

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

**Hotel Emma – Elephant Cellar Room
136 E. Grayson Street
San Antonio, Texas 78215**

July 28, 2022 (2:00 PM)

Committee Trustees Present

Jeffrey Snyder, Chair
Byron Black
Harlan Jefferson
Bert Lumbreras
Allison Heyward

Staff Present

Jeff Thompson
Tito Villegas
Atul Poladia
Mike Raigosa
Susie Green

Staff Present

Julie Nguyen
Kim Williams
Wendy Standorf
Melinda Walter
James Sharkey

Committee Trustees Absent

Mary Gauer

Others Present

Alton Cogert,
Strategic Asset Alliance

Other Trustees Present

Randy Criswell
Rickey Childers

Jeffrey Snyder called to order the Finance and Information Technology Committee of the Texas Municipal League Intergovernmental Risk Pool at 2:04 p.m. on Thursday, July 28, 2022.

Consideration of minutes of April 28, 2022 Finance and Information Technology Committee Meeting (Tab 6)

MOTION by Harlan Jefferson, seconded by Bert Lumbreras, to approve the April 28, 2022 Finance and Information Technology Committee minutes. Motion carried with unanimous approval.

Report on May 31, 2022 (8-month) Financial Statements and presentation of June 30, 2022 Financial Results (Tab 7)

Tito Villegas presented the financial statements for the 8-month period ending on May 31, 2022 under Tab 7 and an overview of the financial results as of June 30, 2022.

Report on May 31, 2022 (8-month) Investment Report and presentation of June 30, 2022 Investment Results (Tab 8)

Tito Villegas presented the investment report for the 8-month period ending on May 31, 2022 under Tab 8 and Tito Villegas and Alton Cogert (via video conference) gave an overview of the market and the Pool's investment results as of June 30, 2022.

Consideration of Proposed Budget for 2022-23 (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; and (3) Adoption of the 2022-23 Proposed Budget (Tab 9)

The 2022-23 Proposed Budget and related recommendations were approved by the Board of Trustees at the Board Workshop on Thursday, July 28, 2022. The Finance and Information Technology Committee did not discuss this item.

Consideration of Establishing an Employment Cost Reserve (ECR) in the Stability Fund (Tab 10)

Tito Villegas presented the recommendation to establish an Employment Cost Reserve (ECR) in the Stability Fund as set forth under Tab 10.

MOTION by Harlan Jefferson, seconded by Byron Black, to recommend that the Board establish an Employment Cost Reserve (ECR) in the Stability Fund, amending the Stability Fund Policy to include the ECR, effective September 30, 2022 to be funded each fiscal year based on the budget underage of personnel costs with a maximum funding level of \$5 million. Any use of the ECR will be considered by the Board as part of the annual budget consideration. Motion carried with unanimous approval.

Consideration of Updated Funding Range of the Workers' Compensation Lifetime Benefits (LTB) Investment Portfolio including expansion of the LTB Investment Portfolio to include claim losses from the Pool's Excess Workers' Compensation Financing Program (Tab 11)

Tito Villegas presented the recommendation to update the funding range of the Workers' Compensation Lifetime Benefits (LTB) Investment Portfolio as set forth under Tab 11.

MOTION by Bert Lumbreras, seconded by Harlan Jefferson, to recommend that the Board approve updated funding range of the Workers' Compensation Lifetime Benefits (LTB) Investment Portfolio of \$164 million to \$206 million including expansion of the LTB Investment Portfolio to include claim losses from the Pool's Excess Workers' Compensation Risk Financing Program. Motion carried with unanimous approval.

Consideration for Renewal of Guidewire Claim Center, Guidewire Policy Center, and related applications annual license and maintenance fees (Tab 12)

Atul Poladia presented the recommendation to renew the Guidewire Claim Center, Guidewire Policy Center, and related annual license and maintenance fees as set forth under Tab 12.

MOTION by Harlan Jefferson, seconded by Bert Lumbreras, to recommend that the Board authorize the Executive Director to annually renew the license and maintenance agreement for Guidewire Suite (Claim Center, Policy Center, Rating Management, Billing Center, Contact Manager (Client Management), Data Hub, Info Center, SAP connector, IBM Cognos for Guidewire, and Smart Communications applications) and include the fee in the annual budget for

Board consideration. The license and maintenance renewal cost of \$950,000 for next year is included in the proposed 2022-23 operational budget. Motion carried with unanimous approval.

Consideration of Contract with Strategy Meets Action (SMA) for Consulting Services related to Member Service Process Improvements and the Pool's Technology Infrastructure (Tab 13)

Atul Poladia presented the recommendation to contract with Strategy Meets Action (SMA) for consulting services related to member service process improvements and the Pool's technology infrastructure as set forth under Tab 13.

MOTION by Harlan Jefferson, seconded by Byron Black, to recommend that the Board authorize the Executive Director to enter into a consulting agreement with Strategy Meets Action (SMA) for up to \$115,000, plus travel expenses as incurred not to exceed the total of \$125,000 to build a strategy, updated Business and IT Roadmap, and communication plan that shifts the focus of Pool's strategic technology initiatives on enhancing overall member experience while still balancing internal system enhancements. Motion carried with unanimous approval.

Report from Office of Project Management and Analytics, including report on Progress for Business Application and IT Road Map (Tab 14)

Atul Poladia provided an update of Pool initiatives managed by the Office of Project Management and Analytics including the progress of the Business Application and IT Road Map as set forth under Tab 14.

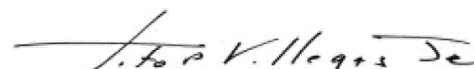
Information Technology Report (Tab 15)

Atul Poladia presented the Information Technology Report as set forth under Tab 15.

MOTION by Harlan Jefferson, seconded by Bert Lumbreras, to adjourn. Motion carried with unanimous approval.

Jeffrey Snyder adjourned the meeting at 3:24 p.m. on July 28, 2022.

Approved by the Finance and Information
Technology Committee
On October 20, 2022



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