

**TEXAS MUNICIPAL LEAGUE  
INTERGOVERNMENTAL RISK POOL  
Finance and Information Technology Committee  
Hyatt Regency Hill Country Resort & Spa, Independence Ballrooms 1 & 2  
9800 Hyatt Resort Drive, San Antonio Texas 78251  
July 19, 2019**

**Committee Trustees Present**

Carol Loughlin, Chair  
Mary Gauer  
Robert Herrera  
Bert Lumbreras  
Leo Montalvo  
Henry Wilson

**Staff Present**

Hank Domeracki  
Atul Poladia  
Tito Villegas  
Julie Nguyen  
Mike Raigosa  
Kim Williams  
Tim Salzman

**Also Present**

Gaye Borden, Wells Fargo  
Bruce Remington, Wells Fargo

**Other Trustees Present**

None

**Committee Trustees Absent**

None

Carol Loughlin called to order the Finance and Information Technology Committee of the Texas Municipal League Intergovernmental Risk Pool at 3:15 p.m. on Friday, July 19, 2019.

Consideration of minutes of January 25, 2019 committee meeting (Tab 4)<sup>1</sup>

MOTION by Leo Montalvo, seconded by Mary Gauer, to approve the minutes of the Finance and Information Technology Committee meeting of January 25, 2019, as set forth under Tab 4. Motion carried with unanimous approval.

Report on May 31, 2019 (8-month) Financial Statements and Presentation of June 30, 2019 Financial Statements (Tab 5)

Julie Nguyen presented the financial statements for the 8-month period ending on May 31, 2019 under Tab 5 and gave an overview of the Pool's financial results as of June 30, 2019.

Report of May 31, 2019 (8-month) Investment Results, Presentation of June 30, 2019 investment results, and Annual Results by Wells Fargo with update on the sale of Wells Fargo's Institutional Retirement & Trust to Principal Financial Group (Tab 6)

Gaye Borden provided information on the status of Wells Fargo, the Pool's Investment Custodian, and Bruce Remington presented the annual report on the Pool's investment results. Tito Villegas presented an overview of the Pool's investment results as of June 30, 2019 under Tab 6.

---

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

Consideration of Proposed Budget for 2019-20 (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. Adoption of the 2019-20 Budget.

Hank Domeracki, Julia Nguyen, Tito Villegas, Mike Raigosa, and Lindsey Fields presented the Proposed 2019-20 Fiscal Year Budget during the 1:00 PM Board workshop. In this presentation to the Committee, staff provided additional information on the Pool's financial structure, financial policies, budget components, proposed capital projects, and new initiatives. Committee members considered the proposed budget and presentation.

MOTION by Robert Herrera, seconded by Mary Gauer, 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. Adopt the 2019-20 Budget

Motion carried with unanimous approval.

Office of Project Management and Analytics Report, including:

1. Update on ongoing business application development.
2. Consideration of updated Business Application & IT Roadmap (Tab 13), and
3. Consideration of authorization of Executive Director to extend Systems Integrator Contract with CapGemini for Claim Center/Contact Manager Upgrade and Policy Center/Billing Center Release 2 (Tab 14)

Mike Raigosa and Tim Salzman updated the committee on the status of the Office of Project Management and Analytics initiatives set forth in the report under Tab 13, including consideration of the update to the Proposed Business Application & IT Roadmap projects that are underway, the proposed upgrade of applications, and the extension of the Systems Integrator Contract with CapGemini for Claim Center/Contact Manager Upgrade and Policy Center/Billing Center Release 2.

In this discussion, Carol Loughlin recommended that the word "Conceptual" replace the word "Proposed" in the recommendation of the business and IT roadmap. Committee members indicated their agreement.

MOTION by Bert Lumbreras, seconded by Leo Montalvo, to approve the adoption of the updated Conceptual Business Application & IT Roadmap, as set forth under Tab 13. Motion carried with unanimous approval.

Update on Resurfacing of Texas Municipal Center Roof (Tab 7)

Hank Domeracki provided an update on the bids received and contract awarded to Duro-Last, Inc., using Trumble Construction for installation, for the resurfacing of the roof. Construction on the project began on July 17, 2019.

Information Technology Report (Tab 8)

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

Update on Efforts to Address Enhanced Investment Authority Provided Under SB 2551 (Tab 28)

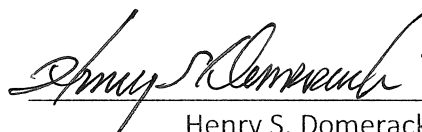
Carol Loughlin asked, if the Board authorizes the use of equities under the enhanced investment authority provided in SB 2551, will the amount of members' equity needed to be held under the Board adopted Target Equity Balance minimum and maximum requirements increase? Hank Domeracki responded that this question was asked to Dan Smereck, the Strategic Asset Alliance consultant and he responded that the members' equity requirements would likely decrease because the invested assets would be further diversified. Hank Domeracki provided a review of the expanded investment portion of SB 2551, indicating that the law allows the Pool to set up an account for providing workers' compensation death benefits and lifetime income benefits and accumulate assets in the account deemed necessary to pay those benefits. Those funds can be invested in securities that are beyond those authorized and designated for local governments under the Texas Public Funds Investment Act. Further, the law requires that the investment of funds be exercised with the care and diligence of a "prudent person".

Carol Loughlin requested a motion to adjourn.

MOTION by Robert Herrera, seconded by Mary Gauer, to adjourn. Motion carried with unanimous approval.

The meeting adjourned at 4:32 p.m. on July 19, 2019.

Approved by the Finance and Information  
Technology Committee  
on October 25, 2019



Henry S. Domeracki  
Chief Financial Officer