



HISTORIC
FRANKLIN
TENNESSEE

9/27/FINANCE
ITEM #7

MEMORANDUM

September 19, 2011

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Russ Truell, ACA/CFO

RE: Acknowledgment of Engagement Letter with Bass, Berry & Sims PLC as Bond Counsel

Purpose

The purpose of this item is to provide disclosure and approval of the engagement of the Bass, Berry & Sims PLC law firm as bond counsel on the upcoming refunding issue.

Background

The City has a debt policy which specifies that an engagement letter be provided prior to any borrowing that outlines the role and responsibilities of bond counsel in the financing issue. The pertinent excerpt from the Debt Policy is as follows:

Bond Counsel

City debt will include a written opinion by legal counsel affirming that the City is authorized to issue the proposed debt, that the City has met all legal requirements necessary for issuance, and a determination of the proposed debt's federal income tax status. The approving opinion and other documents relating to the issuance of debt will be prepared by counsel with extensive experience in public finance and tax issues. The Counsel will be selected by the City and will enter into an engagement letter agreement with each lawyer and/or law firm representing the City in a debt transaction.

Bass, Berry & Sims PLC has acted on behalf of the City on numerous issues over the last twenty years and has been a reliable partner in navigating the complexities of bond finance. The firm's opinion letter is required to establish the tax-exempt status on the City's bond issue.

Recommendation

It is the recommendation of City staff that the Board acknowledge the receipt of the attached engagement letter.