

**KENTUCKY PRIVATE ACTIVITY BOND ALLOCATION COMMITTEE
MINUTES
DECEMBER 11, 2025
1:00 PM**

The Kentucky Private Activity Bond Allocation Committee (the “Committee” and/or “KPABAC”) meeting was called to order on Thursday, December 11, 2025, at 1:01 PM ET via ZOOM video teleconference by Deputy Geri Grigsby, proxy for Holly Johnson, Secretary for the Finance and Administrative Cabinet (“FAC”). Other members present were Joe McDaniel, State Controller; Carla Wright, proxy for John Hicks, State Budget Director (“OSBD”); and Kylee Palmer, proxy for Jeff Noel, Secretary for the Cabinet for Economic Development (“CED”).

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

Other Guests Present: Tom Midkiff, Tracy Thurston, Susan Cottingham, Diane Beidleman and Terry Helton, Kentucky Housing Corporation (“KHC”); Wil Schroder, proxy for Attorney General Russell Coleman; Susan Rieber, proxy for Lieutenant Governor Jacqueline Coleman; Barbara Dickens, General Counsel FAC; and Alexus Larson, FAC.

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

The first item on the agenda was the approval of the July 10, 2025 minutes. A motion to accept the minutes of the July 10, 2025 meeting was made by Ms. Wright and seconded by Mr. McDaniel. Motion **CARRIED**.

Summary of 2025 Volume Cap and KHC Letter of Intent – Ms. Perry directed the Committee to Attachment B, the 2025 Volume Cap Summary, page 7 of the PDF. She stated allocations and issuances are tracked here throughout the year. The cooperation between Kentucky Higher Education Student Loan Corporation (“KHESLC”) and KHC has allowed the Committee to maximize the efficient use of volume cap and tax credit utilization. KPABAC allocated to state issuers with an expiration for unused cap to maximize the utilization of volume cap. KHESLC issued \$27,920,000 in 2025. Therefore, the unissued State Issuer Pool volume cap of \$329,973,000 is available for carryforward. In the Single Issuer pool section of the summary, you can see the allocations to Ascend Elements, Inc. wasn’t issued and was reallocated to the pool. The unallocated single issuer pool volume cap of \$238,595,000 is available for carryforward. The total unissued volume cap of \$568,568,000 from the State Issuer Pool and Single Issuer Pool is available to be allocated for carryforward. She stated federal regulations require a permanent purpose

Minutes – Kentucky Private Activity Bond Allocation Committee

Page 2

December 11, 2025

designation for volume cap to be carryforward. KHC has requested the full amount, and staff recommends allocating the full amount to KHC. Representatives from KHC were available for questions. Staff recommends approval.

Deputy Grigsby called for a motion to approve for the Allocation as presented. Mr. McDaniel made a motion to approve the allocation as presented and was seconded by Ms. Wright. Motion **CARRIED**.

Summary of Carryforward – Ms. Perry directed the Committee to Attachment C, page 16 of the PDF, the 2025 carryforward summary. She stated this tracks the carryforward for state agencies going into calendar years. Going into 2026, KHC will have approximately \$449,570,000, not counting the carryforward to be allocated today. We have scheduled a meeting for 2026 allocations on January 13th. No action was needed.

With no further business before the Committee, Deputy Grigsby asked for a motion to adjourn. A motion to adjourn was made by Ms. Wright and seconded by all. Motion **CARRIED** and the meeting adjourned at 1:07 PM ET.

Respectfully submitted,

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Secretary