

TEXAS PUBLIC FINANCE AUTHORITY

BOARD OF DIRECTORS:

Billy M. Atkinson, Jr., Chair
Ramon Manning, Vice Chair
Jay A. Riskind, Secretary
Larry G. Holt
Shanda G. Perkins
Brendan Scher
Benjamin E. Streusand



EXECUTIVE DIRECTOR
Lee Deviney

MAILING ADDRESS:

Post Office Box 12906
Austin, Texas 78711-2906

PHYSICAL ADDRESS:

300 West 15th Street, Suite 411
Austin, Texas 78701

TELEPHONE: (512) 463-5544

FACSIMILE: (512) 463-5501

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TEXAS PUBLIC FINANCE AUTHORITY

March 3, 2022

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 is attached hereto as Exhibit "A") at 9:30 a.m., Thursday, March 3, 2022, at the William P. Clements, Jr., Building, 300 W. 15th Street, Room 404, Austin, Texas.

Present were: Mr. Billy M. Atkinson, Jr., Chairman; Mr. Ramon Manning, Vice Chair; Mr. Jay A. Riskind, Secretary; Mr. Larry G. Holt, Member; Ms. Shanda G. Perkins, Member; Mr. Brendan Scher, Member; and Mr. Benjamin E. Streusand, Member.

Representing the Authority's staff were: Lee Deviney, Executive Director; John Hernandez, Deputy Director; Kevin Van Oort, General Counsel; John Barton, Financial Analyst and Matthew Berry, Financial Analyst.

In attendance were the following persons, representing the indicated entities:

Tim Peterson, Jefferies LLC; Bech Bruun, UBS; Dirk Spoons, Citigroup Global Markets, Inc.; Paul Jack, Estrada Hinojosa & Co., Inc.; Mark Ellis, Hilltop Securities; Mark Nitcholas, RW Baird; Hasan Mack, McCall Parkhurst & Horton LLP; Blaine Brunson, Morgan Stanley & Co., LLC; Tilghman Naylor, Loop Capital Markets LLC; Paul Braden, Norton Rose Fulbright US LLP; Debi Jones, Raymond James & Associates, Inc.; Jerry Kyle, Orrick, Herrington & Sutcliffe LLP; Robin Redford, Ramirez and Co.; Brad Angst, Stifel, Nicolaus & Company, Inc.; Chris Allen, RBC Capital Markets, LLC; Brian Middlebrook, Barclays Capital Inc.; Danielle Bradford, Piper Sandler & Co.; and Monty Humble.

Mr. Atkinson called the meeting to order at 9:37 a.m. and noted the presence of a quorum.

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.

Mr. Deviney introduced the Texas Public Finance Authority's new staff member, Leandra Contreras, Executive Assistant.

Mr. Atkinson presented a congratulatory resolution recognizing Donna Weinberger-Rourke for her unwavering support as an Executive Assistant for the Texas Public Finance Authority. The resolution was adopted by unanimous consent.

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

No members were absent.

Item 3. Review and approval of the minutes of the January 13, 2022 Board Meeting.

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

Action: Motion by Mr. Manning to approve the minutes of the January 13, 2022 Board Meeting. Second by Mr. Riskind.

The motion passed unanimously.

Item 4. Consideration, discussion, and possible action related to a request from the Texas Railroad Commission to implement a financing order adopted by the Commission pursuant to H.B. 1520, 87th Legislature, R.S. (2021).

Mr. Deviney explained that the responsibility was given to the Texas Railroad Commission to make a regulatory asset determination related to Winter Storm Uri and to issue a financing order to request that TPFA direct a special purpose entity to issue Customer Rate Relief Bonds. The Railroad Commission has adopted an asset determination order and has issued the financing order to TPFA for the Board's consideration and action.

Mr. Paul Braden provided an overview of the financing order, discussed next steps and discussion ensued.

Action: Motion by Mr. Holt to direct the Texas Natural Gas Securitization Finance Corporation to move forward with the issuance of the Customer Rate Relief Bonds as requested by the Railroad Commission in its Financing Order in accordance with HB 1520 and to the extent possible, the Corporation utilize the services and staff of the Authority to facilitate such a bond issuance, and staff is hereby directed to prepare a contract for the provisions of such services to the Corporation. Such contract shall be presented to the Authority Board and the Corporation for final approval. Second by Mr. Manning.

The motion passed unanimously.

Item 5. Consideration, discussion, and possible action related to the dealer agreements associated with the 2019AB commercial paper program.

Mr. Deviney stated that Goldman Sachs has not submitted a "standing letter" to the Office of the Attorney General to confirm their compliance with SB13 and SB19. Mr. Deviney added that along with Goldman Sachs, Loop Capital is a commercial paper remarketing dealer for the Revenue Series 2019AB CP program. Therefore, Loop Capital is in place to pick up and take over the remarketing functions should Goldman Sachs contract be terminated.

Action: Motion by Mr. Streusand to authorize the termination of the 2019AB Dealer Agreement with Goldman Sachs, in accordance with the terms of that agreement, effective

June 1, 2022. Staff is further directed to finalize any notices and to amend the Offering Memorandum and take such other actions as necessary and appropriate. Second by Ms. Perkins.

The motion passed unanimously.

Item 6. Staff Update:

a. Update on Charter School Finance Corporation

Mr. Deviney provided an update on the \$10 million grant by the US Department of Education (ED). Mr. Deviney also provided a brief summary of the disposition of the prior grant from the ED and responded to questions about the administration and allocation of revolving grant funds.

b. Update on the status of the underwriting pool for negotiated transactions

Mr. Deviney and Mr. Atkinson provided an overview of the current status and timeline for anticipated project financings. As requested by the Board, TPFA provided a listing of the members of TPFA's current underwriting pool with annotations relating to the firms' submission of a SB13 & SB19 "standing letter".

On the motion of Mr. Atkinson, the Board recessed the open meeting at 11:35 a.m. to go into executive session pursuant to Government Code §551.071 for consultation with counsel. All visitors and staff were asked to leave the room.

At 12:00 p.m., the Board reconvened the open meeting. Mr. Atkinson announced that the Board took no action while in executive session.

c. Update on the Bullion Depository project

Mr. Deviney stated that the Texas Comptroller (CPA) is authorized to purchase the existing bullion depository building. In response to the request for financing from the Comptroller, TPFA is evaluating various potential financing options. Staff will bring the item back to the Board for further review and action.

d. Update on the Texas Military Preparedness Commission project

Mr. Deviney stated the Board had previously approved the service providers for this project. The project may be downsized from the original estimated project amount. TMPC expects to receive additional information from PASA next week.

e. Anticipated request for financing from Texas Southern University

Mr. Deviney stated that a request for financing is anticipated in the next few months.

f. Anticipated request for financing from the Texas Agricultural Finance Authority

Mr. Deviney advised the Board that he anticipates a request from the Texas Agricultural Finance Authority to be submitted soon and that he will present the request to the Board at a subsequent meeting.

g. Anticipated request for a redemption of the Series 2014 TPFA Texas Windstorm Insurance Association Bonds

Mr. Deviney stated that the administration of the Texas Windstorm Insurance Association (TWIA) Taxable Series 2014 Bonds is an ongoing project. Of the \$500 million bond funds, \$177 million remains outstanding and the TWIA board has adopted a resolution requesting that TPFA take necessary actions to provide for the redemption of the remaining outstanding bonds with a target redemption date in May 2022.

h. Personnel update

Mr. Deviney stated that there are currently two open positions posted: a staff attorney and a financial analyst position. Staff is actively interviewing candidates for the staff attorney position. The second position was recently posted, and applications are being accepted. Mr. Deviney also stated that TPFA will begin evaluating staffing levels based on Covid risk-based guidelines. Mr. Deviney also stated that each year TPFA participates in the annual University of Texas survey of employee engagement. Mr. Deviney summarized the results of that survey.

i. Upcoming projects

Mr. Deviney stated that TPFA will be working on the following projects: the TPFA strategic plan, client and agency training, a HUB report, the agency risk assessment, SORM, and the Legislative Appropriations Request.

j. Market update

Mr. Matt Berry presented the market update indicating that financial markets and interest rates are volatile due to the recent events in Ukraine. Mr. Berry stated that TPFA will have a better indication of rates in the next few months as it prepares for upcoming bond sales.

Item 7. Future transactions and market conditions.

Mr. Deviney mentioned that he anticipates a Board meeting on April 7, 2022.

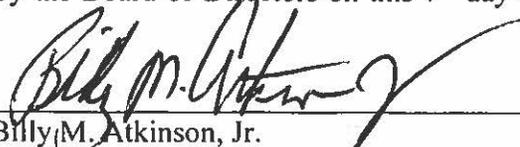
Item 8. Future agenda items and meeting dates.

Mr. Deviney reviewed the calendar of future transactions and advised the Board of the potential need to meet in May and July.

Item 9. Adjourn.

Mr. Atkinson adjourned the meeting at 12:43 p.m.

The foregoing minutes were approved and adopted by the Board of Directors on this 7th day of April 2022.


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

ATTACHMENT: Posting Notice