

**TEXAS MUNICIPAL LEAGUE  
INTERGOVERNMENTAL RISK POOL  
Finance and Information Technology Committee  
Hilton Garden Inn, Jellyfish Room  
7010 Padre Island Blvd., South Padre Island, TX 78597  
April 28, 2017**

**Trustees Present**

Leo Montalvo, Interim Chair  
Pat Norriss  
Carol Loughlin

**Trustees Absent**

George Shackelford  
Michael Smith  
Charles (CJ) Wax

**Staff Present**

Hank Domeracki  
Atul Poladia  
Tito Villegas  
Julie Nguyen  
Lindsey Fields

**Also Present**

Pat Norriss called to order the Finance and Information Technology Committee of the Texas Municipal League Intergovernmental Risk Pool at 3:53 p.m. on Friday, April 28, 2017.

**Consideration of Election of Interim Chair**

MOTION by Pat Norriss, seconded by Carol Loughlin, to select Leo Montalvo as the interim chair of the committee for the April 28, 2017 meeting. Motion carried with unanimous approval.

**Consideration of minutes of January 20, 2017 committee meeting (Tab 4)<sup>1</sup>**

MOTION by Pat Norriss, seconded by Carol Loughlin, to approve the minutes of the Finance and Information Technology Committee meeting of January 20, 2017, as set forth under Tab 4. Motion carried with unanimous approval.

**Report on the February 28, 2017 (5-month) Financial Statements and presentation of March 31, 2017 Financial Statement (Tab 5)**

Julie Nguyen presented the financial statements for the five month period ending on February 28, 2017 under Tab 5 and gave an overview of the Pool's financial statements as of March 31, 2017.

**Periodic Review and Consideration of the Methodology for Determining the Target Equity Range for Combined Funds and Minimum Funding Levels for Operating Funds and Consideration of Equity Distribution (Tab 6)**

Hank Domeracki presented the proposal to determine the Target Equity range for 2016-17 using a five-year averaging of actual financial results, plus current year budget projections.

MOTION by Carol Loughlin, seconded by Pat Norriss, to recommend that the Board authorize applying the five year averaging of actual financial results, plus the current year budget projections to determine the Target Equity range for the 2016-17 fiscal year, as set forth under Tab

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

6, and based on the updated Target Equity range, the 2015-16 combined year-end financial results, and the need to build equity, recommend the Board not authorize an equity distribution in 2016-17 based on 2015-16 results. Motion carried with unanimous approval.

Report on the February 28, 2017 (5-month) Investment Report and presentation of March 31, 2017 Investment Report (Tab 7)

Tito Villegas provided an overview of the Pool's investment report.

Consideration of Resolution Authorizing Participation in the TexPool Investment Pool and Designating Authorized Representatives (Tab 8)

Tito Villegas provided information on new requirements for government money market funds and why it would be to the Pool's advantage to use TexPool Prime for short term investments, as set forth under Tab 8.

MOTION by Pat Norriss, seconded by Carol Loughlin, to recommend that the Board adopt the resolution authorizing the Pool to participate in the TexPool investment pools and designating the CFO, Chief Investment Officer/Assistant CFO, Controller, and Investment Accountant as authorized representatives. Motion carried with unanimous approval.

Consideration of Project Budget for Finance and Human Resources Software System (Tab 9)

Hank Domeracki provided a review of the budget for Finance and Human Resources Software as set forth under Tab 9.

MOTION by Carol Loughlin, seconded by Pat Norriss, to recommend that the Board adopt the proposed project budget of \$1.45 million for the Finance and Human Resources/Payroll software project. Motion carried with unanimous approval

Consideration of Award of a Contract for Actuarial Services (Tab 10)

Tito Villegas provided a summary of the proposals received for actuarial services and the recommendation to award the contract Rudd and Wisdom, Inc., as set forth under Tab 10.

MOTION by Pat Norriss, seconded by Carol Loughlin, to recommend that the Board authorize the Executive Director to enter into a contract with Rudd and Wisdom Inc., for the amount of \$153,000 for a reserve review for the Workers' Compensation, Liability, and Property Funds for the fiscal years ending September 30, 2017, 2018, and 2019 and rate reviews for Workers' Compensation, Liability, and Property coverages for the years beginning October 1, 2018, 2019, and 2020, and provide for an option for the Pool to extend the contract for additional two year periods with cost of living adjustments each year after the initial three year contract. The contract amount of \$153,000 shall be inclusive of all travel expenses associated with the reserve and rate reviews, with the exception of any travel required to attend Board meetings, which if required, would be billed separately. Additional work requested by the Pool not covered by this contract shall be billed at the actuary's standard hourly rate. Motion carried with unanimous approval.

Report on Texas Municipal Center Building Improvement Requirements and Consideration of Authorization to Enter into Contracts for Air Conditioner Chiller Replacements and a Light Fixture Replacement Project (Tab 11)

Tito Villegas provided a review of the upcoming building improvement requirements for the Texas Municipal Center and specifically contracts for the installation of two air conditioner chillers and a light fixture replacement program. Both contracts would be purchased through the BuyBoard program, as set forth under Tab 11.

MOTION by Carol Loughlin, seconded by Pat Norriss, to recommend that the Board authorize the Executive Director to enter into a contract the Brandt Companies, LLC, under the BuyBoard program, for approximately \$514,000 (\$257,000 for the Pool's portion) for the purchase and installation of two air conditioner chillers and authorize the Executive Director to enter into a contract with FSG (Facility Solutions Group), under the BuyBoard program for a joint contract with TML Multistate IEBP in the amount of approximately \$119,000 (\$59,500 for the Pool's portion) for an interior light fixture upgrade to LED lighting. Motion carried with unanimous approval.

Consideration of Change in Annual Prepayment Discount Offered by TMLIRP (Tab 12)

Hank Domeracki reviewed the Pool's annual contribution prepayment discount offered by the Pool to its members and the possible discount options set forth under Tab 12.

MOTION by Carol Loughlin, seconded by Pat Norriss, to recommend that the Board leave the annual prepayment discount policy unchanged. Motion carried with unanimous approval

Report from Office of Project Management and Analytics, including status on Progress for Business Application & IT Road Map (Tab 13)

Lindsey Fields updated the committee on the status of the Office of Project Management and Analytics initiatives set forth in the report under Tab 13, 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 14)

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

Leo Montalvo adjourned the meeting at 5:04 p.m. on April 28, 2017.

Approved by the Finance and Information  
Technology Committee  
on July 21, 2017

  
Henry S. Domeracki  
Chief Financial Officer