

**TEXAS MUNICIPAL LEAGUE
INTERGOVERNMENTAL RISK POOL
Finance and Information Technology Committee
Hotel Emma, Elephant Cellar Room
136 E. Grayson, San Antonio Texas 78215
July 20, 2018**

Committee Trustees Present

Carol Loughlin, Interim Chair
Leo Montalvo
Pat Norriss
Michael Smith

Other Trustees Present

John Fullen
Mary Gauer
Robert Herrera
Larry Melton
Peter Vargas

Staff Present

Jeff Thompson
Hank Domeracki
Tito Villegas
Lindsey Fields
Julie Nguyen
Atul Poladia
Mike Raigosa
James Sharkey
Kim Williams

Also Present

Gaye Borden, Wells Fargo
Bruce Remington, Wells Fargo

Committee Trustees Absent

None

Pat Norriss called to order the Finance and Information Technology Committee of the Texas Municipal League Intergovernmental Risk Pool at 3:00 p.m. on Friday, July 20, 2018.

MOTION by Pat Norriss, seconded by Leo Montalvo, to elect Carol Loughlin as the Interim Chair of the Finance and Information Technology Committee. Motion carried with unanimous approval.

Consideration of minutes of April 27, 2018 committee meeting (Tab 4)¹

MOTION by Pat Norriss, seconded by Robert Herrera, to approve the minutes of the Finance and Information Technology Committee meeting of April 27, 2018, as set forth under Tab 4. Motion carried with unanimous approval.

Report on May 31, 2018 (8-month) Financial Statements and Presentation of June 30, 2018 Financial Statements (Tab 5)

Julie Nguyen presented the financial statements for the 8-month period ending on May 31, 2018 under Tab 5 and gave an overview of the Pool's financial results as of June 30, 2018.

Report of May 31, 2018 (8-month) Investment Results and report by Wells Fargo, and Presentation of June 30, 2018 investment results (Tab 6)

¹ All references to "Tabs" in these minutes are references to the Tabs in the Board of Trustee Agenda packet.

Gaye Borden provided information on the status of Wells Fargo, the Pool's Investment Custodian, and Tito Villegas presented an overview of the Pool's investment results as of June 30, 2018 under Tab 6.

Consideration of authorizing the Executive Director to purchase up to twelve fleet vehicles under a Board approved governmental cooperative purchasing agreement. (Tab 7)

Hank Domeracki presented the results of the bids and a recommendation for the purchase of eleven fleet vehicles at \$25,674.75 per vehicle with the authorization to purchase an additional vehicle if necessary as set forth under Tab 7.

MOTION by Leo Montalvo, seconded by Pat Norriss, to recommend that the Board approve the purchase of 11 vehicles in the amount of \$282,422.25, with the option to purchase a twelfth for \$25,674.75 at a later time, if deemed necessary, from Caldwell Country Chevrolet and authorize the Executive Director to enter into a contract to purchase the vehicles. Motion carried with unanimous approval.

Update on Target Equity Range for Combined Funds and Minimum Funding Levels for Operating Funds after considering the New Reinsurance Structure (Tab 8)

Hank Domeracki presented the results of the PricewaterhouseCoopers' update to their 2017 Target Equity Range for Combined Funds and Minimum Funding Levels for Operating Funds study, as set forth under Tab 8.

Consideration of Proposed Budget for 2018-19 (separate document) including:

1. Authorization for Executive Director to transfer funds within budgets
2. Authorization for Executive Director to make necessary changes in personnel that are not budgeted if growth in new members or added functions warrant the need for such changes.
3. Authorization to change the practice of expensing Independent Adjusters fees for property and liability claims from an unallocated administrative expense to an unallocated claims expense and revise the Proposed 2018-19 Budget accordingly.
4. Authorization to discontinue the aggregate coverage provision in the Property and Reinsurance Funds as was presented in the Property Reinsurance recommendation at the April 2018 Board meeting.
5. Adoption of the 2018-19 Budget.

Hank Domeracki, Julia Nguyen, Tito Villegas, and Mike Raigosa presented the Proposed 2018-19 Fiscal Year Budget.

MOTION by Pat Norriss, seconded by Leo Montalvo, to recommend that the Board

1. Authorize the Executive Director to transfer funds within budgets,

2. Authorize the Executive Director to make necessary changes in personnel that are not budgeted if growth in new members or added functions warrant the need for such changes,
3. Authorize the change in the practice of expensing Independent Adjusters fees for property and liability claims from an unallocated administrative expense to an allocated claims expense and revise the Proposed 2018-19 Budget accordingly,
4. Authorize the discontinuation of the aggregate coverage provision in the Property and Reinsurance Funds as was presented in the Property Reinsurance recommendation at the April 2018 Board meeting, and
5. Adopt the 2018-19 Budget

Motion carried with unanimous approval.

Report from Office of Project Management and Analytics Report, including report on Progress for Business Application & IT Road Map (Tab 9)

Lindsey Fields and Mike Raigosa updated the committee on the status of the Office of Project Management and Analytics initiatives set forth in the report under Tab 9, including Business Application & IT Roadmap projects that are underway and under review, and the system dashboards that are being built.

Information Technology report on status of hardware and software updates to the computer systems (Tab 10)

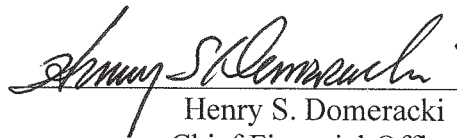
Atul Poladia provided an update on the status of hardware and software installation projects.

Human Resources Report identifying employment changes (Tab 11)

Allan Romer provided a summary of the personnel related activity that occurred over the past quarter.

Carol Loughlin adjourned the meeting at 4:11 p.m. on July 20, 2018.

Approved by the Finance and Information
Technology Committee
on October 26, 2018


Henry S. Domeracki
Chief Financial Officer