

**KENTUCKY STATE PROPERTY AND BUILDINGS COMMISSION**  
**MINUTES**  
**JUNE 5, 2019**  
**2:00 PM**

The Kentucky State Property and Buildings Commission (“SPBC” or the “Commission”) meeting was called to order on Wednesday, June 5, 2019 at 2:00 p.m. ET in Room 182 of the Capitol Annex by Melinda Hill, permanent proxy for William M. Landrum III, Secretary of the Finance and Administration Cabinet (“FAC”) and Executive Director to the Commission. Other members present were Scott Brinkman, permanent proxy for Governor Matt Bevin; John E. Chilton, State Budget Director, Office of the State Budget Director (“OSBD”); Edgar C. Ross, State Controller, Office of the Controller; and Sarah Butler, proxy for Vivek K. Sarin, Acting 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 Commission; Sandy Williams, Deputy Executive Director; John Brady, Bethany Couch, Billy Aldridge, Jennifer Yount and Tammy McCall.

Other Guests Present: April Johnson, Kentucky Higher Education Student Loan Corporation (“KHESLC”), David Carlsen, KHESLC; Katherine Halloran, Legislative Research Commission; Carla Wright, OSBD; Ethan Williams, OSBD; and Tom Midkiff, Kentucky Housing Corporation (“KHC”).

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

Ms. Hill introduced the first item for business, which was approval of the minutes from the April 9, 2019 meeting. A motion to accept the minutes of the April 9, 2019 meeting was made by Secretary Brinkman and seconded by Mr. Ross. Motion **CARRIED**.

Ms. Hill recognized John Brady to present **Resolution 2019-05**:

**A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS  
COMMISSION OF THE COMMONWEALTH OF KENTUCKY  
APPROVING THE ISSUANCE BY THE KENTUCKY HIGHER  
EDUCATION STUDENT LOAN CORPORATION OF STUDENT LOAN  
BACKED NOTES PURSUANT TO AN INDENTURE OF TRUST AND AN  
AUTHORIZING RESOLUTION OF KHESLC TO BE ISSUED AS ONE OR  
MORE SERIES OF FEDERALLY TAXABLE OR FEDERALLY TAX-  
EXEMPT OBLIGATIONS IN AN AGGREGATE PRINCIPAL AMOUNT  
NOT TO EXCEED \$325,000,000.**

Mr. Brady presented Resolution 2019-05 for the approval of KHESLC Student Loan Backed Notes in a principal amount not to exceed \$325,000,000. The Notes are to be issued in one or more tranches for the purpose of financing Federal Family Education Loan Program (“FFELP”) Student Loans and rehabilitated FFELP loans. This is an extension of the transactions approved by the Committee at the November 2018, meeting. That prior approval expires on June 30, 2019, and this deal is not expected to close until later in the summer. KHESLC Board of Directors approved this issuance on May 30, 2019. Proposed pricing and closing dates are still to be determined. The method of sale will be either

a direct placement or a negotiated transaction. Bond Counsel is Hawkins Delafield & Wood; the Financial Advisor is SL Capital Strategies; and the Underwriter or Purchaser is Bank of America. Staff recommended approval of the extension. David Carlsen and April Johnson were present from KHESLC to answer any questions. A discussion followed regarding the background and criteria for the transaction and the advantages it gives KHESLC.

Ms. Hill called for a motion to approve Resolution 2019-05. Mr. Ross made a motion and was seconded by Director Chilton. There being no further discussion, the motion **CARRIED** and Resolution 2019-05 was **ADOPTED**.

Ms. Hill recognized Bethany Couch to present **Resolution 2019-06**:

**A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY APPROVING THE ISSUANCE OF APPROXIMATELY \$4,300,000 OF MURRAY STATE UNIVERSITY GENERAL RECEIPTS REFUNDING BONDS, 2019 SERIES A.**

Ms. Couch presented Resolution 2019-06 for the Murray State University General Refunding Bonds, 2019 Series A. The purpose of this issuance is to current refund certain outstanding Murray State University General Receipts Bonds, 2009 Series A for a total principal amount of approximately \$4.3 million and to pay the cost of issuance. The 2019 Series A issuance will yield a net present value savings of approximately \$290,000 or about 6.8%. The All-in True Interest Cost is expected at 2.694%. The project is included in the June submittal to Capital Projects and Bond Oversight Committee, scheduled to meet on June 18, 2019. The Financial Advisor is Hilliard Lyons, a Baird Company; and Bond Counsel is Dinsmore & Shohl. Staff recommended approval. Directed Chilton asked if the Bonds were taxable. Ms. Couch advised they are tax-exempt, because the bonds are being refunded on a current basis.

Ms. Hill called for a motion to approve Resolution 2019-06. Secretary Brinkman made a motion and was seconded by Ms. Butler. Motion **CARRIED** and Resolution 2019-06 was **ADOPTED**.

Ms. Hill recognized Bethany Couch to present **Resolution 2019-07**:

**A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION APPROVING CAPITAL CONSTRUCTION PROJECTS AUTHORIZED BY THE 2019 REGULAR SESSION OF THE GENERAL ASSEMBLY WHERE SUCH PROJECTS WILL BE FINANCED BY THE ISSUANCE OF STATE PROPERTY AND BUILDINGS COMMISSION REVENUE BONDS OR BONDS ISSUED BY OTHER AUTHORIZED STATE DEBT- ISSUING AUTHORITIES.**

Ms. Couch presented Resolution 2019-07 for the approval of \$75 million Capital Construction Projects authorized by the 2019 Regular Session of the General Assembly. The projects will be financed by the issuance of SPBC Bonds or authorized state debt-issuing authorities. A list of all the projects covered under this reimbursement resolution can be found in Exhibit A. Staff recommended approval.

Ms. Hill called for a motion to approve Resolution 2019-07. Director Chilton made a motion and was seconded by Secretary Brinkman. Motion **CARRIED** and Resolution 2019-07 was **ADOPTED**.

Ms. Hill called for Other Business for the Commission.

Ms. Hill recognized Mr. Barrow whom presented **Resolution 2019-08**:

**A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY FOR RECOGNITION OF OUTSTANDING SERVICE BY TAMMY MCCALL, RECORDING SECRETARY TO THE COMMISSION AND AS STAFF OF THE OFFICE OF FINANCIAL MANAGEMENT.**

Mr. Barrow presented Resolution 2019-08 for approval of the recognition of Tammy McCall. During her career, Ms. McCall served the Commonwealth in the State Law Library, Labor Cabinet, the Teachers' Retirement System and Kentucky Infrastructure Authority. She has most recently dedicated her time and energy on behalf of the Commonwealth, as a Program Coordinator of the Office of Financial Management during her tenure from June 16, 2014 through July 31, 2019. The members of the State Property and Buildings Commission express their sincerest appreciation to Tammy McCall, for her dedication and professionalism during her service to the Commonwealth, the Office of Financial Management, to the Commission and best wishes in her retirement. There was discussion on how well she performed her duties and that she will be missed.

Ms. Hill called for a motion to approve Resolution 2019-08. Director Chilton made a motion and was seconded by Mr. Ross. Motion **CARRIED** and Resolution 2019-08 was **ADOPTED**.

Mr. Barrow introduced Jennifer Yount who will be the new Program Coordinator for the Office of Financial Management.

With no further business before the Commission, the meeting adjourned at 2:18 pm.

Respectfully submitted,



Ryan Barrow  
Secretary