

## KENTUCKY ASSET/LIABILITY COMMISSION

Minutes  
June 9, 2004

The Kentucky Asset/Liability Commission was called to order at 2:00 p.m. on June 9, 2004 by Chairman Robbie Rudolph in Room 264 of the Capitol Annex. Other members present were Bill Hintze, proxy for Brad Cowgill, State Budget Director; Eugene Harrell, proxy for State Treasurer Jonathan Miller; and Jean Ann Myatt, proxy for Attorney General Gregory Stumbo.

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

A motion was made by Mr. Hintze and seconded by Mr. Harrell to accept the minutes of the May 11, 2004 meeting. Motion **CARRIED**.

Secretary Rudolph introduced Resolution 2004-05:

**RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL TRUST INDENTURE RELATING TO PROJECT NOTES, 2002 GENERAL FUND SERIES OF THE KENTUCKY ASSET/LIABILITY COMMISSION; AUTHORIZING THE EXECUTION OF A FIRST SUPPLEMENTAL TRUST INDENTURE; AND TAKING OTHER RELATED ACTION.**

Mr. Tom Howard, Deputy Executive Director, Office of Financial Management, referred the members to Tab A containing Resolution 2004-05, which authorizes the delivery of a supplemental trust indenture to the General Fund 2002 Project Notes ("the Notes"). Mr. Howard indicated that the supplement would provide the ability to capture the remaining Economic Development Bond Pool authorization from House Bill 269. He further indicated that the Resolution would eliminate the need for reauthorizing the bond pool in the next budget and permit the Economic Development Cabinet to move forward negotiating grant agreements. Mr. Howard stated that OFM staff does not expect to sell Notes before fiscal year end since most of the agreements are still in the negotiation phase. ALCo would need an enacted budget to move forward with a sale after July 1, 2004.

A motion was made by Mr. Hintze and seconded by Mr. Harrell to adopt Resolution 2004-05. Motion carried and Resolution 2004-05 was **ADOPTED**.

Mr. Howard and Mr. Steve Jones, portfolio administrator in the Investment Section of the Office of Financial Management, discussed the effect of market conditions on the anticipated TRAN to be issued. Both Mr. Howard and Mr. Jones noted that market conditions were improving and that the transaction may produce a benefit of as much as \$2.9 million on a \$500 million issuance, net of cost, to the Commonwealth.

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With no further business before the Commission, a motion was made by Mr. Harrell and seconded by Mr. Hintze to adjourn the meeting. Motion **CARRIED**.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "G. Burgess, Jr.", written in a cursive style.

George R. Burgess, Jr.  
Secretary