TENNESSEE STATE FUNDING BOARD
April 26, 2022

The Tennessee State Funding Board (the "Board") met on Tuesday, April 26, 2022, at 2:43 p.m., in the Executive Conference Room, State Capitol Building, Ground Floor, Nashville, Tennessee. The Honorable Jason Mumpower, Comptroller of the Treasury, was present and presided over the meeting.

The following members were also present:

The Honorable Tre Hargett, Secretary of State
The Honorable David Lillard, State Treasurer
Commissioner Butch Eley, Department of Finance and Administration

The following member was absent:

The Honorable Bill Lee, Governor

Having established that a quorum was present, Mr. Mumpower called the meeting to order and presented the minutes from the meeting held on March 28, 2022, for consideration and approval. Mr. Hargett made a motion to approve the minutes, and Mr. Lillard seconded the motion. The motion was unanimously approved.

Mr. Mumpower then recognized Mr. Bob Rolfe, Commissioner of the Tennessee Department of Economic and Community Development ("ECD"), to present FastTrack projects for consideration and Mr. Paul VanderMeer, Assistant Commissioner of Administration, ECD, to present the "FastTrack Report to State Funding Board" (the "Report").

Prior to presenting the Report, Mr. VanderMeer presented information as a follow-up at Commissioner Eley's request on the transfer from FastTrack related to the tax credit program as reported at the February 23, 2022, Board meeting. Mr. VanderMeer stated that the transfer that was made this year was the first time that it had occurred. Mr. VanderMeer then stated that no further amounts would need to be transferred to cover tax credits.

Mr. VanderMeer reported that, as of the date of the February 23, 2022, Board meeting, the FastTrack balance was $224,908,706.49. Since that time, $205,298.75 in new funds had been appropriated, comprised of approximately $120,500.00 of interest earned on the fund between July 2021 and February 2022, and $84,800.00 was an interest penalty on a claw-back payment; $1,065,824.53 in funds had been deobligated; $3,000,000.00 in funds had been transferred from FastTrack; $17,033,508.00 in new grants and loans had been approved; and $337,096.98 in funds had been spent on FastTrack administrative expenses, which resulted in an adjusted FastTrack balance available for funding grants and loans of $205,809,224.79 as of the date of the Report. Mr. VanderMeer reported that total commitments had been made in the amount of $172,651,334.43, resulting in an uncommitted FastTrack balance of $33,157,890.36. Mr. VanderMeer reported that the amount of proposed grants for projects to be considered at this meeting totaled $3,629,500.00, and if these projects were approved, the uncommitted balance would be $29,528,390.36, and the total committed balance would be $176,280,834.43, which represented 85.7% of the FastTrack balance.

Mr. VanderMeer also reported that the $3,000,000.00 in funds transferred from FastTrack were part of a State reduction plan to FastTrack in fiscal year 2021. Mr. VanderMeer further stated that the funds were impounded during fiscal year 2021 and were not included in the FastTrack balance, and were subsequently reverted back at year-end close, making it necessary to report the transfer out.

Mr. Mumpower then requested, without objection, that all three projects be presented together. Mr. Rolfe then presented the following FastTrack projects:

- **Nashville Record Pressing, LLC – Nashville (Davidson County)**
  FastTrack Job Training Assistance Grant $ 892,500

- **Memphis Record Pressing, LLC – Bartlett & Memphis (Shelby County)**
  FastTrack Job Training Assistance Grant $ 987,000

- **Dot Foods, Inc. – Manchester (Coffee County)**
  FastTrack Economic Development Grant $ 1,750,000

The Board member packets included letters and FastTrack checklists signed by Commissioner Rolfe, and incentive acceptance forms signed by company representatives. Mr. Mumpower inquired if the companies that had signed the incentive acceptance forms fully understood the agreements, and Mr. Rolfe responded affirmatively. Mr. Mumpower then inquired if the checklists had been completed for each project, and Mr. Rolfe responded affirmatively. Mr. Mumpower then inquired if all the projects included accountability agreements which would provide protections for the state in the event the entity could not fulfill the agreement, and Mr. Rolfe responded affirmatively. Mr. Mumpower then stated that he did have a fourth question which was, have we now gone back to vinyl records? A conversation ensued, and then Mr. Hargett made a motion to approve the projects. Mr. Eley seconded the motion, and it was unanimously approved.

After Mr. Mumpower requested other business and heard none, Mr. Lillard made a motion to adjourn the meeting, and Mr. Hargett seconded the motion. The motion was unanimously approved, and the meeting was adjourned.

Approved on this 15th day of June 2022.

Respectfully submitted,

Sandra Thompson

Sandra Thompson
Assistant Secretary