

TENNESSEE STATE FUNDING BOARD

October 9, 2023

The Tennessee State Funding Board (the "Board") met on Monday, October 9, 2023, at 3:30 p.m., in the Volunteer Conference Center, 2nd Floor, Cordell Hull Building, Nashville, Tennessee. The Honorable David H. Lillard, Jr., State Treasurer, was present and presided over the meeting.

The following member was also physically present:

Commissioner Jim Bryson, Department of Finance and Administration

The following member participated electronically:

The Honorable Jason E. Mumpower, Comptroller of the Treasury

The following members were absent:

The Honorable Bill Lee, Governor

The Honorable Tre Hargett, Secretary of State

Having established a quorum, Treasurer Lillard called the meeting to order and requested that Ms. Sandra Thompson, Assistant Secretary to the Board and Director of the Division of State Government Finance ("SGF"), read the statement of necessity. Ms. Thompson stated that TCA §8-44-108 provides that if a quorum of members is not physically present at the meeting, other members may be retained for a vote via electronic or other means of communication if certain statutory requirements are met. Ms. Thompson further stated that a determination had been made that the electronic communication in the meeting by the members was a necessity based on the following facts and circumstances:

- There were matters to be considered by the governing body at the meeting that required timely action by the Board and there would be operational hardships if the Board was unable to render decisions on those matters at the October meeting.
- A physical presence by a quorum of the members was not practical within the period of time requiring action.

Ms. Thompson then requested that the minutes reflect that Comptroller Mumpower participated electronically, and that Treasurer Lillard and Commissioner Bryson participated in person. Ms. Thompson then stated that a motion was needed to make a determination pursuant to TCA §8-44-108 that meeting electronically was necessary.

Commissioner Bryson made a motion to adopt the statement of necessity, and Treasurer Lillard seconded the motion. Treasurer Lillard asked Ms. Thompson to conduct a roll-call vote:

Treasurer Lillard – Aye

Commissioner Bryson – Aye

Comptroller Mumpower – Aye

The motion to adopt the statement of necessity was unanimously approved.

Treasurer Lillard, in accordance with Public Chapter 300 and Board guidelines, asked Ms. Thompson if any requests for public comment had been received. Ms. Thompson responded that no requests had been received.

Treasurer Lillard then stated that the first item on the agenda was consideration and approval of the minutes from the meeting held on August 21, 2023. Treasurer Lillard made a motion to approve the minutes, and Commissioner Bryson seconded the motion. Treasurer Lillard asked Ms. Thompson to conduct a roll-call vote:

Treasurer Lillard – Aye
Commissioner Bryson – Aye
Comptroller Mumpower – Aye

The minutes were unanimously approved.

Treasurer Lillard then recognized Ms. Thompson to present an Amended and Restated Declaration of Trust for Other Post-Employment Benefits (“OPEB”) for the Cleveland Utilities Authority for consideration for approval. Ms. Thompson stated that notification was received by SGF from Cleveland Utilities stating that the entity was converting to a utility authority. Ms. Thompson then stated that in doing so the OPEB trust that was submitted to the Board for approval in 2016 needed to be amended to reflect the change. Ms. Thompson further stated that in the process of amending their OPEB trust Cleveland Utilities submitted the documentation to SGF and the Attorney General’s Office for review. Ms. Thompson then stated that the utility authority was requesting approval of the amended trust with the newly formed entity’s name. Commissioner Bryson made a motion to approve the amended OPEB trust, and Comptroller Mumpower seconded the motion. Treasurer Lillard asked Ms. Thompson to conduct a roll-call vote:

Treasurer Lillard – Aye
Commissioner Bryson – Aye
Comptroller Mumpower – Aye

The motion to approve the amended OPEB trust was unanimously approved.

Treasurer Lillard then recognized Ms. Thompson to present the Report on the results of the sale of State of Tennessee General Obligation Bonds, 2023 Series A and 2023 Series B (Federally Taxable). Ms. Thompson stated that a report of the sale of the 2023 Series A (the “2023A Bonds”) and 2023 Series B (the “2023B Bonds”) bonds was provided to the Board members in their packet. Ms. Thompson then reported that the bond sale included two series of bonds sold competitively. Ms. Thompson stated that the 2023A Bonds were issued in the par amount of \$452,680,000.00 and generated a premium of \$49,672,774.05. Ms. Thompson further stated that the winning bid for the 2023A Bonds was submitted by Wells Fargo Bank, National Association, with a true interest cost of 3.6803%. Ms. Thompson continued that the proceeds from the 2023A Bonds would be used to fund a \$500,000,000.00 grant to the Metropolitan Nashville Davidson County Sports Authority to help finance the costs of a new Titans stadium in Nashville. Ms. Thompson then reported that the 2023B Bonds were issued as taxable debt for a par amount of \$44,930,000.00 with the winning bid for the bonds submitted by Raymond James & Associates, Inc., with a true interest cost of 4.9929%. Ms. Thompson further stated that the proceeds from the 2023B Bonds would be used to repay outstanding commercial paper that was initially issued to finance the cost of land purchased for the West Tennessee Megaseite. No further action was necessary.

Treasurer Lillard then recognized Ms. Thompson for submission of the Report on Debt Obligation (the "Report") for the 2023 bond sale. Ms. Thompson stated that the Board members would have received the Report within a couple of weeks following the issuance of the bonds in August, but the Report must be presented to the members of the Board at a public meeting within 45 days of issuance of the bonds. Ms. Thompson further stated that the submission of the report was within the statutory time period as set forth in TCA §9-21-134. No further action was necessary.

Treasurer Lillard then stated that the report from the Economic Development Growth Engine Industrial Development Board of Memphis and Shelby County on the status of the Series 2017 Graceland Project Bonds would be deferred to a future meeting.

Treasurer Lillard observed no further business to come before the Board and requested a motion to adjourn. Commissioner Bryson made a motion to adjourn the meeting, and Treasurer Lillard seconded the motion. Treasurer Lillard asked Ms. Thompson to conduct a roll-call vote:

Treasurer Lillard – Aye
Commissioner Bryson – Aye
Comptroller Mumpower – Aye

The motion was unanimously approved, and the meeting was adjourned.

Approved on this 6th day of November 2023.

Respectfully submitted,



Sandra Thompson,
Assistant Secretary

