

**TEXAS MUNICIPAL LEAGUE
INTERGOVERNMENTAL RISK POOL
Finance and Information Technology Committee Meeting**

**Embassy Suites by Hilton – Angus Room
270 Bass Pro Drive
Round Rock, Texas 78665**

October 19, 2023 (2:00 PM)

Committee Members Present

Byron Black
Chris Coffman
Victor Flores

Committee Members Absent

Jeffrey Snyder – Chair

Staff Present

Tito Villegas
Atul Poladia
Mike Raigosa
Gil Lee
Patti Ledesma

Byron Black called to order the Finance and Information Technology Committee of the Texas Municipal League Intergovernmental Risk Pool at 2:00 p.m. on Thursday, October 19, 2023.

Election of Committee Chair

MOTION by Byron Black, seconded by Victor Flores, to elect Chris Coffman as Chair of the Finance and Information Technology Committee. Motion carried with unanimous approval.

Consideration of Minutes of July 20, 2023 Finance and Information Technology Committee Meeting (Tab 4)

MOTION by Victor Flores, seconded by Byron Black, to approve the July 20, 2023 Finance and Information Technology Committee minutes. Motion carried with unanimous approval.

Review on August 31, 2023 (11-month) Financial Statements and Presentation of Preliminary Year-End (September 30, 2023) Financial Projections (Tab 5)

Tito Villegas presented the August 31, 2023 (11-month) Financial Statements and an overview of the Pool's preliminary year-end (September 30, 2023) financial projections as set forth under Tab 5.

Review on August 31, 2023 (11-month) Investment Report and Presentation of September 30, 2023 Investment Results (Tab 6)

Tito Villegas presented the investment report for the 11-month period ending on August 31, 2023 and an overview of the market and the Pool's investment results as of September 30, 2023 as set forth under Tab 6.

Consideration of Extending Contracts with Conning Asset Management and Manulife Asset Management (Tab 7)

Tito Villegas presented the recommendation to authorize the Executive Director to enter into contract extensions with Conning Asset Management and Manulife Asset Management through June 30, 2026 as set forth under Tab 7.

MOTION by Byron Black, seconded by Victor Flores, to recommend that the Board authorize the Executive Director to enter into contract extensions with Conning Asset Management and Manulife Asset Management through June 30, 2023 as set forth under Tab 7. Motion carried with unanimous approval.

Report on Accounting and Financial Reporting for Leases and Subscription-Based Information Technology Arrangements

Tito Villegas provided information regarding GASB Statements No. 87 and No. 96, pertaining to leases and subscription-based information technology arrangements and how they apply to the Pool's contracts for (1) the Mesquite Office, (2) Switch Data Center, (3) Guidewire Software, (4) Microsoft Office 365, and (5) DraaS (Disaster Recovery).

Annual Review of the Pool's Investment Policy and Proposed Broker List, and Consideration of Adopting the Policy with Amendments (Tab 8)

Tito Villegas presented the recommendation to approve the attached resolution readopting the Pool's Investment Policy with amendments and authorizing the list of brokers presented in Appendix C of the investment policy as set forth under Tab 8. The only recommended change to the investment policy was a change to the benchmark for the Workers' Compensation Lifetime Benefits Investment Portfolio (investments governed by Chapter 504 of the Texas Labor Code) to diversify the portfolio by including an allocation to international dividend-focused stock funds as follows:

The recommended updated custom benchmark for the investments governed by Chapter 504 of the Texas Labor Code is the following:

50% weighting to the Barclays US Intermediate Corporate Bond Index
13.125% weighting to the FTSE High Dividend Yield Index (TGPVAN)
13.125% weighting to the S&P U.S. Dividend Growers Index (SPUDIGUT)
4.375% weighting to the FTSE All-World Ex-US High Dividend Yield Index (GPVANOTR)
4.375% weighting to the S&P Global Ex-U.S. Dividend Growers TR Index (SPGIGUT)
15% weighting to the 95% U.S. High-Yield Ba/B 2% Issuer Capped Index and 5% U.S. Treasury 1-5 Years (I31551US)

It was noted the Board report had a typo for the identifier for the S&P Global Ex-U.S. Dividend Growers TR Index shown above. The correct identifier is SPGDIGUT and will be correctly shown in the investment policy.

It was also recommended that four brokers be added to the broker list, and none deleted from the list.

MOTION by Byron Black, seconded by Victor Flores, to recommend that the Board approve the Resolution re-adopting the Pool's investment policy and revising the list of brokers to be utilized as set forth under Tab 8. Motion carried with unanimous approval.

Report from Office of Project Management and Analytics, Including Update of Business Application & IT Road Map (Tab 9)

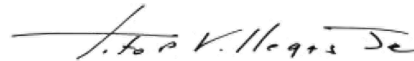
Atul Poladia presented the Report from Office of Project Management and Analytics, including update of Business Application and IT Road Map as set forth under Tab 9.

Information Technology Report on Hardware and Software of the IT Infrastructure (Tab 10)

Atul Poladia presented the Information Technology Report as set forth under Tab 10.

Chris Coffman adjourned the meeting at 3:30 p.m. on October 19, 2023.

Approved by the Finance and Information
Technology Committee
on January 25, 2024



Tito P. Villagas, Jr. CPA, CFA
Chief Financial Officer & CIO