

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

MEMORANDUM

TO: Members of the Board

FROM: Lisa Lumbard, Interim Chief Financial Officer 

DATE: March 30, 2015

RE: Adoption of Revised Interest Rate Risk Management Policy

CFX's Interest Rate Risk Management Policy requires a review every two years. As such, PFM, the Financial Advisor to CFX, and staff has reviewed and made recommendations which were presented to the Finance Committee on March 4, 2015.

Attached is a redline version of the policy. The noted recommendations include:

- Changed references from the Orlando-Orange County Expressway Authority to Central Florida Expressway Authority.
- Added a sentence clarifying liquidity position to make future swap termination payments.
- Amended the ratings needed by a swap dealer/counterparty.

The Finance Committee recommends that the Board approve this policy as presented.

cc: Laura Kelley, Deputy Executive Director, Finance and Administration

**A RESOLUTION OF CENTRAL FLORIDA
EXPRESSWAY AUTHORITY AMENDING THE
INTEREST RATE RISK MANAGEMENT POLICY**

WHEREAS, the Central Florida Expressway Authority ("CFX") previously adopted an "Interest Rate Risk Management Policy" on July 24, 2013 establishing the protocol for management of interest rate risk; and

WHEREAS, CFX Finance Committee has approved refinements to the Interest Rate Risk Management Policy regarding CFX's liquidity to make swap termination payments and changing the ratings needed by a swap dealer/counterparty; and

WHEREAS, CFX's governing Board concurs in the revised Interest Rate Risk Policy.

**NOW, THEREFORE, BE IT RESOLVED BY CENTRAL FLORIDA
EXPRESSWAY AUTHORITY** as follows:

Section 1. ADOPTION. The current "Interest Rate Risk Management Policy" shall be amended in accordance with the attached "Interest Rate Risk Management Policy" attached hereto as Exhibit "A"

Section 2. EFFECTIVE DATE. This policy shall take effect upon adoption by the CFX governing board.

ADOPTED this _____ day of April, 2015.

Welton G. Cadwell
Chairman

ATTEST: _____
Darleen Mazzillo
Executive Assistant

Approved as to form and legality

Joseph L. Passiatore
General Counsel

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Interest Rate Risk Management Policy

The ~~Central Florida Orlando-Orange-County~~ Expressway Authority (~~the "AuthorityCFX"~~) currently has a number of interest rate exchange agreements (Swaps) with a number of counterparties. As used herein, "Swap" shall mean a "swap," as defined in the Section 1a(47) of the Commodity Exchange Act and the U.S. Commodity Futures Trading Commission ("CFTC") Regulations. This policy will govern how the Swaps, together with the associated variable rate demand bonds, will be managed to provide the optimal balance of costs and risk. This policy should be read and interpreted in the context of ~~the AuthorityCFX's~~ Debt Policy.

I. Goals and Objectives

The overall objective in managing ~~the AuthorityCFX's~~ debt portfolio and interest rate risk is to balance the cost of capital with the management of risk. ~~The AuthorityCFX's~~ risk tolerance is low and therefore, opportunities to cost-effectively reduce existing or potential risks should be constantly evaluated for feasibility.

~~The AuthorityCFX~~ has set a limit of synthetic fixed rate debt at 25% of the total outstanding debt. This goal should be considered as ~~the AuthorityCFX~~ manages its Swap portfolio and its overall debt program. New Swaps will only be considered where the overall exposure to like transactions is not increased beyond the stated limit. New, novated or amended Swaps may also be considered where a reduction in actual or potential risks may be accomplished.

It is also ~~the AuthorityCFX's~~ goal to limit exposure to individual swap dealers/counterparties to no more than 30% of the total notional amount of ~~the AuthorityCFX's~~ active Swap portfolio. Although this requirement shall not require ~~the AuthorityCFX~~ to terminate, novate or amend existing Swaps absent of other risk considerations, it does prohibit new Swaps to be considered if the new Swap would cause ~~the AuthorityCFX's~~ exposure to any individual swap dealer/counterparty to increase beyond 30% of the then existing total notional value of ~~the AuthorityCFX's~~ active Swap portfolio.

II. Monitoring and Reporting of Existing Transactions

As part of the semi-annual debt report provided to the Board (in accordance with ~~the AuthorityCFX's~~ Debt Policy), the CFO will report the current credit ratings of each swap dealer/counterparty with which it has an existing Swap and the mark-to-market value of each Swap. In addition to reporting the weekly rates on the variable rate bonds in the semi-annual debt report, the CFO will provide the Finance Committee with a quarterly remarketing report and review the results at the next scheduled meeting. As necessary, the CFO, in consultation with ~~the AuthorityCFX's~~ financial advisors, will make recommendations to address any rate dislocation including, but not limited to, changing remarketing agents or credit providers, depending on the underlying cause of the dislocation.

III. Exit Strategies

The CFO and ~~the Authority~~CFX's financial advisors and designated QIR (as defined herein) should constantly monitor market rates, termination values, counterparty credit ratings, and other relevant factors to determine if voluntary termination is warranted. Generally, a voluntary early termination will be warranted if it is economically advantageous and/or if a reduction in ~~the Authority~~CFX's current or anticipated risk can be accomplished at no cost. CFX shall seek to maintain sufficient liquidity, including without limitation through balances in CFX's Swap/Debt Management Contingency, short term financing capacity, and/or other borrowing capacity, to make any Swap termination payments that may become due, to the extent not paid or payable from other sources.

IV. Evaluation of Proposed Transactions

While ~~the Authority~~CFX's current goals would exclude contemplation of new derivative products, the replacement of existing Swap transactions with new ones may be the most cost-beneficial method of managing risks. For that reason, this section outlines the process for evaluating and executing new transactions.

A. Review and Analysis

The proposed use of structured products must comply with all goals and provisions of ~~the Authority~~CFX's existing policies. Each Swap transaction will be evaluated as an alternative to traditional, intermediate, or long-term financing options. Consideration should be given to their comparable cost, ease of entry and exit provisions, and degree of potential risk exposure, quantified to the greatest extent possible. Any proposed Swap transaction must fit into ~~the Authority~~CFX's goals to limit the percentage of variable rate debt and exposure to individual counterparties.

~~The Authority~~CFX's designated QIR will provide independent analysis of any proposed Swap transaction, including an analysis of the relevant benefits and risks of such transaction. ~~The Authority~~CFX's cost of the transaction and any ongoing costs, such as remarketing, credit enhancement and/or liquidity, swap advisors, financial advisors, attorney fees and other necessary costs will be included in the cost/benefit evaluations. A review of provisions required by bond and/or swap insurance providers and the cost/benefit of such insurance will also be included in an evaluation of the Swap transaction.

B. Legal Analysis

The documentation of the swap shall be in the form of an enforceable written contract. Whenever possible, those contracts shall be transacted using Florida law or, as an alternative New York law with Florida law as to ~~the Authority~~CFX's authority and Orange County Florida as to jurisdiction or venue. Review of compliance with existing law and regulation (including but not limited to the Internal Revenue Code and CFTC Regulations) bond indentures and bond covenants should be completed before implementation of a Swap transaction.

V. Transaction Management and Execution

Swap transactions will:

- Comply with all applicable outstanding bond resolutions, insurance covenants, and Florida law.
- Contain terms and conditions as set forth in the International Swap and Derivatives Association, Inc. ("ISDA") Master Agreement, Schedules to the Master, Credit Support Annex and confirmation.
- Be a market transaction for which competing good faith market quotations may be obtained and with the advice and recommendation of ~~the Authority~~CFX's designated QIR, and other financial professionals.
- Include a provision for the right to early termination at market under the guidelines of the ISDA Agreement. The transaction should allow for ~~the Authority~~CFX to exercise the right to optionally terminate the agreement, at the then prevailing market value of the Swap.
- Produce material economic or risk management benefit believed to not otherwise be attainable under the currently existing market conditions, or existing conventional debt structures, and improve the flexibility of debt management strategies.
- Not introduce leverage solely for the means of producing economic benefit. Transactions will not be speculative in nature.
- Not unduly impair ~~the Authority~~CFX's utilization of call features on outstanding bonds.
- Employ structures that will attempt to minimize existing risks and do not substantially add new risks, including but not limited to, any additional floating rate basis risk, tax-law risk or credit risk to ~~the Authority~~CFX.
- Not cause the total amount of Swap transactions to exceed the debt management limitations for fixed or floating debt.

VI. The Swap Dealer/Counterparty

The following criteria will be used when considering swap dealer/counterparties for a Swap transaction:

- I. The swap dealer/counterparty must fully disclose all costs. All fees and expenses paid by the swap dealer/counterparty and to designated third parties, will be fully disclosed in writing to ~~the Authority~~CFX.
- II. ~~The Authority~~CFX will consider acquiring downgrade protection when possible including collateral or credit support.
- III. The assignment of a Swap agreement will not be permitted without the consent of ~~the Authority~~CFX.
- IV. ~~The Authority~~CFX will attempt to utilize domestically domiciled swap dealer/counterparties and/or utilize ISDA documentation which employs local currency-single jurisdiction status.
- V. The swap dealer/counterparty shall disclose relationships with other third parties which may affect the transaction, such as broker dealers, insurance companies and other swap providers.
- VI. The swap dealer/counterparty shall provide its financial statements showing the economic capability of the entity, the amount of its swaps outstanding and credit ratings, all of which shall be acceptable to ~~the Authority~~CFX. At the time of entering into the Swap transaction, swap dealer/counterparties (or their guarantor) shall ~~either~~ (i) be rated at least AA-/ Aa3/

AA- by at least ~~two-one~~ of the three nationally recognized credit rating agencies and ~~have a minimum capitalization of \$100 million, or (ii) alternatively, post suitable and adequate collateral, given the undertaking involved with the particular Swap transaction, not be rated lower than A/A2/A by any of the three nationally recognized credit rating agencies. Collateral should be required upon a downgrade from these levels.~~

VII. Authority's Representations with Respect to Swaps and QIR

Solely for purposes of the rules adopted by the CFTC governing business conduct standards for swap dealers and other parties as they apply to communications regarding Swaps, the Executive Director or CFO may make substantially the following representations in writing on behalf of ~~the Authority~~CFX when requested by the swap dealer/counterparty.

- 1) ~~The Authority~~CFX will not rely on any "recommendation" (as such term is used in CFTC Regulations §23.434 and §23.440) provided by a swap dealer/ counterparty with respect to a Swap;
- 2) ~~The Authority~~CFX will rely on advice from a "qualified independent representative" designated by ~~the Authority~~CFX and that it has complied in good faith with written policies and procedures reasonably designed to ensure that it has designated a "qualified independent representative" that satisfies the applicable requirements of CFTC Regulation §23.450(b);
- 3) ~~The Authority~~CFX will exercise independent judgment in evaluating any "recommendations" made by the swap dealer/counterparty with regard to a Swap; and
- 4) ~~The Authority~~CFX understands that the swap dealer/counterparty is not expressing any opinion as to whether ~~the Authority~~CFX should enter into or terminate a Swap.

VIII. Use of Qualified Independent Representative

In compliance with the CFTC Regulations promulgated under the Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended (the "Dodd-Frank Act"), ~~the Authority~~CFX will designate a "qualified independent representative" ("QIR") for all Swap related transactions, including terminations. The QIR must be capable of independently evaluating the risks of the Swap, independently evaluating the fair pricing of the Swap (including termination payments), and of making timely and effective disclosures to ~~the Authority~~CFX (including with regard to material conflicts of interest that could reasonably affect the judgment or decision making or the QIR with respect to its obligations to ~~the Authority~~CFX). The QIR must represent to ~~the Authority~~CFX that:

- A. The QIR has sufficient knowledge and expertise to independently evaluate the Swap, the risks of the Swap, the fair pricing of the Swap (including termination payments) and the appropriateness of the Swap for ~~the Authority~~CFX (taking into consideration the written policies of ~~the Authority~~CFX);
- B. The QIR is not subject to a statutory or regulatory disqualification or any final

disciplinary action that would prevent it from effectively serving as a representative to ~~the Authority~~CFX in such capacity.

- C. The QIR, by accepting such designation by ~~the Authority~~CFX, is undertaking a duty to act in the best interests of ~~the Authority~~CFX;
- D. The QIR has written policies and procedures reasonably designed to ensure that it satisfies the applicable requirements of CFTC Regulation §23.450(b)(1);
- E. The QIR will exercise independent judgment in evaluating any “recommendations” (as such term is used in CFTC Regulations §23.434 and §23.440) presented to it by the swap dealer/counterparty with regard to a Swap;
- F. The QIR is not and, within one year of representing ~~the Authority~~CFX in connection with the Swap has not been, an “associated person,” as such term is defined in Section 1a(4) of the Commodity Exchange Act, of the swap dealer/counterparty;
- G. There is no “principal relationship” (as that term is defined in CFTC Regulations §23.450(a)(1)) between the QIR and the swap dealer/counterparty;
- H. The QIR (a) will provide timely and effective disclosures to ~~the Authority~~CFX of all material conflicts of interest that could reasonably affect the judgment or decision making of the QIR with respect to its obligations to ~~the Authority~~CFX and (b) will comply with policies and procedures reasonably designed to manage and mitigate such material conflicts of interest;
- I. The QIR is not directly or indirectly, through one or more persons, controlled by, in control of, or under common control with the swap dealer/counterparty;
- J. To the best of the QIR’s knowledge, the swap dealer/counterparty did not refer, recommend, or introduce the QIR to ~~the Authority~~CFX within one year of QIR’s representation of ~~the Authority~~CFX in connection with the Swap;
- K. The QIR is legally obligated to comply with the applicable requirements of CFTC Regulation §23.450(b)(1) by agreement, condition of employment, law, rule, regulation, or other enforceable duty; and
- L. The QIR has registered with the CFTC as a commodity trading advisor and/or with the Securities Exchange Commission as an investment advisor under the Investment Advisers Act of 1940.

The QIR must also agree to promptly notify ~~the Authority~~CFX in writing if any representations made by the QIR referenced above became incorrect or misleading in any material respect. For any representation that would be incorrect or misleading in any material respect if repeated on any date following the date on which the representation was last repeated, the QIR shall timely amend such representation by giving written notice of such amendment to ~~the Authority~~CFX.

The designated QIR must annually reaffirm in writing to ~~the AuthorityCFX~~ by delivery to the CFO on each July 1st the representations outlined in A through L above.

The QIR will be retained by ~~the AuthorityCFX~~ through ~~the AuthorityCFX~~'s implemented procurement procedures (i.e. RFP, RFQ, etc.) using selection criteria that ensure the designated QIR possesses the capabilities necessary to independently evaluate the risks of the Swap, to independently evaluate the fair pricing of the Swap (including termination payments), and to make timely and appropriate disclosures to ~~the AuthorityCFX~~. The procurement of the QIR may be done in conjunction with ~~the AuthorityCFX~~'s procurement of its financial advisor. If ~~the AuthorityCFX~~'s financial advisor, or its registered commodity trading advisor or investment advisor affiliate, possesses the requisite capabilities and, by written contract, makes the representations set forth above, then ~~the AuthorityCFX~~ may designate its financial advisor, or its registered investment advisor affiliate, as the QIR.

To ensure compliance with the provisions above, ~~the AuthorityCFX~~ will designate the QIR in writing. The QIR must provide evidence of its registration with the CFTC as a commodity trading advisor and/or with the Securities Exchange Commission as an investment advisor prior to being designated as ~~the AuthorityCFX~~'s QIR. The designation can be done in the context of the financial advisor contract or amendment thereto with the financial advisor or its registered commodity trading advisor or investment advisor affiliate, or in a separate contract with a different firm. Prior to executing a Swap transaction, termination or novation, ~~the AuthorityCFX~~ will obtain from the designated QIR the written representations outlined in A through L above. If the designated QIR is unable to provide such representations in a timely manner, ~~the AuthorityCFX~~ may utilize an expedited quote process to select a new designated QIR to facilitate a time and market sensitive transaction. The CFO will monitor the performance of the designated QIR and that the designated QIR demonstrates on each transaction that (1) it has the knowledge and expertise to independently evaluate the Swap, the risks of the Swap, the fair pricing of the Swap (including termination payments) and the appropriateness of the Swap for ~~the AuthorityCFX~~, (2) it is independent of the swap dealer/counterparty, (3) it is acting in the best interest of ~~the AuthorityCFX~~ and (4) it makes timely and appropriate disclosures to ~~the AuthorityCFX~~, when applicable.

IX. Transaction Pricing

When procuring financial derivative products, every effort shall be made to ensure competitive pricing. The complexity of circumstances surrounding transactions and meeting goals to limit exposure to individual counterparties may be valid reasons to negotiate a particular derivative product transaction. The CFO, upon the advice of the financial advisor, will make a recommendation to the Finance Committee as to the method of pricing and counterparty selection. The financial advisor will evaluate prices and rates to ensure transactions are at or below market. Similarly, ~~the AuthorityCFX~~ will make every effort to competitively price swap unwind transactions. The CFO, upon the advice of the financial advisor will make a recommendation as to the method of selecting counterparties for unwinding swaps when not selecting all swaps in a series. Offers from counterparties to unwind transactions below market is an example of a reason to negotiate with specific counterparties.

X. Policy Review

This policy shall be reviewed on a bi-annual basis.

APPROVED AND ADOPTED BY THE BOARD ON _____.

**MINUTES
CENTRAL FLORIDA EXPRESSWAY AUTHORITY
FINANCE COMMITTEE MEETING
March 4, 2015**

Committee Members Present:

Edward Bass, Committee Chair, Seminole County
Fred Winterkamp, Orange County
Chris McCullion, City of Orlando
Michael Kurek, Osceola County
Steve Koontz, Lake County

Also Present:

Ruth Valentin Recording Secretary/Office Coordinator
Laura Kelley, Deputy Executive Director of Finance & Administration
Lisa Lombard, Interim Chief Financial Officer
Joseph Passiatore, General Counsel
Brent Wilder, PFM
Hope Davidson, PFM
Joe Stanton, Broad & Cassel
Steve Zucker, Shutts & Bowen
Sylvia Dunlap, National Minority Consultants
Steve Alexander, PFM
Matt Williams, Bank of America Merrill Lynch
John Martinez, PNC
Todd Morley, Wells Fargo
Tamaa Patterson, Jefferies
Rawn Williams, Jefferies
Manuella de Barros, RBC

CALL TO ORDER

The meeting was called to order at 2:01 p.m. by Chairman Edward Bass.

PUBLIC COMMENT

There was no public comment.

APPROVAL OF MINUTES

A motion was made by Mr. Winterkamp and seconded by Mr. McCullion to approve the November 5, 2014 Finance Committee minutes as presented. The motion carried unanimously with five members voting AYE by voice vote.

APPROVAL OF FINANCIAL POLICIES

Debt Policy

Mrs. Lumbard explained the proposed changes for the Debt Policy:

Section II. D. Variable rate debt may be issued in various forms - e.g., bonds, commercial paper, bank lines. The amount of unhedged variable rate debt generally should not exceed 25% of all outstanding debt of the Authority. As a goal, the Authority desires its total hedged and unhedged variable rate debt not to exceed 25% of all outstanding longterm debt of the Authority. ~~This goal does not require the Authority to refund or refinance any of its existing debt, but shall restrict any additional variable rate debt exposure to the stated goal.~~

Section III. B. ~~For planning purposes, the~~ The Authority shall maintain a minimum senior lien debt service coverage ratio of at least 1.45x on the existing and planned debt issues. For planning purposes, staff shall make every effort to plan for a 1.60x senior lien debt service coverage ratio.

A motion was made by Mr. Kurek and seconded by Mr. McCullion to approve the changes to the Debt Policy as presented. The motion carried unanimously with five members voting AYE by voice vote.

INTEREST RATE RISK MANAGEMENT POLICY

Mrs. Lumbard explained the proposed changes for the Interest Rate Risk Management Policy:

Section III. Exist Strategies - The CFO and the Authority's financial advisors and designated QIR (as defined herein) should constantly monitor market rates, termination values, counterparty credit ratings, and other relevant factors to determine if voluntary termination is warranted. Generally, a voluntary early termination will be warranted if it is economically advantageous and/or if a reduction in the Authority's current or anticipated risk can be accomplished at no cost. The Authority shall seek to maintain sufficient liquidity, including without limitation through balances in the Authority's Swap/ Debt Management Contingency, short term financing capacity, and/or other borrowing capacity, to make any Swap termination payments that may become due, to the extent not paid or payable from other sources.

Section VI. The Swap Dealer/Counterparty (6th bullet point) - The swap dealer/counterparty shall provide its financial statements showing the economic capability of the entity, the amount of its swaps outstanding and credit ratings, all of which shall be acceptable to the Authority. At the time of entering into the Swap transaction, swap dealers/counterparties (or their guarantor) shall either (i) be rated at least AA-/Aa3/ AA- by at least two one of the three nationally recognized credit rating

agencies and not be rated lower than A/A2/A by any of the three nationally recognized credit rating agencies. Collateral should be required upon a downgrade from these levels. ~~have a minimum capitalization of \$100 million, or (ii) alternatively, post suitable and adequate collateral, given the undertaking involved with the particular Swap transaction.~~

A motion was made by Mr. Koontz and seconded by Mr. McCullion to approve the changes to the Interest Rate Risk Management Policy as presented. The motion carried unanimously with five members voting AYE by voice vote.

DIRECTION ON HOW TO GO FORWARD WITH 2008B1-4 CREDIT FACILITY REPLACEMENTS

Mr. Wilder reported on the results of the Request for Recommendations and Pricing Indications for Letters of Credit, Direct Placement Index Floaters or other options relating to the variable rate revenue bonds, Series 2008B1-4 which was distributed on November 21, 2014:

- Responses were due on December 5, 2015
- CFX received 16 responses
 - 2 response proposed both an LOC or a direct placement
 - 5 responses proposed only LOCs
 - 5 responses proposed only direct placements
 - 5 responses proposed only recommended publicly offered alternatives

Mr. Wilder explained the three main options for the Series 2008B-1, B-2, B-3, and B-4 variable rate debt:

- Retain floating rate notes with current facility provider, Wells Fargo, and LOC's with BMO Bank and TD Bank.
 - The "Do Nothing" Option: The FRNs can be kept with Wells Fargo until expiration in March, 2016 and the Series 2008B-2 LOC with TD Bank until expiration in May, 2016.
 - The Series 2008B-1 Bonds LOC with BMO Bank expires 5/10/2015 so must be renewed or replaced now
 - Modification of existing credit facility terms in all credit facilities recommended due to terms of TIFIA loan agreement
 - Terminate the associated swaps and issue fixed rate bonds
 - This is not an economical option based on the current market and would produce significant dissaving of approximately 14.0% per swap/sub-series for the Series 2008B1-4 Bonds as of March 2015
 - Modify or replace existing LOCs and FRNs to reduce current credit spread and improve terms
 - Based on indications received from the November 21, 2014 solicitation, the Authority may be able to achieve debt service savings for all Series 2008B Bonds.
 - Modification of existing credit facility terms recommended due to terms of TIFIA loan agreement
-

Staff recommends the third option.

A motion was made by Mr. Winterkamp and seconded by Mr. McCullion that, in light of recommendations from staff in item number three, initially the finance committee recommends that staff seek a three year Letter of Credit (LOC) with BMO Harris as an extension or restatement of the existing LOC at the rates indicated, but without the terms of acceleration and those other terms that are problematic for the TIFIA loan. In the event that it is accepted that's as far as we go. Failing that, plan B is that the Board seek a 60 or 90 day extension to allow for an opportunity to look at other options. The motion carried unanimously with five members voting AYE by voice vote.

A motion was made by Mr. Winterkamp and seconded by Mr. Koontz to direct staff to look at what is the most advantageous combination of a four or five year LOC from TD bank and up to a five year direct purchase from either Barclays, Wells Fargo, or Bank of America to see which of those may be willing to give us the terms that we need and look at which one would do it honoring their indications to result in the lowest cost to the Authority from those individuals and their willingness to adopt these terms that would remove the acceleration and remove the other onerous terms that would impact our TIFIA loan as discussed. The motion carried unanimously with five members voting AYE by voice vote.

TIFIA LOAN STATUS

Mrs. Lumbard reported that the commercial closing date for the Bond Anticipation Notes is scheduled for March 25th, 2015 in Washington D.C. The Board will be asked to approve the documents at the next meeting on March 12th, 2015.

Mr. Wilder reported that we are suggesting issuance of the Bond Anticipation Notes in May 2015 with a maturity date of January 1, 2019. We anticipate receiving the funds from on the TIFIA loan in July 2018.

We are trying to schedule rating agency presentations for early April. The committee members are invited to attend.

REFUNDING OPPORTUNITY MONITORING

Mr. Wilder informed the committee that the 2007A Bonds continue to be the most promising refunding candidate based on current market rates, but does not achieve the threshold that we recommend proceeding with at this time.

OTHER BUSINESS

Ms. Kelley updated the committee on the subpoena from the Securities and Exchange Commission. We have furnished the documents they requested.

ADJOURNMENT

A motion was made by Mr. McCullion and seconded by Mr. Kurek to adjourn the meeting at 3:06 pm. The motion carried unanimously with five members voting AYE by voice vote.

Pursuant to the Florida Public Records Law and CFX Records Management Policy, audio tapes of all Board and applicable Committee meetings are maintained and available upon request to the Custodian of Public Records at publicrecords@CFXway.com or 4974 ORL Tower Road, Orlando, FL 32807.