

TEXAS PUBLIC FINANCE AUTHORITY

BOARD OF DIRECTORS:

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



EXECUTIVE DIRECTOR

Lee Deviney

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

April 6, 2017

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 is attached hereto as Exhibit "A") at 11:30 a.m., Thursday, April 6, 2017, William P. Clements, Jr. Building, Room 1104C, 300 West 15th Street, Austin, Texas. Present were: Mr. Billy M. Atkinson, Jr., Chairman; Ms. Ruth C. Schiermeyer, Vice Chair; Mr. Gerald B. Alley, Secretary; Mr. Walker N. Moody, Member; and Mr. Rodney K. Moore; Member.

Representing the Authority's staff were: Lee Deviney, Executive Director; John Hernandez, Deputy Director; Kevin Van Oort, General Counsel; Pamela Scivicque, Director of Business Administration; John Barton, Senior Financial Analyst; and Matthew Berry, Financial Analyst.

In attendance were the following persons, representing the indicated entities: Dalton Smith, Bank of America Merrill Lynch; Jorge Rodriguez and Daniel Rodriguez, FTN Financial; Mark Ellis, Jefferies; Peter Lamar, William Blair & Co.; Nora Chavez, Stifel Nicolaus & Co.; Patrick Scott, Brian Middlebrook and John Daniel, Barclays; Blaine Brunson, Morgan Stanley; Gabriella Briceno, FirstSouthwest; Duane Westerman and Nicholas Westerman, SAMCO Capital Markets, Inc.; Peter Lamar, William Blair & Co.; Mario Carrasco, Citigroup; John Young, Wells Fargo; and Brad Angst, George K. Baum & Co.

Mr. Atkinson called the Board meeting to order at 11:58 a.m. and noted the presence of a quorum.

Item 1. Confirm meeting posting compliance with the Open Meetings Act.

Mr. Atkinson confirmed that the meeting was duly posted with the Secretary of State's Office.

Item 2. Excuse absences of board members, if necessary.

Action: Motion by Mr. Moore to excuse the absence of Mr. Manning and Mr. Roddy, second by Mr. Moody. The motion passed unanimously.

Item 3. Review and approval of the minutes of the February 2, 2017, Board Meeting

Mr. Atkinson asked if there were any corrections to the Board meeting minutes. None were noted.

Action: Motion by Mr. Alley to approve the minutes of the February 2, 2017, Board meeting, second by Ms. Schiermeyer. The motion passed unanimously.

Item 4. Consideration, discussion and possible action to make one or more appointments to the Board of Directors of the TPFA-Charter School Finance Corporation.

Mr. Deviney provided an update on the status of board vacancies. One position will be filled upon approval by the Governor and one position remains vacant. The terms of Mr. Paul Jack and Mr. David Miller will expire on May 1, 2017. Mr. Deviney stated that he spoke with both members and they are each willing to serve for an additional two-year term.

Action: Motion by Mr. Moody to re-appoint Mr. Paul Jack and Mr. David Miller to the TPFA Charter School Finance Corporation for terms expiring May 1, 2019, subject to the approval of the Governor. Second by Mr. Moore. The motion passed unanimously.

Item 5. Underwriting Policies and Procedures for Negotiated Bond Sales Conducted by the Texas Public Finance Authority.

Mr. Deviney and Mr. Van Oort reported that, with the Board's adoption of the Underwriter's Selection Process in June 2016, it may be necessary to modify the Underwriting Policies and Procedures for Negotiated Bond Sales policy to align the two policies. Staff will present an amended policy for board consideration later this summer.

Item 6. Post-Sale Report: Texas Public Finance Authority State of Texas General Obligation Refunding Bonds (Texas Military Value Revolving Loan Program), Taxable Series 2016.

Duane Westerman with SAMCO Capital Markets provided a post pricing analysis of the referenced pricing. Mr. Westerman stated the original pricing was scheduled for November 10, 2016. As a result of post-election volatility in the market, pricing was postponed for a week and the bonds were priced on November 17, 2016. Mr. Westerman indicated there was a 3.29% net present value savings on the transaction with savings of \$5,681,185.

Item 7. Post-Sale Report: Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds (CPRIT), Taxable Series 2017.

Mark Ellis with Jeffries provided a post pricing analysis of the referenced pricing. Mr. Ellis stated the bonds were structured with serial maturities, the par amount of the transaction was \$375,000,000 and the All-In TIC was 3.46%.

Mr. Atkinson asked if there were any notable changes in the market. Mr. Deviney noted a recent increased interest in TPFA bonds expressed by foreign investors. Mr. Deviney stated that various countries require additional disclosure language to be included in offering document and that staff would work with bond counsel on this matter.

Item 8. Staff Update:

- a. Requests for Proposals for bond service provider selection for the FY 2018-19 biennium

Kevin Van Oort advised the Board that the pools for financial service providers will expire at the end of the current fiscal year. The current pools for underwriters and bond counsel were adopted by the Board with an option to extend for an additional two-year period. The financial adviser pool was adopted without an option to extend.

Mr. Alley requested that staff provide an update on pool utilization on transactions over the past two years.

The board discussed considering the bond service provider pools at the next board meeting.

- b. Pricing Update: TPFA GO Refunding Bonds, Series 2017A (2008 CP Program)

Mr. Barton provided an update on the recent pricing in New York at the offices of RBC Capital Markets, attended by Ms. Schiermeyer and Mr. Manning. He also stated that there is approximately \$80 million in authorization remaining for the 2008 commercial paper program following the 2017A refunding.

- c. Market Update

Matt Berry reported on market conditions affecting TPFA's commercial paper (CP) programs indicating that CP interest rates increased slightly from 70bps to 90bps.

Item 9. Future agenda items and meeting dates.

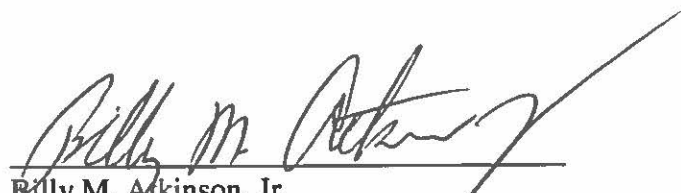
A June board meeting was discussed, with a tentative date of June 15, 2017.

Future agenda items may include discussion and possible action on RFP's for bond counsel, financial advisors and underwriters.

Item 10. Adjourn.

Mr. Atkinson adjourned the meeting at 12:31 p.m.

The foregoing minutes were approved and adopted by the Board of Directors on June 23, 2017.



Billy M. Atkinson, Jr.
Chair, Board of Directors

ATTACHMENT: Posting Notice



Donna Weinberger-Rourke

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Open Meeting Submission

TRD: 2017002223
Date Posted: 03/29/2017
Status: Accepted
Agency Id: 0113
Date of Submission: 03/29/2017
Agency Name: Texas Public Finance Authority
Board: Texas Public Finance Authority
Committee: Texas Public Finance Authority Board Meeting
Date of Meeting: 04/06/2017
Time of Meeting: 11:30 AM (###:## AM Local Time)
Street Location: William P. Clements, Jr. Building, Room 1104C 300 West 15th Street
City: Austin, Texas
State: TX
Liaison Name: Donna Weinberger-Rourke
Liaison Id: 8
Additional Information Obtained From: Contact Donna Weinberger at 512/4635544,
300 W. 15th Street, Suite 411, Austin, TX 78701

Texas Public Finance Authority
Board Meeting
Thursday, April 6, 2017 – 11:30 A.M.
William P. Clements, Jr. Building, Room 1104C
300 West 15th Street
Austin, Texas

Agenda: AGENDA

The Board may discuss and take action regarding any of the following matters:

1. Confirm meeting posting compliance with the Open Meetings Act.
2. Excuse absences of board members, if necessary.

3. Review and approval of the minutes of the February 2, 2017, Board Meeting.
4. Consideration, discussion and possible action to make one or more appointments to the Board of Directors of the TPFA-Charter School Finance Corporation.
5. Underwriting Policies and Procedures for Negotiated Bond Sales Conducted by the Texas Public Finance Authority.
6. Post-Sale Report: Texas Public Finance Authority State of Texas General Obligation Refunding Bonds (Texas Military Value Revolving Loan Program), Taxable Series 2016.
7. Post-Sale Report: Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds (CPRIT), Taxable Series 2017.
8. Staff Update:
 - a. Requests for Proposals for bond service provider selection for the FY 2018-19 biennium
 - b. Pricing Update: TPFA GO Refunding Bonds, Series 2017A (2008 CP Program)
 - c. Market Update
9. Future agenda items and meeting dates.
10. Adjourn.

THE BOARD MAY GO INTO CLOSED 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 Donna Weinberger at 512/463-5544. Requests should be made as far in advance as possible. Contact Donna Weinberger if you need any additional information, Texas Public Finance Authority, 300 W. 15th Street, Suite 411, Austin, TX 78701.

New Submission

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