

From: D Graham <davidgraham57@yahoo.com>
To: <Comptroller.Web@tn.gov>
Date: 5/30/2009 3:46 PM
Subject: Fw: Comments on Guidelines for Interest Rate and Forward Purchase Agreements
Attachments: Comments on Guidelines.pdf

Dear Mr. Wilson:

I want to echo the comments made by Mr. Folts. Many of us are very concerned about the speculative nature of these financial instruments. I have never received an answer from our Director of Accounts and Budgets on claims of savings made. I simply asked for a detailed spread sheet documenting cost and/or savings per issue based on historical rates and data. I am of the opinion the risk out weighs the reward; if there is any reward and fixed rate bonds marketed through local sources is the way to go.. Opening this up to the public and limiting the use is the best way to approach this funding issue. I appreciate your stance and willingness to tackle the special interests involved. There is a lot of money being made off the taxpayers dime. I not so sure, however, it is in their best interest.

Thanks again,
David A. Graham
Blount County Commissioner
District 7, Seat B

--- On Fri, 5/29/09, James Folts <jimfolts@gmail.com> wrote:

From: James Folts <jimfolts@gmail.com>
Subject: Comments on Guidelines for Interest Rate and Forward Purchase Agreements
To: Comptroller.Web@tn.gov
Cc: "Wendy Pitts Reeves" <wpreeves@gmail.com>, "David Graham" <davidgraham57@yahoo.com>
Date: Friday, May 29, 2009, 3:04 PM

Mr. Justin P. Wilson
Comptroller - State of Tennessee
Mr. Wilson:

Attached are our comments on the GUIDELINES FOR INTEREST RATE AND FORWARD PURCHASE AGREEMENTS.

These comments reflect our experiences in Blount County with derivatives. They include the views of many county citizens, including Commissioners Reeves and Graham.
Thank you very much for taking the initiative in addressing this serious and costly problem. The implementation of these guidelines will be a major advance in protecting the interests of our citizens.

Thank you for your help and the opportunity to comment.

Jim Folts
Citizens for Better Government
Blount County