

**TEXAS MUNICIPAL LEAGUE  
INTERGOVERNMENTAL RISK POOL  
Finance and Information Technology Committee  
Hotel Galvez, West Parlor  
2024 Seawall Blvd, Galveston Texas 78550  
April 27, 2018**

**Trustees Present**

Carol Loughlin  
Pat Norriss  
Charles (CJ) Wax  
Michael Smith  
John Fuller  
Byron Black

**Trustees Absent**

George Shackelford  
Leo Montalvo

**Staff Present**

Hank Domeracki  
Tito Villegas  
Julie Nguyen  
Atul Poladia  
Tim Salzman

**Also Present**

None

Charles Wax called to order the Finance and Information Technology Committee of the Texas Municipal League Intergovernmental Risk Pool at 3:06 p.m. on Friday, April 27, 2018.

Consideration of minutes of January 26, 2018 committee meeting (Tab 5)<sup>1</sup>

MOTION by Carol Loughlin, seconded by Pat Norriss, to approve the minutes of the Finance and Information Technology Committee meeting of January 26, 2018, as set forth under Tab 5. Motion carried with unanimous approval.

Report on February 28, 2018 (5-month) Financial Statements and presentation of March 31, 2018 Financial Statements (Tab 6)

Julie Nguyen presented the financial statements for the 5-month period ending on February 28, 2018 under Tab 6 and gave an overview of the Pool's preliminary projected financial results as of March 31, 2018.

Consideration of Finalization of Target Equity Methodology and Range of Combined Funds, including Minimum Funding Levels for Operating Funds and Consideration of Equity Return (Tab 7)

Hank Domeracki provided a summary of the January Board Planning Session discussion on the 2017 PricewaterhouseCoopers Target Equity study, with the recommendation that the Board adopt the 50/50 blend methodology.

MOTION by Carol Loughlin, seconded by Pat Norriss, to recommend that the Board adopt the PricewaterhouseCoopers 50/50 Target Equity Blend approach for determining the minimum and maximum target equity limits on a combined fund basis, and for the minimum level goals for the operating and non-operating funds, as adjusted for the new reinsurance structure; and to

---

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

continue the policy of growing equity in the operating and non-operating funds until the minimum level is achieved on a combined funds basis. Motion carried with unanimous approval.

Report of February 28, 2018 (5-month) Investment Report and presentation of March 31, 2018 Investment Report (Tab 8)

Tito Villegas presented an overview of the Pool's investment results as of February 28, 2018 under Tab 8 and the year-end projected results as of March 31, 2018.

Consideration of extending Manulife Asset Management contract for two years (Tab 9)

Tito Villegas reviewed Manulife Asset Management's performance and recommended extending the contract for two years as set forth under Tab 9.

MOTION by Pat Norriss, seconded by Carol Loughlin, to recommend that the Board approve the two-year contract extension with Manulife Asset Management Company at the same fee rate provided in the original contract. Motion carried with unanimous approval.

Consideration of authorizing a Resolution to participate in the International City Management Association-Retirement Corporation (ICMA-RC) for a Retirement Health Savings Plan and amending the Personnel Policy to include provisions for the Retirement Health Savings Plan (Tab 10)

Allan Romer reviewed the recommendation of the Pool to revise its Personnel Policy to include a provision for a qualified sick leave conversion and transfer to a Retirement Health Savings Plan, and authorize the Pool to enter into a contract with the International City Management Association - Retirement Corporation for a Retirement Health Savings Plan, as discussed at the January 2018 Board Planning Session and as set forth under Tab 10.

MOTION by Carol Loughlin, seconded by Pat Norriss, to recommend that the Board amend Section 7.01 – Insurance Retirement, Disability, etc. and Section 7.04 - Sick Leave, of the Pool's Personnel Policy to include provisions for the Pool's Retirement Health Savings Plan, and approve a resolution authorizing participation in the International City Management Association-Retirement Corporation (ICMA-RC) Retirement Health Savings Plan and authorizing the Executive Director to sign the ICMA-RC Administrative Services Agreement and required documents to establish the Plan.

Consideration of Revising the Personnel Policy to include Dr. Martin Luther King, Jr. Day as a Pool Holiday (Tab 11)

Allan Romer presented the recommendation that the Pool revise its Personnel Policy to include Martin Luther King Jr. Day as a Pool holiday, as set forth under Tab 11.

MOTION by Pat Norriss, seconded by Carol Loughlin, to recommend that the Board approve amending Section 7.10 of the Pool's Personnel Policy to include Martin Luther King Jr Day, the third Monday in January, as an official Pool holiday.

Report from Office of Project Management and Analytics, including status on Progress for Business Application & IT Road Map (Tab 12)

Tim Salzman updated the committee on the status of the Office of Project Management and Analytics initiatives set forth in the report under Tab 12, 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 13)

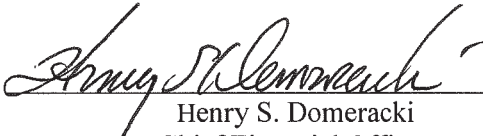
Atul Poladia provided an update on the status of hardware and software installation projects, including a discussion on cyber threats and attacks, and the actions that the Pool is taking to counter and manage this malicious activity.

Human Resources Report identifying employment changes (Tab 14)

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

Charles Wax adjourned the meeting at 4:20 p.m. on April 27, 2018.

Approved by the Finance and Information  
Technology Committee  
on July 20, 2018

  
Henry S. Domeracki  
Chief Financial Officer