and promises to pay, to bearer, on March 15, 1993, the principal sum of One Million Five Hundred Thousand Dollars (\$1,500,000), together with interest thereon at the rate of three and forty hundredths percent (3.40%) per annum from the date hereof to the date of payment, interest being calculated on the basis of a 365-day year. This Note is not subject to call or redemption prior to maturity.

Both principal of and interest on this Note are payable in lawful money of the United States of America, at the office of the Treasurer of The College of Southern Idaho Community College District, 315 Falls Avenue, Twin Falls, Idaho.

This Note is issued by The College of Southern Idaho Community College District (the "District") to fund its current operations in anticipation of the collection of ad valorem taxes and the receipt of state appropriated funds and other revenues for the 1991-1992 Fiscal Year, as more fully set forth in Resolution No. 92-1, adopted by the Board of Trustees of the District on March 16, 1992 (the "Note Resolution"). Said taxes, state appropriated funds, and other revenues to be received by the District subsequent to the date of this Note are pledged to the payment of the principal of and interest on this Note.

To provide for the payment of the principal of and interest on this Note, the Board of Trustees of the District has created, by the Note Resolution, a special fund of the District known as the "Revenue Anticipation Note, Series 1992, Redemption Fund" (the "Redemption Fund"), and has covenanted to deposit into the Redemption Fund all ad valorem taxes, state appropriated funds, and other revenues received by the District subsequent to March 16, 1992, for the 1991-1992 Fiscal Year, the receipt of which has been anticipated by the issuance of this Note, until such time as the funds accumulated therein shall be sufficient to pay this Note, together with interest thereon, at maturity. The funds so accumulated in the Redemption Fund will be set apart for the payment of this Note, and will be used for no other purpose. Nothing herein shall be construed to limit the payment of the principal of and interest on this Note solely to the taxes, state

appropriated funds, and other revenues in anticipation of which this Note was issued, but this Note is the direct and general obligation of the District.

IT IS HEREBY CERTIFIED AND DECLARED that the indebtedness of the District hereby incurred does not exceed 75% of the taxes, state appropriated funds, and other revenues duly budgeted by the District and anticipated to be received subsequent to March 16, 1992, for the 1991-1992 Fiscal Year, that the indebtedness incurred hereby does not exceed any other limitation on the indebtedness of the District, and that the indebtedness hereby incurred is contracted for the purposes for which the taxes, funds, and other revenues have been appropriated.

IT IS HEREBY FURTHER CERTIFIED AND DECLARED that the full faith, credit, and resources of the District have been pledged for the payment of this Note according to its terms, that this Note is issued pursuant to and in full compliance with the Constitution and laws of the State of Idaho and the resolutions of the District, and that all acts, conditions, and things required to be done precedent to and in the issuance of this Note have happened, been done, and have been performed.

IN WITNESS WHEREOF, The College of Southern Idaho Community College District has caused this Note to be executed by the Chairman or Acting Chairman of the Board of Trustees of the District and countersigned by the Treasurer of the District, and the official seal of the District to be impressed hereon, all as of this 17th day of March, 1992.

THE COLLEGE OF SOUTHERN IDAHO
COMMUNITY COLLEGE DISTRICT

Acting Chairman of the Board of
Trustees

COUNTERSIGNED:

Treasurer of the District

(S E A L)



March 16, 1992

Mike Mason
Dean of Finance
College of Southern Idaho
315 Falls Avenue
P. O. Box 1238
Twin Falls, Id 83303-1238

**RE: The College of Southern Idaho Community College
District Revenue Anticipation Note, Series 1992**

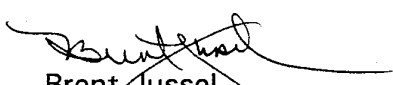
For \$1,500,000 principal amount of The College of Southern Idaho Community College District Revenue Anticipation Note, Series 1992, we will pay the sum of \$1,500,000 plus a premium of \$ -0-.

Principal Amount	\$1,500,000.00
Interest Rate	3.40%
Total Premium Offered	\$ -0-
Net Interest Rate	3.40%
Net Interest Cost	\$ 50,716.67
TIC	3.371890%

The Note will be delivered in the denomination of \$1,500,000, and will not be exchangeable for Notes of small denominations.

This offer, if and when accepted by the Board of Trustees, shall, together with the Notice of Sale relating to the above-described Note, constitute a contract to purchase and sell the Note, as provided in said Notice of Sale and herein.

Very truly yours,


Brent Jussel
Vice President and Loan Manager

BJ:rs



March 13, 1992

The College of Southern Idaho
Community College District
P.O. Box 1238
Twin Falls, Idaho 83303-1238

TAX ANTICIPATION NOTE PURCHASE CONTRACT

First Security Bank of Idaho, N.A., (the "Purchaser"), is pleased to offer to purchase for its portfolio from The College of Southern Idaho Community College District (the "Seller") its \$1,500,000 principal amount Tax Anticipation Notes, Series 1992 (the "Notes"). This offer is based upon the terms and conditions set forth below and in Exhibit A attached, which when accepted by the Seller shall constitute the terms and conditions of our Purchase Contract for the Notes. Those terms and conditions are as follows:

1. Prior to the date of delivery and payment for the Notes ("Closing"), the Seller shall adopt a Resolution (the "Resolution") authorizing the sale of the Notes in a form and substance acceptable to the Purchaser.
2. The Seller shall sell and deliver to the Purchaser, and the Purchaser shall purchase at the interest rate set forth in paragraph (A) of Exhibit A, accept delivery of and pay for the entire principal amount of the Notes up to \$1,500,000 or an amount to be determined by the Seller in cooperation with the purchaser.
3. The Seller represents, warrants to and agrees with the Purchaser as of the date and time of closing that:
 - a. The Seller has and will have at closing full legal right, power and authority to enter and perform its obligations under this Purchase Contract to adopt the Resolution and to sell and deliver the Notes to the Purchaser;
 - b. This Purchase Contract, the Resolution, and the Notes do not and will not conflict with or create a breach of or default under any existing law, regulation, judgement, order, decree, or any agreement, lease, or instrument to which the Seller is subject or by which it is bound;

The College of Southern Idaho
Community College District
Tax Anticipation Note Purchase Contract
March 13, 1992
Page 2

- c. No governmental consent, approval, or authorization other than the Resolution is required in connection with the sale of the Notes to the Purchaser;
 - d. This Purchase Contract, the Resolution, and the Notes (when paid for by the Purchaser) are, and shall be at the time of Closing, legal, valid, and binding obligations of the Seller enforceable in accordance with their respective terms, subject only to applicable bankruptcy, insolvency, or other similar laws generally affecting creditors' rights;
 - e. The Resolution shall have been duly authorized by the Seller, shall be in full force and effect, and shall not have been amended at the time of closing;
4. As conditions to the Purchaser's obligation hereunder:
- a. At or prior to Closing, the Purchaser shall have received the following:
 - 1. The Notes, in definitive or temporary form, duly executed and authenticated;
 - 2. An unqualified approving opinion of a recognized firm of lawyers (the "Notes Counsel"), satisfactory to the Purchaser and dated as of Closing, to the effect that the Seller has authority to adopt the Resolution and to issue and sell the Notes to the Purchaser, that the Notes are valid, legal, and binding obligations of the Seller except to the extent that such enforcement may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights and that interest on the Notes is exempt from federal income taxation and State of Idaho income taxation;
 - 3. A certificate of authorized officers of the Seller to the effect that no litigation is pending, or to the knowledge of the Seller threatened, against the Seller in any court to restrain or enjoin the sale or delivery by the Seller of the Notes; to question the authority of the Seller to issue, or the issuance or validity of, the Notes; to question the constitutionality of any statute, resolution, or the validity of

The College of Southern Idaho
Community College District
Tax Anticipation Note Purchase Contract
March 13, 1992
Page 3

any proceedings, authorizing the issuance of the Notes; to question the validity or enforceability of the Resolution; or to question the titles of any officers of the Seller to their respective offices or the legal existence of the Seller under the laws of the State of Idaho or which might in any material respect adversely affect the transaction; contemplated to be undertaken by the Seller;

4. A certificate signed by authorized officers of the Seller to the effect that the officers of the Seller who signed or whose facsimile signatures appear on the Notes were on the date of execution of the Notes the duly elected, qualified, and acting officers of the Seller, and that their signatures are genuine or accurate facsimiles.
5. A certified copy of the Resolution;
6. A Certificate signed by authorized officers of the Seller stating that the Seller has established a "Tax Anticipation Note Redemption Fund", into which shall be paid revenues and taxes sufficient for the retirement of the Notes.
7. A certified copy of this Purchase Contract;
8. Such additional legal opinions, certificates, instruments, and documents as the Purchaser may reasonably request to evidence the truth, accuracy, and completeness, as of the date of Closing, of the representations and warranties and due performance by the Seller at or prior to Closing of all agreements then to be performed and all conditions then to be satisfied by the Seller;
9. An opinion of the Attorney for the Seller to the effect that the Seller has and will have at Closing full legal right, power, and authority to enter into and perform its obligations under the Purchase Agreement and under the Resolution, to adopt the Resolution, and to sell and deliver the Notes to the Purchaser;
10. A certificate designating the Notes as "qualified tax-exempt obligations" pursuant to the small issuer exception provided

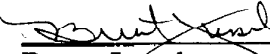
The College of Southern Idaho
Community College District
Tax Anticipation Note Purchase Contract
March 13, 1992
Page 4

by Section 265(b)(3) of the Internal Revenue Code of 1986,
which affords the purchaser favorable treatment deduction
of interest expense.

5. The Seller shall pay the fees and disbursements of its Bond Counsel at the rate set forth in paragraph G of Exhibit A.
6. Upon acceptance, this Purchase Contract shall be binding upon the Seller and the Purchaser. This Purchase Contract is intended to benefit only the parties hereto. The Seller's representations and warranties shall survive any investigation made by or for the Purchaser, delivery and payment for the Notes, and the termination of this Purchase Contract. Should the Seller fail to satisfy any of the foregoing conditions, or if Purchaser's obligations are terminated for any reason permitted under this Purchase Contract, then the Purchaser shall have no further obligations under this Purchase Contract.

Respectfully submitted,

FIRST SECURITY BANK OF IDAHO, N.A.



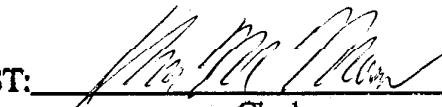
Brent Jussel
Loan Manager

Accepted by Board of Trustees of The College of Southern Idaho Community
College District this 16th day of MARCH, 1992.



Chairman

ATTEST:



Clerk

EXHIBIT A

Description of Notes

- A. Interest Rate: 3.40 percent fixed through maturity on a 365 day basis.
- B. Denominations: A single denomination of \$1,500,000.
- C. Dated Date: March 17, 1992, or such mutually agreeable date.
- D. Maturity Date: March 15, 1993, or such mutually agreeable date.
- E. Redemption: The Notes are not callable for redemption.
- F. Estimated Closing Date: March 17, 1992, or such other date mutually agreed to by the parties to this Purchase Contract.
- G. Note Counsel: Davis Wright Tremaine, Boise, Idaho.
- H. Offer Expires: March 17, 1992, 5:30 P.M., M.D.T. Purchaser will extend this offer subject to market conditions upon mutual agreement.
- I. Method of Payment: Federal funds draft or wire.
- J. 8038-G: Seller shall make necessary filings at closing.
- K. District Bid Form as attached.

EXAMPLE

MAXIMUM TAX ANTICIPATION NOTE CALCULATION
FOR ALL IDAHO SCHOOL DISTRICTS
ESTIMATED SCHOOL PLANT FACILITIES FUND CASH FLOW

JULY 1, 1987 - JUNE 30, 1988

Month End	Estimated Expenditures	Estimated Ad Valorem	Receipts Other	End of Month Balance	Cumulative Surplus (Deficit) End of Month
June - Estimated Beginning Balance					\$ 295,700
July 1987	\$ 1,288,600	\$ 927,600	\$ 131,500	\$ (229,500)	66,200
August	579,900		577,600	(2,300)	63,900
September	595,200		4,000	(591,200)	(527,300)
October	524,200		629,300	105,100	(422,200)
November	523,300		8,800	(514,500)	(936,700) *
December	503,300		623,800	120,500	(816,200)
January 1-24, 1988	87,700		21,000	(66,700)	(882,900)
January 25-31	534,300	1,941,800	15,000	1,422,500	539,600
February	520,600		823,200	302,600	842,200
March	524,400		9,100	(515,300)	326,900
April	524,600	87,800	13,100	(423,700)	(96,800)
May	516,100		629,800	113,700	16,900
June	<u>537,600</u>		<u>15,100</u>	(522,500)	(505,600)
Totals	\$7,259,800	\$2,957,200	\$3,501,300		
July 1988	<u>462,300</u>	<u>1,037,500</u>	<u>30,000</u>	605,200	99,600
Grand Totals	\$7,722,100	\$3,994,700**	\$3,531,300		

NOTE: Cash Flow does not include Tax Anticipation Note.

* Maximum cumulative deficit is projected to occur prior to receipt of taxes, (Ad Valorem), Approximately November 1987 and to reach \$936,700. Per IRS code Reg. 1.103-14 (c) the cumulative deficit is \$1,440,000 (\$936,700 + \$503,300)

* 1987-88 Ad Valorem Revenue equal \$3,067,100 (\$1,941,800 + \$87,800 + \$1,037,500). Per Idaho Code maximum TAN is \$2,300,325 (75% of \$3,067,100).