

Board of Examiners Meeting Minutes
Governors' Reception Room
May 6, 2024, at 1:30PM

Agenda item 1: Call to Order and Confirmation of Attendance

- a) Governor Greg Gianforte, as President of the Board of Examiners, called the meeting to order on May 6, 2024, at approximately 1:30 p.m. in the Governors Reception Room of the State Capitol - Attorney General Austin Knudsen and Secretary of State Christi Jacobsen were present. Others present were Department of Administration: Director Misty Ann Giles; Secretary of States Office: Julie Lake; Office of Budget and Program Planning: Ryan Osmundson and Ryan Evans; Governor's Office: Anita Milanovich; Department of Natural Resources & Conservation: Anna Miller, Troy Benn, Mark McNearney, Amanda Kaster, Dorsey & Whitney LLP: Dan Semmens and Courtney Ellis
- b) **Approval of Minutes of Board of Examiners Meeting June 12, 2023.** Governor Gianforte moved to accept the minutes of the June 12, 2023, meeting. The motion passed unanimously.
- c) **Department of Administration (Misty Ann Giles):** Presented seven financing actions for the board to consider from DNRC. The first is a financing for two million to provide farmers with funding for non-point-sourced projects. The next four are for the drinking water and wastewater revolving loan fund – for construction improvements to community water and wastewater systems. A fifth is for one million to provide funding through irrigation projects for public and private entities. The last one for consideration is a financing proposal for DNRC to borrow twenty million to rehabilitate the East Fork Dam and placement of State of Montana Coal Severance Tax Bonds. The Governor gave DNRC the floor for Agenda items 2 & 3.

Agenda items 2 & 3: Department of Natural Recourses & Conservation (Anna Miller)

Item 2: Department of Natural Recourses & Conservation (Anna Miller) Non-Point Source Renewable Resource Program Bond: Presentation regarding Renewable Resource Loan Program (Private Loan Program), requesting issuance of up to \$2,000,000 General Obligation Renewable Resource Program Bond, Taxable Series 2024A (Non-Point Source Loan No. 26).

Item 3: Dorsey & Whitney LLP (Dan Semmens) Non-Point Source Renewable Resource Program Bond Resolution: Resolution Relating to \$2,000,000 State of Montana General Obligation Renewable Resource Program Bond, Taxable Series 2024A (Non-Point Source Loan No. 26); Authorizing the Issuance Thereof to the State of Montana Water Pollution Control State Revolving Fund Program, Establishing the Terms and Conditions Thereof and Approving and Authorizing the Execution of Documents Pertaining Thereto (the "Series 2024A Bond Resolution").

Presentation: Looking to borrow two million dollars from the wastewater program. This would set up loans for farmers through the EPA program up to thirty million dollars. The Governor called for a motion for discussion or recommendation. This gets purchased by the State Revolving fund program – at the 2.5%. The Governor asked for any public comment on the agenda items. The Governor called for public comment on Series 2024A Bond Resolution. There being none, Motion to Adopt the Series 2024A Bond Resolution was made, and Attorney General Austin Knudsen moved to approve. Secretary of State Christi Jacobsen seconded. Motion passed unanimously.

Agenda items 4 & 5: Department of Natural Recourses & Conservation (Anna Miller)

Item 4: Department of Natural Resources and Conservation (Anna Miller): Drinking Water State Revolving Fund Program: Presentation regarding Drinking Water State Revolving Fund Program, requesting issuance of up to \$2,130,000 Taxable General Obligation Bond Anticipation Notes, Series 2024B (Drinking Water State Revolving Fund Program) to the Board of Investments to be used as match for the Bipartisan Infrastructure Law Year 2 Federal Fiscal Year 2023 Capitalization Grant.

Item 5: Dorsey & Whitney LLP (Dan Semmens): Drinking Water State Revolving Fund Program: Resolution of the Board of Examiners of the State of Montana Relating to the State's Drinking Water State Revolving Fund Program, Approving a Supplemental Indenture of Trust Providing for the Issuance of State of Montana General Obligation Bond Anticipation Notes, Authorizing the Sale and Issuance and Establishing the Terms and Conditions of Up to \$2,130,000 Taxable General Obligation Bond Anticipation Notes, Series 2024B (Drinking Water State Revolving Fund Program), and Authorizing the Execution of the Supplemental Indenture and Related Documents (the "Drinking Water Series 2024B Note Resolution").

Presentation: Borrowing \$2.13 million dollars from the Drinking Water Revolving fund. We will borrow this money from Board of Investments. This money will match a capitalization grant from the EPA, as part of the park's infrastructure law funding. These loans will be made to communities of Montana for improvements of their drinking water systems. The federal match is 90% and the state is 10%. Recommendation on the motion – these bonds are GO backed bonds, but they don't count against the debt limit because there is another source of money that is repaying the bonds. As Anna mentioned, she is able to pay off the Bonds from the program income. The Governor called for public comment on Water Series 2024B Note Resolution. There being none, Motion to Adopt the Water Series 2024B Note Resolution was made, and Attorney General Austin Knudsen moved to approve. Secretary of State Christi Jacobsen seconded. Motion passed unanimously.

Agenda items 6 & 7: Department of Natural Recourses & Conservation (Anna Miller)

Item 6: Department of Natural Resources and Conservation (Anna Miller): Water Pollution Control State Revolving Fund Program: Presentation regarding Water Pollution Control State Revolving Fund Program, requesting issuance of up to \$1,040,000 Taxable General Obligation Bond Anticipation Notes, Series 2024C (Water Pollution Control State Revolving Fund Program) to the Board of Investments to be used as match for the Bipartisan Infrastructure Law Year 2 Federal Fiscal Year 2023 Capitalization Grant.

Item 7: Dorsey & Whitney LLP (Dan Semmens): Water Pollution Control State Revolving Fund Program: Resolution of the Board of Examiners of the State of Montana Relating to the State's Water Pollution Control State Revolving Fund Program, Approving a Supplemental Indenture of Trust Providing for the Issuance of State of Montana General Obligation Bond Anticipation Notes, Authorizing the Sale and Issuance and Establishing the Terms and Conditions of up to \$1,040,000 Taxable General Obligation Bond Anticipation Notes, Series 2024C (Water Pollution Control State Revolving Fund Program), and Authorizing the Execution of the Supplemental Indenture and Related Documents (the "Water Pollution Control Series 2024C Note Resolution").

A request to issue \$1,040,000 to match an EPA grant that is in a bipartisan infrastructure bill. The

federal match is 90% and the state is 10%. The recommendation was for the board to consider item number 7. The last number 5 was for drinking water, this is for wastewater. It's essentially the same obligation. The Governor called for public comment on Water Pollution Control Series 2024C Note Resolution. There being none, Motion to Adopt the Water Pollution Control Series 2024C Note Resolution was made, and Attorney General Austin Knudsen moved to approve. Secretary of State Christi Jacobsen seconded. Motion passed unanimously.

Agenda items 8 & 9: Department of Natural Resources & Conservation (Anna Miller)

Item 8: Department of Natural Resources and Conservation (Anna Miller): Drinking Water State Revolving Fund Program: Presentation regarding Drinking Water State Revolving Fund Program, requesting issuance of up to \$1,600,000 Taxable General Obligation Bond Anticipation Notes, Series 2024D (Drinking Water State Revolving Fund Program) to the Board of Investments to be used as match for the base Federal Fiscal Year 2023 Capitalization Grant.

Item 9: Dorsey & Whitney LLP (Dan Semmens): Drinking Water State Revolving Fund Program: Resolution of the Board of Examiners of the State of Montana Relating to the State's Drinking Water State Revolving Fund Program, Approving a Supplemental Indenture of Trust Providing for the Issuance of State of Montana General Obligation Bond Anticipation Notes, Authorizing the Sale and Issuance and Establishing the Terms and Conditions of Up to \$1,600,000 Taxable General Obligation Bond Anticipation Notes, Series 2024D (Drinking Water State Revolving Fund Program), and Authorizing the Execution of the Supplemental Indenture and Related Documents (the "Drinking Water Series 2024D Note Resolution").

Presentation: The match is only 80% Federal government 20% state but there is plenty of demand. This is a resolution that will authorize this note to fund the drinking water projects. The Governor called for public comment on Drinking Water Series 2024D Note Resolution. There being none, Motion to Adopt the Drinking Water Series 2024D Note Resolution was made, and Attorney General Austin Knudsen moved to approve. Secretary of State Christi Jacobsen seconded. Motion passed unanimously.

Agenda items 10 & 11: Department of Natural Resources & Conservation (Anna Miller)

Item 8: Department of Natural Resources and Conservation (Anna Miller): Water Pollution Control State Revolving Fund Program: Presentation regarding Water Pollution Control State Revolving Fund Program, requesting issuance of up to \$1,500,000 Taxable General Obligation Bond Anticipation Notes, Series 2024E (Water Pollution Control State Revolving Fund Program) to the Board of Investments to be used as match for the base Federal Fiscal Year 2023 Capitalization Grant.

Dorsey & Whitney LLP (Dan Semmens): Water Pollution Control State Revolving Fund Program: Resolution of the Board of Examiners of the State of Montana Relating to the State's Water Pollution Control State Revolving Fund Program, Approving a Supplemental Indenture of Trust Providing for the Issuance of State of Montana General Obligation Bond Anticipation Notes, Authorizing the Sale and Issuance and Establishing the Terms and Conditions of up to \$1,500,000 Taxable General Obligation Bond Anticipation Notes, Series 2024E (Water Pollution Control State Revolving Fund Program), and Authorizing the Execution of the Supplemental Indenture and Related Documents (the "Water Pollution Control Series 2024E Note Resolution").

Presentation: 80% federal 20% state match for wastewater projects. Recommendation is to recognize and approve. The Governor called for public comment on Water Pollution Control Series 2024E Note

Resolution. There being none, Motion to Adopt the Water Pollution Control Series 2024E Note Resolution was made, and Attorney General Austin Knudsen moved to approve. Secretary of State Christi Jacobsen seconded. Motion passed unanimously.

Agenda items 12 & 13: Department of Natural Resources & Conservation (Anna Miller)

Item 12: Department of Natural Resources and Conservation (Anna Miller): General Obligation Renewable Resource Program Bonds: Presentation regarding issuance of up to \$1,000,000 State of Montana General Obligation Renewable Resource Program Bonds under the Renewable Resource Grant and Loan Program, as amended by HB 775, to the Board of Investments.

Item 13: Dorsey & Whitney LLP (Dan Semmens): General Obligation Renewable Resource Bond Resolution: Resolution Authorizing and Providing for the Issuance and Delivery of \$1,000,000 State of Montana General Obligation Renewable Resource Program Bonds, Taxable Series 2024F; Fixing the Terms and Conditions Thereof; and Ratifying or Approving and Authorizing the Execution and Delivery of the Documents Pertaining Thereto (the “GO Renewable Resource Bond Resolution”).

Presentation: Bond for irrigation projects. There is no federal match – strictly state funds. This is made possible from HB 775 – Allowing more flexibility for issuing funding for public projects. It counts against the \$30 million cap. Recommend consideration and approval. The Governor called for public comment on GO Renewable Resource Bond Resolution. There being none, Motion to Adopt the GO Renewable Resource Bond Resolution was made, and Attorney General Austin Knudsen moved to approve. Secretary of State Christi Jacobsen seconded. Motion passed unanimously.

Agenda items 14 & 15: Department of Natural Resources & Conservation (Anna Miller)

Item 8: Department of Natural Resources and Conservation (Anna Miller): Coal Severance Tax Bonds: Presentation regarding HB 8 authority for improvements to the East Fork Dam and the proposed private placement of up to \$20,000,000 State of Montana Coal Severance Tax Bonds.

Item 9: Dorsey & Whitney LLP (Dan Semmens): Coal Severance Tax Bond Parameters Resolution: Resolution Relating to Coal Severance Tax Bonds, Department of Natural Resources and Conservation, Renewable Resource Program, 2024 Series G Taxable, Preliminarily Authorizing the Sale and Issuance Thereof (the “CST Bond Parameters Resolution”).

Presentation: We are asking to let DNRC begin working on financing for the East Fork Dam. The total construction cost is \$21.7 million. We are asking for allowance to solicit terms and get bids in on the financing and dam rehabilitation. The Governor called for public comment on CST Bond Parameters Resolution. There being none, Motion to Adopt the CST Bond Parameters Resolution was made, and Attorney General Austin Knudsen moved to approve. Secretary of State Christi Jacobsen seconded. Motion passed unanimously.

Agenda items 16: Governor call for other business

There was none.

Hearing no more comments, the Governor called for a motion to adjourn the meeting. The motion was made by Attorney General Austin Knudsen and seconded by Secretary of State Christi Jacobsen. Meeting adjourned at 1:56 PM

Governor Greg Gianforte
President of the Board

Secretary of State Christi Jacobsen
Member of the Board

Attorney General Austin Knudsen
Member of the Board

Misty Ann Giles
Executive Secretary