

TENNESSEE STATE SCHOOL BOND AUTHORITY

December 16, 2024

The Tennessee State School Bond Authority (the “TSSBA”, or the “Authority”) met on December 16, 2024, at 12:37 p.m., CT, in the Volunteer Conference Center on the 2nd floor in the Cordell Hull Building, Nashville, Tennessee. The Honorable Jason Mumpower, Comptroller of the Treasury, was present and presided over the meeting.

The following members were physically present:

The Honorable Tre Hargett, Secretary of State
The Honorable David H. Lillard, Jr., State Treasurer
Commissioner Jim Bryson, Department of Finance and Administration
Angela Scott, proxy for Dr. Flora W. Tydings, Chancellor, Tennessee Board of Regents
David Miller, proxy for Randy Boyd, President, University of Tennessee

The following member was absent:

The Honorable Bill Lee, Governor

Comptroller Mumpower recognized a physical quorum present and called the meeting to order. In accordance with Public Chapter 300 and Board guidelines Comptroller Mumpower asked Ms. Sandi Thompson, Director of the Division of State Government Finance (SGF) and TSSBA Assistant Secretary, if any requests for public comment had been received. Ms. Thompson responded that no requests for public comment had been received.

Comptroller Mumpower stated that the first item on the agenda was the consideration and approval of the minutes from the November 14, 2024, meeting of the Authority. Comptroller Mumpower asked if there were any questions or discussion regarding the minutes. Hearing none, Comptroller Mumpower moved approval of the minutes and Commissioner Bryson seconded the motion. Comptroller Mumpower took the vote, and the minutes were unanimously approved.

Comptroller Mumpower stated that the next item on the agenda was the consideration and approval of a Resolution to Approve the Borrowing of Money by Another Method for the University of Tennessee, Institute for Public Service – Corporate Quarters Lease. Comptroller Mumpower stated that this lease had been presented to the Executive Subcommittee (ESC) in a meeting that was held earlier that day and had been approved by the ESC contingent upon the Authority’s approval of the lease. Comptroller Mumpower recognized Mr. Austin Oakes, Assistant Vice President of the Office of Capital Projects at the University of Tennessee (UT) to present the request. Mr. Oakes explained that UT was requesting a one (1) year lease with two one-year renewal options. Mr. Oakes stated the lease would provide sixteen (16) two (2) bedroom units. Mr. Oakes stated the rate would be \$150 per night with a maximum cost of \$529,050. Commissioner Bryson moved to approve the resolution, and Treasurer Lillard seconded the motion. Comptroller Mumpower took the vote, and the motion was unanimously approved.

Comptroller Mumpower stated that the next item on the agenda was the consideration and approval of a Resolution to Approve the Borrowing of Money by Another Method for Austin Peay State University – Airport Lease. Comptroller Mumpower stated that this lease had been heard by the ESC in a meeting that was held earlier that day and had been approved by the ESC contingent upon the Authority’s approval of the lease. Comptroller Mumpower recognized Mr. Shahrooz Roohparvar, Vice President of Finance and Administration at Austin Peay State University (APSU) to present the request. Mr. Roohparvar explained that APSU was requesting a ninety-nine (99) year land lease with the Clarksville Regional Airport Authority (Airport). Mr. Roohparvar stated the lease would be for a footprint of 14,083 square feet. Mr. Roohparvar stated APSU also planned to purchase the hangar located on the same footprint for \$780,000. Mr. Roohparvar stated the Aviation Sciences program is currently housed in that hangar but under a lease to occupy not more than 4,200 hundred square feet. Mr. Roohparvar stated the program has grown and now

requires more space. Mr. Roohparvar stated the current monthly lease expense is approximately \$31,000. Mr. Roohparvar stated that beginning in February 2025, the Airport would require APSU to begin to pay the market rate lease of approximately \$96,000. Mr. Roohparvar stated that with the lease savings APSU expected to break even on the investment within 10 years. Mr. Roohparvar stated that the hangar would be purchased as personal property through a bill of sale, and not as real property through a deed, since the Airport would retain ownership of the underlying land. Mr. Roohparvar stated that the new land lease and the bill of sale would happen simultaneously, as discussed with the Attorney General's office.. Comptroller Mumpower moved to approve the resolution, and Secretary Hargett seconded the motion. Ms. Scott asked if APSU was prepared to cover all maintenance on the hangar, and Mr. Roohparvar responded in the affirmative. Comptroller Mumpower took the vote, and the motion was unanimously approved.

Comptroller Mumpower stated that the next item on the agenda was the consideration and approval of staff recommendation of Financial Advisor for the TSSBA. Comptroller Mumpower recognized Ms. Thompson to present the information. Ms. Thompson stated that the contract with Public Financial Management (PFM) is expiring on December 31, 2024, so Comptroller staff conducted an RFP process for the selection of a financial advisor. Ms. Thompson stated that there is a memo that is contained in the meeting materials that outlines the process. Ms. Thompson stated the responses to the RFP were received on November 1st. Ms. Thompson stated that staff reviewed the responses and noted the following attributes for our current financial advisor, PFM:

- PFM has been a valuable business partner for the state, and we have appreciated their contribution to the state's success in its endeavors;
- PFM has provided excellent service in structuring the state's financings.
- PFM is readily accessible to respond to and provide assistance with various needs and requests;
- PFM possesses a wealth of professional expertise, knowledge, and resources;
- PFM is committed to the Tennessee market and market participants.

Ms. Thompson stated based on those attributes and others that staff recommends the selection of PFM Financial Advisors LLC to serve as the state's financial advisor for a contract term of three years with the ability to extend the term for two one-year terms. Treasurer Lillard moved to approve PFM Financial Advisors LLC as the financial advisor, and Commissioner Bryson seconded the motion. Mr. Mumpower took the vote, and the motion was unanimously approved.

Mr. Mumpower stated that concluded the business on the agenda and moved to adjourn the meeting. Treasurer Lillard seconded the motion. The motion was unanimously approved, and the meeting was adjourned.

Approved on this 24th day of March, 2025.

Respectfully submitted,

Sandra Thompson
Assistant Secretary