

**MINUTES OF
REGULAR MEETING OF THE DIRECTORS OF
THE OKLAHOMA DEVELOPMENT FINANCE AUTHORITY
December 14, 2022**

The Directors of the Oklahoma Development Finance Authority held a Regular Meeting at 10:00 a.m. on Wednesday, December 14, 2022, in the Conference Room of the Oklahoma Development Finance Authority, 9220 North Kelley Avenue, Oklahoma City, Oklahoma.

The following members of the Authority were PRESENT:

Mr. Keith Ventris, Chairman
Mr. Bridger Cox, Vice Chairman
Mr. Peter Carey, Secretary
Mr. Hank Bradley, Member
Mr. Matt Caldwell, Member
Mr. D.R. Shipley, Member

The following member of the Authority was ABSENT:

Mr. Brent Kisling, Ex-Officio

Others attending the meeting were members of the Oklahoma Development Finance Authority staff and other guests representing firms doing business with ODFA, who are listed on the Attendance Register which is kept in the original meeting file.

ROLL CALL

Chairman Ventris called the meeting to order and requested a roll call from the Assistant Secretary, after which he declared a quorum present.

In response to a question by Chairman Ventris, it was reported that notice of the Regular Meeting of the Authority was filed in the office of the Oklahoma Secretary of State and public notice of this meeting was posted in prominent view at 9220 North Kelley Avenue, Oklahoma City, Oklahoma, twenty-four (24) hours prior to this meeting excluding Saturdays, Sundays, and legal holidays, all in compliance with the Oklahoma Open Meeting Act.

APPROVAL OF MINUTES OF THE MEETING OF OCTOBER 26, 2022

Minutes of the meeting held October 26, 2022, had been sent electronically to the Board Members prior to the meeting and the reading was waived. Mr. Shipley made a motion to approve the minutes as transmitted. Mr. Caldwell seconded the motion. All members present voted Aye.

FINANCIAL REPORT

Mr. Davis stated that the trended balance sheet and income statements are on pages 10-11 in the board packet. The revenue for the 4 months into FY 23' is \$1,024,000, compared to \$460,000 this same period a year ago. The expenses are up slightly 7% at \$384,000 FY 23' year to date versus \$360,000 this same period last year. The operating net income from these 4 months is \$640,000 compared to a \$100,000 for this same period in FY 22'. Mr. Davis then discussed the semiannual admin invoices for December 31st. There are currently 95 outstanding ODFA issues. The total amount of these invoices is around \$667,000. Mr. Davis added that from a trend perspective if you go back to FY 18' the annual admin fee was \$1.1Million this has steadily grown. We are looking at FY 23' invoices being at about \$1.5Million. This is good for a lot of reasons in looking ahead with rates climbing. They will probably climb another 50 basis points today and in early February another 25 to 50 basis points. He did not feel there would be any refundings, as it would be a much higher interest cost with big capital projects. Mr. Davis believes that the production will wane a little bit but from a financial perspective, the Authorities have put in a lot of work and have increased the amount in invoicing. He feels the Authority is in good shape to get to the other side of wherever the economy goes.

Mr. Cox added that the ten year treasury went down yesterday like 3.7 so maybe some investor thought that this will be a short lived. Mr. Davis added that we have been talking about the cash yield has been terrible and there were opportunities in the market to get out and do a US Treasury ladder strategy, 2 years and we have money rolling off every 3 months and they will reprice. Mr. Davis felt that they hit the market just right with yield on this \$5 million portfolio was 4.55% and literally in a day or two the ten year retreated about 30 basis points and has not come back. This has helped with the bottom line and will continue to do this.

Chairman Ventris asked if there were any questions or comments concerning the report. Hearing none, he asked if there was a motion. Mr. Cox made a motion to approve the financial report, as presented. Mr. Shipley seconded the motion. All members present voted AYE.

NEW LOAN APPLICATIONS/PROJECTS

- A. Oklahoma Development Finance Authority (ODFA) – \$500,000 Oklahoma Community Economic Development Pooled Finance Act Award (Red Collar Pet Foods, Inc. Project), Series 2022**

Discussion and possible with respect to a resolution acknowledging receipt of a Determination Letter from the Oklahoma Department of Commerce (“ODOC Determination Letter”); implementing the financial incentive described in the ODOC Determination Letter, namely, the Oklahoma Community Economic Development Pooled Finance Act (Red Collar Pet Foods, Inc. Project), Series 2022, in an aggregate principal amount estimated at \$500,000 (the “Award”); approving and authorizing the execution and delivery of a Funding Agreement and other related documents; and containing additional matters relating thereto.

Ms. Harris introduced Mr. Ronnie Taylor with Red Collar. Red Collar has applied to the Economic Development Pool to finance capital investment at its facility in Miami, Oklahoma. The Oklahoma Department of Commerce has identified that the project is a net positive benefit to the State of Oklahoma and has issued an incentive award of \$500,000. Ms. Harris asked Mr. Taylor to share about his project. Mr. Taylor passed out a handout showing the equipment that they will be putting in to create a new line that will produce 5,400 additional tons of pet treats. This will create 48 to 50 jobs. They have been at the facility in Miami for 25 years. This is a very solid and lucrative plant that makes dog treats.

Mr. Cox made a motion to approve the project. Mr. Caldwell seconded the motion. Upon Roll Call, the vote was as follows:

AYE: Bradley, Carey, Caldwell, Cox, Shipley, Ventris
NAY: NONE

REVIEW AND POSSIBLE APPROVAL OF TRAVEL CLAIMS

Mr. Shipley made a motion to approve the travel claims. Mr. Carey seconded the motion. All members present voted AYE.

PRESIDENT’S REPORT

Mr. Davis reported that there was a strong financial performance that was driven by historic production. In calendar year 2022 there were 8 bond issuances for \$3.1 billion, going into 2022 the total outstanding bond issues in the market were a little under \$3 billion. There were 4 issues for the utility securitization totaling \$2.9 billion. There were 2 healthcare issues for \$150 million, these were for OU Health and 2 higher education issues for \$27 million. The Authority also completed 34 projects in the Business Expansion Incentive Program, like the project the board just saw, Red Collar. Through the Oklahoma Innovation Expansion Program Series 2022, the authority touched 125 companies. All in all and counting OIEP as one project, 43 projects were completed, Mr. Davis added that he is proud of his team.

Mr. Davis stated that this concluded the President’s Report. Chairman Ventris made note that no formal action was taken during the President’s report.

ADJOURNMENT

Chairman Ventris asked if there were any announcements. Hearing none, he asked if there was a motion to adjourn. Mr. Cox made a motion to adjourn. Mr. Shipley seconded the motion. All members present voted AYE.

These minutes officially approved and adoption this ____ day of _____, 2023.

Chairman

SEAL

Assistant Secretary