

**STATE PROPERTY AND BUILDINGS COMMISSION**  
**Minutes**  
**December 19, 2005**

The State Property and Buildings Commission was called to order at 10:00 a.m. on Monday, December 19, 2005 by Chairman Tim LeDonne, proxy for Robbie Rudolph, Secretary, Finance and Administration Cabinet, in Room 76 of the Capitol Annex. Other members present were Andy Hightower, proxy for Governor Ernie Fletcher; Ryan Watts, proxy for Lt. Governor Steve Pence; and Bonnie Howell, proxy for Attorney General Gregory Stumbo and Katie Smith, proxy for Gene Strong, Secretary, Cabinet for Economic Development.

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

A motion was made by Ms. Howell and seconded by Mr. Hightower to accept the minutes of the November 14, 2005 meeting. Motion **CARRIED**.

Chairman LeDonne introduced Resolution 2005-32:

**A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY APPROVING THE ISSUANCE OF KENTUCKY ASSET/LIABILITY COMMISSION PROJECT NOTES 2006 ROAD FUND SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$250,000,000 FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR AUTHORIZED PROJECTS IN ANTICIPATION OF THE ISSUANCE OF BONDS BY THE TURNPIKE AUTHORITY OF KENTUCKY.**

F. Thomas Howard, Executive Director, Office of Financial Management, informed the Commission that Resolution 2005-32 authorizes the issuance of Kentucky Asset/Liability Commission Project Notes, 2006 Road Fund Series, in an aggregate principal amount not to exceed \$250,000,000 for the purpose of providing interim financing for one-half of the authorization that approved in House Bill 267 for the Transportation Cabinet. Mr. Howard indicated that this Resolution captures the authorization so that reauthorization of the projects is not necessary, provides cash on a timely basis and provides an interest rate hedging mechanism if it is decided that is in the best interest of the Commonwealth from a budgetary standpoint. Mr. Howard indicated that the financing team for the transaction has not been determined since staff will be using the rotating pool for the Kentucky Asset/Liability Commission. Mr. Howard stated that the rotating pool for the Kentucky Asset/Liability Commission is comprised of J. P. Morgan, Citigroup and UBS Financial Services. Mr. Howard further stated that the Kentucky Asset/Liability Commission approved this transaction at the meeting preceding this meeting and will be presented to the Capital Projects and Bond Oversight Committee meeting on January 17, 2006.

A motion was made by Ms. Howell and seconded by Mr. Watts to adopt Resolution 2005-32 approving the issuance of Kentucky Asset/Liability Commission Project Notes 2006 Road Fund

Series in an aggregate principal amount not to exceed \$250,000,000. Motion carried and Resolution 2005-32 was **ADOPTED**.

Katie Smith, Deputy Commissioner, Department of Financial Institutions, Cabinet for Economic Development discussed Resolution 2005-33. Ms. Smith indicated that the Resolution 2005-33 relates to Hospital Revenue Bonds in a principal amount not to exceed \$63,000,000 on behalf of Baptist Healthcare System Inc. and Baptist Healthcare Affiliates, Inc. both of which are 501(B)(3) non-profit corporations. The Kentucky Economic Development Finance Authority (“KEDFA”) will be the issuer of the bonds and the proceeds will be used to finance hospital facilities at five hospitals and Baptist Healthcare systems support services located in St. Matthews, Lexington, Paducah, Corbin and LaGrange. The bonds will be issued on a variable rate basis and will not constitute a debt or liability of KEDFA or the Commonwealth. The bonds will be paid solely from revenues derived from loan payments to be made by Baptist Healthcare Systems and Baptist Healthcare Affiliates provided for under the loan agreement and trust indenture. Supporting Resolutions have adopted by all of the local cities

With no new business before the Commission, a motion was made by Ms. Howell and seconded by Mr. Watts to adjourn the meeting. Motion **CARRIED**.

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Secretary  
State Property and Buildings Commission