

KENTUCKY STATE PROPERTY AND BUILDINGS COMMISSION

MINUTES

JANUARY 10, 2019

11:30 AM

The Kentucky State Property and Buildings Commission (“SPBC” or the “Commission”) meeting was called to order on Thursday, January 10, 2019 at 11:40 a.m. ET in Room 182 of the Capitol Annex by Edgar C. Ross, State Controller, Office of the Controller. Other members present were Scott Brinkman, permanent proxy for Governor Matt Bevin; Holly McCoy-Johnson, permanent proxy for Attorney General Andy Beshear; John E. Chilton, State Budget Director, Office of the State Budget Director (“OSBD”); Sarah Butler, proxy for Terry R. Gill, Jr., Secretary for the Cabinet for Economic Development (“CED”); and Lt. Governor Jenean Hampton.

The Office of Financial Management (“OFM”) Staff Members Present: Ryan Barrow, Executive Director of OFM and Secretary to the Commission; John Brady; Steve Starkweather, Bethany Couch, and Tammy McCall.

Other Guests Present: Katherine Halloran, Legislative Research Commission; and David Carlsen, Kentucky Higher Education and Student Loan Corporation (“KHESLC”).

Mr. Ross verified with staff that a quorum was present and that the press had been notified of the meeting.

Mr. Ross introduced the first item for business, which was approval of the minutes from the December 17, 2018 meeting. A motion to accept the minutes of the December 17, 2018 meeting was made by Ms. McCoy-Johnson and seconded by Director Chilton. Motion **CARRIED**.

Ms. Ross recognized John Brady to present **Resolution 2019-01**:

A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY APPROVING THE ISSUANCE BY THE KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION OF STUDENT LOAN REVENUE BONDS PURSUANT TO AN INDENTURE OF TRUST, SUPPLEMENTS THERETO AND AN AUTHORIZING RESOLUTION OF KHESLC TO BE ISSUED AS ONE OR MORE SERIES OF SENIOR OR SUBORDINATE SERIES, FEDERALLY TAX-EXEMPT OR FEDERALLY TAXABLE BONDS IN A COMBINED AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$135,000,000.

Mr. Brady directed the Commission to Mr. Carlsen who gave an overview of KHESLC’s Advantage Loan Program. He gave a handout to the Commission which was added to the meeting materials. Mr. Brady presented Resolution 2019-01 for the approval to issue KHESLC Student Loan Revenue Bonds, Series 2019-1 in a principal amount not to exceed \$135,000,000. The Taxable or Tax-Exempt (AMT) Fixed Rate Bonds are being issued for the purpose of purchasing, originating and financing Advantage Refinance, Education and Parent Loans (“Advantage Loans”). The transaction was approved by the KHESLC Executive Committee on September 11, 2018, and material was submitted

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to the Capital Projects and Bond Oversight Committee for review and approval. The proposed date of sale is February 20, 2019 and the proposed closing date is March 1, 2019. The transaction will have an estimated all in true interest cost of 4.69% and a final maturity of June 1, 2037. The method of sale will be a negotiated transaction. Bond Counsel is Hawkins Delafield & Wood; the Senior Managing Underwriter is Bank of America Merrill Lynch; and Underwriter's Counsel is Kutak Rock. Staff recommended approval.

Mr. Ross called for a motion to approve Resolution **2019-01**. Secretary Brinkman made a motion and was seconded by Ms. Butler. There being no further discussion, the motion **CARRIED** and Resolution **2019-01** was **ADOPTED**.

With no further business before the Commission, the meeting adjourned at 12:05 pm.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Ryan Barrow', written over a horizontal line.

Ryan Barrow
Secretary