

**MINUTES OF THE
FINANCE COMMISSION MEETING
Friday, April 16, 2021**

The Finance Commission of Texas convened at 9:25 a.m. on April 16, 2021 with the following members present:

Finance Commission Members in Attendance (via webinar):

Phillip Holt, Chairman	Will Lucas
George "Cliff" McCauley, Vice Chairman	Sharon McCormick
Robin Armstrong	Vince Puente
Hector Cerna	Laura Warren
Larry Long	

Chairman Phillip Holt made a motion to excuse Bob Borochoff from the Finance Commission meeting held on April 16, 2021. There were no objections and the motion passed unanimously. *(1:56:06 on audio file).*

Commissioner Charles Cooper announced there was a quorum with nine members present. *(2:34 on audio file).*

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Finance Commission Matters		
1. Review and Approval of the Minutes of the February 19, 2021 Finance Committee Meeting	On Consent Agenda – Item A1 This item Approved on the Consent Agenda.	n/a
2. General Public Comment	No Action Required.	2:46 start of discussion
3. Consent Agenda – Item A1	Laura Warren made a motion to Approve Consent Agenda item A1. Sharon McCormick seconded and the motion passed.	3:30 start of discussion 3:52 Vote
4. Finance Commission Operations	No Action Required.	4:19 start of discussion
5. Audit Committee Report		
A. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies’ 2021 Second Quarter Investment Officer Reports 1. Texas Department of Banking 2. Department of Savings and Mortgage Lending 3. Office of Consumer Credit Commissioner	Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Agencies’ 2021 Second Quarter Investment Officer Reports passed.	9:25 start of discussion 9:59 Vote

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
<p>B. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies’ 2021 Second Quarter Financial Statements</p> <ol style="list-style-type: none"> 1. Texas Department of Banking 2. Department of Savings and Mortgage Lending 3. Office of Consumer Credit Commissioner 	<p>Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Agencies’ 2021 Second Quarter Financial Statements passed.</p>	<p>10:23 start of discussion</p> <p>10:30 Vote</p>
<p>C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Texas Department of Banking’s Consumer Assistance Audit Report as Prepared and Presented by Garza/Gonzalez and Associates</p>	<p>Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Texas Department of Banking’s Consumer Assistance Audit Report as Prepared and Presented by Garza/Gonzalez and Associates passed.</p>	<p>10:51 start of discussion</p> <p>11:01 Vote</p>
<p>D. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Office of Consumer Credit Commissioner's TFEF Fund Investment Portfolio Administration Audit Report as Prepared and Presented by Garza/Gonzalez and Associates</p>	<p>Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Office of Consumer Credit Commissioner's TFEF Fund Investment Portfolio Administration Audit Report as Prepared and Presented by Garza/Gonzalez and Associates passed.</p>	<p>11:21 start of discussion</p> <p>11:35 Vote</p>
<p>6. Status Report on Implementation of Finance Commission Directive on the Efficiency Audit Regarding Sunset Recommendation 2.6 – “Direct the Finance Commission to minimize duplication of agency functions and promote more cost efficient administration of the finance agencies.”</p>	<p>No Action Required.</p>	<p>12:01 start of discussion</p>
<p>7. Discussion of and Possible Vote to Take Action on the Finance Commission Agencies’ Fiscal Year 2021 Mid-Term Accomplishment Reports</p>	<p>Laura Warren made a motion to Approve the Finance Commission Agencies’ Fiscal Year 2021 Mid-Term Accomplishment Reports. Sharon McCormick seconded and the motion passed.</p>	<p>15:05 start of discussion</p> <p>27:03 Vote</p>
<p>8. Discussion of the Condition of the Texas State Banking System Report <i>(Note: Report provided separately)</i></p>	<p>No Action Required.</p>	<p>27:28 start of discussion</p>

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9. Discussion of and Possible Vote to Take Action Regarding Personnel Matters Pursuant to §551.074, Texas Government Code: Deliberations with Respect to the Duties and Compensation of a Person Holding the Position of Executive Director of the Finance Commission, Deliberations with Respect to the Duties and Compensation of Persons Holding the Position of Agency Commissioner Positions, and Other Staff	No Discussion.	n/a
10. Discussion of and Possible Vote to Take Action Regarding Facility Planning and Real Property Matters Pursuant to §551.072, Texas Government Code: Deliberations Regarding the Purchase, Exchange, Lease or Value of Real Property	No Discussion.	n/a
11. Discussion of and Consultation with Attorney and Possible Vote to Take Action Pursuant to §551.071, Texas Government Code, for the Purpose of Seeking the Advice or Attorney-client Privileged Communications from our Attorneys, Including Matters Related to the Potential Financial Exposure of the Finance Commission Agencies and Their Officers and the Finance Commission and its Officers and Including Matters of Pending and Contemplated Litigation	No Discussion.	n/a
12. Discussion of and Consultation on Security Audit, Possible Issue Related to Confidential or Sensitive Information, Security Breach Audit and Assessment, or Security Assessments or Deployment Related to Information Resources Technology as Authorized by Tex. Govt. Code Secs. 551.076 and 551.089	No Discussion.	n/a
B. Texas Department of Banking		
1. Industry Status and Departmental Operations: a) Current Issues Affecting Department’s Regulated Entities; b) Bank and Trust Division Activities; c) Corporate Division Activities; d) Non-Depository Supervision Division Activities; e) Administrative, Staffing and Fiscal Division Activities; f) Strategic Support Division Activities including Consumer Complaint Data; g) Legal Division Activities including Enforcement Activity and Gift Reporting; and h) Legislative Activities	No Action Required.	39:19 start of discussion

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
2. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of Amendment to 7 TAC §3.36, Concerning Annual Assessments and Specialty Examination Fees	Vince Puente made a motion to Approve the Proposal and Publication for Comment of Amendment to 7 TAC §3.36, Concerning Annual Assessments and Specialty Examination Fees. Laura Warren seconded and the motion passed.	1:00:18 start of discussion 1:02:32 Vote
3. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation	No Discussion.	n/a
C. Department of Savings and Mortgage Lending		
1. Industry Status and Departmental Operations: a) State Savings Bank Examinations and Supervision Division Activities; b) Mortgage Licensing Division Activities; c) Mortgage Examinations Division Activities; d) Consumer Complaints Division Activities; e) Administration and Finance Division Activities; f) Legal Division Activities, including Gift Reporting; and g) Legislative Activities	No Action Required.	1:03:17 start of discussion
2. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation	No Discussion.	n/a
D. Office of Consumer Credit Commissioner		
1. Industry Status and Departmental Operations: a) Consumer Protection and Assistance Division Activities; b) Licensing Division Activities; c) Administration Division Activities; d) Financial Division Activities; e) Legal Division Activities; and f) Legislative Activities	No Action Required.	1:29:43 start of discussion
2. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation <i>Ernest Polk v. Texas Office of Consumer Credit Commissioner; Cause No. 2018-04375, in the 281st Judicial District Court of Harris County, Texas</i>	No Discussion.	n/a

There being no further business, Chairman Phillip Holt adjourned the meeting of the Finance Commission at 11:22 a.m. *(1:56:49 on the audio file).*

/s/ Phillip Holt

Phillip Holt, Chairman
Finance Commission of Texas

/s/ Charles G. Cooper

Charles G. Cooper, Executive Director
Finance Commission of Texas

/s/ Brenda Medina

Brenda Medina, Executive Assistant
Finance Commission of Texas