

TEXAS PUBLIC FINANCE AUTHORITY

BOARD OF DIRECTORS:

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



EXECUTIVE DIRECTOR

Lee Deviney

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

January 11, 2024

The Board of Directors (the "Board") of the Texas Public Finance Authority ("TPFA") convened in open meeting, notice duly posted pursuant to law (a copy of which is attached hereto as Exhibit "A"), at 10:00 a.m. on Thursday, January 11, 2024, in the Capitol Extension Hearing Room E1.014, State Capitol, 1400 N. Congress, in Austin, TX.

Present were: Mr. Billy M. Atkinson, Jr., Chair; Mr. Ramon Manning, Vice Chair; Mr. Jay A. Riskind, Secretary; Mr. Larry G. Holt, Member; Mr. Lance S. Etcheverry, Member; Ms. Shanda G. Perkins, Member; and Mr. Benjamin E. Streusand, Member. Mr. Manning participated via video conference.

Representing the TPFA staff were: Lee Deviney, Executive Director; Kevin Van Oort, General Counsel; Devyn F. Wills, Assistant General Counsel; Matthew Berry, Financial Analyst; Kelly Tappendorf, Financial Analyst; and Adan Ramirez, Financial Analyst.

In attendance were the following persons, representing the indicated entities: Tim Kelley and Danielle Bradford Cody, Piper Sandler & Co.; Hasan Mack, McCall Parkhurst & Horton LLP; Chris Allen and Julie MacMillan, RBC Capital Markets, LLC; Lester Byrd, BOK Financial Securities; Jerry Kyle and Julia Houston, Orrick, Herrington & Sutcliffe LLP; Robin Redford, Ramirez & Company; Ricardo Salazar, Cabrera Capital Markets, LLC; Andy Deskins and Brenda Polland, Wells Fargo; Troy Madres and Kaumudi Atapalyu, Morgan Stanley & Co.; Tilghman Naylor, Loop Capital Markets LLC; Humberto F. Aguilera, Escamilla & Poneck, LLP; Geraldo Perez, Seibert Williams Shank & Co. LLC; and Paul Braden, Norton Rose Fulbright US LLP.

Mr. Atkinson called the meeting to order at 10:05 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.

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

Mr. Atkinson noted that all Board members were present.

Item 3. Review and approval of the minutes of the October 12, 2023 Board Meeting.

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

Action: Motion by Mr. Streusand to approve the minutes of the October 12, 2023 Board meeting as presented. Second by Mr. Holt.

The motion passed unanimously.

Item 4. Consideration, discussion, and possible action to select a bond counsel pool for future transactions.

Mr. Van Oort stated that last year the Texas Public Finance Authority issued a Request for Qualifications (RFQ) to solicit proposals and qualifications from law firms to provide bond counsel services and received responses from fourteen firms. Mr. Van Oort recommended that the Board continue with the core law firms that are in TPFAs existing pool, and to also include the Bates Law Firm (successor to former pool member, Bates & Coleman), Greenberg Traurig, and Locke Lord.

Action: Motion by Mr. Etcheverry that the Board designate a pool of law firms to provide bond counsel and disclosure counsel services to the Board, for the biennium ending on August 31, 2025 to consist of the following firms: The Bates Law Firm PLLC; Bracewell LLP; Escamilla & Poneck LLP; Greenberg Traurig LLP; Locke Lord LLP; McCall Parkhurst & Horton LLP; Norton Rose Fulbright US LLP; and Orrick, Herrington & Sutcliffe LLP. Second by Ms. Perkins.

The motion passed unanimously.

Item 5. Post-sale evaluation: State of Texas General Obligation and Refunding Bonds, Taxable Series 2023A.

Mr. Deviney stated that this transaction was issued in October 2023 with a par amount just under \$300 million. The bond proceeds were used to refund \$92.8 million outstanding general obligation commercial paper and the balance funded the remaining three quarters of CPRIT's needs for fiscal year 2024. Mr. Deviney introduced Tim Kelley and Danielle Cody from Piper Sandler & Co. to provide a post-sale report.

Mr. Kelly summarized the key elements of the bond pricing and responded to Board questions related to market conditions during the time of the pricing.

The Board took no action on this item.

Item 6. Agency Rule Review: Consideration, discussion, and possible action to readopt or amend existing administrative rules.

Mr. Wills stated that at the September 2023 Board meeting, the Board directed staff to conduct a review of TPFAs administrative rules. After that meeting, staff published notice of the rule review in the Texas Register and invited comments. TPFAs received no comments and completed the review. Mr. Wills recommended that the Board readopt the current administrative rules in their entirety, in accordance with the requirements of Texas Government Code Section 2001.039.

Action: Motion by Mr. Holt that the Board finds that the initial reasons for adopting the rules in Chapters 221, 223, 225, and 227 of Title 34 of the Texas Administrative Code continue to exist and therefore readopts such rules in accordance with the requirements of Government Code Section 2001.039. Second by Mr. Riskind.

The motion passed unanimously.

Item 7. Management Succession Plan: Consideration, discussion, and possible action to adopt a management succession plan.

Mr. Deviney stated that the Authority's Management Succession Plan is periodically reviewed and updated. The management succession plan Mr. Deviney presented has one amendment and that is the order of management succession in the event that both the Executive Director and the Deputy Director are unable to exercise their duties. The amendment provides that under such circumstances, the General Counsel will serve as Acting Executive Director. Mr. Deviney recommended that the Board approve the management succession plan, as presented.

Action: Motion by Mr. Etcheverry that the Board adopt the proposed Management Succession Plan, as presented. Second by Mr. Streusand.

The motion passed unanimously.

Item 8. Agency Personnel Policies and Procedures: Consideration, discussion, and possible action to amend the agency's personnel policies.

Mr. Van Oort stated that the Authority's Personnel Policies and Procedures manual has been in place for several years and is reviewed and revised periodically based on policy initiatives and legislative changes. The Board has divided the personnel policies document into two parts, part one being the policies adopted by the Board and part two being the administrative policies and procedures adopted and implemented by management.

Mr. Wills presented recommended edits to the Board policy portion of the personnel policies. He advised the Board that the recommended edits were designed to update the language of the document to better conform with the current version of the law.

Action: Motion by Mr. Etcheverry that the Board adopt the proposed personnel policies as presented. Second by Mr. Streusand.

The motion passed unanimously.

Item 9. Staff Update:

a. TAFE Financing: Update

Mr. Deviney stated that the TAFE commercial paper resolution adopted by the Board in 2023 authorized the issuance of commercial paper in an amount not to exceed \$200 outstanding at any point in time. The Bond Review Board has approved the Authority's application to issue debt, but limited this approval to \$6 million outstanding at any point in time. The financing agreement with TAFE is pending.

b. TxDMV Financing: Update

Mr. Van Oort stated that the Board approved a request for financing for a new office building, totaling \$143 million. A financing agreement between TPFA and the TxDMV remains pending, subject to a fee simple conveyance of the project site (the Camp Hubbard property) from TxDOT to the TxDMV.

c. Customer Rate Relief Bonds: Status Report

Mr. Deviney stated that the Texas Natural Gas Securitization Finance Corporation has a meeting scheduled for January 16, 2024. Staff will discuss the form of the annual finance report with the corporation board at that time.

d. D&O Insurance: Status Report

Mr. Deviney stated that the Board appointed a sub-committee of the board, which will work with staff to evaluate coverage options. Additionally, staff has engaged a new insurance broker, Lockton, and is working with Lockton to obtain two options for liability coverage.

e. Charter School Finance Corporation: Update and Future Appointments

Mr. Deviney stated that currently the corporation does not have a scheduled board meeting. Currently, there are four incumbent board members, including one member who has indicated her intent to retire from the board when her term expires on May 1, 2024. Mr. Deviney indicated that the corporation board can function with three members, but that the board could operate more efficiently with the appointment of a new board member to replace the retiring member. Mr. Deviney raised the possibility of the TPFA Board appointing one of its own members to the corporation board.

f. Personnel Update

Mr. Deviney stated that TPFA has one vacancy for an accountant position that was posted in the fall and has recently received some applications that are being evaluated. Additionally, two positions were approved by the legislature and TPFA is working on a plan on how to best utilize those positions.

g. Market Update

Mr. Berry provided an update on the HHSC deferred maintenance project, advising the Board that \$96 million remains to be issued for that project. The benchmark for tax-exempt commercial paper reset at a rate of 1.9%, which is down from 3.08% last week.

Item 10. Future transactions and market conditions.

Mr. Deviney stated that TPFA is not anticipating any new requests for financing which will require Board action until this coming summer. CPRIT is fully funded for FY 2024. TFC is not drawing down bond proceeds at this time, but TPFA is monitoring their requests.

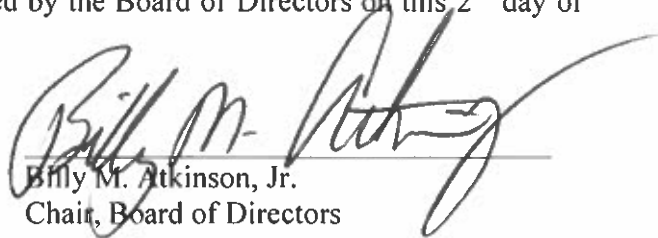
Item 11. Future agenda items and meeting dates.

Mr. Deviney advised the Board that there would be a potential need for the Board to meet in February. The Board discussed February 8, 2024 as a potential meeting date.

Item 12. Adjourn.

Mr. Atkinson adjourned the meeting at 11:20 a.m.

The foregoing minutes were approved and adopted by the Board of Directors on this 2nd day of May 2024.



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

ATTACHMENT: Posting Notice



Leandra Contreras

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Open Meeting Submission

TRD: 2024000032
Date Posted: 01/03/2024
Status: Accepted
Agency Id: 0113
Date of Submission: 01/03/2024
Agency Name: Texas Public Finance Authority
Board: Texas Public Finance Authority
Date of Meeting: 01/11/2024
Time of Meeting: 10:00 AM (##:## AM Local Time)
Street Location: 1400 N. Congress Avenue Capitol Extension Hearing Room E1.014
City: Austin
State: TX
Liaison Name: Leandra Contreras
Liaison Id: 7
Additional Information Obtained From: Leandra Contreras, 512-463-5544
Agenda: Texas Public Finance Authority
 Board Meeting
 Thursday, January 11, 2024 - 10:00 A.M.

 Capitol Extension Hearing Room E1.014
 State Capitol
 1400 N. Congress Avenue
 Austin, Texas

AGENDA

The Board may discuss and take action regarding any of the following matters:

1. Confirm meeting posting compliance with the Open Meetings Act.
2. Excuse absences of Board members, if necessary.
3. Review and approval of the minutes of the October 12, 2023 Board meeting.

4. Consideration, discussion, and possible action to select a bond counsel pool for future transactions.
5. Post-sale evaluation: State of Texas General Obligation and Refunding Bonds, Taxable Series 2023A.
6. Agency Rule Review: Consideration, discussion, and possible action to readopt or amend existing administrative rules.
7. Management Succession Plan: Consideration, discussion, and possible action to adopt a management succession plan.
8. Agency Personnel Policies and Procedures: Consideration, discussion, and possible action to amend the agency's personnel policies.

9. Staff Update:
 - a. TAFE Financing: Update
 - b. TxDMV Financing: Update
 - c. Customer Rate Relief Bonds: Status Report
 - d. D&O Insurance: Status Report
 - e. Charter School Finance Corporation: Update and Future Appointments
 - f. Personnel Update
 - g. Market Update
10. Future transactions and market conditions.
11. Future agenda items and meeting dates.
12. Adjourn

THE BOARD MAY GO INTO CLOSED SESSION AS PERMITTED UNDER THE OPEN MEETINGS ACT, GOVERNMENT CODE CHAPTER 551.

Persons with disabilities who have special communication or other needs, who are planning to attend the meeting, should contact Leandra Contreras at 512/463-5544. Requests should be made as far in advance as possible. Contact Leandra Contreras if you need any additional information, Texas Public Finance Authority, 300 W. 15th Street, Suite 411, Austin, TX 78701.

New Submission

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