Minutes of February 17, 2026, TexPool Investment Advisory Board Meeting

The TexPool Investment Advisory Board met on Tuesday, February 17, 2026, at 10:00 a.m., at the LBJ State Office Building, 111 E. 17th Street, Room 113, Austin, Texas 78701.

Board Members Present
Dina Edgar, Patrick Krishock, David Landeros, Deborah Laudermilk, Valarie Van Vlack and Belinda Weaver

Board Members Absent
None

Comptroller of Public Accounts Staff Presiding and Present
Lisa Craven, Deputy Comptroller

Texas Treasury Safekeeping Trust Company ("Trust Company") Executive Staff, Presenters & Facilitators
Anca Ion CIO; Gena Minjares, CFO; Whitney Blanton, General Counsel; Lalo Torres, Senior Portfolio Manager; and Nora Arredondo, Program Specialist

Additional Participants
Tino Robledo and Heath Jackson; Auditors, RSM US, LLP
Paige Wilhelm and Mark Weiss; Federated Advisory Company
Heather Froehlich, David Perez and Colby Anthony; Federated Securities Corporation

Call to Order
Deputy Comptroller Lisa Craven declared a quorum was present and called the meeting to order at 10:00 a.m.

1. **Approval of Minutes of November 20, 2025, Meeting**
   On a motion by Ms. Valarie Van Vlack, and seconded by Ms. Deborah Laudermilk, the Board voted unanimously to approve the November 10, 2025, proposed meeting minutes as presented.

2. **Presentation of Independent Auditor's Report for the Trust Company (under separate cover)**
   Mr. Tino Robledo and Mr. Heath Jackson summarized the audit reports issued by RSM US LLP for TexPool and TexPool Prime. They reported unqualified opinions with respect to both funds for the fiscal year ending August 31, 2025. They also reported that both Pools were in compliance with their investment policies and that no audit adjustments were required during the audit engagement, nor was a management letter issued. The audit included a review of internal controls, risk assessments, accounting policies, and fair value estimates. New accounting standards GASB 101 and GASB 102 were reviewed and determined to have no financial statement impact on the pools.

3. **Economic Update and Discussion of Portfolio Positioning**

Ms. Paige Wilhelm and Mr. Mark Weiss reviewed Federated's investment report for TexPool and TexPool Prime for the quarter ending December 31, 2025. Mr. Weiss reported that both TexPool and TexPool Prime remained fully compliant with investment policies, PFIA requirements, and maintained AAA ratings during the quarter and net asset values were never less than $0.995 or greater than $1.005. He explained that the Federal Reserve cut rates several times due to concerns about slowing labor market conditions and persistent inflation, while a lengthy government shutdown complicated economic data collection and analysis. He also discussed how rising repo rates prompted the Fed to stop shrinking its balance sheet and inject additional reserves into the financial system. He noted that the Fed is currently taking a cautious "wait-and-see" approach on future rate cuts and policy changes.

Ms. Wilhelm explained that both Pools experienced strong asset growth during the quarter, largely driven by seasonal tax inflows. She noted that portfolio yields declined following the Fed's rate cuts, while elevated overnight repo rates led the portfolios to maintain larger repo positions because they offered more attractive short-term value. Ms. Wilhelm stated that both Pools continued to perform very well relative to competitors, with TexPool Prime ranking first among comparable funds. She also confirmed that stress testing showed both portfolios maintained stable net asset values and strong liquidity under various market stress scenarios. The stress test of the Pools appropriately reflected current interest rate environment by the Fed, and results were in line with expectations.

4. **TexPool and TexPool Prime Portfolio and Performance Review for the 4th Quarter of 2025 and Related Matters**

Mr. Lalo Torres presented a portfolio review of TexPool and TexPool Prime for the fourth quarter of 2025 and reviewed all graphs and charts behind Tab. He highlighted the continued growth and strong participation in both TexPool and TexPool Prime, attributing the expansion to Texas' strong economy, growing tax base, municipal debt issuance, and the attractive income opportunities created by higher interest rates over the past several years. He emphasized that active portfolio management and strategic positioning along the money market yield curve helped maximize returns for participants during changing market conditions. Torres noted that the Pools added 33 new participant accounts during the quarter and that combined assets under management had reached nearly $60 billion, the highest level in the Pools' history. He also discussed the highly competitive investment environment and the importance of incremental yield improvements in generating meaningful returns across large portfolio balances.

5. **Report on Services Provided to TexPool and TexPool Prime Participants and Related Matters**

Ms. Heather Froehlich summarized the information behind Tab 4 and provided an update on participant services, highlighting continued growth in both TexPool and TexPool Prime participation and assets, with the programs nearing 3,000 participant accounts. She discussed increased participant engagement through educational offerings, conferences, webinars, and expanded outreach efforts across the state, including more than 500 one-on-one participant meetings during the year. Ms. Froehlich also reviewed operational enhancements implemented in

2025, including extended trading cutoff times, strengthened fraud prevention procedures, expanded sales support, and the upcoming launch of a new enhanced participant portal scheduled for May. She concluded by noting ongoing marketing and communication initiatives, including a new quarterly e-newsletter, Treasury Market Minute videos, and the planned launch of a dedicated TexPool LinkedIn page.

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

7. **Public Comment**
   No public comments.

Deputy Comptroller Lisa Craven declared the TexPool Investment Advisory Board meeting adjourned at 10:49 a.m.