

**TEXAS MUNICIPAL LEAGUE
INTERGOVERNMENTAL RISK POOL
Finance and Information Technology Committee
Hotel Valencia, Executive Board Room
150 East Houston Street, San Antonio, TX 78205
July 21, 2017**

Trustees Present

George Shackelford (Chair)
Charles (CJ) Wax
Carol Loughlin
Leo Montalvo
Pat Norriss
Michael Smith

Staff Present

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

Also Present

Kevin Wick
Paige DeMeter
Bruce Remington
Gaye Borden

Trustees Absent

None

George Shackelford called to order the Finance and Information Technology Committee of the Texas Municipal League Intergovernmental Risk Pool at 3:40 p.m. on Friday, July 21, 2017.

Consideration of minutes of April 28, 2017 committee meeting (Tab 4)¹

MOTION by Pat Norriss, seconded by Leo Montalvo, to approve the minutes of the Finance and Information Technology Committee meeting of April 28, 2017, as set forth under Tab 4. Motion carried with unanimous approval.

Report on the May 31, 2017 (8-month) Financial Statements and Presentation of June 30, 2017 Financial Statement (Tab 5)

Julie Nguyen presented the financial statements for the eight-month period ending on May 31, 2017 under Tab 5 and gave an overview of the Pool's financial statements as of June 30, 2017.

Report on May 31, 2017 (8-month) Investment Results and report by Wells Fargo, and Presentation of June 30, 2017 investment results (Tab 6)

Tito Villegas presented an overview of the Pool's investment results as of June 30, 2017 and Bruce Remington provided a report on the analysis of the Pool's annual investment performance as of May 31, 2017, as provided under a separate document.

Presentation of report from PwC on Target Equity Funding Levels on a Pool-wide (Combined Fund) and Operating Fund Basis (Tab 7)

Hank Domeracki provided an overview of the target equity program and then Kevin Wick and Paige DeMeter presented the results of the 2017 Target Equity Funding Level study.

Consideration of revisions to TMLIRP Purchasing Policy (Tab 8)

Hank Domeracki reviewed the recommendation to revise the purchasing policy to change the purchasing workflow processes and set new authorization limits for purchases and payment approvals.

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

MOTION by Charles Wax, seconded by Pat Norriss, to recommend that the Board revise the Pool's purchasing policy to:

1. include the provisions concerning the procurement of goods and services under Subchapters D and F of Chapter 271 of the Local Government Code and designate the Purchasing Agent as the authorized individual to act on behalf of the Pool for those programs;
2. provide that all purchases and payment approvals require at least two signatures, authorize the Department Heads to approve purchases and approve payments up to and including \$1,000, provide Division Managers authority up to and including \$5,000, and authorize the Chief Financial Officer authority for purchases and payment approvals up to and including \$25,000. Authorize the Executive Director to approve purchases and payment approvals over \$25,000 and retain the approval authority of the Executive Director to approve purchases and enter into contracts up to and including \$100,000;
3. authorize the Executive Director to make purchases or enter into contracts made under the State of Texas purchasing programs or from Board approved governmental purchasing cooperatives whereby the amount of the purchase is at or below the amount approved in the budget for that expenditure or contract; and
4. approve the purchasing and payment approval workflow changes as designated in this revised purchasing policy.

Motion carried with unanimous approval.

Consideration of authorizing the Executive Director to purchase up to ten fleet vehicles under a Board approved governmental cooperative purchasing agreement. (Tab 9)

MOTION by Leo Montalvo, seconded by Carol Loughlin, to recommend that the Board approve the purchase of 10 vehicles from Silsbee Ford in the amount of \$270,987.10 and authorize the Executive Director to enter into a contract to purchase the vehicles. Motion carried with unanimous approval.

Consideration of Proposed Budget for 2017-18 (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 terminate contract with Mesirow Financial Investment Inc. for investment services and reassign investment management responsibilities to Chief Investment Officer.

Hank Domeracki and Julie Nguyen presented the proposed 2017-18 Budget.

MOTION by Charles Wax, seconded by Carol Loughlin, to recommend that the Board approve the 2017-18 Budget, authorize the Executive Director to transfer funds within budgets, 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, and authorize the termination of the contract with Mesirow Financial Investment Inc. for investment services and

reassign those investment management responsibilities to Chief Investment Officer. Motion carried with unanimous approval.

Consideration of Guidewire Policy Center Underwriting Project (Tab 17) (Underwriting & Claims Committee to Report), consisting of:

1. Adoption of Overall Project Budget;
2. Authorization of Design & Development Phase by clearing “Commit” gate of the Pool’s Project Execution Framework,
3. Authorization of Agreement with Capgemini for Professional Services for the Design & Development Phase, and
4. Authorization of Executive Director to amend the Scope of the Design and Development Phase to expend Contingency within the Project Budget.

For informational purposes only, Atul Poladia provided, an overview of the status of the proposed policy system software, project budget, agreement with the system integrator, and recommended authority for the Executive Director to amend the scope of the design and development phase of the project and expend contingency funds when appropriate.

Report from Office of Project Management and Analytics Report, including report on Progress for Business Application & IT Road Map (Tab 10)

Tim Salzman updated the committee on the status of the Office of Project Management and Analytics initiatives set forth in the report under Tab 10, 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 11)

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

George Shackelford adjourned the meeting at 5:38 p.m. on July 21, 2017.

Approved by the Finance and Information
Technology Committee
on October 20, 2017


Henry S. Domeracki
Chief Financial Officer