

**KENTUCKY ASSET/LIABILITY COMMISSION**  
**MINUTES**  
**APRIL 18, 2023**  
**1:00 PM**

The Kentucky Asset/Liability Commission (“ALCo” or the “Commission”) was called to order on Tuesday, April 18, 2023, at 1:00 PM ET via ZOOM video teleconference, by Geri Grigsby, permanent proxy for Holly M. Johnson, Secretary, Finance and Administration Cabinet (“FAC”) and Chairperson to the Commission. Other members present were Joe McDaniel, Acting State Controller, Office of the Controller; Lorrain Ferguson, Office of the Kentucky State Treasurer proxy for Allison Ball, State Treasurer; and John T. Hicks, State Budget Director, Office of the State Budget Director (“OSBD”).

The Office of Financial Management (“OFM”) Staff Members Present: Steve Starkweather, Deputy Executive Director of OFM; Billy Aldridge, Melissa Perry, Kaitlin Craigmyle, and Aubry McDonald.

Other Guests Present: Jenny Banister, Legislative Research Commission (“LRC”); Carla Wright, OSBD; and Chris Lewis, Office of the Attorney General; Brian Thomas, Executive Director, Office of General Counsel FAC; Susan Rieber, Office of the Lieutenant Governor and Leslie Palmer, public.

Ms. Grigsby verified with staff a quorum was present, and the press had been notified of the meeting.

Ms. Grigsby introduced the first item for business, which was the approval of the minutes from the October 14, 2020, meeting. A motion to accept was made by Director. Hicks and seconded by Mr. McDaniel to approve the previous meeting minutes. Motion **CARRIED** and the minutes of the October 14, 2020 meeting were **APPROVED**.

Ms. Grigsby recognized Steve Starkweather to present **Resolution 2023-01**:

**RESOLUTION OF THE KENTUCKY ASSET/LIABILITY COMMISSION AUTHORIZING THE USE OF ELECTRONIC SIGNATURES AND RECORDS, AND AUTHORIZING THE ACCEPTANCE OF ELECTRONIC SIGNATURES AND RECORDS IN ACCORDANCE WITH THE REQUIREMENTS OF THE KENTUCKY UNIFORM ELECTRONIC TRANSACTIONS ACT**

Mr. Starkweather presented Resolution 2023-01 for the approval of the Kentucky Asset/Liability Commission to execute bond transactions through electronic signatures and to electronically store bond transcripts. He stated bond counsel recommended the Commission pursue procedural steps to adopt this resolution to benefit the bond closing process.

Mr. Thomas stated that the Resolution before the Committee references section 1. KRS Section 175B.060(b)1 which is for the Turnpike Authority of Kentucky. He suggested striking the KRS reference. Ms. Grigsby called for a motion to approve Resolution **2023-01** as amended. Director Hicks made a motion and was seconded by Ms. Ferguson. The motion **CARRIED** and Resolution **2023-01** was **ADOPTED**.

Ms. Grigsby recognized Steve Starkweather to present **Resolution 2023-02**:

**A RESOLUTION PROVIDING FOR THE AUTHORIZATION, ISSUANCE, SALE, AND DELIVERY OF PROJECT NOTES, 2023 FEDERAL HIGHWAY TRUST FUND FIRST REFUNDING SERIES A OF THE KENTUCKY ASSET/LIABILITY COMMISSION, IN AN**

**AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$60,000,000 FOR THE PURPOSE OF PROVIDING FINANCING TO REFUND ON A CURRENT BASIS CERTAIN FEDERAL HIGHWAY TRUST FUND FIRST SERIES NOTES PREVIOUSLY ISSUED BY THE KENTUCKY ASSET/LIABILITY COMMISSION; AND AUTHORIZING A 2023 SERIES A TRUST INDENTURE, SEVENTH SUPPLEMENT TO FINANCING/LEASE AGREEMENT, NOTE PURCHASE AGREEMENT, PRELIMINARY OFFICIAL STATEMENT, OFFICIAL STATEMENT, AND OTHER AGREEMENTS THAT MAY BE ENTERED INTO, ALL RELATED TO SUCH NOTES.**

Mr. Starkweather presented Resolution 2023-02 which authorizes a refunding of the 2013A Federal Highway Trust Fund bonds, also known as GARVEEs. These bonds will be currently callable on September 1, 2023, and this resolution authorizes the refunding of an amount not to exceed \$60,000,000. Mr. Starkweather stated that the Kentucky Asset/Liability Commission (ALCo) traditionally issues GARVEE bonds with a duration of 12 years with a ten-year par call. He stated as you can see on page 43, even with the elevated interest rates we are seeing today the remaining maturities are currently generating an estimated savings of approximately \$1,800,000 or about 3.28% on \$54,580,000 of bonds. This transaction will be competitive with Dinsmore serving as Bond Counsel and Hilltop serving as Financial Advisor. The preliminary new bond issue report will also be presented to Capital Projects and Bond Oversight Committee. Staff recommends approval.

Ms. Grigsby called for a motion to approve Resolution **2023-02**. Director Hicks made a motion and was seconded by Mr. McDaniel. The motion **CARRIED** and Resolution **2023-02** was **ADOPTED**.

Ms. Grigsby recognized Steve Starkweather to present **Resolution 2023-03**:

**A RESOLUTION PROVIDING FOR THE AUTHORIZATION, ISSUANCE, SALE, AND DELIVERY OF PROJECT NOTES, 2023 FEDERAL HIGHWAY TRUST FUND FIRST REFUNDING SERIES B OF THE KENTUCKY ASSET/LIABILITY COMMISSION, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$90,000,000 FOR THE PURPOSE OF PROVIDING FINANCING TO REFUND ON A CURRENT OR ADVANCE BASIS CERTAIN FEDERAL HIGHWAY TRUST FUND FIRST SERIES NOTES PREVIOUSLY ISSUED BY THE KENTUCKY ASSET/LIABILITY COMMISSION; AND AUTHORIZING A 2023 SERIES B TRUST INDENTURE, EIGHTH SUPPLEMENT TO FINANCING/LEASE AGREEMENT, NOTE PURCHASE AGREEMENT, PRELIMINARY OFFICIAL STATEMENT, OFFICIAL STATEMENT, ESCROW AGREEMENT, AND OTHER AGREEMENTS THAT MAY BE ENTERED INTO, ALL RELATED TO SUCH NOTES.**

Mr. Starkweather presented Resolution 2023-03 which authorizes a refunding of the 2014A Federal Highway Trust Fund bonds, also known as GARVEEs. These bonds will be currently callable on September 1, 2024, and this resolution authorizes the refunding of an amount not to exceed \$90,000,000. Staff recommends approval.

Ms. Grigsby called for a motion to approve Resolution **2023-03**. Mr. McDaniel made a motion and was seconded by Director Hicks. The motion **CARRIED** and Resolution **2023-03** was **ADOPTED**.

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With no further business before the Commission, Ms. Grigsby asked for a motion to adjourn. Ms. Grigsby made a motion and was seconded by all members. Motion **CARRIED** and the meeting adjourned at 1:09 PM.

Respectfully submitted,

*Ryan Barrow*

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Ryan Barrow  
Secretary

