

KENTUCKY PRIVATE ACTIVITY BOND ALLOCATION COMMITTEE
MINUTES
DECEMBER 19, 2023
8:30 AM

The Kentucky Private Activity Bond Allocation Committee (the “Committee”) meeting was called to order on Tuesday, December 19, 2023, at 8:30 AM ET via ZOOM video teleconference by John Hicks, Secretary of the Governor’s Executive Cabinet and State Budget Director. Other members present were; Geri Grigsby, proxy for Holly Johnson, Secretary for the Finance and Administrative Cabinet (“FAC”); Joe McDaniel, State Controller; Carla Wright, proxy for John Hicks, State Budget Director (“OSBD”); and Katie Smith, proxy for Jeff Noel, Secretary for the Cabinet for Economic Development (“CED”).

The Office of Financial Management (“OFM”) Staff Members Present: Ryan Barrow, Executive Director of OFM and Secretary to the Committee; Bethany Padgett, Billy Aldridge, Melissa Perry; and Aubry McDonald.

Other Guests Present: Tom Midkiff, Kentucky Housing Corporation (“KHC”); and Mark Franklin, Dinsmore & Shohl.

Secretary Hicks 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 October 26, 2023 minutes. A motion to accept the minutes of the October 26, 2023 meeting was made by Ms. Grigsby and seconded by Ms. Smith. Motion **CARRIED**.

Summary of 2023 Volume Cap and KHC Letter of Intent – Ms. Perry presented the Volume Cap allocation summary for the 2023 calendar year in Attachment B, page 14 of the PDF. This table is used to track the allocation of the different pools throughout the calendar year. She stated in the first section you can see that earlier this year KHC and KHESLC coordinated their requests for volume cap, once again, to continue the efficient use of the State Issuer Pool. She then took a moment to recognize David Carlsen with KHESLC and thanked him for his and the agency’s cooperation that 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. The unissued State Issuer Pool volume cap of \$324.89 million is available for carryforward.

The Single Issuer pool section of the summary showed the allocation to Louisville Gas & Electric and Kentucky Utilities from the pool and resulting issuance. The unallocated single issuer pool volume cap of \$91.59 million is available for carryforward.

Ms. Perry stated the total unissued volume cap of \$416.48 million from the State Issuer Pool and Single Issuer Pool is available to be allocated for carryforward. Federal regulations require a permanent purpose designation for volume cap to be carryforward. KHC has requested the full amount and staff recommends allocating the full amount to KHC. She stated representatives from KHC were available to answer any questions.

Secretary Hicks called for a motion to approve the Private Activity Bond Cap Allocation as presented to the State Issuers. Ms. Wright made a motion to approve the allocation as presented and was seconded by Mr. McDaniel. Motion **CARRIED**.

Summary of Carryforward – Ms. Perry directed the Committee to an information item under Attachment C, page 16 of the PDF, the 2023 carryforward summary. She noted that this tracks the carryforward for state agencies going into calendar years. Going into 2024, KHC will have approximately \$274 million not counting the carryforward to be allocated today. A meeting has been scheduled for 2024 allocations on January 9th. She stated she was happy to answer any questions the Committee may have about the informational item.

With no further business before the Committee, Secretary Hicks asked for a motion to adjourn. A motion to adjourn was made by Ms. Grigsby and seconded by Ms. Smith. Motion **CARRIED** and the meeting adjourned at 8:36 AM ET.

Respectfully submitted,

Ryan Barrow

Ryan Barrow

Secretary