

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
TEXAS PUBLIC FINANCE AUTHORITY
January 24, 2002**

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 10:30 A.M., Thursday, January 24, 2002, William P. Clements Building, Room 411, Austin, Texas. Present were: Mr. John Kerr, Board Member, Ms. Cynthia Meyer, Board Member and Mr. David Kelly, Board Member, and Mr. H.L. Bert Mijares, Board Member, participating by conference call.

Representing the Authority's staff were: Ms. Kimberly Edwards, Executive Director; Ms. Judith Porras, General Counsel; Ms. Paula Hatfield and Ms. Donna Richardson.

Present in their designated capacities were the following persons: Jodie Jiles and Tilghman Naylor, Bear Stearns; Barron F. Wallace, Vinson & Elkins; Mike Bartolotta, First Southwest; Mark Malveaux, McCall, Parkhurst & Horton; and Renee Higginbotham-Brooks, Law Offices of Renee Higginbotham-Brooks.

Item 1. Call to order.

Mr. Kerr called the meeting to order at 11:20 A.M.

Item 2. Consider a resolution authorizing the issuance of bonds to refinance projects for various agencies of the state through refunding all outstanding commercial paper notes of the Texas Public Finance Authority, the execution and delivery of documents in connection therewith, and the taking of action to effect the sale and delivery of the Bonds and resolving related matters.

Ms. Edwards reported the par amount of bonds sold on January 23, 2002 was \$369,715,000 with a true interest rate of 4.44% that was within the target guideline established by the Board. Ms. Edwards introduced Barron F. Wallace, Bond Counsel, and he provided an explanation of the Bond Resolution. Mike Bartolotta, First Southwest Co., explained the cash flow savings for the State.

Ms. Meyer moved that the Board adopt the Bond Resolution. Mr. Mijares seconded. The motion passed unanimously.

Item 3. Adjourn.

The meeting adjourned at 11:25 A.M.

The foregoing minutes were approved and passed by the Board of Directors on February 19, 2002.

Cynthia L. Meyer
Secretary, Board of Directors

ATTACHMENT
Posting Notice - Exhibit "A"