

DRAFT MINUTES: *Subject to change prior to approval by Authority or Committee at its next regular meeting*

**MINUTES OF THE
FINANCE & AUDIT COMMITTEE MEETING OF THE
CONVENTION CENTER AUTHORITY OF THE
METROPOLITAN GOVERNMENT OF NASHVILLE &
DAVIDSON COUNTY**

The Finance & Audit Committee Meeting of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County (CCA) was held on May 31, 2012 at 8:51 a.m. in Room 212 at the Nashville Convention Center, Nashville, Tennessee.

FINANCE & AUDIT COMMITTEE MEMBERS PRESENT: Mark Arnold, Francis Guess, and Willie McDonald

FINANCE & AUDIT COMMITTEE MEMBERS NOT PRESENT: Ken Levitan

OTHERS PRESENT: Charles Robert Bone, Ryan Johnson, Debbie Frank, Sharon Pelych, Sharon Hurt, Charles Starks, Ashli Fowler and Harriett Royer

The meeting was opened for business by Committee Chair Mark Arnold.

ACTION: Willie McDonald made a motion to approve the Finance & Audit Committee minutes of March 29, 2012. The motion was seconded by Francis Guess and approved unanimously by the Committee.

Ryan Johnson provided an overview of the Convention Center Authority Construction Fund submitted by Lannie Holland (Attachment #1).

With no additional business a motion was made to adjourn, with no objection the Finance & Audit committee of the CCA adjourned at 8:59 a.m.

Respectfully submitted,

Charles L. Starks
Executive Director
Nashville Convention Center

Approved:

Mark Arnold, Chairman
Finance & Audit Committee
Meeting Minutes of May 31, 2012



Finance & Audit Committee

May 31, 2012

Overview

First TN Bank is custodian for the construction funds and Highland Capital Management is serving as money manager.

A working capital portion of the construction funds is being held in a NOW account earning Fed Funds plus 5 bps. These funds are transferred to Metro's concentration bank account as needed to pay construction costs.

Funds transferred to the Metro concentration account are invested in the State LGIP until spent.

The funds managed by Highland Capital are invested in Treasuries and Agencies. The investments are layered based on the projected cash flow and timed to ensure early fund availability.

Metro Convention Center Authority Highland Capital Management Holdings at May 1, 2012

Security Name	Port. Weight	Maturity Date	Port. Ending Yield to Maturity	Moody's Rating
Total	100.00		0.49	
FIDELITY GOVERNMENT MONEY MARKET	0.37		#N/A	@N/A
Federal Home Loan Banks 1.125% 15-may-2012	13.34	5/18/2012	0.38	Aaa
Badger Tobacco Asset Securitization Corp. (wisconsin) 6.0% 01-jun-2017	3.64	6/01/2012	0.51	Aaa
Badger Tobacco Asset Securitization Corp. (wisconsin) 5.75% 01-jun-2012	4.81	6/01/2012	0.51	Aaa
Federal Home Loan Banks 1.375% 08-jun-2012	16.82	6/08/2012	0.38	Aaa
METROPOLITAN BANK	13.33	6/21/2012	0.85	Aaa
Florida State Board Of Education 4.75% 01-jul-2020	0.85	7/01/2012	0.47	Aaa
Florida State Board Of Education 5.0% 01-jul-2019	1.69	7/01/2012	0.48	Aaa
Arizona School Facilities Board 5.25% 01-jul-2020	0.46	7/01/2012	0.49	Aaa
State Of Utah 5.25% 01-jul-2015	0.84	7/01/2012	0.49	Aaa
Texas Water Development Board 5.0% 15-jul-2012	0.42	7/15/2012	0.40	Aaa
Federal Home Loan Mortgage Corp. 5.125% 15-jul-2012	13.89	7/15/2012	0.39	Aaa
METROPOLITAN BANK	13.33	7/26/2012	0.85	Aaa
Conroe Independent School District (Texas) 5.25% 15-aug-2023	0.58	8/15/2012	0.40	Aaa
Shelby County Health Educational & Housing Facilities B 5.5% 15-aug-2012	0.56	8/15/2012	0.41	Aaa
Federal Home Loan Mortgage Corp. 5.5% 20-aug-2012	15.06	8/20/2012	0.42	Aaa

Metro Convention Center Authority

EARNINGS INCEPTION TO DATE

Highland Capital Management	5,082,283	updated as of 5/1/2012
First TN Bank	517,498	updated as of 5/1/2012
	5,699,741	



Finance & Audit Committee

May 31, 2012