

CLERKS DULY NOTIFIED.....APRIL 9, 2015
AGENDA PACKAGES/CDS SENT TO MEMBERSAPRIL 9, 2015
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MINUTES
FMPA BOARD OF DIRECTORS MEETING
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FL 32819
THURSDAY, APRIL 16, 2015
9:30 A.M.

MEMBERS PRESENT Bruce Hickle, Bushnell
Lee Garner, Chattahoochee (via phone)
Danny Williams, Clewiston (via phone)
Fred Hilliard, Fort Meade
Clay Lindstrom, Fort Pierce
David Beaulieu, Gainesville (via phone)
Bob Page, Green Cove Springs
Howard McKinnon, Havana
Barbara Quinones, Homestead (via phone)
Allen Putnam, Jacksonville Beach
Lynne Tejeda, Key West (via phone)
Larry Mattern, Kissimmee
Alan Shaffer, Lakeland
Patrick Foster, Leesburg
Bill Conrad, Newberry
Sandra Wilson, Ocala (via phone)
Claston Sunanon, Orlando
Tom Ernharth, Starke
Randy Old, Vero Beach (via phone)
Jerry Warren, Winter Park (via telephone)

OTHERS PRESENT Paul Jakubczak, Fort Pierce
Mike Perri, Fort Pierce
George Forbes, Jacksonville Beach
Al Minner, Leesburg
Grant Lacerte, Kissimmee
Joe Hostetler, Kissimmee
Greg Woessner, Kissimmee
David Anderson, Ocala
Mike Poucher, Ocala
Diane Reichard, Ocala
Scott Roberts, Starke
J.W. Howard, Morgan Stanley
David Thornton, Wells Fargo
Matt Williams, Bank of America Merrill Lynch
Lisa Zahner, Vero Beach 32963 Media

STAFF Nick Guarriello, General Manager and CEO
PRESENT Fred Bryant, General Counsel
Jody Finklea, Assistant General Counsel and Manager of
Legal Affairs
Frank Gaffney, Assistant General Manager, Power Resources
Mark McCain, Assistant General Manager, Member Services, Human
Resources and Public Relations
Mark Larson, Assistant General Manager, Finance and Information
Technology and CFO
Rich Popp, Contract Compliance Audit and Risk Manager
Carol Chinn, Regulatory Compliance Officer
Rick Minch, Controller
Janet Davis, Treasury Manager
Ed Nunez, Assistant Treasurer/Debt
Sue Utley, Executive Asst./Asst. Secy. to the Board
Michelle Pisarri, Power Resources Secretary II

ITEM 1 - CALL TO ORDER, ROLL CALL AND DECLARATION OF QUORUM

Chairman Bill Conrad, Newberry, called the Board of Directors Meeting to order at 9:50 a.m. on Thursday, April 16, 2015, at the Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, Florida. The roll was taken and a quorum was declared with 20 members present representing 34.5 votes present out of a possible 48.5.

ITEM 2 – Recognition of Guests

Fred Bryant introduced J.W. Howard, Executive Director of Morgan Stanley.

ITEM 3 – PUBLIC COMMENTS (Individual Public Comments Limited to 3 Minutes)

None.

ITEM 4 – SET AGENDA (by vote)

MOTION: Lee Garner, Chattahoochee, moved approval of the agenda as presented. Howard McKinnon, Havana, seconded the motion. Motion carried 34.5-0.

ITEM 5 – REPORT FROM THE GENERAL MANAGER

None.

ITEM 6 – Consent Agenda

- a. **Approval of Minutes – Board of Directors Meeting Held February 3, 2015, February 16, 2015, February 19, 2015, and Concurrent Board of Directors and Executive Committee Workshop Held February 3, 2015.**

b. Approval of the Projects' Financials as of January 31, 2015 and February 28, 2015

c. Approval of the Treasury Reports as of January 31, 2015 and February 28, 2015

MOTION: Bruce Hickle, Bushnell, moved approval of the Consent Agenda as presented. Lee Garner, Chattahoochee, seconded the motion. Motion carried 34.5-0.

ITEM 7 – ACTION ITEM

a. Approval of New Credit Card Practices – Auditor General's Report Finding #11

MOTION: Larry Mattern, Kissimmee, moved to table action on this item, but allow it to be discussed, until an actual policy/procedure is presented to the Committee. Jerry Warren seconded the motion. Motion carried 34.5-0.

b. Approval of the St. Lucie Project Exception to the Debt Risk Management Policy

MOTION: Howard McKinnon, Havana, moved approval of the St. Lucie Project vendor diversity exception to the Debt Risk Management Policy for Bank of America/Merrill Lynch, for one month, with direction to staff to bring this item back next month with information to address the questions asked by the Board of Directors. Clay Lindstrom, Fort Pierce, seconded the motion.

Motion carried 30.5-4. Fort Meade and Kissimmee voted nay.

ITEM 8 – INFORMATION ITEMS

a. Annual Debt Report

Janet Davis, Treasury Manager, reported on the Annual Debt report. A request was made that staff add industry ratios to this report in the future.

b. Update on Auditor General Finding No. 15 – Disaster Recovery Plan

Nicholas Guarriello reported that the contract with the co-location facility that houses our backup data files was up March 1, 2015. Instead of signing a 5-year contract, FMPA negotiated for a one-year contract with options to move to another one of the same co-location operator's facilities in Atlanta, GA or Boise, ID with a 60-day notice. A question was asked about using the cloud to back-up our data. It was agreed staff would look into that.

c. Update on Auditor General Finding No. 10 – Selection of Bond Professionals

Nicholas Guarriello updated the Board of Directors about the selection of bond counsel, financial advisor, arbitrage rebate consultant and trustee, among others, and amending the policy to reflect the changes.

A concern was raised by Lynne Tejeda, Key West, about the current team working on the Taylor Swaps termination. Staff agreed that we did not want to interfere with this process.

Mark Larson reported on the suggested changes to the Debt Policy.

Jerry Warren, Winter Park, suggested removing the words in Section 3.0 "...using a request for proposal (RFP) or request for qualification (RFQ) as appropriate." Mr. Warren said there may be another option than an RFP or RFQ and we should not limit ourselves with that language.

Robert Page, Green Cove Springs, suggested adding language to not exclude current FMPA Professionals in the bidding process.

d. Update on Auditor General Finding No. 4 – Investment Policy

Nicholas Guarriello updated the Board on the Investment Policy clarifications the Auditor General wanted more information about: (1) what FMPA meant by the two highest credit rating categories, (2) it would apply on a Project level or Agency-wide basis and (3) look at geographic diversity. Mr. Guarriello stated that staff's changes on suggested language for the Investment Policy were in the agenda package for discussion and input from the Board.

Mark Larson reported on the suggested changes to the Investment Policy.

Discussion ensued.

Jerry Warren, Winter Park, suggested parameters to limit investments by sector or type of municipal bonds.

George Forbes, Jacksonville Beach, suggested pacing the agendas better when so much information is in the packages and get packages out in a timely manner.

ITEM 9 – MEMBER COMMENTS


None

ITEM 9 – ADJOURNMENT

There being no further business, the meeting was adjourned at 11:38 a.m.



Bill Conrad
Chairman, Board of Directors



Lynne Tejeda
Secretary

Approved: May 21, 2015

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BC/LT/su

Board of Directors
Meeting Minutes
April 16, 2015

