

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

May 5, 2016

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 9:30 a.m., Thursday, May 5, 2016, in the State Capitol Extension, Hearing Room E2.028, Austin, Texas. Present were: Mr. Billy M. Atkinson, Jr., Chairman; Ms. Ruth C. Schiermeyer, Vice Chair; Mr. Ramon Manning, Member; Mr. Walker N. Moody, Member; Mr. Rodney K. Moore, Member; and Mr. Robert T. Roddy, Jr., 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; Donna Weinberger, Bond Administration Specialist; John Barton, Sr. Financial Analyst; and Robert Jocius, Program Manager.

In attendance were the following persons, representing the indicated entities: Chris Allen, FirstSouthwest; Dalton Smith, Bank of America Merrill Lynch; Robin Redford, Ramirez & Co., Inc.; Keith Richard, Siebert Brandford Shank & Co.; Blaine Brunson, Morgan Stanley; Jorge Rodriguez and Daniel Rodriguez, Coastal Securities; Mark Ellis, Jefferies; Curtis Flowers, Loop Capital Markets; Tim Kelly, Piper Jaffray & Co.; Jeremy Mazor, Office of Senator Van Taylor; Steve Halpin and Rob Ries, Texas Facilities Commission; and Barron Wallace, Bracewell.

Mr. Atkinson called the Board meeting to order at 9:42 a.m. and noted the presence of a quorum, with Mr. Moody participating via video conference.

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.

Mr. Atkinson noted that Mr. Moody was appearing via video conference and that such participation was in accordance with the Texas open meeting statute.

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

Action: Motion by Mr. Roddy to excuse the absence of Mr. Alley, second by Ms. Schiermeyer. The motion passed unanimously.

Item 3. Review and approval of the minutes of the April 7, 2016, Board Meeting.

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

Action: Motion by Mr. Roddy to approve the Board meeting minutes, second by Mr. Moore. The motion passed unanimously.

Item 4. Consideration, discussion, and approval of a Resolution ratifying advances no. 23, No. 24, and No. 25 for Texas Southern University relating to the Series A 2012-10 Note.

Mr. Deviney stated the draw has been approved by the Executive Director, subject to ratification by the Board in the amounts as follow: Advance 23 for \$1,480,626.32; advance 24 for \$157,174.50; and advance 25 for \$3,634,060.79. Mr. Deviney stated there is approximately \$1.5 million available to draw and the university will decide if additional advances are required for fund retainage or other project related expenses. Staff recommended the adoption of a Resolution ratifying all three advances.

Action: Motion by Ms. Schiermeyer to adopt staff recommendation, second by Mr. Roddy. The motion passed unanimously.

Mr. Manning joined the meeting via video conference at 9:47.

Item 5. Consideration, discussion, and possible action to adopt a Resolution authorizing the issuance of Texas Public Finance Authority Revenue Commercial Paper Program, Series A (Taxable) and Series B (Tax-Exempt); approving the Offering Memorandum; authorizing the approval of a Lease Agreement, Liquidity Agreement, Dealer Agreement, Issuing and Paying Agency Agreement and other related documents and the execution thereof; and authorizing taking other necessary action related thereto.

Mr. Deviney advised the Board that at the September 3, 2015 Board meeting the Financial Advisor, Bond Counsel and Underwriter were selected for the transaction. Mr. Deviney stated the 2016 Liquidity Agreement will initially cover a \$25 million program in FY 2016 and increase to \$75 million in FY 2017. The agency will periodically issue fixed rate bonds for no more than 20 years from the date of issuance of the refunded notes. Mr. Deviney explained the Resolution and Lease Agreement contain language that would allow the Legislature to appropriate bond proceeds or lease payments to recover agency operating costs.

Staff recommend that the Board adopt a Resolution; i) establishing the Texas Public Finance Authority Revenue Commercial Paper Program, Series A (Taxable) and Series B (Tax-Exempt); ii) authorizing the issuance of commercial paper notes thereunder; iii) approving a Liquidity Agreement, Dealer Agreement, Lease Agreement, and Issuing and Paying Agency Agreement and other related documents and the execution thereof; iv) approving an Offering Memorandum; and v) authorizing the taking of other necessary related action.

Action: Motion by Ms. Schiermeyer to adopt the staff recommendation, second by Mr. Moore. The motion passed unanimously.

Item 6. Staff Update:

- a. TPFA Strategic Plan for FY 2017 – FY 2021: Budget Structure, Staff Engagement and Customer Satisfaction

Mr. Deviney advised the Board that he and Ms. Scivicque attended a meeting where Zero Based Budgeting was discussed. Mr. Deviney indicated that he anticipates presenting a draft of the agency Strategic Plan to the Board at the June meeting.

- b. State Auditor Review of TPFA Financial Processes (Chair may call an executive session)

Mr. Atkinson deferred consideration of this item to later in the meeting.

- c. Property Insurance Renewal

Ms. Scivicque presented information on the renewal and stated all risk insurance is provided through the State Office of Risk Management's Statewide Property Insurance Program which includes the agency's \$1.3 billion in total insured values. Ms. Scivicque advised the Board that the Authority receives funding for the payment of the insurance premiums out of lease payment appropriations.

- d. TPFA-CSFC Directors & Officers Liability Insurance Renewal

Ms. Scivicque presented information on the renewal of the policy for the Charter School Board.

- e. Automated Debt Management System

Mr. Jocius presented information on the system, stating the project is moving efficiently.

- f. Market Update

Mr. Barton presented information on the TPFA commercial paper programs.

Pursuant to Government Code Chapter 551.071, the Board entered into an executive session at 10:24 a.m. to receive a briefing from General Counsel on agenda item 6.b., State Auditor Review of TPFA Financial Processes. In addition to General Counsel, the Chairman requested that Mr.

Deviney, Mr. Hernandez and Ms. Scivicque remain in the hearing room. All other staff and guests were requested to exit the room.

The executive session concluded and the open meeting was reconvened at 10:57 a.m. No action was taken during, or as a result of, the executive session.

7. Future agenda items and meeting dates.

Mr. Deviney addressed the need for a board meeting and potential work session in June.

8. Adjourn.

Mr. Atkinson adjourned the meeting at 10:59 a.m.

The foregoing minutes were approved and adopted by the Board of Directors on June 6, 2016.


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

ATTACHMENT: Post Notice – Exhibit A



Donna Weinberger-Rourke

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Open Meeting Submission

TRD: 2016002882
Date Posted: 04/27/2016
Status: Accepted
Agency Id: 0113
Date of Submission: 04/27/2016
Agency Name: Texas Public Finance Authority
Board: Texas Public Finance Authority
Date of Meeting: 05/05/2016
Time of Meeting: 09:30 AM (##:## AM Local Time)
Street Location: Capitol Extension Hearing Room E2.028,State Capitol, 1400 N. Congress Ave.
City: Austin
State: TX
Liaison Name: Donna Weinberger-Rourke
Liaison Id: 7
Additional Information Obtained From: Contact Donna Weinberger at 512/463-5544,300 W. 15th Street, Suite 411, Austin, TX 78701
Agenda: Texas Public Finance Authority
 Board Meeting
 Thursday, May 5, 2016 – 9:30 A.M.
 Capitol Extension Hearing Room E2.028
 State Capitol
 1400 N. Congress Ave.
 Austin, Texas 78701

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 April 7, 2016 Board Meeting.
- 4. Consideration, discussion, and possible action to approve a Resolution ratifying advances no. 23, no. 24, and no. 25 for Texas Southern University relating to the Series A 2012-10 Note.
- 5. Consideration, discussion, and possible action to adopt a Resolution authorizing the issuance of Texas Public Finance Authority Revenue Commercial Paper Program, Series A (Taxable) and Series B (Tax-Exempt); approving the Offering Memorandum; authorizing the approval of a Lease Agreement, Liquidity Agreement, Dealer Agreement, Issuing and Paying Agency Agreement and other related documents and the execution thereof; and authorizing taking other necessary action related thereto.
- 6. Staff Update:
 - a. TPFA Strategic Plan for FY 2017 – FY 2021: Budget Structure, Staff Engagement and Customer Satisfaction
 - b. State Auditor Review of TPFA Financial Processes (Chair may call an executive session)
 - c. Property Insurance Renewal
 - d. TPFA-CSFC Directors & Officers Liability Insurance Renewal
 - e. Automated Debt Management System
 - f. Market Update
- 7. Future agenda items and meeting dates.
- 8. 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