

KENTUCKY STATE PROPERTY AND BUILDINGS COMMISSION
MINUTES
MAY 3, 2016

The Kentucky State Property and Buildings Commission (“SPBC” or the “Commission”) meeting was called to order on Tuesday, May 3, 2016 at 2:04 p.m. ET in Room 171 of the Capitol Annex by Deputy Secretary Mark Bunning, proxy for William M. Landrum III, Secretary of the Finance and Administration Cabinet (“FAC”) and Executive Director to the Commission. Deputy Secretary Bunning asked for a roll call. Other members present were Adrienne Southworth, proxy for Lt. Governor Jenean Hampton; Scott Brinkman, proxy for Governor Matt Bevin; Edgar C. Ross, State Controller, Office of the Controller; Acting Secretary Erik Dunnigan, Cabinet for Economic Development (“CED”); John E. Chilton, State Budget Director, Office of the State Budget Director (“OSBD”); and Holly McCoy-Johnson, proxy for Attorney General Andy Beshear.

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

Other Guests Present: Edwin King, FAC; Katie Smith, CED; Joshua Nacey, Legislative Research Commission (“LRC”); Julia Ward, LRC; Janice Tomes, OSBD; Kathi Marshall, OSBD; Corey Bellamy, Office of Attorney General; Carl Rollins, Kentucky Higher Education Assistance Authority (“KHEAA”); David Carlsen, Kentucky Higher Education Student Loan Corporation (“KHESLC”); Diana Barber, KHEAA; and April Johnson, KHESLC. Joseph Santoro from Bank of America Merrill Lynch and Kenneth Roberts from Hawkins, Delafield & Wood attended the meeting via teleconference.

Deputy Secretary Bunning verified that a quorum was present and that the press had been notified of the meeting.

Deputy Secretary Bunning reminded the Commission that at the April 14, 2016 meeting a resolution for a KHESLC transaction was presented for approval. That resolution was tabled and the Commission requested a separate meeting to educate them on the funding for KHEAA/KHESLC and their business processes, flow of funds, and explain the structure of the bond transaction that will be presented again at the next scheduled meeting.

Mr. Barrow introduced Dr. Rollins, Chief Executive Officer and Executive Director of KHEAA/KHESLC, and Mr. Carlsen, Chief Financial Officer of KHEAA/KHESLC. He reminded the Commission that OFM staff reviews bond transactions for two purposes: a) to make sure it is compliant with statute as it relates to how debt is issued in the Commonwealth, and b) ensure the Commonwealth’s credit is not extended.

Dr. Rollins and Mr. Carlsen gave a presentation to the Commission along with a handout entitled, “State Property and Building Commission (SPBC) Meeting May 3, 2016”. Their presentation covered KHEAA and KHESLC mission statement and activities, the organization’s structure and history, the operations and financial history, a chart depicting the KHESLC bond issuances by year, and an overview of the Series 2016-1 transaction.

With no further business before the Commission, Mr. Ross made a motion to adjourn and was seconded by Secretary Brinkman. Motion carried and the meeting adjourned at 3:11 pm.

Respectfully submitted,



Ryan Barrow
Secretary