

## TENNESSEE STATE FUNDING BOARD

March 10, 2016

The Tennessee State Funding Board (the "Board") met on Wednesday, January 20, 2016, at 1:30 p.m., in Executive Conference Room, State Capitol, Nashville, Tennessee. The following members were present:

The Honorable Tre Hargett, Secretary of the State of Tennessee  
The Honorable Justin Wilson, Comptroller of the Treasury  
The Honorable David Lillard, State Treasurer  
Commissioner Larry Martin, Department of Finance and Administration

The following member was absent:

The Honorable Bill Haslam, Governor

Seeing a physical quorum present, Mr. Wilson called the meeting to order and asked for approval of the minutes from the January 20, 2016 meeting. Mr. Hargett made a motion to approve the minutes. Commissioner Martin seconded the motion, and it was unanimously approved.

Mr. Wilson then recognized Mr. Randy Boyd, Commissioner, Tennessee Department of Economic and Community Development ("ECD"), to present FastTrack projects for consideration and Mr. Paul VanderMeer, Senior Financial Advisor, ECD, to present the FastTrack funding report. Mr. VanderMeer reported that, as of the date of the last Board meeting, the FastTrack balance was \$162,176,009.45 and since that time interest earnings for the period from July to November 2015 had been received in the amount of \$137,334.94; \$211,137.77 in funds had been deobligated and returned to the FastTrack program; and \$17,552,755.81 in new loans had been approved, which resulted in an adjusted FastTrack balance available for funding grants or loans of \$144,971,726.35 as of today's meeting. Mr. VanderMeer reported that commitments had been made in the amount of \$130,338,647.54, resulting in an uncommitted FastTrack balance of \$14,633,078.81. Mr. VanderMeer reported that the projects to be considered at this meeting totaled \$5,875,000, and if these projects were approved, the uncommitted balance would be \$8,758,078.81, or 94.0% of FastTrack funds committed.

Commissioner Boyd stated that the projects were being presented to the Board because state law required that FastTrack projects in amounts exceeding \$750,000 per eligible business within any three-year period be reviewed and approved by the Board. Commissioner Boyd then presented the following FastTrack projects:

- **Brown-Forman Corporation – Lynchburg (Moore Co.)**  
FastTrack Economic Development \$ 250,000
- **CoLinx, LLC – Crossville (Cumberland Co.)**  
FastTrack Economic Development \$1,000,000
- **Develey Mustard & Condiment Corporation – Dyersburg (Dyer Co.)**  
FastTrack Infrastructure Development \$ 184,000  
FastTrack Economic Development \$ 941,000
- **Olympus America Inc. – Bartlett (Shelby Co.)**  
FastTrack Job Training Assistance \$ 250,000  
FastTrack Economic Development \$ 750,000

- **Gyrus ACMI, Inc. – Bartlett (Shelby Co.)**  
FastTrack Job Training Assistance \$ 250,000
  
- **TwelveStone Health Partners – Murfreesboro (Rutherford Co.)**  
FastTrack Economic Development \$1,000,000
  
- **Yanfeng US Automotive Interior Systems LLC – Chattanooga (Hamilton Co.)**  
FastTrack Economic Development \$1,250,000

Mr. Wilson stated that the Board received a signed letter from ECD, which stated that the projects met all the statutory requirements, and a signed FastTrack Checklist for each of the projects under consideration. Mr. Wilson inquired if the information contained in the letter and checklists was true and correct. Commissioner Boyd responded affirmatively. Mr. Wilson inquired if all the projects being presented qualified for FastTrack funding and Commissioner Boyd responded affirmatively. Mr. Lillard made a motion to approve the FastTrack projects presented. Commissioner Martin seconded the motion, and it was unanimously approved.

Mr. Wilson then recognized Mr. William Wood, Budget Analyst, Tennessee Comptroller of the Treasury, who presented a staff analysis of the “Economic Report to the Governor of the State of Tennessee” (the “Economic Report”). Mr. Wood stated that Tennessee Code Annotated 9-4-5202 directs the Board to secure estimates of economic growth from the Tennessee econometric model published by Tennessee’s Center of Business and Economic Research (“CBER”) in its annual Economic Report and to comment on the reasonableness of CBER’s projections concerning the rate of growth of Tennessee’s economy. Mr. Wood stated that based on review of the Economic Report and evaluation of current economic conditions and trends, the Economic Report’s estimates of 4.90% nominal personal income growth for fiscal year 2016, 4.77% for calendar year 2016, and 4.67% for calendar year 2017 do not appear to be unreasonable. Mr. Hargett made a motion that the Board accept staff’s analysis that the forecasts presented in the Economic Report are not unreasonable and to direct the Comptroller to prepare a letter to present to the Chairmen of the Senate and House Finance, Ways and Means Committees stating the same. Commissioner Martin seconded the motion and it was unanimously approved.

Mr. Wilson then acknowledged that the Board received from the Attorney General the “List Identifying State Tax and Non-Tax Revenue Sources.” The Board acknowledged and accepted the letter. No further action was necessary.

After requesting other business and hearing none, Mr. Wilson adjourned the meeting.

Approved on this 7<sup>th</sup> day of April 2016.

Respectfully submitted,



Sandra Thompson  
Assistant Secretary