

TENNESSEE STATE FUNDING BOARD

July 21, 2025

The Tennessee State Funding Board (the "Board") met on Monday, July 21, 2025, at 2:05 p.m., in the Volunteer Conference Center, 2nd Floor, Cordell Hull Building, Nashville, Tennessee. The Honorable Jason E. Mumpower was present and presided over the meeting.

The following members were also physically present:

The Honorable Tre Hargett, Secretary of State
Commissioner Jim Bryson, Department of Finance and Administration

The following members were absent:

The Honorable Bill Lee, Governor
The Honorable David H. Lillard Jr., State Treasurer

Having established a physical quorum, Comptroller Mumpower called the meeting to order. Comptroller Mumpower, in accordance with Tenn. Code Ann. § 8-44-112 and Board guidelines, asked Ms. Sandra Thompson, Director of the Division of State Government Finance (SGF) and Assistant Secretary to the Board, if any requests for public comment had been received. Ms. Thompson responded that no requests had been received.

Comptroller Mumpower then presented the minutes from the meeting held on June 23, 2025, for consideration and approval. Secretary Hargett made a motion to approve the minutes. Commissioner Bryson seconded the motion, and it was unanimously approved.

Comptroller Mumpower next recognized Mr. Allen Borden, Deputy Commissioner of Business, Community and Rural Development of the Department of Economic and Community Development (ECD), to present FastTrack projects for consideration, and Ms. Jessica Johnson, Assistant Commissioner of Administration and Operations, ECD, to present the "FastTrack Report to State Funding Board" (the "Report"). Ms. Jones reported that, as of the June 23, 2025, Board meeting, the FastTrack balance was \$663,664,318.66. Since that time, \$25,000,000.00 in new funds had been appropriated; \$1,800,000.00 in new grants or loans greater than \$750,000.00 had been approved; \$466,930.00 in new grants or loans less than \$750,000.00 had been approved; and \$221,396.78 in funds had been spent on FastTrack administrative expenses, which resulted in an adjusted FastTrack balance available for funding grants and loans of \$686,175,991.88 as of the date of the Report. Ms. Johnson reported that total commitments had been made in the amount of \$430,944,435.94, representing 62.8% of the FastTrack balance, resulting in an uncommitted FastTrack balance of \$255,231,555.94. Ms. Jones reported that the amount of proposed grants for the project to be considered at this meeting totaled \$2,800,000.00, and if this project was approved, the uncommitted balance would be \$252,431,555.94, with a total committed balance of \$433,744,435.94, which represented 63.2% of the FastTrack balance. Comptroller Mumpower then asked Mr. Borden to present the following FastTrack project:

- **Little Leaf NC, LLC – Manchester (Coffee County)**

FastTrack Job Training Assistance Grant	\$ 1,500,000.00
FastTrack Infrastructure Development Grant	\$ 1,300,000.00

The Board member packets included letters and FastTrack checklists signed by Mr. Stuart McWhorter, Commissioner, ECD, and incentive acceptance forms signed by company representatives. Comptroller Mumpower then asked what made Coffee County and the State of Tennessee attractive as a location for Little Leaf NC, LLC. Mr. Borden replied that the Manchester Industrial Park, where the company plans to locate, is a great site and that ECD had great success with locating other companies in the park. Mr. Borden further replied that Little Leaf NC was pleased with the workforce quality and logistics of the state. Mr. Borden continued explaining that the state's location within the United States makes it very economical for manufacturers to obtain raw materials and export finished goods out to their customers. Comptroller Mumpower then inquired if the companies that had signed the incentive acceptance forms fully understood the agreements, and Mr. Borden responded affirmatively. Comptroller Mumpower then inquired if the checklists had been completed for the projects, and Mr. Borden responded affirmatively. Comptroller Mumpower then inquired if the projects included accountability agreements which would provide protection for the state in the event the entities could not fulfill the agreements. Mr. Borden responded that an accountability agreement was included for the FastTrack Job Training Assistance Grant, but an accountability agreement was not required for the FastTrack Infrastructure Development Grant as it was for public infrastructure. Secretary Hargett made a motion to approve the projects. Commissioner Bryson seconded the motion, and it was unanimously approved.

Comptroller Mumpower then recognized Ms. Thompson to present a Resolution Certifying and Authorizing the Allocation of Funds to the Debt Service Fund for the 2025-2026 Fiscal Year for consideration and approval. Ms. Thompson stated that the resolution certified the amount of taxes and fees that would be deposited into the debt service fund to cover debt service expenses for fiscal year 2025-2026. The resolution was effective July 1, 2025. Secretary Hargett made a motion to approve the resolution. Commissioner Bryson seconded the motion, and it was unanimously approved.

Comptroller Mumpower then recognized Ms. Thompson to present a Resolution Allocating Funds to Defray a Portion of the Cost of Highway Construction Projects and Canceling Authorized Bonds for consideration and approval. Ms. Thompson stated that Chapter 530, Public Acts 2025 (the "Appropriations Act") directed the Board to take necessary action to cancel certain unissued General Obligation (GO) bonds. Ms. Thompson further stated that the resolution would cancel bonds for highway construction projects in the amount of \$80,000,000.00. The resolution was effective July 1, 2025. Secretary Hargett made a motion to approve the resolution. Commissioner Bryson seconded the motion, and it was unanimously approved.

Comptroller Mumpower then recognized Ms. Thompson to present a Resolution Authorizing the Issuance of General Obligation Bonds of the State of Tennessee for consideration and approval. Ms. Thompson stated that the resolution authorized the issuance of GO bonds in the amount of \$1,034,547,000.00, pursuant to Chapter 528, Public Acts 2025 (the "2025 Bond Bill"). The resolution was effective July 1, 2025. Secretary Hargett made a motion to approve the resolution. Commissioner Bryson seconded the motion, and it was unanimously approved.

Comptroller Mumpower then recognized Ms. Thompson to present an Annual Report on the State of Tennessee General Obligation and Commercial Paper (CP) Debt. Ms. Thompson stated that the report in the Board Members' packets listed the amounts of short-term and long-term debt outstanding as of June 30, 2025. Ms. Thompson then stated that the total amount of CP outstanding was \$3,681,000.00, \$2,000,000.00 of tax-exempt CP outstanding and \$1,681,000.00 of taxable CP outstanding. Ms. Thompson then stated the amount of taxable bonds outstanding was \$511,340,000.00 and the amount of tax-exempt

bonds was \$1,003,245,000.00 for a total amount of GO bonds outstanding of \$1,514,585,000.00. Ms. Thompson then presented the remainder of the report highlighting some of the statistics for the CP program including the average daily balance, interest rate range, weighted average yield, and program expenses for fiscal year 2025. The report was acknowledged, and no further action was necessary.

Comptroller Mumpower recognized Mr. Steve Osborne, Assistant Director of the Division of Local Government Finance (LGF) to present the Annual Balloon Indebtedness Report for Fiscal Year 2025 (the "Indebtedness Report"). Mr. Osborne stated that the Indebtedness Report showed the status of the requests received by LGF during the 2025 fiscal year. Mr. Osborne further stated that four requests for balloon indebtedness had been received and all were approved. Mr. Osborne added that three of the requests were for refunding bonds and the other request was for new money issuance of gas prepurchase bonds. The report was acknowledged, and no further action was necessary.

Comptroller Mumpower then recognized Mr. Osborne to present a notification of approval of a Federal Emergency Management Agency (FEMA) Note for the Town of Selmer. Mr. Osborne stated that the Comptroller's Office has the authority to approve operating loans that mature beyond the close of the fiscal year for local governments in areas declared as a natural disaster by FEMA. Mr. Osborne then reported that a \$650,000.00 interfund loan for the Town of Selmer in McNairy County was approved to pay for debris removal related to tornado damage. Mr. Osborne stated that the maturity date of the loan was June 30, 2027. Comptroller Mumpower then asked if it was correct that LGF worked with both the Town of Selmer and the McNairy County Mayor specifically regarding this matter. Mr. Osborne responded in the affirmative. The notification was acknowledged, and no further action was necessary.

Comptroller Mumpower observed no further business to come before the Board and requested a motion to adjourn. Secretary Hargett made the motion, and Commissioner Bryson seconded the motion. The motion was unanimously approved, and the meeting was adjourned.

Approved on this 8th day of August 2025.

Respectfully submitted,



Sandra Thompson,
Assistant Secretary

