Minutes of the November 20, 2025, TexPool Investment Advisory Board Meeting

The TexPool Investment Advisory Board met on Thursday, November 20, 2025, at the LBJ State Office Building, 111 E. 17th Street, Room 113, Austin, Texas 78701.

Board Members present
Dina Edgar, Patrick Krishock, Deborah Laudermilk, and Valarie Van Vlack

Board Members Absent
David Landeros and Belinda Weaver

Comptroller of Public Accounts Staff Presiding and Present
Deputy Comptroller Lisa Craven and Associate Deputy Comptroller Tom Currah

Texas Treasury Safekeeping Trust Company Executive Staff, Presenters & Facilitators
Mike Reissig, CEO; Anca Ion, CIO; Whitney Blanton, General Counsel; Gena Minjares, CFO; Lalo Torres, Sr. Portfolio Manager; and Nora Arredondo, Program Specialist

Additional Participants
Paige Wilhelm, Federated Advisory Company; Heather Froehlich and David Perez; Federated Securities Corporation

Call to Order
Deputy Comptroller Lisa Craven called the meeting to order at 10:00 a.m.

1. **Economic Update and Discussion of Portfolio Positioning**
   In the third-quarter report for TexPool and TexPool Prime, Ms. Paige Wilhelm of Federated highlighted several key points. Both Pools remained fully compliant with all regulatory requirements, maintaining AAA ratings and a stable $1 NAV. Economically, the quarter saw market volatility ease as employment slowed, prompting the Fed to shift focus from inflation to jobs and begin rate cuts, including a 25-basis-point cut in September. While expectations for further near-term cuts have softened due to mixed and delayed data, the outlook still anticipates additional reductions over time.

   TexPool experienced typical third-quarter seasonal outflows, with assets declining by $1.3 billion to end the quarter at approximately $33 billion. The portfolio increased Treasury Bill exposure to 36% as T-Bills became more attractive than agency securities following the debt-limit increase. Average maturity was extended to 44 days to position for expected Fed rate cuts, and the 7-day yield ended around 4.26%. Performance ranked at the top of its peer group.

   TexPool Prime assets declined by about $285 million, ending the quarter at $15.3 billion, also reflecting normal seasonal outflows. Portfolio composition remained stable, with modest increases in commercial paper and an average maturity of about 51 days. Despite negative credit headlines, the portfolio had no exposure to troubled issuers and credit quality remained strong, with underlying collateral performing well. TexPool Prime ranked second among peers. Stress tests confirmed the Pools' resilience under adverse conditions, ensuring their stability even in the face of market shocks, and stress testing confirmed the NAV stayed above $1.00 even under significant credit, rate, and redemption shocks.

A quorum was now present at 10:20 a.m.

2. **Approval of Minutes from August 27, 2025 Meeting**
   On a motion by Mr. Patrick Krishock, and seconded by Ms. Deborah Laudermilk, the Board voted unanimously to approve the August 27, 2025 proposed meeting minutes as presented.

3. **TexPool and TexPool Prime Portfolio and Performance Review for the 3rd Quarter of 2025 and Related Matters**
   Mr. Lalo Torres presented an overview of the third quarter emphasizing TexPool's continued robust growth driven by Texas's strong economic expansion, population increases and rising municipal activity. The discussion highlighted steady increases in participants and assets under management, with combined balances nearing $48 billion and clear seasonal flow patterns throughout the year. Board members reviewed the fixed-income opportunity set, noting tight credit spreads, an inverted yield curve, and the impact of recent Fed rate cuts on yields. Performance versus peers and benchmarks reflected consistent active management, strong competitiveness, and portfolios remaining within policy and stress-test limits.

4. **Report on Services Provided to TexPool and TexPool Prime Participants and Related Matters**
   Ms. Heather Froelich presented an update highlighting TexPool and TexPool Prime's continued outperformance compared to bank alternatives, noting steady asset growth despite typical second-quarter seasonal outflows. She reported the addition of 22 new TexPool participants and 16 to TexPool Prime for the quarter, bringing the total close to the 3,000-participant milestone. Her presentation also detailed participant composition trends, operational efficiencies such as improved service center response times, and the comprehensive team and service structure supporting both Pools. She concluded by noting outreach efforts, upcoming conferences, and positive feedback regarding the recently extended fund cutoff time.

5. **Discussion of Next Meeting and Agenda Items**
   The Board will be contacted for the next meeting date in February. No future agenda items were noted.

6. **Public Comment**
   No public comments.

Mr. Mike Reissig adjourned the meeting at 10:36 a.m.