KENTUCKY PRIVATE ACTIVITY BOND ALLOCATION COMMITTEE
MINUTES
DECEMBER 2, 2019
3:00 PM

The Kentucky Private Activity Bond Allocation Committee (the “Committee”) meeting was called to order by Melinda Hill, permanent proxy for William M. Landrum III, Secretary of the Finance and Administration Cabinet (“FAC”), on Monday, December 2, 2019, at 3:00 PM in Room 182 of the Capitol Annex, Frankfort, Kentucky. Ms. Hill asked for a roll call. Other members present were Scott Brinkman, Secretary of the Governor’s Executive Cabinet; Ed Ross, State Controller, FAC; John Chilton, State Budget Director, Office of the State Budget Director (“OSBD”); and Katie Smith, proxy for Vivek K. Sarin, Interim Secretary of the Cabinet for Economic Development (“CED”).

Office of Financial Management (“OFM”) and staff to the Committee present were Ryan Barrow, Executive Director of OFM and Secretary to the Committee; Sandy Williams, Deputy Executive Director; John Brady, Bethany Couch, Steve Starkweather, Billy Aldridge, and Jennifer Yount.

Other Guests Present: April Johnson, Kentucky Higher Education Student Loan Corporation (“KHESLC”), Tom Midkiff, Kentucky Housing Corporation (“KHC”), and Ryan Davis KHC.

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

The first item on the agenda was the approval of the June 5, 2019 minutes. A motion to accept the minutes of the June 5, 2019 meeting was made by Mr. Ross and seconded by Director Chilton. Motion CARRIED.

2019 Single Issuer Pool – Mr. Aldridge directed the Committee to attachment B, the application from KHC for volume cap from the Single Issuer Pool. The Single Issuer Pool has approximately $187 million volume cap or 40% of the total state volume cap for 2019 and is made up of the unallocated portions of the Local Issuer Pool and Energy Efficient Project Pool from the first half of the calendar year. KHC has applied for $187,672,884 the full amount available in the Single Issuer Pool. Traditionally KHC and KHESLC have split the volume cap allocation from the Single Issuer Pool. However, KHESLC did not submit an application during the Single Issuer application period and offered to let KHC have the entirety this year. Staff recommends approval for KHC’s application for $187,672,884. Tom Midkiff, from KHC, and April Johnson from KHESLC were available to answer questions.

Ms. Hill called for a motion to approve the Single Issuer Pool portion of the Private Activity Bond Capacity. Secretary Brinkman made a motion to approve the allocation as presented and was seconded by Ms. Smith. Motion CARRIED.
Summary of 2019 Volume Cap – Mr. Aldridge presented the Volume Cap summary for the 2019 calendar year. This summary is used to track allocations of the different pools throughout the calendar year. With the approval of the allocations to KHC, the entirety of the Commonwealth's private activity bond cap has been allocated. The unissued portions of the allocations to state issuers may be carryforward for use in the next three years.

Summary of Carryforward – Mr. Aldridge directed the Committee to attachment D, the Summary of Carryforward. This summary tracks the available volume cap state issuers carryforward into each year from prior allocations. Allocations may be carryforward for three calendar years after the year in which the allocation is received. KHELSC will be able to carryforward approximately $141 million from 2019 and will have a total of approximately $504 million carryforward available in 2020. With the approval of the allocation today, KHC will be able to carryforward approximately $328 million from 2019 and will have a total of approximately $731 million carryforward available in 2020. The total carryforward amount available for 2020 is approximately $1.235 billion.

Ms. Hill called for Other Business for the Committee.

With no further business before the Committee, Ms. Hill asked for a motion to adjourn. Ms. Smith made a motion and was seconded by Director Chilton. Motion CARRIED and the meeting adjourned at 3:07 PM.

Respectfully submitted,

[Signature]
Ryan Barrow
Secretary