

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.



EXECUTIVE DIRECTOR
Lee Deviney

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

September 24, 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 10:07 a.m., Wednesday, September 24, 2014, at the offices of Tudor, Pickering, Holt & Co., 1111 Bagby, 49th Floor, Conference Room 49I-J, Houston, Texas 77002. Present were: Billy M. Atkinson, Jr., Chair; Ruth C. Schiermeyer, Vice Chair; Walker N. Moody, Member; and Rodney K. Moore, Member.

Representing the Authority's staff were: Lee Deviney, Executive Director; John Hernandez, Deputy Director; and Kevin Van Oort, General Counsel.

In attendance were the following persons, representing the indicated entities: Chris Allen, First Southwest Co.; Dalton Smith, Bank of America Merrill Lynch; Jorge Rodriguez, Coastal Securities; Daniel Rodriguez, Coastal Securities; Paul Martin, Winstead; Ben Howell, Winstead; Brandon Walker, Bank of America Merrill Lynch; Tim Peterson, J.P. Morgan; Michael Bartolotta, First Southwest Co.; Jillian Ziarko, Goldman Sachs; Andy Bynam, Mesirov Financial; Robin Redford, Ramirez & Co.; Kyle Cottrell, J.P. Morgan; Richard Meister, Bank of America Merrill Lynch; Louis W. Edwards, TSU; Edward C. Ness, TSU; and Barron Wallace, Bracewell & Giuliani L.L.P.

Mr. Atkinson called the Board meeting to order at 10:07 a.m. and confirmed that the meeting was duly posted with the Secretary of State's Office.

Mr. Atkinson noted that a quorum was present.

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

Ms. Schiermeyer moved to excuse the absences of Messrs. Eidman, Alley and Roddy. Mr. Moody seconded the motion. The motion passed unanimously.

Item 3. Approve the minutes of the August 7, 2014, Work Session and Board meeting.

Mr. Moody moved to approve the minutes of the August 7, 2004 Board work session and Board meeting. Mr. Moore seconded the motion. The motion passed unanimously.

Item 4. Consideration, discussion, and possible action related to the adoption of resolutions related to Texas Windstorm Insurance Association and other related matters thereto, approving the following:

- a. (i) a Master Resolution authorizing the of Class 1 public securities on behalf of the Texas Windstorm Insurance Association; establishing and pledging the security therefor; authorizing the execution and delivery of a Financing and Pledge Agreement, a Funds Management Agreement, a Deposit Account Control Agreement, and other documents in connection therewith; accepting a Department of Insurance Representation Letter; and resolving related matters.**
- b. (ii) a First Supplemental Resolution authorizing the Issuance of Texas Public Finance Authority Texas Windstorm Insurance Association Premium Revenue Taxable Bonds, Series 2014 as Class 1 Public Securities in the aggregate principal amount of \$500,000,000; authorizing the execution and delivery of a Purchase Contract and other documents in connection therewith; approving the form of an Official Statement; and the taking of action to effect the sale and delivery of such bonds, and related matters thereto.**

Mr. Deviney stated that at its meeting on June 5, 2014, the Board voted to approve the Texas Windstorm Insurance Association's Request for Financing to issue Class 1, Class 2, and Class 3 public securities, and authorized the issuance of Class 1 pre-event premium revenue taxable bonds in an amount not to exceed \$500 million. At its meeting on August 7, 2014, the Board voted to approve the form of a master resolution and the form of a first supplemental resolution relating to Class 1 public security to be issued by the TPFA on behalf of Texas Windstorm Insurance Association. The Board also delegated the executive director the authority to finalize the Preliminary Official Statement. The pricing committee of Messrs. Moody, Moore and Alley participated in the pricing of the bonds which took place on September 23, 2014. The bonds were slightly over subscribed and the achieved interest rate was within the target range.

On behalf of the pricing committee, Mr. Moody recommended the Board approve item a.(i) "a Master Resolution authorizing the issuance of Class 1 public securities on behalf of the Texas Windstorm Insurance Association; establishing and pledging the security therefor; authorizing the execution and delivery of a Financing and Pledge Agreement, a Funds Management Agreement, a Deposit Account Control Agreement, and other documents in connection therewith; accepting a Department of Insurance Representation Letter; and resolving related matters" as well as agenda item b. (ii) "a First Supplemental Resolution authorizing the Issuance of Texas Public Finance Authority Texas Windstorm Insurance Association Premium Revenue Taxable Bonds, Series 2014 as Class 1 Public Securities in the aggregate principal amount of \$500,000,000; authorizing the execution and delivery of a Purchase Contract and other documents in connection therewith; approving the form of an Official Statement; and the taking

of action to effect the sale and delivery of such bonds, and related matters thereto”, which resolution includes a delegation to the Executive Director to deem the Official Statement as final.

Mr. Atkinson suggested the financing team schedule a conference call to discuss possible improvements to the process.

Mr. Moore moved to approve the recommendation as read by Mr. Moody. Ms. Schiermeyer seconded the motion. The motion passed unanimously.

Item 5. Consideration, discussion, and possible action related to amending the contract for Financial Advisor services with First Southwest Co to add to the scope of work continuing disclosure services.

Staff provided an update on the Board’s prior action to add the continuing disclosure services to First Southwest’s scope of services as it relates to the TWIA Series 2014 bonds.

No additional action was taken.

Item 6. Consideration and approval of a Resolution ratifying the Texas Southern University advance no. 3, pursuant to the Series A 2012-10 Note.

At its meeting on January 16, 2014, the Board approved the University’s first post-closing advance and approved the process for obtaining future Authority approval. The approved process consists of the following steps: (i) University submission of Certificate of the University and Advance request materials; (ii) pre-approval by the Executive Director of the Authority and (iii) ratification by the Board of Directors of the Authority of the advance obtained by the University.

Mr. Deviney described the TSU request and directed the Board to a reconciliation of the university’s project budget and expenditures.

Mr. Louis Edwards, Treasurer, Texas Southern University mentioned that he expected completion of the project in the fall of 2015.

Ms. Schiermeyer moved to approve a resolution ratifying the Texas Southern University advance no. 3, pursuant to the Series A 2012-10 Note. Mr. Moody seconded the motion. The motion passed unanimously.

Item 7. Report on the sale of the Texas Public Finance Authority General Obligation Refunding Bonds, Series 2014 A&B.

Mr. Tim Peterson presented the results of the General Obligation Refunding Bonds Series 2014A&B issued on June 24th and 25th to refund the outstanding GOCP Series 2002A, 2002B, 2008 and GOCP CPRIT Series A&B.

Mr. Jorge Rodriguez provided his commentary on the transaction.

No action was taken.

Item 8. Consideration, and approval of a Resolution repealing resolutions in connection with the Texas Public Finance Authority State of Texas General Obligation Commercial Paper Notes, Series 2002A and Texas Public Finance Authority State of Texas General Obligation Commercial Paper Notes, Series 2002B and resolving related matters.

Mr. Deviney advised the Board members that in 2002, the Board acted to approve a resolution establishing a Commercial Paper Program (2002A) to finance construction and/or acquisition of projects by various agencies of the state and to refinance or refund certain commercial paper notes. Simultaneously, and in connection with, the resolution authorizing the CP notes the board approved agreements for a liquidity facility, CP dealer, issuing and paying agent and an Offering Memorandum.

In 2002, the Board further approved a resolution establishing a CP program (2002B) to fund financial assistance to counties for roadways to serve border Colonia's for the Texas Department of Transportation. Simultaneously, and in connection with, the resolution authorizing the CP notes the board approved agreements for a liquidity facility, CP dealer, issuing and paying agent and an Offering Memorandum.

In June 2014 the Board issued its Texas Public Finance Authority State of Texas General Obligation Refunding Bonds, Series 2014A to refund all outstanding Series 2002A Notes and Series 2002B Notes. The Series 2002A Notes were paid in full on July 10, 2014 and the Series 2002B Notes were paid in full on July 8, 2014. The staff of the Authority has provided notices of termination to the applicable liquidity agents, paying agents and remarking agents for the Series 2002A Notes and Series 2002B Notes.

Mr. Moody moved to repeal the Series 2002A Resolution and the Series 2002B Resolution. Mr. Moore seconded the motion. The motion passed unanimously.

Item 9. Staff update

Mr. Deviney introduced Kevin Van Oort as the new General Counsel, and mentioned additional job postings. Mr. Deviney also provided updates on the debt management system, and on the agency's budget.

Mr. Atkinson asked Mr. Van Oort to provide a General Counsel update to the board, as appropriate.

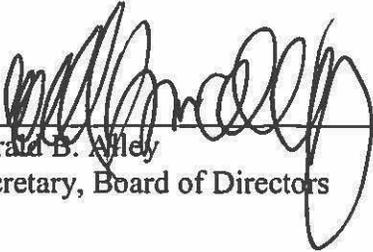
Item 10. Future meeting dates and times.

A meeting in the near future may be required for matters related to outstanding general obligation bonds.

Item 11. Adjourn.

The meeting adjourned at 10:40 a.m.

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



Gerald B. Alley
Secretary, Board of Directors

ATTACHMENT: Post Notice – Exhibit A