

**MINUTES OF THE REGULAR MEETING OF  
THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF HENDERSONVILLE,  
TENNESSEE  
May 14, 2015  
5:30 p.m.**

A regular meeting of the Board of Directors of the Industrial Development Board of the City of Hendersonville, Tennessee was held on Thursday, May 14, 2015, at the offices of the Hendersonville Utility District, 125 Indian Lake Road, Hendersonville, Tennessee 37075. The Members Present included: Bruce Carter, Ed Spurlock, Mike Fussell, John Sheley, John Zobl, Tom Atchley, Terry Smith, and Larry Irwin. Other persons in attendance included: JoAnna Blauw; Keith Dennen, Legal Counsel; Jimmy Johnston, President of Forward Sumner; Scott Sprouse, Alderman Liaison to the Board.

**OPENING.** Chairman Zobl called the meeting to order at 5:30 p.m. Ms. Blauw reported that she had taken the Roll, eight (8) members were present, and a quorum existed for purposes of the transaction of business.

**PUBLIC HEARING.** Chairman Zobl noted that there were no public hearings on the Meeting Agenda.

**APPROVAL OF MINUTES.** Chairman Zobl noted that a draft copy of the minutes of the February 12, 2015, Board meeting had been provided to each member. Mr. Atchley made a motion to approve the minutes, and Mr. Irwin seconded the motion. The Board unanimously voted to approve the Minutes of the February 12, 2015, Board meeting without modification.

**FINANCIAL REPORT.** Secretary/Treasurer Carter noted that a report showing the receipts and payments by the Board for the period of February through May, 2015 had been provided to each member. On that report, Mr. Carter highlighted payments to TSBDC, Forward Sumner and The Hendersonville Area Chamber of Commerce previously approved by the Board. Upon motion by Mr. Spurlock, seconded by Mr. Atchley, the Board unanimously voted to approve the financial report for the period of February to May, 2015.

**NEW BUSINESS.** Legal Counsel Dennen reported that the Tennessee Attorney General had issued an opinion regarding the financial affairs of industrial development boards. In that opinion, the Attorney General noted that excess earnings must be transferred to the city. Mr. Dennen noted that the Board has previously voted to set aside funds for use in economic development projects approved by the Board, and those funds are noted on the Board's financial statements as being "savings." Upon motion by Mr. Sheley, seconded by Mr. Irwin, the Board unanimously voted to approve the change of the designation of the Board's economic development fund on the Board's financial statements from "Savings" to "Economic Development Fund."

**OLD BUSINESS.**

Village of Indian Lake Bond Issue. Mr. Dennen provided an update on the Village of Indian Lake Tax Incentive Financing Project. Mr. Dennen noted that the total amount of property taxes (City and County) collected in the Economic Development Area for 2014 exceeded \$2.3 million. Mr. Dennen stated that this amount was sufficient to make the principal payment required under the Bond Documents of \$670,000 on June 1, 2015. Mr. Dennen noted that payment would reduce the principal amount of the \$3.0 million taxable bond issue to approximately \$55,000. In addition, Mr. Dennen stated that Fifth Third Bank renewed the letter of credit which secures the repayment of the bonds. He noted that the interest rate swap reduced to \$4,015,000 on May 1, 2015, and that contract expires on May 1, 2016. Mr. Dennen stated that it appears that the Bonds may be paid off by the end of fiscal year 2020 if property tax growth and interest rates remain constant. Mr. Dennen recommended that the Board appoint a representative to meet with Fifth Third Bank to discuss options to reduce interest rate risk and to accelerate payment in full of the Bonds. Upon motion by Mr. Sheley, **seconded by Mr. Fussell**, the Board unanimously appointed Secretary/Treasurer Carter as its representative for the purposes of meeting with representatives of Fifth Third Bank for the purpose of discussing options for reducing interest rate risk and for achieving payment in full of the Bonds at the earliest possible date.

Economic Development Projects. Ms. Blauw reported that the Music City Queen no longer is available for the Economic Development Boat Trip. The members discussed other possible events. Mr. Smith suggested that the Board host a luncheon at a date to be determined in September or October. Mr. Smith also agreed to chair the event and coordinate the details and logistics with Ms. Blauw. Mr. Smith and Ms. Blauw will present their findings at the next meeting of the Board.

**ADJOURNMENT.**

The meeting was adjourned without objection at approximately \_\_\_\_ p.m.

Respectfully submitted,

---

Joanna Blauw, Secretary of the Meeting

Minutes of Regular Meeting of  
The Industrial Development Board  
of the City of Hendersonville, Tennessee  
May 14, 2015  
Page 3 of 3

**CERTIFICATION:**

The undersigned being the Chairman and the Secretary/Treasurer, respectively, hereby certify that the foregoing Minutes were approved by the Board of Directors of the Industrial Development Board of the City of Hendersonville, Tennessee, at its regular meeting held on July 9, 2015, a quorum being present and acting throughout.

---

John Zobl, Chairman

---

Bruce Carter, Secretary/Treasurer