

TEXAS PUBLIC FINANCE AUTHORITY

BOARD OF DIRECTORS:

Billy M. Atkinson, Jr., Chair
Ruth C. Schiermeyer, Vice Chair
Gerald B. Alley, Secretary
Mark W. Eidman
Walker N. Moody
Rodney K. Moore
Robert T. Roddy, Jr.



INTERIM EXECUTIVE DIRECTOR
John Hernandez

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MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TEXAS PUBLIC FINANCE AUTHORITY

February 6, 2014

The Board of Directors (the "Board") of the Texas Public Finance Authority (the "Authority") convened in open meeting, notice duly posted pursuant to law (a copy of which notice is attached hereto as Exhibit "A") at 11:00 a.m., Thursday, February 6, 2014, Capitol Extension Hearing Room E2.028, Austin, Texas. Present were: Ms. Ruth Schiermeyer, Vice Chair; Mr. Mark Eidman, Member; Mr. Robert Roddy, Member, and Mr. Rodney Moore, Member.

Representing the Authority's staff were: John Hernandez, Interim Executive Director; Pamela Scivicque, Business Manager; and Melissa Juarez, Assistant Attorney General, Office of the Attorney General.

Present in their designated capacities were the following persons: Jorge Rodriguez, Coastal Securities; Art Morales, BOSC, Inc; Blaine Brunson, Morgan Stanley; Paul Braden, Norton Rose Fulbright; Dalton Smith, Bank of America Merrill Lynch; Amy Whitmore, Texas Workforce Commission; Michael Bartolotta, First Southwest Co.; Chris Allen, First Southwest Co.; Amanda Dillon, Legislative Budget Board; Robin Redford; Ramirez & Co; Andy Bynam, Mesirow Financial; Victoria Ozimek, Bracewell & Giuliani; Rick Menchaca, BOSC, Inc; Rudy Mejia, Estrada Hinojosa; Jerry Kyle, Andrews Kurth.

Ms. Schiermeyer called the meeting to order at 11:10 a.m.

Ms. Schiermeyer noted that a quorum was present.

Item 2. Excuse absences of board members.

Mr. Moore moved to excuse the absences of Mr. Alley, Mr. Atkinson and Mr. Moody. Mr. Roddy seconded. The motion passed unanimously.

Item 3. Approve Minutes of January 16, 2014, Board Meeting.

Ms. Schiermeyer asked if there were any corrections or additions to the minutes of the Board Meeting of January 16, 2014. Mr. Hernandez noted a spelling error in the minutes. Mr. Eidman moved to approve the minutes, as amended. Mr. Moore seconded the motion. The motion passed unanimously.

Item 4. Consideration, discussion and possible action to approve a request from the Texas Workforce Commission to refinance outstanding Unemployment Obligation Assessment Revenue Bonds, Series 2010A, 2010B and 2010C, to select method of sale, appoint outside consultants, and take other necessary related action.

Mr. Hernandez stated that TPFA and TWC received proposals identifying potential savings associated with a refunding of the outstanding TPFA/TWC Unemployment Compensation Obligation Assessment Revenue Bonds, Series 2010ABC. First Southwest Co. confirmed potential savings of approximately \$20M subject to market conditions. At its meeting on January 21, 2014, the Texas Workforce Commission approved a Resolution authorizing the request for the issuance of refunding bonds to result in the savings of debt service for outstanding Unemployment Compensation Obligation Assessment Revenue Bonds, Series 2010A, 2010B, and 2010C. TPFA received the TWC request for financing on January 22, 2014.

Staff recommended a finance team consisting of Bracewell & Giuliani as Bond Counsel, Norton Rose Fulbright as Disclosure Counsel, First Southwest Co. as Financial Advisor, Bank of America Merrill Lynch as Book-running Senior Manager, Estrada Hinojosa as Co-Senior Manager, and Co-Managers consisting of Citi, Goldman Sachs, Loop, Morgan Stanley, Raymond James, RBC Capital Markets, Siebert Brandford Shank, and Wells Fargo. Mr. Eidman asked for clarification of the recommendation. Mr. Hernandez confirmed the motion as read by Ms. Shiermeyer was correct.

Mr. Moore moved to accept staffs recommendation and Mr. Eidman seconded the motion. The motion passed unanimously.

Item 5. Consideration, discussion and possible action relating to the Authority's outstanding General Obligation Commercial Paper Programs (Series 2002A, Series 2002B, 2008 and CPRIT Project Series A and B) and Revenue Commercial Paper Program Series 2003 (Master Lease) regarding capacity in existing liquidity agreements including:

- a. **Consideration, discussion and possible action to authorize staff to negotiate new liquidity agreements with the Texas Comptroller of Public Accounts for the outstanding Commercial Paper Programs including amending any necessary program documents, revising offering memorandums, appoint outside consultants and take other necessary related action; and**
- b. **Consideration, discussion and possible action to authorize the refinancing of one or more series of the outstanding General Obligation Commercial Paper Programs, determine a method of sale, select outside consultants and take other necessary related action.**

Mr. Hernandez informed the Board that current liquidity capacity was expected to be reached in June 2014 for the CPRIT Series A&B and in August 2014 for the GOCP Series 2008 programs.

Staff recommended negotiating new liquidity agreements as needed with the Comptroller's office whereby liquidity will be added or redistributed to more closely reflect estimated demand and to issue fixed rate bonds to refund (or fix-out) existing general obligation commercial paper programs.

Staff recommended McCall Parkhurst & Horton serve as Bond Counsel on the revisions to the General Obligation Commercial Paper CPRIT Series A&B liquidity and Bracewell & Giuliani serve as Bond Counsel on the revisions to the General Obligation Commercial Paper Series 2008.

Staff recommended a finance team to fix-out the general obligation commercial paper programs consisting of McCall Parkhurst & Horton as Bond Counsel, Andrews Kurth as Disclosure Counsel, Coastal Securities as Financial Advisor, JP Morgan as Book-running Senior Manager, and Co-Managers consisting of Barclays, Drexel Hamilton, Mesirov Financial, Piper Jaffray, and SAMCO.

Mr. Eidman moved to accept staffs recommendation and Mr. Moore seconded the motion. The motion passed unanimously.

Item 8. Future TPFA Board Agendas.

Ms. Juarez explained the new language included in the agenda as it relates to the option for the Board to go into executive session that will be used in future agendas.

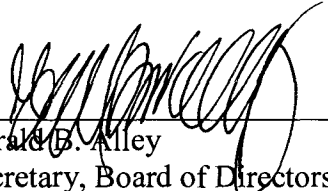
Item 9. Discussion of future meeting dates and times.

The Board agreed the next board meeting would be held on April 3, 2014.

Item 10. Adjourn.

The meeting adjourned at 11:30 p.m.

The foregoing minutes were approved and passed by the Board of Directors on February 6, 2014.



Gerald B. Alley
Secretary, Board of Directors

ATTACHMENT: Posting Notice – Exhibit A

Open Meeting Submission

Success!
Row inserted

TRD: 2014000721
Date Posted: 01/29/2014
Status: Accepted
Agency Id: 0113
Date of Submission: 01/29/2014
Agency Name: Texas Public Finance Authority
Board: Texas Public Finance Authority
Liaison Id: 5
Date of Meeting: 02/06/2014
Time of Meeting: 11:00 AM (###:## AM Local Time)
Street Location: 1400 N. Congress Avenue Capitol Extension Room E2.028
City Location: Austin
State Location: TX
Liaison Name: John Barton
Additional Information Obtained From: John Barton, 512/463-5544, 300 W. 15th Street, Suite 411, Austin, TX 78701.
Texas Public Finance Authority
Thursday February 6, 2014 - 11:00 A.M.
Capital Extension Hearing Room E2.028
State Capitol
1400 N. Congress Ave.
Austin, Texas 78701

AGENDA

1. Confirm meeting posting compliance with the Open Meetings Act.
2. Excuse absences of board members, if necessary.
3. Approve the minutes of the January 16, 2014, Board meeting.
4. Consideration, discussion and possible action to approve a request from the Texas Workforce Commission to refinance outstanding Unemployment Obligation Assessment Revenue Bonds, Series 2010A, 2010B and 2010C, to select method of sale, appoint outside consultants, and take other necessary related action.
5. Consideration, discussion and possible action relating to the Authority's outstanding General Obligation Commercial Paper Programs (Series 2002A, Series 2002B, 2008 and CPRIT Project Series A and B) and Revenue Commercial Paper Program Series 2003 (Master Lease) regarding capacity in existing liquidity agreements including:
 - a. Consideration, discussion and possible action to authorize staff to negotiate new liquidity agreements with the Texas Comptroller of Public Accounts for the outstanding Commercial Paper Programs including amending any necessary program documents, revising offering memorandums, appoint outside consultants and take other necessary related action; and
 - b. Consideration, discussion and possible action to authorize the refinancing of one or more series of the outstanding General Obligation Commercial Paper Programs, determine a method of sale, select outside consultants and take other necessary related action.
6. Executive Session:

Agenda:

- a. Pursuant to Texas Government section 551.071(2), the Board may convene in closed session at any time during this meeting to obtain legal advice from counsel concerning any matter, listed on this agenda, in which the duty of its attorney under the Texas Disciplinary Rules of Professional Conduct conflicts with Texas Government Code, chapter 551.
 - b. Pursuant to Texas Government section 551.074, the Board may convene in closed session to deliberate certain personnel matters.
7. Reconvene Open Meeting:

The open meeting will be reconvened, and any final action required concerning matters deliberated in the Closed Meeting must be taken at this time.

8. Future TPFAB Board Agendas.

9. Discussion of future meeting dates and times.

10. Adjourn.

THE BOARD MAY GO INTO CLOSED EXECUTIVE SESSION REGARDING ANY ITEM ON THE AGENDA IF PERMITTED UNDER THE OPEN MEETINGS ACT, GOVERNMENT CODE CHAPTER 551.

Persons with disabilities, who have special communication or other needs, who are planning to attend the meeting should contact John Barton at 512/463-5544. Requests should be made as far in advance as possible. Contact John Barton if you need any additional information, Texas Public Finance Authority, 300 W. 15th Street, Suite 411, Austin, TX 78701.

Certification: We certify that we have reviewed this document and that it conforms to all applicable Texas Register filing requirements. John Hernandez, Interim Executive Director and Pamela

Scivicque, Business Manager, Certifying Officials; John Barton, Agency Liaison.

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