Minutes

Texas Bond Review Board

Called Board Meeting

Monday, June 9, 2014, 2:15 p.m.

Capitol Extension, Room E2.026

1400 N. Congress Ave.

Austin, TX 78701

The Texas Bond Review Board (BRB) convened in a Board Meeting in the Capitol Extension, Room E2.026 in Austin, Texas. Alternates present were Ed Robertson, Chair and Alternate for Governor Rick Perry; Jamie Dudensing, Alternate for Lieutenant Governor David Dewhurst; Serena Kuvet, Alternate for Comptroller Susan Combs; and Andrew Blifford, Alternate for Speaker Joe Straus. Also in attendance were Leslie Brock with the Office of the Attorney General, Bond Finance Office staff members and others.

1. **Call to Order**

Ed Robertson, as Chair, called the meeting to order at 2:23 p.m. A quorum was present.

1. **Public Comment**

There were no public comments.

1. **Texas Public Finance Authority State of Texas General Obligation Refunding Bonds, Series 2014A and State of Texas General Obligation Refunding Bonds, Taxable Series 2014B in one or more series**

Representatives present were: John Hernandez, Interim Executive Director, TPFA; John Barton, Senior Financial Analyst, TPFA; Pamela Scivicque, Director of Business Administration, TPFA; Jorge Rodriguez, Financial Advisor, Coastal Securities.

UPON MOTION BY JAMIE DUDENSING AND SECOND BY SERENA KUVET, THE TEXAS BOND REVIEW BOARD APPROVED the Texas PUBLIC FINANCE AUTHORITY State OF TEXAS GENERAL OBLIGAtion REFUNDING BONDS, SERIES 2014A AND STATE OF TEXAS GENERAL OBLIGATION REFUNDING BONDS, TAXABLE SERIES 2014B IN ONE OR MORE SERIES IN AN AGGREGATE PAR AMOUNT OF $579,140,000 AND MAXIMUM PROCEEDS INCLUDING PREMIUMS, IF ANY, NOT TO EXCEED $634,165,735 AS OUTLINED IN THE APPLICATION DATED mAY 21, 2014 AND SUPPLEMENTS THROUGH jUNE 6, 2014.

1. **EXEMPT – Texas Transportation Commission State of Texas General Obligation Mobility Fund Refunding Bonds (issued in one or more series)**

Among representatives present were Jennifer Wright, Financial Analyst, TXDOT.

This transaction is on the EXEMPT track, and the 6-day review period begins on Tuesday, June 10, 2014 and expires on Tuesday, June 17, 2014 at 5pm.

1. **Approval of modifications to the Additional Transcript Requirements Form pursuant to Texas Government Code** §1202.008

UPON MOTION BY JAMIE DUDENSING AND SECOND BY SERENA KUVET, THE TEXAS BOND REVIEW BOARD APPROVED the revised additional transcript requirements form, presented by the bond finance office staff to the board as appendix a, and to authorize bond finance office staff to make any additional revisions, additions or other modifications, as necessary, to obtain accurate and detailed information on public securities issued by local governments for the board’s reporting requirements, as required by state law.

1. **Date for Next Board Meeting**

The next scheduled Planning Session is on Tuesday, July 8, 2014 and the next scheduled Board Meeting is on Thursday, July 17, 2014.

1. **Report from the Executive Director**

* Staff continues to meet with MicroAssist for the database upgrade project. The project is in the data conversion and system development phases and continues to move toward completion at the beginning of the fiscal year.
* Staff is finishing the agency strategic plan which is due June 23, 2014.
* LBB has asked staff to give a Bonds 101 presentation to LBB and legislative staff on Thursday, June 12, 2014.
* Jenna Velasquez began work at the agency as a Financial Analyst I on June 2, 2014. She recently completed a degree in Finance from Texas State University.

1. **Adjourn**

There being no further business, the meeting adjourned at 2:30 p.m.

**Appendix A**

**Additional Transcript Requirements Form**

**OFFICE OF THE ATTORNEY GENERAL**

**PUBLIC FINANCE DIVISION**

**Additional Transcript Requirements**

**Pursuant to Texas Government Code §1202.008**

**The following information is to be included in the transcript submitted to the Office of the Attorney General to obtain Attorney General approval of the issuance of bonds or other obligations. This information has been designated by the Bond Review Board as that to be collected pursuant to Texas Government Code §1202.008. If space is limited, please provide a specific cross-reference to the page in the Final Official Statement.**

**A. Please provide the following information as well as an additional copy of the Final Official Statement. (Provide the requested information on this worksheet. The Bond Review Board does not receive the full transcript):**

1. a. Name of Bond Issue:

b. Type of Issuer: Governmental Entity

Component or Related entity of:

Other\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2. a. Total Par Amount:

b. New Money Par:

c. Refunding Par:

d. Dollar Amount of Bond Premium, if any:

e. Cash Premium (Competitive Sales, usually found in the Initial Purchasers Section), if any:

f. Dollar Amount of Bond Original Issue Discount, if any:

g. If available, feel free to email the DF2 file to brblgs@brb.state.tx.us.

1. Dated Date:
2. Date Interest Accrues from:
3. Closing Date (expected delivery date, on or about):
4. First Interest Payment Date:
5. Maturity Dates, Maturity Amounts, Coupon Rates, Prices or Yields (If no reoffering yield (NRO) indicated, please provide yield separately.):
6. Call Provisions, including Premiums, if any:
7. Mandatory Sinking Fund Redemption Dates:
8. Debt-Service Schedule (Principal and Interest, and Annual Totals, with the Fiscal Year identified):
9. Do the bonds have a specific designation as qualified tax-exempt obligations?
10. Derivative Products (Swaps, Interest Rate Management Agreements, etc.) - List any derivatives associated with financing:
11. Pledge: tax (ad valorem, sales, other), revenue, combination:
12. Credit Enhancement (including PSF guarantee):
13. Ratings: Assigned to the issue/Underlying: Moody's\_\_\_\_\_\_\_\_ S&P\_\_\_\_\_\_\_\_ Fitch\_\_\_\_\_\_\_\_ Other \_\_\_\_\_\_\_\_\_ or not rated \_\_\_\_\_\_\_\_\_\_\_

**B. Additional Information**

1. Type of Sale (please circle one):

a) competitive b) negotiated c) private placement d) other (explain)

1. Date of Sale: \_\_\_\_\_\_\_\_\_\_\_\_\_
2. Net effective interest rate pursuant to Government Code Chapter 1204.005:\_\_\_\_\_\_\_\_
3. Governmental Purchaser - please name purchaser (i.e. Texas Water Development Board):
4. Refunded Obligations - If applicable, include a schedule of obligations refunded by year, principal amount, and coupon.
5. Cash and Present Value Savings/Loss - If a refunding bond issue, please provide final schedule of cash and present value savings or loss.
6. Cash Defeasances - List all issues and maturities that have been cash defeased since the last issue of public securities approved by the Attorney General.
7. If voter approved - Provide bond election date(s), original amount(s) authorized and current amounts of principal and premium charged against voted authority.
8. Authorized but Unissued - For issues that require the use of voted bond authorization, list all authorized but unissued voted authority available, if any.
9. Upcoming Called Bond Election: Please provide an attached schedule which shows date of election, purpose and amount by proposition.
10. CABs and CIBs – If not provided in the OS, please provide the per annum bond interest rates by maturity as shown in the bond order document If provided in the OS, list the page(s):\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
11. Commercial Paper Authorized - List all commercial paper programs, the amounts authorized and the amounts currently outstanding.
12. Population - Provide the most current available population data: \_\_\_\_\_

Source:

1. Federal Program - If the debt is being issued under any direct special government program; name the program and the amount of authority being used:
2. If the issuer is an ISD, is any portion of the debt exempt from Texas Education Agency Code 45.0031 (50-cent Debt test)?
3. Costs of Issuance - Provide the information below: (If final costs are materially different, please submit changes directly to the Texas Bond Review Board, 512-463-1741 or fax 512-475-4802)

|  |  |  |  |
| --- | --- | --- | --- |
| **Service** | **Firm** | **One-Time Fee** | **Annual Fees (1)** |
| Bond Rating: | Moody's |  |  |
|  | Standard & Poor's |  |  |
|  | Fitch |  |  |
|  | Other:  \_\_\_\_\_\_\_\_\_\_\_\_\_ |  |  |
| Other Costs of Issuance: (2) |  |  |  |
| Bond Counsel |  |  |  |
| Co Bond Counsel |  |  |  |
| Financial Advisor |  |  |  |
| Accountant/CPA |  |  |  |
| Printing |  |  |  |
| Disclosure Counsel |  |  |  |
| Issuer Counsel |  |  |  |
| Issuer Fees |  |  |  |
| Trustee |  |  |  |
| Underwriter Counsel |  |  |  |
| Attorney General’s Fee |  |  |  |
| Escrow Agent |  |  |  |
| Bank Counsel |  |  |  |
| Paying Agent |  |  |  |
| Liquidity Fees |  |  |  |
| Remarketing Fees |  |  |  |
| Escrow Verification Fees |  |  |  |
| Misc. Costs of Issuance: (3) |  |  |  |
| **Total Other Costs of Issuance:** |  |  |  |
|  |  |  |  |
| Credit Facility |  |  |  |
| Bond Insurance |  |  |  |
|  |  |  |  |
| Underwriting Spread: |  |  |  |
| Management Fee |  |  |  |
| Takedown |  |  |  |
| Spread Expenses |  |  |  |
| **Total Underwriting Spread** (4) |  |  |  |
| Did Underwriter Pay Rating Fee? (Please circle one) Yes No | | | |
| Did Underwriter Pay Bond Insurance Fee? (Please circle one ) Yes No | | | |
| Did Underwriter Pay Underwriter Counsel’s Fee? (Please circle one) Yes No | | | |

(1) Refers to any recurring costs of an issuance including fees for paying agent, remarketing agent, credit provider and other similar services (may be expressed as a formula as appropriate).

(2) Include all fees and expenses paid or reimbursed by the issuer.

(3) Provide all other costs of issuance and identify the service provider and associated fees.

(4) Include all marketing and selling costs including structuring (management) fee, takedown, underwriting risk fee and expenses.

|  |  |
| --- | --- |
| **UW Participants** | **Firm** |
| Senior Managing Underwriter |  |
| Other Underwriters |  |
|  |  |
|  |  |
|  |  |

**PERSON COMPLETING FORM:**

|  |  |
| --- | --- |
| Name: |  |
| Firm: |  |
| Telephone: |  |
| **E-mail:** |  |

The information presented on this form is used by the Texas Bond Review Board for compiling outstanding debt information and related costs of issuance for governmental issuers in Texas. For more information please see http://www.brb.state.tx.us/lgs/lgs.aspx