



TENNESSEE LOCAL DEVELOPMENT AUTHORITY
DECEMBER 14, 2020
AGENDA

1. Call meeting to order
2. Approval of minutes from the TLDA meetings of November 12, 2020 and November 24, 2020
3. Consider for approval the following CWSRF loan:

	SRF Base Loan	Principal Forgiveness	Total Request	Interest Rate	Term
White House, SRF 2021-449	\$ 12,448,000	\$ -	\$ 12,448,000	0.91%	20

4. Consider for approval the following DWSRF loan:

	SRF Base Loan	Principal Forgiveness	Total Request	Interest Rate	Term
First UD of Hawkins County, DW8 2021-228	\$ 950,000	\$ -	\$ 950,000	0.61%	20

5. Presentation and Discussion of a Request for Qualifications (RFQ) for Bond Counsel
6. Adjourn

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
November 12, 2020

Pursuant to the provisions of Executive Order 16, as amended by Executive Orders 34, 51, 60 and further amended by Executive Order 65, the Tennessee Local Development Authority (the “Authority” or “TLDA”) met on Thursday November 12, at 11:39 a.m. via WebEx Events with certain members being physically present in Room G3, Ground Floor, State Capitol, Nashville, Tennessee. Interested members of the public were only able to observe and listen to the meeting through electronic means. The Honorable Tre Hargett, Secretary of State, was present and presided over the meeting.

The following members were also present:

The Honorable Justin P. Wilson, Comptroller of the Treasury
The Honorable David H. Lillard, Jr., State Treasurer (participated electronically)
Commissioner Butch Eley, Department of Finance and Administration
Ms. Paige Brown, House Appointee (participated electronically)
Mr. Pat Wolfe, Senate Appointee (participated electronically)

The following member were absent:

The Honorable Bill Lee, Governor

Mr. Hargett called the meeting to order, and asked Ms. Sandi Thompson, TLDA Assistant Secretary and the Director of the Division of State Government Finance (DSGF) to conduct a roll-call:

Mr. Eley—Present
Mr. Wilson—Present
Mr. Hargett—Present
Mr. Lillard—Present
Mr. Wolfe—Present
Ms. Brown—Present

Recognizing a quorum present, Mr. Hargett read the following statement:

“Governor Bill Lee, a member of this entity, has previously declared a state of emergency to facilitate Tennessee’s response to Coronavirus Disease 2019 (COVID-19). His Executive Order No. 16, as amended by Executive Order Nos. 34, 51, 60, and further amended by Executive Order No. 65, allows governing bodies to meet electronically regarding essential business in light of COVID-19, so long as they provided electronic access to the public and met certain safeguards established in that Order to ensure the openness and transparency of the proceedings. In the Notice for this meeting, we indicated the meeting would be held in Room G3, Ground Floor of the State Capitol, which is currently closed to the public, as well as conducted through WebEx Events and provided information and the steps for public electronic participation. At this time we need a motion to make a determination pursuant to the provisions of Executive Order 16, as amended, that meeting electronically and electronic access is necessary to protect the health, safety, and welfare of Tennesseans in light of the COVID-19 outbreak and the matters listed on the agenda for this meeting relate to the essential business of this board and the necessary safeguards have been taken.”

Mr. Hargett made a motion to approve the necessity pursuant to Executive Order 16 as ammended, and Mr. Wilson seconded the motion. Mr. Hargett called upon Ms. Thompson to conduct a roll-call vote:

Mr. Eley—Aye
Mr. Wilson—Aye
Mr. Hargett—Aye

Mr. Lillard—Aye
Mr. Wolfe—Aye
Ms. Brown—Aye

The motion carried to conduct the TLDA meeting in this manner.

Mr. Hargett stated that the first item on the agenda was approval of the minutes from the October 19, 2020, TLDA meeting. Mr. Hargett made a motion to approve the minutes, and Mr. Eley seconded the motion. Mr. Hargett called upon Ms. Thompson to conduct a roll-call vote:

Mr. Eley—Aye
Mr. Wilson— Aye
Mr. Hargett— Aye
Mr. Lillard—Aye
Mr. Wolfe—Aye
Ms. Brown—Aye

The minutes were unanimously approved.

Mr. Hargett stated that the next item on the agenda was a request from the Hallsdale-Powell Utility District for consideration and approval to issue USDA Rural Development Bonds in an amount not to exceed \$21,841,100. He recognized Ms. Thompson to present the item. Ms. Thompson stated that the District's attorney, Alex Buchanan, was on the line. She then stated that in accordance with the TLDA/SRF Policy and Guidance for Borrowers, the District had submitted a request to issue United States Department of Agriculture (USDA) Rural Development Bonds in an amount not to exceed \$21,841,100 to finance sewer system improvements. Ms. Thompson further stated that the USDA Bonds would be secured by a pledge of the District's sewer revenues subordinate to its outstanding SRF loans. She reported that this was a new money issuance and the District was not requesting a modification of lien position. Furthermore, it was determined that the District had made timely repayments on its current outstanding SRF loan agreements, had timely filed its annual audited financial statements, and that it had a security deposit on file in the amount of \$2.6 million. She continued, stating that the District's debt service coverage met or exceeded the 1.2 times requirement. Ms. Thompson stated that based on analysis conducted by the DSGF, it appeared the District would have sufficient cash and revenues to meet its obligations.

Mr. Hargett asked if there were any questions. Hearing none, he moved approval. Mr. Wilson seconded the motion. Mr. Hargett called upon Ms. Thompson to conduct a roll-call vote:

Mr. Eley—Aye
Mr. Wilson— Aye
Mr. Hargett— Aye
Mr. Lillard—Aye
Mr. Wolfe—Aye
Ms. Brown—Aye

Mr. Hargett stated that the next item regarding a request for a State Revolving Fund loan was being deferred to the next meeting.

Mr. Hargett stated that the next item on the agenda was a report on SRF borrowers that have not submitted request for project expense reimbursement. He called upon Ms. Felicia Freeman, Environmental Manager for the Tennessee Department of Environment and Conservation (TDEC), to present the report. Ms. Freeman stated that the "No Activity" report was a list of communities that had been awarded an SRF loan but no funds had been drawn against the loan. She continued saying, that the SRF program reviews this report on a quarterly basis to ensure compliance to the schedule within each of the loan agreements. Ms. Freeman stated that the communities were asked why no draw down had been made to the loan and when a reimbursement request would be submitted to the SRF loan program. She explained that the SRF loan program does this to ensure loan funds are used in a timely manner so

that monies are returned back to the program to fund other eligible projects. She stated that Caryville-Jacksboro was the first community on the report and said that it was in compliance and planned to submit its first pay request by December 2020. Next on the list, she reported that Hampton County Water (HCW) was a companion loan to a grant and stated that the grant would be used completely before HCW would draw down on its SRF loan. She explained that Jasper also had a companion loan and had already submitted its final pay request in October 2020. The loan would be closed once the funds paid out and the remaining monies would then be returned back to the SRF program. Ms. Freeman stated that the City of Johnson City was also in compliance but the project came in overbid and the City sent it out for bid again in October. She concluded by reporting that Metro Nashville had three projects that were in compliance with their schedules. She stated that the City planned to submit a pay request to the SRF loan program in March 2021. She stated that Metro Nashville also had a DW loan in compliance as well and a request for funds would be submitted in March 2021. The last loan on the report was also Metro Nashville and was in compliance with its loan agreement. Mr. Hargett then asked if the Authority members had any questions for Ms. Freeman. Hearing none, he moved on to the next agenda item.

Mr. Hargett stated that the next item on the agenda was an update on the CWSRF priority ranking list (CWPRRL). He called upon Ms. Freeman to present the update. Ms. Freeman stated that the SRF program had received capitalization grants from the federal government which required the SRF loan program to prepare a comprehensive list of eligible SRF projects that would receive funding. She further stated that the SRF loan program had conducted a solicitation for clean water projects on February 19, 2020 to communities across Tennessee. Ms. Freeman said the deadline for communities to submit requests was March 20, 2020, but that deadline had been extended to April 24, 2020 because of the virus pandemic. She stated that the SRF program received 61 project requests for the CWPRRL, totaling \$186,688,878. Mr. Hargett inquired about the communities on the report highlighted in green, and Ms. Freeman responded saying, that those projects were eligible to receive green funding because clean components were used. Mr. Hargett thanked her for the update.

Mr. Hargett stated that the next item was an update on the DWSRF priority ranking list (DWPRRL). Again, he called on Ms. Freeman to present the information. Ms. Freeman stated that in addition to the CWPRRL, the SRF loan program also conducted a solicitation for drinking water projects in August 2020. She stated that a second solicitation was sent out September 30, 2020 to give communities the opportunity to add projects to the DWPRRL. She further stated that as a result of both solicitations for DW projects, the SRF loan program had received 48 project requests totaling \$281,981,388. Mr. Hargett inquired if there were any questions on the CWPRRL or DWPRRL. Hearing none, he thanked Ms. Freeman for the updates.

Hearing no other business, Mr. Hargett moved to adjourn. Mr. Wilson made a motion to adjourn, and Mr. Hargett seconded the motion. Mr. Hargett called upon Ms. Thompson to conduct a roll-call vote:

Mr. Eley—Aye
Mr. Wilson—Aye
Mr. Hargett—Aye
Mr. Lillard—Aye
Mr. Wolfe—Aye
Ms. Brown—Aye

The meeting was adjourned.

Approved on this ____ day of _____, 2020.

Respectfully submitted,

Sandra Thompson
Assistant Secretary

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
November 24, 2020

The Tennessee Local Development Authority (the “TLDA”) met on Tuesday November 24, at 12:30 p.m. via live stream with certain members being physically present in the Senate Hearing Room I, First Floor, Cordell Hull Building, Nashville, Tennessee. Interested members of the public were only able to observe and listen to the meeting through electronic means. The Honorable Tre Hargett, Secretary of State, was present and presided over the meeting.

The following members were also present:

The Honorable Justin P. Wilson, Comptroller of the Treasury
The Honorable David H. Lillard, Jr., State Treasurer
Commissioner Butch Eley, Department of Finance and Administration
Ms. Paige Brown, House Appointee (participated electronically)
Mr. Pat Wolfe, Senate Appointee (participated electronically)

The following member was absent:

The Honorable Bill Lee, Governor

Recognizing a physical quorum present, Mr. Hargett called the meeting to order.

Mr. Hargett stated that the first item on the agenda was consideration and approval for a CWSRF loan. He called upon Ms. Felicia Freeman, Environmental Manager for the Tennessee Department of Environment and Conservation (TDEC), to present the loan request. Ms. Freeman first presented the unobligated fund balance. She stated the balance was \$33,720,663 as of September 21, 2020. Since that time, the unobligated balance had increased by \$11,968,200 due to FY2020 partial EPA Capitalization Grant and the available State Match. Upon approval of the loan request to be presented totaling \$15,000,000, the remaining funds available for loan obligations would be \$30,688,863. She then described the CWSRF loan request.

- **Chattanooga (SRF 2020-440)** Requesting \$15,000,000 for Water and Wastewater Treatment Plant (WWTP) improvements and infiltration and inflow correction – (Moccasin Bend WWTP EQ-UNOX improvements would include the installation of approximately 900 linear feet (LF) of conveyance piping; replacing approximately 2,200 LF of the 30-inch diameter Citico force main; and construction of a 30 million gallon (MG) equalization basin, 20 MG pump station, and associated appurtenances.); recommended interest rate of 0.61% based on the Ability to Pay Index (ATPI); Priority ranking 6, 18, 64 of 78 (FY 2019); Term 20 years.

Mr. Hargett made a motion to approve the loan, and Mr. Wilson seconded the motion. Mr. Hargett asked if there was any discussion. Hearing none, he asked that all in favor say aye and all opposed say no. By a vote of 6 – 0, the loan was approved.

Mr. Hargett stated that the next item on the agenda was consideration of a request for approval from Jackson Energy Authority (the “Authority”) to issue Wastewater System Revenue Bonds, Series 2020, in an amount not to exceed \$16,500,000 on parity with its outstanding SRF loans. He called upon Ms. Sandi Thompson, TLDA Assistant Secretary and the Director of the Division of State Government Finance (DSGF) to present the request. Ms. Thompson stated that the TLDA had received a request from the Jackson Energy Authority to issue Wastewater System Revenue Refunding Bonds, Series 2020, on parity with its current outstanding SRF loans. She stated that the proposed bonds would be issued in an amount not to exceed \$16,500,000. She continued saying, that a formal request from the Authority was required by the provisions set forth in the SRF loan agreements and the guidelines set forth in the TLDA/SRF Policy and Guidance for Borrowers. Ms. Thompson stated that the Authority would use the proceeds of the bonds along with other available funds to refund all or a portion of the Wastewater System Revenue Bonds, Series 2012 and that this would result in debt service savings to the Authority. She stated that the

DSGF had reviewed information in regard to the Authority's request and determined that its debt would be secured by the Wastewater System, that it had a history of timely repayments on its current SRF loans, and its audited financial statements had been filed within six months of fiscal year end as required. She stated that the Authority had a security deposit in place in the amount of \$1,271,892. Ms. Thompson reported that the Authority had an operating income of \$7,123,186 with a positive net change in position of \$10,459,333. She stated that the Authority had unrestricted cash in the amount of \$10,103,943 and \$2,110,646 in cash that was restricted for debt service. She further stated that the Authority was not under the jurisdiction of the Utility Board, and its current and projected debt service coverage for the next three fiscal years met or exceeded the 1.2 times requirement. Ms. Thompson stated that based on the analysis conducted by the DSGF, the Authority would have sufficient cash and revenues to meet its obligations and it appeared to meet TLDA's guidelines for approval to issue the refunding bonds on parity with its outstanding SRF loans. Therefore, she stated that staff recommended approval of the request.

Mr. Hargett moved approval of the request, and Mr. Wilson seconded the motion. Mr. Hargett asked if there was any discussion. Hearing none, he asked that all in favor say aye and all opposed say no. By a vote of 6 – 0, the item was approved.

Mr. Hargett then acknowledged Ms. Paula Mitchell, Deputy Director of Operations with TDEC, to make a recognition. Ms. Mitchell stated that she wanted to bring the Board's attention to the new manager for the SRF program. She stated that he was listening to the live-stream and his name was Mr. Adeniyi Bakare. She explained that although he was new to TDEC, he was not new to state service. She reported that he previously worked as the Chief Business Officer at Vanderbilt and prior to his service there, he worked for the State of Tennessee in the Department of Human Services, the Department of Finance and Administration, as well as the Department of Health in the area of finance and economics. Ms. Mitchell stated that the Board would have the opportunity to interact with Mr. Bakare at the next TLDA board meeting in December. Mr. Hargett thanked her for the introduction and stated that the TLDA looked forward to working with him.

Hearing no other business, Mr. Hargett moved to adjourn. Mr. Wilson seconded the motion.

The meeting was adjourned.

Approved on this ____ day of _____, 2020.

Respectfully submitted,

Sandra Thompson
Assistant Secretary

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

**Clean Water State Revolving Fund (CWSRF) Loan Program
Funds Available for Loan Obligation
December 14, 2020**

Unobligated Balance as of November 24, 2020 **\$ 30,688,863**

<u>Increases:</u>	<u>Loan Number</u>	<u>Amount</u>	
Treasury Interest FY 2020		\$ 6,574,527	
Interest Repayments FY 2020		\$ 9,774,293	
Principal Repayments FY 2020		\$ 47,826,846	
			\$ 64,175,666

Unobligated Balance as of December 14, 2020 **\$ 94,864,529**

<u>Decreases:</u>	<u>Loan Number</u>	<u>Amount</u>	
City of White House	SRF 2021-449	12,448,000	
			\$ 12,448,000

Remaining Funds Available for Loan Obligations **\$ 82,416,529**

* The full FFY 2020 EPA Capitalization Grant is \$23,085,000, and the full State Match (20%) is \$4,617,000. TDEC has submitted a supplemental budget request for FY2021 regarding the remaining State Match of \$2,622,300. Should such be appropriated, an additional \$15,734,00 (remaining FFY2020 Capitalization Grant plus remaining State Match) will be made available for loan obligations.

FACT SHEET
December 14, 2020

Borrower: City of White House
Project Number: SRF 2021-449
Requested SRF Funding: \$12,448,000
Term: 20 years
Rate: 0.91% = 0.91 x 100% (Tier 4)

Project:

WWTP Upgrade/Expansion-Advanced Treatment (Expansion from 1.4 MGD to 2 MGD to include expanding the Oxidation Ditch and clarifiers; installation of a nutrient removal system, new disc filters, UV disinfection, and drip disposal system).

Total Project Cost:	\$15,400,000
Project Funding:	
SRF Loan Principal	\$12,448,000
Local Funds	\$ 2,952,000
Other Funds	\$ -0-

County:	Sumner/Robertson Counties
Consulting Engineer:	Jacobs Engineering Group, Inc.
Priority Ranking List:	FY 2018
Priority Ranking:	2 of 72
Public Meeting:	August 19, 2020

Financial Information:

Operating Revenues:	\$3,841,636
Current Rate:	\$61.97
Financial Review Rate:	\$48.96
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	4,357
Audit Report Filed:	12/26/2019 (Timely)
Financial Sufficiency Review:	06/16/2020

The financial sufficiency review indicates that revenues and rates are sufficient to repay its SRF loan(s).

FACT SHEET
December 14, 2020

Additional Security

The borrower pledges its unobligated state-shared taxes (SSTs) in an amount equal to the maximum annual debt service (MADS) requirements under the loan agreement.

The SSTs received by the borrower from the state in the prior fiscal year: \$1,580,810.

MADS:	Prior Obligations:	\$ 407,393
	Proposed loan(s):	
	SRF 2021-449	<u>\$ 680,991</u>
		\$1,088,384

MADS as a percentage of SSTs: 68.85%

**REPRESENTATION OF
LOANS AND STATE-SHARED TAXES
FOR TAX REVENUE ENTITIES
WHITE HOUSE
SRF 2021-449**

As security for payments due under a SRF loan agreement, a local government pledges user fees and charges and ad valorem taxes as necessary to meet its obligations under a SRF loan agreement. As an additional security for such payments due, a local government pledges and assigns its unobligated state-shared taxes (SSTs) in an amount equal to maximum annual debt service (MADS) requirements.

1. State-Shared Taxes

The total amount of SSTs, as identified pursuant to Tenn. Code Ann. 4-31-105(c)(2), received by the local government in the prior fiscal year of the State is \$1,580,810.

2. Prior Obligations

(a.) Prior SRF loans which have been funded or approved for which the Local Government has pledged its SSTs are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	CWA 2009-246	\$600,000	\$400,000	\$35,645
SRF/Sewer	SRF 2010-256	\$360,000	\$0	\$21,324
SRF/Sewer	SRF 2012-308	\$386,393	\$0	\$21,180
SRF/Sewer	CG1 2012-302	\$3,596,400	\$399,600	\$198,444
SRF/Sewer	CG2 2013-326	\$1,599,867	\$399,966	\$86,172
SRF/Sewer	SRF 2016-364	\$800,000	\$0	\$44,628

* If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined

The total MADS from section 2(a.) having a lien on SSTs is \$407,393.

(b.) Other prior obligations which have been funded or approved for which the local government has pledged its SSTs are as follows:

Type of Obligation	Identifying #	Loan Amount	Principal Forgiveness	MADS
QZAB/QSCB	N/A			
TLDA/Public Health	N/A			
TLDA/Transportation	N/A			

The total MADS from section 2(b.) having a lien on SSTs is \$0.

(c.) The total MADS from prior obligations having a lien on SSTs [subsections 2(a)+2(b)] is \$407,393.

3. Loan Requests

The loan(s) which have been applied for and for which state-shared taxes will be pledged:

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer	SRF 2021-449	0.91%	\$12,448,000	\$0	\$680,991

The anticipated total maximum annual pledge of state-shared taxes pursuant to loan request(s) is \$680,991.

4. Unobligated SSTs

The amount set forth in section (1) less the total amounts set forth in sections 2 and 3 is \$492,426.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 15th day of October, 2020.

This is the Comptroller's certificate as required by TCA 4-31-108

LOCAL GOVERNMENT

BY:



Michael Arnold, Mayor

**CITY OF WHITE HOUSE
REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)**

Pursuant to Tenn. Code Ann. § 9-21-151, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-151 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that they may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

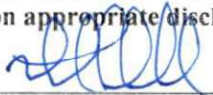
Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, City of White House, attests that it is in compliance with Tenn. Code Ann. § 9-21-151 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related this rule.


Michael Arnold, Mayor

10/15/2020
Date

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

**Drinking Water State Revolving Fund (DWSRF) Loan Program
Funds Available for Loan Obligation
December 14, 2020**

Unobligated Balance as of September 21, 2020 **\$ 36,917,897**

Increases:

	<u>Loan Number</u>	<u>Amount</u>	
FFY 2020 EPA Capitalization Grant (project dollars)		\$ 15,615,000	
FFY 2020 State match budgeted of total required		\$ 3,825,000	
Treasury Interest FY 2020		\$ 923,313	
Interest Repayments FY 2020		\$ 1,785,207	
Principal Repayments FY 2020		\$ 13,768,359	
			\$ 35,916,879

Unobligated Balance as of December 14, 2020 **\$ 72,834,776**

Decreases:

	<u>Loan Number</u>	<u>Loan Amount</u>	
First Utility District of Hawkins County	DW8 2021-228	\$ 950,000	\$ (950,000)

Remaining Funds Available for Loan Obligations **\$ 71,884,776**

FACT SHEET
December 14, 2020

Borrower: First Utility District of Hawkins County
Project Number: DW8 2021-228
Requested SRF Funding: \$950,000
Term: 20 years
Rate: 0.61% = 1.02 x 60% (Tier 2)

Project:

Distribution System Improvements (Construction of a 560 gpm water booster pumping station; installation of approximately 11,000 LF of 12-inch diameter waterlines; and the decommission of the Hord Creek WTP).

Total Project Cost:	\$950,000
Project Funding:	
SRF Loan Principal	\$950,000
Local Funds	\$ -0-
Other Funds	\$ -0-

County:	Hawkins County
Consulting Engineer:	CTI Engineers, Inc.
Priority Ranking List:	FY 2019
Priority Ranking:	16 of 43
Public Meeting:	September 2, 2020

Financial Information:

Operating Revenues:	\$4,167,113
Current Rate:	\$46.09
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	8,302
Audit Report Filed:	07/01/2020 (Late)
Financial Sufficiency Review:	07/29/2020

The financial sufficiency review indicates that revenues and rates are sufficient to repay its SRF loan(s).

Additional Security

FACT SHEET
December 14, 2020

A security deposit equal to one year's maximum annual debt service is required to be deposited with the TLDA before any funds are disbursed to the borrower. The anticipated required security deposit for this loan is \$50,468.

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
FOR
FIRST UTILITY DISTRICT OF HAWKINS COUNTY
DW8 2021-228**

As security for payments due under a SRF loan agreement, a local government pledges user fees and charges and further pledges such other additional available sources of revenues as are necessary to meet its obligations under a SRF agreement. Prior to the first disbursement on a loan, a local government is required to deposit with the TLDA an amount of funds equal to the maximum annual debt service (MADS) as additional security for such loan.

a. Prior SRF loans which have been funded or approved for which the Local Government has pledged its revenues are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Water	DG5 2016-181	\$750,000	\$250,000	\$39,528
SRF/Water	DWF 2016-184	\$428,182	\$0	\$21,540

*If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined

The total required security deposit(s) for previously approved SRF loan(s) is \$61,068.

b. The local government is applying for the following State Revolving fund loan(s):

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Water	DW8 2021-228	0.61%	\$950,000	\$0	\$50,468

The total anticipated security deposit(s) for the proposed loan(s) is \$50,468.

c. The total MADS (a+b) is \$111,536.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 21st day of October, 2020.

This is the Comptroller's certificate as required by TCA 4-31-108

BY: _____



**LOCAL GOVERNMENT
REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
FIRST UTILITY DISTRICT OF HAWKINS COUNTY
DW8 2021-228**

Pursuant to Tenn. Code Ann. § 9-21-151, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-151 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that they may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, First Utility District of Hawkins County, attests that it is in compliance with Tenn. Code Ann. § 9-21-151 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related this rule.



Jeremy Jones, General Manager



Date

FIRST UTILITY DISTRICT of HAWKINS COUNTY
P.O. BOX 8
CHURCH HILL, TENNESSEE 37642
PHONE: (423)357-7511
FAX: (423)357-6668

October 26, 2020

Tennessee Local Development Authority and
Tennessee Department of Environment and Conservation
Attention: State Revolving Fund Loan Program
Rosa L Parks Ave, 12th Floor
Nashville, TN 37243

Dear Madam/Sir:

The First Utility District of Hawkins County is aware that our Auditors have been late for the past couple of years in completing our fiscal audit. The outside CPA/Consultant has not had the financial information completed for our Auditor. The District has spoken with Brian Price, the outside CPA about how he plans to get the financial statements completed in a timely manner. He has been given fair warning and if not able to complete this task on time the District will be forced to hire a new secondary CPA to prepare financial statements for the Auditor.

We are currently in the middle of our fiscal year and the District is afraid to bring in a new CPA. If they cannot perform their duties we will be forced to find another CPA. This is the only way to fix the problem. It is unclear to the District why it is taking so long to get our financials from the CPA. We are working daily to keep up with the demand for our CPA. The plan of action for the District is to give our CPA an option to complete the task on time or we will find someone who will.

Sincerely,



Jeremy Jones
General Manager



REQUEST FOR QUALIFICATIONS FOR BOND COUNSEL SERVICES

I. INTRODUCTION

The State of Tennessee, Office of Comptroller of the Treasury (“Comptroller” or “State”), through the Office of State and Local Finance in the Office of the Comptroller of the Treasury for the State (the “OSLF”), is beginning a process to select a law firm to serve as bond counsel to the State Funding Board (the “SFB”) and the Tennessee State School Bond Authority (the “TSSBA”) (jointly the “Issuers”) in connection with their debt-financed programs for an anticipated term beginning May 1, 2016 and ending April 30, 2021.

II. OVERVIEW OF THE STATE AND THE ISSUERS

Information about the State and the Issuers and links to relevant documents (including debt management policies, financial statements and official statements) are included in Attachment A.

The State currently utilizes one firm to serve as Bond Counsel for the Issuers and the Tennessee Local Development Authority (the “TLDA”) without a set term. The fourth state level debt issuer, the Tennessee Housing Development Agency, issues single-family mortgage revenue bonds, and has a separate contract for bond counsel services. The State is releasing this Request for Qualifications to establish a term for the bond counsel contract for the Issuers. (The TLDA will not be included in the contract. The TLDA has not issued debt since 2010 and no debt issuance is anticipated at this time.) The State believes that a single firm serving the Issuers will provide consistency, uniformity and efficiency, particularly in federal tax and securities law interpretation. Additionally, higher education projects are financed by both Issuers. The commonality of membership of the boards of the Issuers as well as of other important funding entities is shown on Attachment B.

The Comptroller serves as the Secretary for each Issuer; the Director of OSLF serves as the Assistant Secretary. The OSLF is involved in all aspects of debt issuance. Technology is in place to allow electronic communication on a regular basis, including electronic distribution and review of documents, and to allow electronic bidding in the context of competitive sales.

Although both Issuers could issue debt to fund a single project, in practice the Issuers use the proceeds from a single debt issue to fund multiple projects. Moreover, the Issuers often fund (and refund) projects with proceeds from more than one debt issue. Note, the higher education facilities program of the TSSBA lends to the two systems of public higher education- The University of Tennessee and the Tennessee Board of Regents, both of which have multiple educational institutions under their control.

The Issuers regularly evaluate economic refunding opportunities. The Issuers take advantage of economic refunding opportunities when it is in their best interests to do so and the refundings comply with their debt management policies.

Although it is difficult to predict specific future needs, it is reasonable to assume that debt issuance by the Issuers will be similar to that since January 1, 2009:

	Closing Month/Year	Sale Type	Par Amount*
TSSBA:			
2009 A	April 2009	Negotiated	\$ 109,905,000
2010 A&B	September 2010	Competitive	\$ 249,950,000
2012 A, B, & C	August 2012	Negotiated	\$ 437,720,000
2013 A	November 2013	Negotiated	\$ 149,130,000
2014 A & B	August 2014	Negotiated	\$ 344,650,000
2015 A & B	May 2015	Negotiated	\$ 464,165,000
TSSBA - Competitive Sales			1
TSSBA - Negotiated Sales			5
GO:			
2009 A & B	May 2009	Negotiated	\$ 389,635,000
2009 C & D	December 2009	Negotiated	\$ 290,000,000
2010 A & B	October 2010	Competitive	\$ 231,445,000
2011 A, B, & C	October 2011	Negotiated	\$ 546,655,000
2012 A	March 2012	Negotiated	\$ 449,070,000
2012 B & C	December 2012	Competitive	\$ 170,525,000
2014 A & B	August 2014	Negotiated	\$ 190,225,000
2015 A & B	November 2015	Negotiated	\$ 383,765,000
GO - Competitive Sales			2
GO - Negotiated Sales			6
Total Competitive Sales			3
Total Negotiated Sales			11
* In some cases one of the series listed may be a taxable issue. See EMMA for the Official Statements related to the issues.			

However, there is no assurance that past levels of bond issuance activities accurately predict future levels of bond issuance.

III. BOND ISSUANCE PROCESS

OSLF controls and directs all aspects of its bond issuances including, without limitation, timing and structuring. The Issuers utilize the services of a financial advisor, currently Public Financial Management Incorporated. The bond issuance process is initiated based on a programmatic need for funds for approved projects or to refund outstanding bonds when in accordance with policy and economically advantageous. The Issuers do not hold regularly scheduled meetings; the Issuers meet on an “as needed” basis (specially

called). Initial structuring discussions are held typically via telephone with bond counsel, financial advisor, and OSLF staff to determine the timing, structure and documentation for debt issues. In addition, bond counsel, together with OSLF staff, communicate with underwriters, selling group members, investors, financial advisor and others on an as needed basis.

Under current statutory provisions, both Issuers have authority to sell debt on both a competitive and a negotiated basis. Although competitive sales are preferred, the Issuers evaluate a variety of factors including, without limitation, bond structure and market conditions at the time of each bond issue to determine the method of sale that is in the best interest of the Issuer. Although the majority of bond transactions closed since January 1, 2009, have been sold by negotiated sale or private placement, the Issuers have not changed their preference for competitive sales. Consequently, there can be no assumption that the use of negotiated sales will remain at this level going forward.

The Issuers use a combination of long-term bonds and short-term notes. They utilize short-term notes (commercial paper in the case of the SFB and a Revolving Credit Facility in the case of the TSSBA) as a cost-efficient method of financing capital projects during construction. This provides cash flow as needed so as to better time issuance with expenditure needs in the interim between bond issues. This affords the Issuers some flexibility in the timing of issuing long-term bonds to take out the short-term notes.

The Issuers' interest with each bond issue is to balance both of the following:

1. avoid unnecessarily complex transactions unless the economic benefits are substantial; and
2. incur the lowest overall cost of debt in the context of ongoing administration and potential limitation of future options.

The Issuers' financing structures tend to be conservative while retaining maximum flexibility. While receptive to new, creative financing structures, the Issuers prefer transactions that do not stretch generally accepted interpretations of tax law. The Issuers have used taxable/tax-exempt blended transactions. The Issuers do not currently use swaps or other hedging devices.

Bond closings are held in Nashville with minimal activities outside normal business hours. The Issuers expect to continue this practice in the future and expect bond counsel to attend each pre-closing. However, they do not expect bond counsel to attend meetings of the Issuers, unless specifically requested to do so. On occasion, bond counsel may be requested to participate in meetings of the Issuers by telephone.

IV. EXPECTATIONS OF BOND COUNSEL

The State and the Issuers have taken the position that, in the analysis and opinions regarding the Tennessee State Constitution and Tennessee State law arising in the course of engagement as Bond Counsel for the Issuers, the involvement of an attorney licensed to practice law in the State is required.

The Issuers take a collegial, team approach to debt transactions. Bond counsel, financial advisor, the Office of Attorney General and Reporter as issuer's counsel, and OSLF staff are proactive participants in each bond transaction, from discussions regarding initial timing and structuring through document preparation and closing. The precise role of each group or individual may vary depending on particular issues that arise in individual transactions. The communication between the Issuers and bond counsel does not end at the time of closing; the relationship between the Issuers and bond counsel is not just transactional.

The financial advisor is primarily responsible for dealing with the rating agencies and for preparing all financial analysis needed for a particular transaction. OSLF coordinates activities involving Board members, paying agent, trustee and escrow agent, when necessary. OSLF maintains control of official statements (“OS”) and distributes its preliminary official statements (“POS”) electronically. OSLF staff coordinate preparation and electronic transmission of preliminary official statements, final official statements, notices of sale and forms of proposal.

Duties and responsibilities of specific tasks for bond transactions are usually as follows:

OSLF/Issuer’s Counsel

1. Determine the need for a debt transaction.
2. Prepare requisite number of copies of closing documents, such as authorizing Acts, the relevant general and supplemental or series resolutions, by-laws, minutes and authorizing resolutions;
3. Prepare POS, OS, official notice of sale, and bid form for electronic distribution and printing (printing the requisite number of documents is handled in house);
4. Prepare general certificate and coordinate preparation and assembly of all needed exhibits;
5. Prepare instruction letters to trustee;
6. Prepare issuer’s counsel opinion;
7. Review and comment on all documents prepared by bond counsel and underwriter’s counsel, including a bond purchase agreement for negotiated sales; and
8. Coordinate with the financial advisor about discussions, materials and presentations involving the rating agencies.

Bond Counsel

1. Assist in determining the tax and economic analysis needed and reviewing the analysis provided;
2. Evaluate proposed structures based on tax, state law and programmatic considerations;
3. Prepare Supplemental or Series Resolution and amendments to general resolutions, as needed;
4. Review and comment on drafts of the POS, OS, official notice of sale, official form of proposal prepared by OSLF;
5. For negotiated transactions, with Issuer’s counsel, review bond purchase agreements, master agreements among underwriters and master agreements among the selling group prepared by underwriter’s counsel;
6. Prepare all bonds, coordinate execution and delivery with OSLF and DTC, when necessary;
7. Prepare closing index or checklist;

8. Prepare certificates such as those related to projected cash flow, arbitrage and use of proceeds, purchase price of bonds, investments, and trustee's status;
9. Prepare and file required IRS and State forms;
10. Prepare cross-receipts;
11. Prepare necessary tax and approving opinions;
12. Prepare other certificates and documents as needed for bond closings, such as bond call/redemption notices;
13. Review and comment on all documents prepared by Issuers and others;
14. Perform other due diligence, as determined necessary; and
15. Prepare final bound transcripts.

Other Services

In addition to work specifically on bond transactions, the Issuers use the services of bond counsel in connection with a number of related issues, which have included the following, on an as needed basis:

1. Provide staff and board member orientation and training regarding bonds and board member responsibilities;
2. Provide information regarding IRS letter rulings, interpretive releases, regulatory changes or other actions affecting bonds and loan programs and assist in preparing or analyzing state or federal legislation affecting the Issuers;
3. Assist in structuring new loan programs and modifying existing programs, and/or preparing new general resolutions;
4. Assist in activities involving rating agencies;
5. Address issues related to continuing disclosure, arbitrage and arbitrage rebate calculations, financial and tax assumptions;
6. Address issues related to use of variable rate debt, including possible use of swaps and other hedges;
7. Review and advise on circumstances regarding possible changes in use of tax-exempt financed properties; and
8. Review TSSBA and GO project questionnaires (ongoing – not just at time of bond sale).

V. RESPONSE TO REQUEST FOR QUALIFICATIONS

We invite you to submit your firm's qualifications in a format substantially in conformance with the enclosed "Outline for Qualifications". An electronic version and one written copy of your response to the Outline for Qualifications are due by 12:00 pm CST on Friday, January 29, 2016, addressed and delivered, as follows:

IGpublic.Finance@cot.tn.gov

and

Office of State & Local Finance
Attn: Ms. Sharon Schmucker
James K. Polk Building
505 Deaderick Street, Suite 1600
Nashville, Tennessee 37243-1402
(615) 747-7872

Please limit your proposal to ten (10) pages or less. Please use the format identified in this Request for Qualifications. Additional pages or extra material will be viewed negatively. DO NOT submit a pricing proposal or additional information at this time.

If you have questions regarding this Request for Qualifications, please email them to, the RFQ Coordinator at igpublic.finance@cot.tn.gov by 4:00 P.M. CST on Thursday, January 21, 2016. Responses to questions timely received will be distributed by email no later than 4:00 P.M. CST on Friday, January 22, 2016.

VI. REVIEW PROCESS AND TIMETABLE

Selection of bond counsel is expected by the end of March, 2016. A more detailed timetable is attached hereto as Attachment C; however, OSLF retains the right to modify this proposed timetable at any time. It is anticipated that, after staff review of the submitted qualification, a short-list of no more than five (5) firms will be selected to respond to questions and to submit a pricing proposal. A draft form of contract, questions, and the form of pricing proposal will be distributed at that time. **Do not submit a pricing proposal until requested to do so.** If determined necessary, interviews by phone or video conference or in person with the staff review team or the Issuers, or both, may be scheduled. Staff review will culminate in a recommendation to the Comptroller for either (1) a recommendation to each of the Issuers regarding selection of bond counsel, or (2) in person interviews. Once the Issuers select a firm, written agreements between bond counsel and each Issuer will be executed. The firm selected is expected to serve for five (5) years, subject to termination with or without cause.

The State and OSLF retain the right to reject all responses, to elect to continue discussions with one or more firms, or act in any manner which, in the sole discretion of Comptroller and the Issuers, is deemed to be in their best interest. The Issuers expect to select as bond counsel the firm who submits the best and most comprehensive response to the subsequent Request for Proposal with the lowest pricing; however, price will not be the sole determining factor.

Beginning on Tuesday, January 12, 2016, and extending until the bond counsel selection process is complete, **the only** contact concerning this process, this Request for Qualifications, the Request for Proposal or information about the Issuers that could be used in responding to this Request for Qualifications is to be made with **the RFQ Coordinator**. Except pursuant to existing bond counsel contracts, **no contact**

should be made with PFM, Inc., any Issuer staff member, any Issuer Board member, or any staff member of an Issuer Board member.

We appreciate your interest in the Issuers and look forward to receiving your response to this RFQ as specified in Section V above.



Justin P. Wilson, Comptroller of the Treasury
Secretary of the State Funding Board and the Tennessee State School Bond Authority

Enclosure: Outline for Qualifications
Attachments: Attachment A: State and Issuer Information
 Attachment B: Membership
 Attachment C: Timetable

cc: Members of the Issuers
 Staff of the Issuers

Draft

**OUTLINE FOR QUALIFICATIONS FOR
BOND COUNSEL FOR
THE TENNESSEE STATE FUNDING BOARD AND
THE TENNESSEE STATE SCHOOL BOND AUTHORITY**

Please be as succinct as possible with all summary information and responses to specific questions. Lengthy responses and documents are strongly discouraged. No more than ten (10) pages will be considered for the responses.

Firm Name:
Principal Address:
Contact Person:
Office Address for Contact Person if different from Principal Address:
Contact E-mail and Telephone:

SECTION I - QUALIFICATIONS

1. Please describe the structure of your tax and public finance legal team, indicating the relationship with the firm as a whole. Indicate the number of attorneys (partners, associates, contract lawyers, of counsel or other designations) and designated support staff assigned to tax and public finance as of January 1 in each of the years 2011 to 2016. Provide the following specific information for tax and public finance as of January 1, 2016:

	Management		Professional		Clerical		Total
	Male (number)	Female (number)	Male (number)	Female (number)	Male (number)	Female (number)	
Caucasian (number)							
African American (number)							
Hispanic (number)							
Other (number)							

2. Describe generally your firm's experience since January 1, 2011 with state level issuers of general obligation debt or revenue debt for which your firm acted as bond counsel, tax counsel, and/or disclosure counsel. Specifically identify the state level issuers of general obligation debt, higher education revenue debt, QZAB and QSCB and explain the scope of your firm's responsibilities and when the firm was appointed.
3. For the state level issuers of general obligation debt, higher education revenue debt, and QZAB and QSCB identified in #2 above, in tabular form, indicate the dollar volume and number of debt issues handled for these issuers since January 1, 2011, broken down between short-term and long-term bond issues and identify taxable bond issues, specifying:
 - a. your firm's role whether as bond counsel, tax counsel, and/or disclosure counsel (indicating whether sole or co-counsel);
 - b. type of sale (competitive or negotiated);
 - c. federal tax status (exempt or taxable);
 - d. type of resolution/indenture (closed or open); and
 - e. if a loan program, whether conduit or pooled, and number of projects funded, if available.
4. List the attorneys to be assigned to each Issuer's account, indicating position within the firm, years of experience in public finance with the firm, and office where the attorneys are based. If attorneys listed have experience beyond the firm's experience, please so indicate. Describe how the attorneys will be organized to service the Issuers, identifying the overall key point of contact and the day-to-day contact for each Issuer. Of the hours required to perform services, indicate the percentage to be performed by each attorney.
5. Identify the attorney(s) currently licensed to practice law in the State (or will be) who will be involved in the analysis and opinions regarding the Tennessee State Constitution and Tennessee State law arising in the course of engagement as bond counsel for the Issuers.
6. Since January 1, 2011 in relation to your firm (current or prior members and employees) or to any transactions in which your firm has or had a direct or indirect involvement, are there:
 - (a) any legal or financial/securities investigations, audits, or legal actions in process, or pending, or threatened, or
 - (b) any facts that may create a conflict of interest, that could affect or limit your firm's ability to serve as Issuers' Bond Counsel?

If so, describe.

SECTION II - REFERENCES

1. Provide a contact name, title, email address and phone number for three of the issuers listed in Section I, question 3, to be used as references.
2. List the three financial advisory firms with whom you most frequently work and provide a contact name, title, email address and phone number for each.

ATTACHMENT A

STATE AND ISSUER INFORMATION

Office of State and Local Finance

One of the goals of the Office of State & Local Finance (OSLF) is to access the capital markets efficiently and timely to provide funding for capital projects authorized by the General Assembly. In order to fulfill its purpose, the OSLF manages the State's debt, including issuance of all bonds, notes and repayment of such debt by the State Funding Board (SFB), the Tennessee State School Bond Authority (TSSBA), and the Tennessee Local Development Agency (TLDA). OSLF performs the financial management functions for both the Clean Water and Safe Drinking Water State Revolving Funds. OSLF manages the Qualified Zone Academy Bond (QZAB) and Qualified School Construction Bond (QSCB) programs issued for local government education agencies. OSLF prepares the financial statements for the TSSBA, the TLDA and the State Revolving Funds. Monthly, OSLF issues Investor Updates as a part of its continuing disclosure for SFB.

- SFB — The SFB has responsibility for issuing all State general obligation bonds and notes authorized by the General Assembly and administering and accounting for payment of principal and interest on such debt. The SFB is authorized to establish the State's cash management policy, debt management policy, and investment policy. It is required to comment on the reasonableness of the estimated growth rate of the State's economy as presented in the Tennessee econometric model. Annually, the SFB conducts public hearings to develop consensus estimates of State revenues as part of the budgetary process. The SFB receives and reports on certain information received from other debt issuers. It is further authorized to make loans for the relocation of certain utility system distribution lines. It will be responsible for issuing any debt related to toll road bonds if such bonds are authorized.

The OSLF serves as the registrar and/or paying agent for the State's general obligation debt.

- TSSBA — The TSSBA is delegated the responsibility for issuing bonds and notes to provide funds (1) to make loans to state institutions of higher learning to construct income-producing facilities and (2) to make funds available to the Tennessee Student Assistance Corporation for student loans under the Guaranteed Student Loan Program. The TSSBA is also responsible for the administration of the QZAB and the QSCB programs, federal tax credit/direct subsidy programs originally established through the Taxpayer's Relief Act of 1997 and the American Recovery and Reinvestment Act of 2009 (ARRA), respectively. QZABs are used to provide funds to make loans to local governments for certain educational projects. The 2009 and 2010 QSCB bonds were used to make loans to local governments for certain qualified construction projects. TSSBA issued all of the QSCB bonds allocated under ARRA, so no additional debt will be issued for this program.

AS OF FISCAL YEAR ENDED JUNE 30, 2015

STATISTIC	G.O.¹	HIGHER EDUCATION	QZAB	QSCB	TOTAL
Number of Outstanding Debt Issues	11	19	4 ²	2	36
Average number of new debt issues per year	2	2	0	0	4
Currently Authorized but Unissued Debt (\$)	2,087,645,000 ³	418,561,393	18,862,000	-	2,549,169,393
Long-Term Debt Outstanding (\$)	1,772,015,000	1,546,520,000	43,920,000	389,400,000	3,751,855,000
Short-Term Debt Outstanding (\$)	197,686,000	61,682,000	-	-	259,368,000
Total Debt Outstanding (\$)	1,969,701,000	1,608,202,000	43,920,000	389,400,000	4,011,223,000
Number of Outstanding Loans/Projects	1,236	225	16	28	1,505
Average number of new projects authorized per year	30	15	0	0	65

1) Balances shown are as of June 30, 2015 - subsequently, on October 27, 2015, the state issued \$286,275,000 2015 Series A and \$97,490,000 Refunding Series B bonds.

2) Four issues were outstanding as of June 30, 2015 - subsequently on December 31, 2015 one series matured so there are currently 3 outstanding issues.

3) Including \$874,900,000 authorized for Highways and Bridges. The State has no immediate plans to issue for these purposes.

Links

Comptroller of the Treasury for the State of Tennessee: <http://www.comptroller.tn.gov/>

Office of State and Local Finance: <http://www.comptroller.tn.gov/sl/>

State Funding Board: <http://www.comptroller.tn.gov/TSFB/>

Most Recent Official Statement: <http://www.comptroller.tn.gov/TSFB/statement.asp>

MSRB EMMA filings:

<http://emma.msrb.org/IssuerHomePage/Issuer?id=F185C01DC47619B2E043161E0A0A841E&type=M>

Financial Statements:

http://www.tn.gov/assets/entities/finance/accounts/attachments/cafr_fv15.pdf

State School Bond Authority: <http://www.comptroller.tn.gov/TSSBA/>

Higher Education Program: <http://www.comptroller.tn.gov/TSSBA/HEFPindex.asp>

Most Recent Official Statement:

<http://www.comptroller.tn.gov/TSSBA/HEFPstatement.asp>

QSCB: <http://www.comptroller.tn.gov/TSSBA/QSCBPindex.asp>

QZAB: <http://www.comptroller.tn.gov/TSSBA/QSAPindex.asp>

MSRB EMMA filings:

<http://emma.msrb.org/IssuerHomePage/Issuer?id=FFD33C0E3DC536FCE043151E0A0A2A2A&type=M>

Financial Statements: <http://www.comptroller.tn.gov/repository/SA/ag15003.pdf>

Upcoming meetings of the Issuers: <http://www.comptroller.tn.gov/sl/AgendaMinutes.asp>

Investor Updates: <http://www.comptroller.tn.gov/sl/InvestorUpdates.asp>

Debt Management Policies: <http://www.comptroller.tn.gov/sl/policy.asp>

Available Upon Request

Post-Issuance Compliance Procedures

Post-Issuance Compliance Assessment Form

ATTACHMENT B

Coordinated Decision-Making

	Pension Board	Insurance Committee	THEC	TSSBA	SBC	State Funding Board	TLDA	THDA Bond Finance Committee
Governor			--	Chair	Chair	Chair	Chair	--
Governor Appointed Members			Yes	--	--	--	--	--
Comptroller	Member	Member	Member	Secretary	Member	Secretary	Member	Secretary
Secretary of State	Member		Member	Member	Member	Member	Vice Chair	Member
Treasurer	Chair	Member	Member	Member	Member	Member	Member	Member
Commissioner of Finance and Administration	Member	Member		Member	Member	Member	Member	Member
House Speaker					Member			
Senate Speaker					Member			
President - University of Tennessee				Member				
Chancellor - Tennessee Board of Regents				Member				

**ATTACHMENT C
TIMETABLE**

BOND COUNSEL RFQ/RFP TIMETABLE 2016

Tuesday, January 12	Distribute RFQ (e-mail, OSLF website)
Thursday, January 21	All questions submitted to RFQ Coordinator by 12:00 P.M. CST
Friday, January 22	Responses to questions distributed by email no later than 4:00 P.M. CST
Friday, January 29	Responses to RFQ due
Friday, February 5	Evaluation of responses by Issuer staff Selection of firms for RFP Distribution of RFP
Friday, February 22	Responses to RFP due; pricing proposal submitted separately from response to questions
Week of February 22	Staff selection of firms for telephone interviews
Weeks of February 29 and March 7	Telephone/videoconference interviews with selected firms
Week of March 14	Open and review pricing proposals; make recommendation to Comptroller
Weeks of March 21	In-person interviews with selected firms and Issuers, if needed
Week of March 28	“Joint meetings” of SFB/TSSBA—approve select Bond Counsel
Week of April 4	Execute Bond Counsel Retainer Agreement (May 1, 2016, effective date)
Month of April	Transition activities if needed