



TEXAS PENSION REVIEW BOARD

BOARD MEETING JULY 1, 2021

TEXAS PENSION REVIEW BOARD

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**TEXAS PENSION REVIEW BOARD
MEETING AGENDA**

Thursday, July 1, 2021 – 10:00 AM

By Teleconference and Videoconference

Public Participation Dial-in Number: (877) 853-5247 (Toll-free)

Zoom Meeting ID: 869 2683 3256

The July 1, 2021 meeting of the Pension Review Board will be held by teleconference and videoconference as authorized under Sections 551.125 and 551.127 of the Texas Government Code. THIS MEETING WILL BE CONDUCTED BY TELECONFERENCE AND VIDEOCONFERENCE IN ACCORDANCE WITH THE GOVERNOR'S AUTHORIZATION OF MARCH 16, 2020, CONCERNING SUSPENSION OF CERTAIN OPEN MEETING LAW REQUIREMENTS IN RESPONSE TO THE DECLARATION OF STATE DISASTER OF MARCH 13, 2020 CONCERNING THE COVID-19 (CORONAVIRUS) PANDEMIC. A quorum of members of the board will participate in the meeting and will be audible to the public. Members of the public may provide public comment by registering first with staff by submitting an email to Lindsay.Seymour@prb.texas.gov identifying the name of the speaker and topic, no later than 8:00 am on July 1, 2021. The presiding officer will call roll of board members, followed by calling roll of members of the public who have registered. The presiding officer will then ask if other attendees wish to provide comment, at which time each such attendees shall identify themselves by name and topic of the comment. Members of the public who have registered during roll call will be called by name at the appropriate time in the agenda. Attendees are requested to mute their connections when not addressing the board members.

Access to the agenda materials of the meeting is provided at www.prb.texas.gov. A recording of the meeting will be available at www.prb.texas.gov.

The Board may discuss or take action regarding any of the items on this agenda.

1. Meeting called to order
2. Roll call of Board members
3. Roll call of members of the public
4. Board administrative matters
 - a. November 12, 2020 meeting minutes
 - b. Recognition of outgoing Board member
 - c. Introduction of new Board members
 - d. Election of Vice Chair for 2021

5. Actuarial Committee
 - a. Public retirement system reporting and compliance, including noncompliant retirement systems under Section 801.209 of the Texas Government Code
 - b. Actuarial Valuation Report
 - c. Systems subject to the Funding Soundness Restoration Plan (FSRP) requirement, including compliance
 - d. Intensive actuarial review of Midland Firemen's Relief & Retirement Fund
6. Investment Committee
 - a. Investment Practices and Performance Evaluations received as required by Government Code Section 802.109, including compliance
 - b. Preliminary investment expense reporting as required by Texas Government Code Section 802.103(a)(3) and Chapter 609, Texas Administrative Code
7. Education and Research Committee
 - a. MET online course review
 - b. 2021 Evaluation of PRB Educational Services
8. 87th Regular Session
 - a. Legislation passed, including the following:
 - i. HB 3898 (relating to the funding of public retirement systems)
 - ii. SB 321 (relating to contributions to, benefits from, and the administration of the Employees Retirement System of Texas)
 - iii. HB 4368 (relating to the administration of certain municipal police retirement systems)
 - b. PRB budget appropriation for Fiscal Years 2022 and 2023 under General Appropriations Act, 87th Legislature (SB 1)
 - c. Revised Government Code publication, Title 8, Subtitle A
 - d. Need for additional rules to implement statute, including changes to reporting requirements enacted by the 87th Legislature
9. Amendments to the Board Bylaws, including changes to standing committees of the Board
10. Committee assignments for 2021
11. Executive Director's Report
 - a. 2021 Texas Workforce Commission, Civil Rights Division Review of Personnel Policies and Procedures
 - b. Updated Fiscal Year 2021 Operating Budget
 - c. Approval of Fiscal Year 2022 Operating Budget
 - d. Staff update
 - e. Update on virtual meetings

- f. Update on Texas Public Pension Data Center
 - g. 2021 TEXPERS Summer Educational Forum
- 12. Call for future PRB agenda items
- 13. Date and location of next PRB meeting – Thursday, September 16, 2021
- 14. Invitation for public comment
- 15. Adjournment

NOTE: Persons with disabilities who plan to attend this meeting and who may need special assistance are requested to contact Mr. Wes Allen at (800) 213-9425/ (512) 463-1736 three to five (3-5) working days prior to the meeting date so that appropriate arrangements can be made. The Board may go into executive/closed session regarding any item on the agenda if permitted under the Open Meetings Act, Texas Government Code Annotated, Chapter 551.

1. Meeting called to order

2. Roll call of Board members

3. Roll call of members of the public

4. Board administrative matters

4a. November 12, 2020 meeting minutes



Board Meeting Minutes

November 12, 2020

1. Meeting called to order (0:00)

The third meeting of 2020 of the Pension Review Board (PRB) began on Thursday, November 12, 2020 at 10:03 a.m. via teleconference.

2. Roll call of board Members (0:56)

Board members Present

Chair Stephanie Leibe
Marcia Dush
Ernest Richards

Vice Chair Keith Brainard
Rossy Fariña-Strauss
Christopher Zook

A quorum being present, the meeting was called to order by Chair Leibe.

3. Roll call of members of the public (1:35)

Pre-registered members of the public:

Mr. David Stacy

4. Board administrative matters (2:28)

a. June 30, 2020 meeting minutes

Chair Leibe entertained a motion to suspend the reading of minutes of the June 30, 2020 meeting and approve them as circulated.

The motion was made by Mr. Richards and seconded by Ms. Dush.

The motion passed unanimously.

b. Recognition of outgoing board member (3:45)

Chair Leibe recognized outgoing board member Shari Shivers for her service as a board member.

5. Actuarial Committee matters (5:33)

a. Actuarial Valuation Report (5:43)

Kenny Herbold provided a summary of the Actuarial Valuation (AV) report which included 36 new AVs since the June meeting. Most AVs included 2019 investment returns, which he noted were generally good. Additionally, the report did not reflect the most recent valuations for the Teacher Retirement System (TRS), Employees Retirement System (ERS), or the three Houston plans. He stated that the AVs for these systems would be the first to show the COVID-19 impact on investments.

Mr. Herbold noted that 14 of the 36 valuations received included discount rate reductions and the average discount rate was moving closer to 7.25 percent.

Ms. Dush expressed concerns about systems with funded ratios under 50 percent from either an actuarial or GASB standpoint. She stated she was interested in continuing intensive reviews and focusing on systems with low funded ratios. She also stated she would like to see updates on systems that have already been through an intensive review and asked if there would be an update to the legislature about those systems.

Anumeha Kumar stated that there will be an update on the systems that have had intensive reviews in the Biennial Report to the legislature, and she said staff could provide an annual update as a regular report to the Actuarial Committee.

b. Systems subject to Funding Soundness Restoration Plan (FSRP) requirement, including compliance (11:18)

Mr. Herbold provided an update about systems currently subject to FSRP requirements, noting that representatives from Irving Firemen's Relief and Retirement Fund, Midland Firemen's Relief and Retirement Fund, and Orange Firemen's Relief and Retirement Fund attended Actuarial Committee meetings and informed the committee about their progress on the FSRPs and changes. Marshall Firemen's Relief and Retirement Fund sent a letter in late June that mentioned increased employee contributions, but the fund has not provided a formal FSRP yet. Beaumont Firemen's Relief and Retirement Fund performed studies on benefit changes and a contribution increase schedule has been approved. He noted that Beaumont Fire would have an election in November on additional benefit changes and the fund was looking to implement a new tier for new hires. He mentioned that the PRB could expect to get final information from Beaumont Fire soon. Mr. Herbold added that Longview Firemen's Relief and Retirement Fund had informed staff that the system was experiencing COVID-19-related budget constraints but had not yet submitted any additional information since the PRB's last meeting.

Additionally, Mr. Herbold noted that Dallas Employees' Retirement Fund and Plainview Firemen's Relief and Retirement Fund became subject to FSRPs. He stated that both systems changed their discount rates and other assumptions, which affected their amortization periods, and that staff were waiting to hear back from both systems after sending notification letters.

Mr. Herbold added there were several systems that were at risk of being subject to FSRPs since their most recent actuarial valuations showed amortization periods greater than 40 years and that three systems were working on their FSRPs, while Odessa Fire had recently submitted an actuarial valuation with an amortization period below 40 years after their revised FSRP and will be removed from the list.

c. Funding policies received as required by Government Code Section 802.2011 (SB 2224) (18:50)

Ms. Kumar noted that most systems have submitted funding policies, and some have updated their policies based on committee recommendations to change to a closed actuarially determined contribution benchmark rather than a rolling benchmark. Other systems have kept their rolling benchmarks, but the committee did not decide to include closed benchmarks as a formal recommendation to the legislature.

d. Recommended changes to the funding policy requirements under Section 802.2011 and FSRP requirements under Sections 802.2015 and 802.2016 of the Government Code (21:16)

Mr. Brainard explained the board's statutory mandate to recommend legislation and that

the PRB is the only state-level advocate for plan sponsors to prioritize adequate pension funding. He stated that the Actuarial Committee was recommending changes to the FSRP statute to incorporate stakeholder feedback. The committee also recommended updating the FSRP statute to make it consistent with the *Pension Funding Guidelines*. He stated that the committee was working to make sure that the updated FSRP requirements would not go into effect until 2025 and added that the committee believes the proposed statutory changes will help systems move towards full funding.

Michelle Downie Kranes outlined the recommendations and explained the process, final recommendations, and public comments.

Ms. Dush asked for clarification on the recommendation for updated FSRP triggering mechanisms and if it would include a look-back before September 2025. Ms. Kranes explained staff included language in the recommendations to establish the goal that the 30-year amortization period would not be required until 2025; however, a lookback would be at the discretion of the legislature, should they draft a bill.

Ms. Dush noted she wanted to make sure the legislature could help the systems that have been putting in the effort to work towards solutions and decrease their amortization periods under the current rules.

Mr. Brainard explained that while both a retirement system and its sponsor are responsible for the funding of the plan, under current statute the sponsors are not required to support funding policies. He said this has been a common complaint from systems, so the first recommendation was to add the sponsor to the funding policy process.

Mr. Brainard mentioned a comment noting that sponsors and their governing bodies can make rate changes without evaluating the effects on the plan, while systems are required to consider those factors.

Chair Leibe questioned the distinction between the governing body adopting the FSRP through official action compared to acknowledging the system's board adopting the funding policy or FSRP. Ms. Kranes stated that under existing statute the FSRPs were supposed to be a joint product of the system and sponsor. Ms. Kumar said this recommendation was meant to clarify the rules since there have been instances when staff had to ask systems if the FSRPs were developed jointly with the sponsor or alone.

AG Counsel Melissa Juarez suggested not to leave any ambiguity in recommendations for the legislature and suggested including that it be adopted at an open meeting.

Ms. Leibe asked for further clarification about the current process. Ms. Kranes explained that many FSRPs include input and a commitment from sponsors, but not all of them do; this requirement would clarify that both entities are committed to the FSRP.

Ms. Kranes explained the tiered FSRP trigger and the part of the recommendation to allow systems that have implemented a closed funding period and actuarially determined contributions to be exempt from the new requirements. She stated that this was intended so that systems like the Fort Worth Employees Retirement Fund that had made changes before would not have to start over if already moving towards full funding.

Mr. Brainard mentioned there were public comments that requested not changing the trigger from a 40-year amortization period until 2025 and asked if the current language of the recommendation would do that or if the board needed to change the language.

Ms. Kumar explained that the board revised its funding guidelines in 2017 and stated that the 30-year threshold would not take effect until 2025. The recommendation was intended to keep that promise by using a tiered trigger and delaying the 30-year requirement until 2025 and to create a grandfathering provision for systems that have already made or will make changes to improve funding by 2025.

Ms. Kranes explained the recommendation to extend the time allowed to prepare FSRPs to either one year or two rather than six months. She also mentioned currently some FSRPs relied on future actions, which were hard for staff to evaluate, so extending the time frame to complete the FSRP could come with a requirement that key actions be taken by the time the FSRP was completed. She explained that the recommendation would change the 10-year period to adopt an FSRP to two years and change the process for revised FSRPs to only be triggered if a system became subject to an FSRP within 10 years of a previous one. The revised FSRP would include stricter requirements to prevent systems from having to repeatedly revise FSRPs. The board discussed the option to increase the time to develop an FSRP and ultimately recommended providing two years rather than the current six months.

Chair Leibe asked for clarification if the recommendation to require an aggregate analysis of the changes would require only an aggregate analysis or an analysis of both the aggregate effects and the individual effects of proposed changes. Mr. Herbold explained that the individual changes were not necessary if a plan submitted an aggregate analysis, but since some FSRPs received had only presented analysis of individual changes the effects can interact instead of having simple cumulative effects.

Ms. Kumar added that this was intended to clarify what information the PRB receives. Staff wanted to be conscious of the cost of reporting requirements and thought that emphasizing the most important information to evaluate the changes should help reduce the costs to the systems. Ms. Dush stated that allowing two years to complete the FSRP and requiring current changes rather than future changes could also help with some existing problems.

Mr. Brainard asked for clarification about the difference between an actuarial analysis and an actuarial projection because of a comment received. Mr. Herbold explained that an amortization period calculation in an analysis shows a projection of when the plan will be funded compared to a detailed projection for every year, which may affect the cost.

Mr. Brainard invited public comments throughout, but there were none.

Mr. Brainard entertained a motion to adopt the recommendations as amended.

The motion was made by Ms. Dush and seconded by Chair Leibe.

The motion passed unanimously.

e. Public retirement system reporting and compliance, including noncompliant retirement systems under Section 801.209 of the Texas Government Code (1:05:16)

Ms. Kumar explained that the report could not be completed due to database issues; however, the report would be ready for the next meeting.

6. Investment Committee matters (1:06:45)

a. Investment Practices and Performance Evaluations received as required by Government Code Section 802.109 (SB 322), including compliance (Included in 6c, 1:09:03)

This item was taken up as part of item 6c.

b. Recommended improvements to investment Practices and Performance Evaluation statute (Included in 6c, 1:30:39)

This item was taken up as part of item 6c.

c. Draft Investment Performance Report (1:08:27)

Robert Munter presented the Investment Practices and Performance Evaluations (IPPEs), the legislative recommendations to improve the IPPE statute, and the draft PRB Investment Performance Report.

Mr. Munter explained there were 62 systems covered by the IPPE requirements. Since some evaluations included more than one system, 55 IPPEs were expected. Of the expected evaluations, 51 were received and included in the analysis. Two additional evaluations were submitted for systems with less than \$30 million in assets. He said staff reached out to the four remaining systems and learned they were experiencing COVID-related delays; Harris County Hospital District Pension Plan and Corpus Christi Regional Transportation Authority provided expected completion dates, and Midland Fire and Nacogdoches County Hospital District Retirement Plan did not provide expected completion dates at the time.

Mr. Munter stated that the biggest recurring issue was investment fees, which appeared in four of the five topic areas staff created to categorize results. The most common recommendation was performing an annual review of investment policy statements, and other recommendations included fee benchmarking compared to similar systems, using net-of-fee performance to evaluate managers, assigning a role to formally review fees, and documenting the rationale for hiring and firing investment managers.

Mr. Zook highlighted what he considered two important factors: the importance of looking at returns net-of-fees rather than gross returns when evaluating investment managers since that is what systems actually receive, and the differences between asset-only analysis and asset-liability analysis when making asset allocation decisions. He commented that the summary report should give systems and the public a better comparison of the fees different systems pay. Ms. Dush reemphasized the importance of asset-liability analysis since short-term liquidity requirements can affect outcomes and pointed out that improved modeling has reduced the cost of asset-liability assessments in recent years.

Mr. Munter presented the legislative recommendations from the investment committee for consideration of the board. He explained that when preparing the IPPEs several systems asked staff to clarify what should be included in an IPPE and that the legislative intent of this requirement was to improve transparency in decision making. The first recommendation was to require IPPEs to include a rationale for the recommendations that are made or why recommendations are not necessary. The second was to include a formal review-and-comment process to ensure that retirement system boards are reviewing and considering the recommended changes from evaluations and to allow evaluations to remain independent while still allowing systems to review and comment on the suggestions. The third was for the legislature to consider the feasibility of precluding a firm that helped a system develop the existing investment policies from performing the evaluation. He said that after reviewing IPPEs, the Investment Committee found that the data suggest that third-party evaluators typically offered recommendations while existing consultants were less likely to suggest improvements.

Mr. Brainard stated he hoped that the legislature would require the use of a separate, independent firm to provide a more objective review.

Mr. Munter presented the fourth recommendation to require evaluators to identify qualifications and potential conflicts-of-interest. Chair Leibe asked about how conflicts-of-interest are determined. Mr. Munter explained there are standard practices in the investment industry, such as disclosing existing relationships between parties that may influence evaluations, and the system's board would determine if that conflict would preclude someone from doing the work appropriately.

Mr. Zook stated that the intent is to inform stakeholders and the PRB if there is anything that could undermine the evaluation and it is often left open since it would be difficult to outline every possible situation. He said he expected the legislature would define the term within statute to avoid ambiguity.

Mr. Richards asked if disclosing a conflict-of-interest would preclude someone from doing the evaluation. Mr. Zook said it does not necessarily preclude them, but it would need to be disclosed so outside observers are aware and know that it was determined that the system's governing body decided it did not preclude them.

Ms. Dush asked if members had access to these performance evaluations to check if their systems were adopting any recommendations. Ms. Kumar explained there is a requirement for the PRB to make the summary available on its website and another requirement for systems to post information they submit to the PRB on their own websites, so staff would check if the IPPEs were included in existing requirements. Ms. Dush highlighted the importance of letting members and stakeholders have access to these documents to know if systems act or fail to act on the recommendations they are given.

Mr. Munter presented the *Draft Investment Performance Report*. Mr. Herbold pointed out that the report included summaries of all the individual evaluations to highlight major takeaways. The draft report was included with the board meeting packet.

Mr. Zook requested public comments since an individual registered to speak on this item, but no public comments were made at this time.

Chair Leibe entertained a motion to approve the *Draft Investment Performance Report* and adopt the recommendations to the legislature concerning the investment practices and performance evaluation requirement, incorporating any changes agreed upon by the board, and further direct staff to work with the board and committee chair to finalize the report for publication in the agency's 2019-2020 Biennial Report.

The motion was made by Mr. Zook and seconded by Mr. Brainard.

The motion passed unanimously.

7. Education and Research Committee matters (1:57:05)

a. MET compliance reporting (1:57:28)

This was taken up in item 7b.

b. MET sponsor update (1:57:36)

Bryan Burnham noted demand for online education and continuing education opportunities have been very high since many in-person events were cancelled and budget constraints tightened due to the pandemic. He stated three new sponsors for core and continuing education courses had been accredited. TEXPERS has also added continuing education webinars.

8. Possible Texas public pension governance study (2:00:21)

Mr. Brainard presented his prepared remarks. He noted that at the September 29 Actuarial Committee meeting, the PRB received critical feedback, and he stated that he heard and understood the frustration that was expressed. He stated that he felt although there are some financial and economic reasons underlying problems facing public pension plans, the biggest problem by far is that the legal arrangement that regulates public pensions in Texas is exceedingly poor.

He noted state statutes are not designed to foster public pension funding success, providing examples such as how some systems require legislative action to adjust benefits or financing arrangements while others can make those decisions locally, and that benefit levels vary widely. He stated that there is no statutory requirement for promised benefits to align with what can be paid for. Depending on the system, the entity responsible for setting benefits may be different from the one that sets funding levels, and those entities may not be required to consult with one another.

The current regulatory and legal landscape does not encourage accountability and consensus, so something needs to change. Good public policy should be consistent and include input from all stakeholders. He felt that since the PRB is responsible for making recommendations for improving policies, practices, and legislation, the board should direct the staff to produce a governance study.

Chair Leibe entertained a motion to direct staff to perform a study of the public pension governance in Texas and to recommend improvements.

Motion made by Mr. Brainard and seconded by Ms. Dush.

The motion passed unanimously.

9. Legislative committee matters (2:13:01)**a. 2019-2020 Biennial Report (2:13:10)**

Ms. Kumar explained that the *Biennial Report* is a statutorily required report in which the agency explains its work and findings over the course of the biennium. She noted that it is a key report for the agency as it includes any legislative recommendations relating to public retirement systems.

b. 2021 Guide to Public Retirement Systems in Texas (2:14:25)

Ms. Kumar noted that this publication is a compendium of current public pension data and would be submitted to the legislature when considering pension bills. She noted the publication was streamlined because it was very long, and the online data center now includes most of the information previously in the guide.

c. 87th Legislative Session Update (2:15:28)

Ms. Kumar stated that the agency had its joint budget hearing with staff from the Legislative Budget Board and Office of the Governor the previous week. The PRB had one exceptional item request to avoid the five percent cut that would affect agency services. The request for funding for IT upgrades would be deferred until the next budget cycle.

Staff would provide updates to the board about the format of the 87th Session since the Capitol was still closed due to COVID-19.

10. Executive Director's Report (2:18:50)**a. Updated Fiscal Year 2021 Operating Budget (2:18:56)**

Ms. Kumar stated that the legislature had asked agencies to return five percent of their operating budgets, and the current budget was on track with that request.

b. Staff update (2:19:19)

Ms. Kumar noted that two employees had left since the June board meeting, and the agency is trying to fill those. However, the thirteenth FTE position will be held vacant until the budget situation is clearer, since staff salaries are such a large portion of the budget.

11. Call for future PRB agenda items (2:20:24)

Mr. Zook recommended adding an agenda item to perform the investment fee benchmarking study, but it would likely need to wait until after legislative session when the budget is determined.

12. Date and location of future PRB meetings-TBD (2:21:31)

Chair Leibe stated that the next board meeting will be in 2021. There were currently no committee meetings set, but staff would reach out to schedule them soon. The next board meeting will most likely be in June after the legislative session.

13. Invitation for public comment (2:23:00)

There were no public comments.

14. Adjournment (2:23:36)

Chair Leibe adjourned the meeting at 12:26 pm.

In Attendance:**PRB Staff Present**

Anumeha Kumar
Kenneth J. Herbold
James King
Ashley Rendon
Wes Allen

Michelle Downie Kranes
Bryan Burnham
Robert Munter
Mariah Miller

Chair Stephanie Leibe

4b. Recognition of outgoing Board member

4c. Introduction of new Board members

4d. Election of Vice Chair for 2021

5. Actuarial Committee

5a. Public retirement system reporting and compliance, including noncompliant retirement systems under Section 801.209 of the Texas Government Code

Public Retirement System Compliance and Reporting As of June 18, 2021

Compliance

	Current Board Meeting	6.30.2020 Meeting
Non-Compliant Plans	10	6
Compliant Plans	89	93
Total Plans Registered	99	99

Summary of Plans Non-Compliant over 60 Days

Plan Type	Current Board Meeting	6.30.2020 Meeting
Defined Benefit	3	2

Plans Non-Compliant over 60 Days

In accordance with 801.209(b) of the Texas Government Code, this list includes all plans who have not submitted one or more of the following reports to the Texas Pension Review Board by the 60th day after the date the reports are due: annual financial, membership, and investment returns and assumptions report (*PRB-1000*).

Fiscal Year	Retirement System	Due Date
2020	Nacogdoches County Hospital District Retirement Plan	1/27/2021
2019	Midland Firemen's Relief & Retirement Fund	7/29/2020
2019	University Park Firemen's Relief & Retirement Fund	7/29/2020

Total Net Assets (Based on most recent financial reports)

	Current Board Meeting	6.30.2020 Meeting
Total Net Assets	\$301,365,704,837	\$282,692,156,638

5b. Actuarial Valuation Report

Actuarial Valuation Report
July 1, 2021

Summary of Key Statistics

Assets and Liabilities

	Current Actuarial Valuation		Prior Actuarial Valuation
	7/1/2021	11/12/2020	
Funded Ratio	77.0%	77.2%	76.8%
Market Value of Assets (MVA)	\$ 304,280,888,598	\$ 293,208,832,639	\$ 286,794,858,683
Actuarial Value of Assets (AVA)	\$ 305,310,576,544	\$ 294,463,821,128	\$ 291,539,281,927
Actuarial Accrued Liability (AAL)	\$ 396,384,500,564	\$ 381,233,662,547	\$ 379,713,487,683
Unfunded Actuarial Accrued Liability (UAAL = AAL - AVA)	\$ 91,073,924,020	\$ 86,769,841,419	\$ 88,174,205,756

Plan Amortization Periods

	Current Actuarial Valuation		Prior Actuarial Valuation
	7/1/2021	11/12/2020	
Infinite	11	12	10
>= 40 years, but not infinite	15	13	12
> 30 years, < 40 years	11	11	9
> 25 years, <= 30 years	18	17	18
>= 10 years, <= 25 years	32	35	39
> 0 years, < 10 years	7	6	6
0 years	5	5	5
Total Plans Registered	99	99	99

Plan Discount Rates

	Current Actuarial Valuation		Prior Actuarial Valuation
	7/1/2021	11/12/2020	
>=8%	2	2	6
> 7.50%, < 8.00%	12	15	23
7.50%	23	26	17
> 7.00%, < 7.50%	17	20	18
7.00%	24	20	21
> 6.50%, < 7.00%	10	7	6
<= 6.50%	11	9	8
Total Plans Registered	99	99	99

	Current Actuarial Valuation		Prior Actuarial Valuation
	7/1/2021	11/12/2020	
Mean	7.14%	7.22%	7.29%
Standard Deviation	0.50%	0.49%	0.50%
Median	7.25%	7.25%	7.25%
Liability Weighted Mean	7.22%	7.29%	7.29%
Liability Weighted Median	7.25%	7.25%	7.25%

Actuarial Valuation Report
July 1, 2021

Plan Name	Plan Status (1)	Current Actuarial Valuation								Prior Actuarial Valuation		
		Effective Date	Discount Rate	Effective Amort Period (2)	Funded Ratio %	Market Value of Assets (MVA)	Actuarial Value of Assets (AVA)	Unfunded Actuarial Accrued Liability (UAAL = AAL - AVA)	UAAL as % of Payroll	Effective Date	Prior Effective Amort Period (2)	Funded Ratio %
Employees Retirement System of Texas	Active	8/31/2020	7.00%	Infinite	66.0	\$ 27,946,206,540	\$ 28,543,207,745	\$ 14,715,104,328	203.77%	8/31/2019	Infinite	70.5
Law Enforcement & Custodial Off Sup. Ret. Fund	Active	8/31/2020	7.00%	Infinite	60.1	\$ 947,324,194	\$ 968,062,761	\$ 641,524,299	39.37%	8/31/2019	Infinite	65.3
Austin Police Retirement System	Active	12/31/2019	7.25%	Infinite	58.4	\$ 857,839,229	\$ 852,294,229	\$ 607,235,559	349.30%	12/31/2018	Infinite	58.1
Judicial Retirement System of Texas Plan Two	Active	8/31/2020	7.00%	Infinite	82.3	\$ 477,331,237	\$ 486,802,031	\$ 104,428,095	116.28%	8/31/2019	Infinite	87.5
Beaumont Firemen's Relief & Retirement Fund	Active	12/31/2018	7.50%	Infinite	55.8	\$ 105,769,426	\$ 111,769,628	\$ 88,543,261	457.43%	12/31/2016	104.0	67.5
Midland Firemen's Relief & Retirement Fund	Active	12/31/2019	7.50%	Infinite	51.1	\$ 84,848,966	\$ 90,753,400	\$ 86,848,661	432.24%	12/31/2017	Infinite	60.9
McAllen Firemen's Relief & Retirement Fund	Active	9/30/2018	7.50%	Infinite	68.2	\$ 52,675,409	\$ 51,901,271	\$ 24,240,176	196.53%	10/1/2016	33.4	69.1
Longview Firemen's Relief & Retirement Fund	Active	12/31/2019	7.50%	Infinite	39.4	\$ 45,779,786	\$ 44,348,518	\$ 68,367,542	504.54%	12/31/2018	Infinite	39.9
Conroe Fire Fighters' Retirement Fund	Active	12/31/2019	7.50%	Infinite	58.4	\$ 29,561,207	\$ 29,523,182	\$ 21,025,245	200.13%	12/31/2018	Infinite	58.1
Orange Firemen's Relief & Retirement Fund	Active	1/1/2019	7.75%	Infinite	46.3	\$ 7,961,733	\$ 7,961,733	\$ 9,241,746	360.64%	1/1/2017	69.3	49.9
Atlanta Firemen's Relief & Retirement Fund	Active	12/31/2018	7.40%	Infinite	80.0	\$ 3,801,042	\$ 4,181,146	\$ 1,043,126	184.83%	12/31/2016	28.4	82.1
Brownwood Firemen's Relief & Retirement Fund	Active	12/31/2019	7.00%	94.7	42.8	\$ 4,655,263	\$ 4,461,500	\$ 5,975,941	297.83%	12/31/2017	38.6	45.0
Plainview Firemen's Relief & Retirement Fund	Active	12/31/2019	7.50%	79.7	34.0	\$ 6,238,767	\$ 5,989,437	\$ 11,633,150	576.43%	12/31/2017	44.8	37.7
Dallas Employees' Retirement Fund	Active	12/31/2019	7.25%	65.0	75.7	\$ 3,658,088,000	\$ 3,682,959,000	\$ 1,180,366,000	272.04%	12/31/2018	46.0	80.0
Sweetwater Firemen's Relief & Retirement Fund	Active	12/31/2018	8.00%	63.3	63.9	\$ 7,760,982	\$ 8,770,824	\$ 4,947,393	294.74%	12/31/2016	27.5	70.0
Marshall Firemen's Relief & Retirement Fund	Active	12/31/2018	7.50%	59.0	36.7	\$ 7,278,840	\$ 7,278,840	\$ 12,576,960	429.30%	12/31/2016	56.4	42.0
Texarkana Firemen's Relief & Retirement Fund	Active	12/31/2019	7.60%	58.3	80.0	\$ 36,402,489	\$ 35,443,388	\$ 8,854,932	202.16%	12/31/2017	15.0	86.3
Galveston Firefighter's Relief & Retirement Fund	Active	12/31/2019	7.50%	57.6	64.9	\$ 49,030,850	\$ 47,792,470	\$ 25,845,485	294.44%	12/31/2017	26.8	69.2
Dallas Police & Fire Pension System-Combined Plan	Active	1/1/2020	7.00%	55.0	45.7	\$ 2,057,857,317	\$ 2,160,125,611	\$ 2,563,846,869	645.88%	1/1/2019	38.0	48.1
Cleburne Firemen's Relief & Retirement Fund	Active	12/31/2018	7.35%	48.6	59.6	\$ 19,362,808	\$ 21,731,172	\$ 14,724,082	324.13%	12/31/2016	28.8	66.7
Irving Firemen's Relief & Retirement Fund	Active	12/31/2019	7.00%	43.6	65.4	\$ 195,803,334	\$ 190,715,524	\$ 100,839,331	267.38%	12/31/2017	Infinite	71.6
Wichita Falls Firemen's Relief & Retirement Fund	Active	1/1/2020	7.75%	43.3	56.8	\$ 52,839,714	\$ 52,839,714	\$ 40,226,568	326.00%	1/1/2018	Infinite	57.7
Fort Worth Employees' Retirement Fund	Active	12/31/2019	7.00%	43.0	52.3	\$ 2,396,727,586	\$ 2,400,393,264	\$ 2,186,491,299	433.49%	12/31/2018	44.0	52.4
Laredo Firefighters Retirement System	Active	9/30/2018	7.50%	43.0	59.9	\$ 154,813,837	\$ 155,509,979	\$ 104,273,436	282.55%	9/30/2016	28.0	59.3
Texas City Firemen's Relief & Retirement Fund	Active	12/31/2018	7.50%	41.1	45.9	\$ 14,389,108	\$ 15,828,019	\$ 18,643,387	348.98%	12/31/2016	28.0	50.4
Greenville Firemen's Relief & Retirement Fund	Active	12/31/2018	7.75%	40.7	46.6	\$ 12,254,104	\$ 13,479,514	\$ 15,438,433	368.76%	12/31/2016	55.0	47.7
Killeen Firemen's Relief & Retirement Fund	Active	9/30/2018	7.50%	39.8	69.4	\$ 43,947,221	\$ 42,970,465	\$ 18,990,872	131.39%	9/30/2016	22.8	69.7
Big Spring Firemen's Relief & Retirement Fund	Active	1/1/2019	7.75%	38.3	53.2	\$ 10,902,959	\$ 11,874,904	\$ 10,439,548	245.07%	1/1/2017	36.2	54.9
Amarillo Firemen's Relief & Retirement Fund	Active	12/31/2019	7.50%	38.1	82.0	\$ 193,539,560	\$ 177,211,704	\$ 38,901,102	185.22%	12/31/2017	43.5	81.5

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Actuarial Valuation Report
July 1, 2021

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		Effective Date	Discount Rate	Effective Amort Period (2)	Funded Ratio %	Market Value of Assets (MVA)	Actuarial Value of Assets (AVA)	Unfunded Actuarial Accrued Liability (UAAL = AAL - AVA)	UAAL as % of Payroll	Effective Date	Prior Effective Amort Period (2)	Funded Ratio %
Harlingen Firemen's Relief & Retirement Fund	Active	9/30/2019	7.75%	38.0	64.5	\$ 33,712,925	\$ 33,712,925	\$ 18,528,703	277.57%	9/30/2017	59.1	66.1
San Angelo Firemen's Relief & Retirement Fund	Active	12/31/2019	7.80%	37.6	62.0	\$ 71,755,778	\$ 69,872,462	\$ 42,886,258	339.34%	12/31/2017	31.3	64.9
Odessa Firemen's Relief & Retirement Fund	Active	1/1/2020	7.50%	37.5	36.8	\$ 44,792,900	\$ 43,361,750	\$ 74,452,902	544.63%	1/1/2019	77.5	39.3
Lubbock Fire Pension Fund	Active	12/31/2018	7.75%	33.0	70.8	\$ 186,484,535	\$ 199,266,188	\$ 82,173,796	241.06%	12/31/2016	33.5	72.6
Paris Firefighters' Relief & Retirement Fund	Active	12/31/2018	7.25%	32.1	30.5	\$ 4,152,310	\$ 4,663,640	\$ 10,625,400	382.48%	12/31/2016	41.9	35.6
Austin Employees' Retirement System	Active	12/31/2020	7.00%	32.0	65.3	\$ 3,199,546,583	\$ 3,069,233,497	\$ 1,631,981,669	223.79%	12/31/2019	40.0	63.5
Abilene Firemen's Relief & Retirement Fund	Active	10/1/2019	7.50%	31.4	49.1	\$ 55,688,061	\$ 58,101,368	\$ 60,298,270	393.82%	10/1/2017	31.9	55.7
Lufkin Firemen's Relief & Retirement Fund	Active	12/31/2018	7.50%	30.7	48.8	\$ 15,659,035	\$ 17,334,531	\$ 18,178,233	349.28%	12/31/2016	33.1	46.7
El Paso Police Pension Fund	Active	1/1/2020	7.75%	29.9	76.3	\$ 932,430,228	\$ 888,936,511	\$ 275,499,329	298.45%	1/1/2018	30.5	78.3
Corpus Christi Fire Fighters' Retirement System	Active	12/31/2018	7.50%	29.8	60.2	\$ 139,811,086	\$ 151,136,552	\$ 99,896,125	305.70%	12/31/2016	23.1	62.1
Tyler Firefighters' Relief & Retirement Fund	Active	12/31/2019	7.25%	29.0	71.1	\$ 74,572,570	\$ 72,534,797	\$ 29,442,082	240.14%	12/31/2017	25.5	76.2
Corsicana Firemen's Relief & Retirement Fund	Active	12/31/2018	7.00%	28.9	50.7	\$ 8,563,597	\$ 9,310,272	\$ 9,065,130	218.76%	12/31/2016	28.9	53.1
University Park Firemen's Relief & Retirement Fund	Closed	12/31/2018	7.50%	28.8	43.4	\$ 9,447,674	\$ 10,460,367	\$ 13,664,013	441.37%	12/31/2016	Infinite	44.0
Fort Worth Employees' Retirement Fund Staff Plan (3)	Active	12/31/2020	7.00%	28.2	70.7	\$ 6,834,662	\$ 6,592,997	\$ 2,734,377	146.84%	12/31/2019	29.2	67.5
Port Arthur Firemen's Relief & Retirement Fund	Active	12/31/2019	7.50%	27.3	75.0	\$ 51,911,829	\$ 50,280,562	\$ 16,771,865	180.33%	12/31/2017	23.7	74.2
Houston Municipal Employees Pension System	Active	7/1/2020	7.00%	27.1	59.2	\$ 2,881,788,000	\$ 3,074,339,000	\$ 2,122,008,000	330.40%	7/1/2019	28.0	59.3
Teacher Retirement System of Texas	Active	8/31/2020	7.25%	27.0	76.8	\$ 165,416,245,243	\$ 167,432,159,118	\$ 50,605,424,379	101.24%	8/31/2019	29.0	76.4
Houston Police Officers' Pension System	Active	7/1/2020	7.00%	27.0	82.4	\$ 5,572,476,000	\$ 5,631,533,000	\$ 1,204,149,000	255.17%	7/1/2019	28.0	81.7
Houston Firefighters' Relief & Retirement Fund	Active	7/1/2020	7.00%	27.0	86.2	\$ 4,102,932,000	\$ 4,251,851,000	\$ 680,456,000	261.15%	7/1/2019	28.0	82.9
CPS Energy Pension Plan	Active	1/1/2020	7.00%	27.0	82.7	\$ 1,779,033,857	\$ 1,719,537,036	\$ 360,097,480	125.49%	1/1/2019	21.0	82.3
Galveston Employees' Retirement Plan for Police	Active	1/1/2021	7.00%	27.0	38.0	\$ 22,771,571	\$ 22,845,333	\$ 37,256,435	290.39%	1/1/2020	28.0	36.4
El Paso Firemen's Pension Fund	Active	1/1/2020	7.75%	26.6	76.5	\$ 643,133,030	\$ 615,418,214	\$ 189,530,926	281.17%	1/1/2018	28.0	77.8
Temple Firemen's Relief & Retirement Fund	Active	9/30/2020	7.75%	26.6	70.5	\$ 48,418,257	\$ 47,731,472	\$ 19,976,863	205.23%	9/30/2018	28.6	73.0
San Benito Firemen Relief & Retirement Fund	Active	9/30/2019	7.50%	26.1	60.9	\$ 3,927,895	\$ 3,927,895	\$ 2,523,394	184.91%	9/30/2017	21.8	60.7
University Health System Pension Plan	Active	1/1/2018	7.00%	26.0	70.7	\$ 363,779,588	\$ 347,115,543	\$ 143,589,317	39.14%	1/1/2017	27.0	67.5
Irving Supplemental Benefit Plan	Active	1/1/2020	6.75%	26.0	73.5	\$ 70,213,418	\$ 67,147,643	\$ 24,275,598	21.43%	1/1/2019	23.0	73.5
Dallas Co. Hospital Dist. Retirement Income Plan	Active	1/1/2020	6.00%	24.0	64.8	\$ 1,173,720,580	\$ 1,126,710,039	\$ 611,546,606	89.21%	1/1/2019	25.0	71.5
Houston MTA Workers Union Pension Plan	Closed	1/1/2020	6.25%	23.0	64.2	\$ 294,629,862	\$ 284,189,712	\$ 158,635,309	175.09%	1/1/2019	24.0	62.5
San Antonio Metropolitan Transit Retirement Plan	Active	10/1/2018	7.25%	23.0	64.1	\$ 298,393,798	\$ 282,899,551	\$ 158,753,455	139.47%	10/1/2017	24.0	62.4

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Actuarial Valuation Report
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Houston MTA Non-Union Pension Plan	Closed	1/1/2020	6.25%	23.0	60.5	\$ 186,645,413	\$ 181,431,446	\$ 118,527,718	303.71%	1/1/2019	24.0	61.8
Austin Fire Fighters Relief & Retirement Fund	Active	12/31/2019	7.50%	21.9	86.8	\$ 1,029,892,806	\$ 1,001,980,211	\$ 152,385,418	159.33%	12/31/2018	17.9	88.0
Lower Colorado River Authority Retirement Plan	Closed	1/1/2020	7.00%	20.0	67.7	\$ 428,877,867	\$ 431,497,129	\$ 205,980,317	202.35%	1/1/2019	18.0	70.3
Dallas Police & Fire Pension System-Supplemental (4)	Active	1/1/2020	7.00%	20.0	48.3	\$ 17,307,433	\$ 17,307,433	\$ 18,523,051	3091.36%	1/1/2019	10.0	57.6
Galveston Wharves Pension Plan	Closed	1/1/2021	7.25%	20.0	93.2	\$ 15,560,833	\$ 15,560,833	\$ 1,143,704	110.84%	1/1/2020	21.0	89.9
Texas Emergency Services Retirement System	Active	8/31/2020	7.50%	19.0	83.3	\$ 125,229,661	\$ 125,366,915	\$ 25,073,628	N/A	8/31/2018	24.0	83.4
Employees of Brownsville Navigation District	Active	1/1/2019	6.15%	19.0	57.6	\$ 4,890,148	\$ 5,254,517	\$ 3,873,642	89.19%	1/1/2018	20.0	54.3
Denton Firemen's Relief & Retirement Fund	Active	12/31/2019	6.75%	18.3	80.8	\$ 103,815,795	\$ 98,109,262	\$ 23,333,103	115.79%	12/31/2017	14.6	82.1
Sweeny Community Hospital	Closed	1/1/2020	7.00%	18.0	88.8	\$ 3,490,459	\$ 3,306,373	\$ 415,513	65.55%	1/1/2019	19.0	86.4
Waxahachie Firemen's Relief & Retirement Fund	Active	10/1/2020	7.00%	17.5	74.9	\$ 19,854,398	\$ 19,854,398	\$ 6,666,173	123.55%	10/1/2018	18.9	73.1
Galveston Employees' Retirement Fund	Active	12/31/2020	7.25%	16.4	79.5	\$ 63,037,200	\$ 59,408,885	\$ 15,338,807	56.43%	12/31/2019	16.5	77.5
Weslaco Firemen's Relief & Retirement Fund	Active	9/30/2020	7.25%	16.3	73.3	\$ 12,832,351	\$ 13,554,752	\$ 4,945,699	100.10%	9/30/2018	14.1	72.0
City of El Paso Employees Retirement Trust	Active	9/1/2020	7.25%	16.0	80.0	\$ 877,989,396	\$ 867,570,209	\$ 217,451,962	129.60%	9/1/2018	14.0	80.3
Texas Municipal Retirement System (5)	Active	12/31/2020	6.75%	16.2	89.5	\$ 34,282,893,034	\$ 33,609,583,130	\$ 3,926,285,638	53.91%	12/31/2019	17.2	88.0
Harris County Hospital District Pension Plan (3)	Closed	1/1/2020	6.75%	15.8	73.0	\$ 737,879,367	\$ 707,893,800	\$ 261,858,773	167.34%	1/1/2019	16.4	74.0
DFW Airport Board	Active	1/1/2020	7.25%	15.0	85.8	\$ 549,954,511	\$ 543,581,900	\$ 89,741,623	173.42%	1/1/2019	16.0	83.7
DFW Airport Board DPS	Active	1/1/2020	7.25%	15.0	81.2	\$ 215,337,151	\$ 212,881,725	\$ 49,148,757	146.11%	1/1/2019	16.0	78.5
Plano Retirement Security Plan	Active	12/31/2019	6.75%	15.0	95.4	\$ 167,755,102	\$ 160,483,170	\$ 7,711,014	4.87%	12/31/2017	0.0	100.8
Corpus Christi Regional Transportation Authority	Active	1/1/2020	7.30%	14.0	92.1	\$ 42,170,049	\$ 41,116,802	\$ 3,508,696	31.97%	1/1/2019	15.0	91.8
San Antonio Fire & Police Pension Fund	Active	1/1/2020	7.25%	13.7	87.6	\$ 3,408,690,035	\$ 3,434,094,746	\$ 484,429,050	141.90%	1/1/2019	13.9	87.9
DART Employees (3)	Closed	10/1/2019	6.75%	12.3	80.5	\$ 185,583,667	\$ 190,481,841	\$ 46,127,286	366.26%	10/1/2018	12.8	79.2
Denison Firemen's Relief & Retirement Fund	Active	12/31/2019	7.50%	12.2	75.3	\$ 20,225,141	\$ 17,982,601	\$ 5,901,574	169.53%	12/31/2017	15.8	77.3
Capital MTA Bargaining	Frozen	1/1/2020	6.75%	12.0	52.1	\$ 35,284,632	\$ 33,780,736	\$ 31,103,216	N/A	1/1/2019	20.0	50.6
Brazos River Authority Retirement Plan	Frozen	3/1/2020	6.50%	12.0	63.5	\$ 20,463,482	\$ 20,372,697	\$ 11,705,422	N/A	3/1/2019	13.0	61.7
Capital MTA Admin Employees (6)	Active	1/1/2020	6.75%	11.7	77.8	\$ 37,818,736	\$ 35,895,259	\$ 10,259,320	41.53%	1/1/2019	20.0	76.9
Texas County & District Retirement System (5)	Active	12/31/2019	8.00%	11.3	89.4	\$ 33,833,510,529	\$ 32,789,744,843	\$ 3,880,435,865	52.85%	12/31/2018	12.6	88.5
Port of Houston Authority Retirement Plan	Closed	8/1/2020	6.25%	11.0	93.4	\$ 191,251,270	\$ 191,251,270	\$ 13,596,861	45.80%	8/1/2019	30.0	92.9
Northeast Medical Center Hospital Retirement Plan (4)	Frozen	7/1/2019	7.25%	10.0	82.7	\$ 9,405,456	\$ 9,405,456	\$ 1,963,048	N/A	7/1/2018	10.0	83.8
Nacogdoches County Hospital District	Frozen	7/1/2020	6.75%	10.0	72.5	\$ 8,895,538	\$ 8,895,538	\$ 3,379,266	N/A	7/1/2019	22.0	96.8

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Guadalupe-Blanco River Authority	Frozen	1/1/2020	6.50%	9.0	84.2	\$ 33,392,523	\$ 31,821,263	\$ 5,972,779	N/A	1/1/2019	10.0	86.9
Colorado River Municipal Water Dist. (3)	Active	1/1/2020	6.00%	7.1	88.3	\$ 10,699,777	\$ 10,699,777	\$ 1,413,550	44.47%	1/1/2019	8.5	83.3
Refugio County Memorial Hospital (3)	Frozen	11/1/2019	6.00%	5.2	96.5	\$ 1,861,692	\$ 1,861,692	\$ 68,240	N/A	11/1/2018	7.0	97.8
Guadalupe Regional Medical Center	Active	1/1/2020	7.00%	5.0	99.1	\$ 83,831,107	\$ 78,104,845	\$ 709,550	2.40%	1/1/2019	12.0	96.5
Travis County ESD #6 FRRF	Active	12/31/2019	7.00%	4.6	88.6	\$ 28,086,052	\$ 26,598,293	\$ 3,417,649	48.47%	12/31/2017	3.3	87.2
JPS - Tarrant County Hospital District	Active	10/1/2019	7.00%	3.5	95.3	\$ 312,670,342	\$ 308,994,339	\$ 15,398,047	5.28%	10/1/2018	5.0	93.6
Northwest Texas Healthcare System Retirement Plan	Frozen	10/1/2019	7.50%	1.0	96.2	\$ 23,912,245	\$ 23,900,053	\$ 944,540	N/A	10/1/2018	2.0	90.1
Citizens Medical Center	Active	3/1/2020	6.75%	0.0	106.1	\$ 114,266,627	\$ 114,815,280	\$ (6,627,783)	-11.60%	3/1/2019	0.0	110.4
The Woodlands Firefighters' Retirement System	Active	1/1/2020	7.00%	0.0	107.0	\$ 42,315,851	\$ 42,315,851	\$ (2,769,663)	-22.22%	1/1/2019	3.6	97.8
Arlington Employees Deferred Income Plan	Active	6/30/2019	5.00%	0.0	107.2	\$ 2,999,905	\$ 2,999,905	\$ (200,717)	-5.33%	6/30/2018	0.0	106.2
Anson General Hospital	Frozen	7/1/2020	6.00%	0.0	110.9	\$ 1,806,754	\$ 1,771,758	\$ (174,509)	-172.71%	7/1/2019	0.0	110.1
El Paso Firemen & Policemen's Pension Staff Plan	Active	1/1/2020	7.75%	0.0	113.7	\$ 685,883	\$ 661,663	\$ (79,547)	-9.54%	1/1/2018	0.0	113.1
Grand Totals:					77.0%	\$ 304,280,888,598	\$ 305,310,576,544	\$ 91,073,924,020				76.8%

Notes

- (1) Plan status indicates whether a plan is active (admitting new hires), closed to new hires (but still accruing benefits), or frozen (not accruing benefits).
- (2) The effective amortization period is the time it would take to theoretically eliminate the UAAL assuming no future gains or losses and taking into account both the plan's stated and historical contribution policy.
- (3) Amortization period is calculated by the PRB.
- (4) Reported amortization period is based on an open amortization funding policy.
- (5) Amortization period is calculated using system-wide aggregate UAAL and payroll amounts.
- (6) Current amortization period is calculated by the PRB. Prior amortization period is based on an open amortization funding policy.

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**AV Supplemental Report
July 1, 2021
(Dollars in Millions)**

Plan Name	Fiscal Year End	Discount Rate	(a) Total Pension Liability (TPL) (1)	(b) Fiduciary Net Position (2)	(a) - (b) Net Pension Liability (NPL) (3)	(b) / (a) NPL Funded Ratio %	NPL at Disc. Rate -1% (4)	NPL -1% Funded Ratio %	10 Year Net Return (5)	Expected Depletion Date (6)
Abilene Firemen's Relief & Retirement Fund	9/30/2019	7.50%	\$ 118.74	\$ 55.69	\$ 63.05	46.9	\$ 73.51	43.1	6.48%	N/A
Amarillo Firemen's Relief & Retirement Fund	12/31/2019	7.50%	\$ 216.11	\$ 193.54	\$ 22.57	89.6	\$ 48.61	79.9	9.87%	N/A
Anson General Hospital	6/30/2020	6.00%	\$ 1.63	\$ 1.81	\$ (0.17)	110.6	\$ (0.02)	101.0	8.03%	N/A
Arlington Employees Deferred Income Plan	6/30/2020	5.00%	\$ 2.99	\$ 3.27	\$ (0.28)	109.2	\$ (0.00)	100.1	3.95%	N/A
Atlanta Firemen's Relief & Retirement Fund	12/31/2019	4.82%	\$ 7.44	\$ 4.37	\$ 3.07	58.7	\$ 4.19	51.0	6.66%	2045
Austin Employees' Retirement System	12/31/2019	7.00%	\$ 4,487.88	\$ 2,928.03	\$ 1,559.85	65.2	\$ 2,127.42	57.9	8.16%	N/A
Austin Fire Fighters Relief & Retirement Fund	12/31/2019	7.50%	\$ 1,156.02	\$ 1,029.89	\$ 126.13	89.1	\$ 236.67	81.3	8.18%	N/A
Austin Police Retirement System	12/31/2019	4.10%	\$ 2,175.17	\$ 857.84	\$ 1,317.33	39.4	\$ 1,663.20	34.0	6.33%	2045
Beaumont Firemen's Relief & Retirement Fund	12/31/2019	3.69%	\$ 309.51	\$ 120.73	\$ 188.79	39.0	\$ 231.41	34.3	7.78%	2059
Big Spring Firemen's Relief & Retirement Fund	12/31/2019	7.75%	\$ 23.52	\$ 13.23	\$ 10.29	56.2	\$ 13.44	49.6	7.22%	N/A
Brazos River Authority Retirement Plan	2/29/2020	6.50%	\$ 31.93	\$ 20.46	\$ 11.47	64.1	\$ 14.80	58.0	6.57%	N/A
Brownwood Firemen's Relief & Retirement Fund	12/31/2019	7.25%	\$ 9.98	\$ 4.66	\$ 5.33	46.6	\$ 6.59	41.4	5.96%	N/A
CPS Energy Pension Plan	12/31/2020	7.00%	\$ 2,158.67	\$ 1,919.63	\$ 239.03	88.9	\$ 510.23	79.0	8.10%	N/A
Capital MTA Admin Employees	12/31/2019	5.10%	\$ 60.80	\$ 37.82	\$ 22.99	62.2	\$ 32.75	53.6	8.41%	2058
Capital MTA Bargaining	12/31/2019	6.75%	\$ 64.88	\$ 35.28	\$ 29.60	54.4	\$ 35.83	49.6	8.24%	N/A
Citizens Medical Center	2/29/2020	7.00%	\$ 105.52	\$ 114.25	\$ (8.74)	108.3	\$ 5.21	95.6	8.60%	N/A
City of El Paso Employees Retirement Trust	8/31/2020	7.50%	\$ 1,083.48	\$ 877.99	\$ 205.49	81.0	\$ 338.07	72.2	8.56%	N/A
Cleburne Firemen's Relief & Retirement Fund	12/31/2019	7.35%	\$ 38.12	\$ 22.00	\$ 16.12	57.7	\$ 20.41	51.9	6.96%	N/A
Colorado River Municipal Water Dist.	12/31/2019	6.00%	\$ 11.79	\$ 10.70	\$ 1.09	90.7	\$ 1.87	85.1	7.52%	N/A
Conroe Fire Fighters' Retirement Fund	12/31/2019	5.53%	\$ 69.52	\$ 29.56	\$ 39.96	42.5	\$ 51.15	36.6	5.57%	2063
Corpus Christi Fire Fighters' Retirement System	12/31/2019	7.50%	\$ 260.21	\$ 157.59	\$ 102.63	60.6	\$ 131.65	54.5	7.57%	N/A
Corpus Christi Regional Transportation Authority	12/31/2019	7.30%	\$ 44.63	\$ 42.17	\$ 2.46	94.5	\$ 7.72	84.5	8.24%	N/A
Corsicana Firemen's Relief & Retirement Fund	12/31/2019	7.00%	\$ 18.97	\$ 9.90	\$ 9.07	52.2	\$ 11.60	46.1	5.71%	N/A
DART Employees	9/30/2019	6.75%	\$ 236.61	\$ 185.58	\$ 51.03	78.4	\$ 74.44	71.4	7.07%	N/A
DFW Airport Board	12/31/2019	7.25%	\$ 633.32	\$ 549.95	\$ 83.37	86.8	\$ 168.49	76.5	7.60%	N/A
DFW Airport Board DPS	12/31/2019	7.25%	\$ 262.03	\$ 215.34	\$ 46.69	82.2	\$ 85.88	71.5	7.60%	N/A
Dallas Co. Hospital Dist. Retirement Income Plan	12/31/2019	6.75%	\$ 1,576.85	\$ 1,173.30	\$ 403.55	74.4	\$ 624.35	65.3	7.71%	N/A
Dallas Employees' Retirement Fund	12/31/2019	5.93%	\$ 5,658.73	\$ 3,658.09	\$ 2,000.64	64.6	\$ 2,748.26	57.1	8.56%	2058
Dallas Police & Fire Pension System-Combined Plan	12/31/2019	7.00%	\$ 4,731.96	\$ 2,057.86	\$ 2,674.10	43.5	\$ 3,212.53	39.0	3.31%	N/A
Dallas Police & Fire Pension System-Supplemental	12/31/2019	7.00%	\$ 35.84	\$ 17.31	\$ 18.53	48.3	\$ 21.76	44.3	3.31%	N/A
Denison Firemen's Relief & Retirement Fund	12/31/2019	7.50%	\$ 23.61	\$ 20.23	\$ 3.39	85.6	\$ 6.07	76.9	8.79%	N/A
Denton Firemen's Relief & Retirement Fund	12/31/2019	6.75%	\$ 116.47	\$ 103.82	\$ 12.65	89.1	\$ 27.09	79.3	9.33%	N/A
El Paso Firemen & Policemen's Pension Staff Plan (7)	12/31/2019	7.75%	\$ 0.55	\$ 0.69	\$ (0.13)	123.9	\$ (0.05)	108.1	7.63%	N/A
El Paso Firemen's Pension Fund	12/31/2019	7.75%	\$ 809.33	\$ 645.01	\$ 164.32	79.7	\$ 278.73	69.8	7.96%	N/A
El Paso Police Pension Fund	12/31/2019	7.75%	\$ 1,161.70	\$ 935.19	\$ 226.52	80.5	\$ 390.85	70.5	7.96%	N/A
Employees Retirement System of Texas	8/31/2020	3.62%	\$ 65,936.88	\$ 27,946.21	\$ 37,990.67	42.4	\$ 48,372.38	36.6	8.12%	2044

This report is a compilation of pension data reported by retirement systems to the PRB in their most recently published Annual Financial Report and PRB-1000.

**AV Supplemental Report
July 1, 2021
(Dollars in Millions)**

Plan Name	Fiscal Year End	Discount Rate	(a) Total Pension Liability (TPL) (1)	(b) Fiduciary Net Position (2)	(a) - (b) Net Pension Liability (NPL) (3)	(b) / (a) NPL Funded Ratio %	NPL at Disc. Rate -1% (4)	NPL -1% Funded Ratio %	10 Year Net Return (5)	Expected Depletion Date (6)
Employees of Brownsville Navigation District	12/31/2019	6.75%	\$ 8.51	\$ 5.95	\$ 2.57	69.9	\$ 3.23	64.8	7.24%	N/A
Fort Worth Employees' Retirement Fund	9/30/2020	7.00%	\$ 4,728.03	\$ 2,368.16	\$ 2,359.87	50.1	\$ 2,945.54	44.6	6.61%	N/A
Fort Worth Employees' Retirement Fund Staff Plan	9/30/2020	7.00%	\$ 9.06	\$ 6.00	\$ 3.06	66.2	\$ 4.43	57.5	6.61%	N/A
Galveston Employees' Retirement Fund	12/31/2019	7.25%	\$ 70.81	\$ 57.50	\$ 13.32	81.2	\$ 21.35	72.9	7.37%	N/A
Galveston Employees' Retirement Plan for Police	12/31/2019	7.00%	\$ 59.11	\$ 21.95	\$ 37.16	37.1	\$ 44.49	33.0	6.32%	N/A
Galveston Firefighter's Relief & Retirement Fund	12/31/2019	7.75%	\$ 69.70	\$ 49.03	\$ 20.67	70.3	\$ 28.45	63.3	6.76%	N/A
Galveston Wharves Pension Plan	12/31/2019	7.25%	\$ 16.44	\$ 14.83	\$ 1.61	90.2	\$ 3.25	82.0	9.17%	N/A
Greenville Firemen's Relief & Retirement Fund	12/31/2019	7.75%	\$ 30.03	\$ 14.29	\$ 15.73	47.6	\$ 19.05	42.9	7.12%	N/A
Guadalupe Regional Medical Center	12/31/2019	7.00%	\$ 80.17	\$ 83.83	\$ (3.66)	104.6	\$ 7.51	91.8	9.68%	N/A
Guadalupe-Blanco River Authority	12/31/2019	6.75%	\$ 36.07	\$ 33.39	\$ 2.67	92.6	\$ 6.70	83.3	7.41%	N/A
Harlingen Firemen's Relief & Retirement Fund	9/30/2019	7.75%	\$ 53.00	\$ 33.71	\$ 19.29	63.6	\$ 25.34	57.1	7.61%	N/A
Harris County Hospital District Pension Plan	12/31/2019	6.75%	\$ 962.26	\$ 737.32	\$ 224.94	76.6	\$ 336.86	68.6	8.90%	N/A
Houston Firefighters' Relief & Retirement Fund	6/30/2020	7.25%	\$ 5,084.71	\$ 4,102.93	\$ 981.78	80.7	\$ 1,507.57	73.1	7.65%	N/A
Houston MTA Non-Union Pension Plan	12/31/2019	6.25%	\$ 301.37	\$ 186.65	\$ 114.72	61.9	\$ 147.29	55.9	7.80%	N/A
Houston MTA Workers Union Pension Plan	12/31/2019	6.25%	\$ 429.29	\$ 294.63	\$ 134.66	68.6	\$ 182.93	61.7	7.90%	N/A
Houston Municipal Employees Pension System	6/30/2020	7.00%	\$ 5,332.87	\$ 2,881.79	\$ 2,451.08	54.0	\$ 3,016.68	48.9	7.96%	N/A
Houston Police Officers' Pension System	6/30/2020	7.00%	\$ 7,083.96	\$ 5,572.48	\$ 1,511.49	78.7	\$ 2,278.13	71.0	7.90%	N/A
Irving Firemen's Relief & Retirement Fund	12/31/2019	7.00%	\$ 291.56	\$ 199.47	\$ 92.09	68.4	\$ 125.61	61.4	8.29%	N/A
Irving Supplemental Benefit Plan	12/31/2019	6.75%	\$ 91.42	\$ 70.21	\$ 21.21	76.8	\$ 33.89	67.4	6.13%	N/A
JPS - Tarrant County Hospital District	9/30/2019	7.00%	\$ 324.44	\$ 312.71	\$ 11.73	96.4	\$ 51.54	85.9	0.00%	N/A
Judicial Retirement System of Texas Plan Two	8/31/2020	4.19%	\$ 781.67	\$ 477.33	\$ 304.34	61.1	\$ 396.59	54.6	8.12%	2041
Killeen Firemen's Relief & Retirement Fund	9/30/2019	7.50%	\$ 66.10	\$ 45.86	\$ 20.24	69.4	\$ 30.04	60.4	5.85%	N/A
Laredo Firefighters Retirement System	9/30/2020	7.50%	\$ 291.37	\$ 167.67	\$ 123.70	57.5	\$ 162.15	50.8	5.89%	N/A
Law Enforcement & Custodial Off Sup. Ret. Fund	8/31/2020	2.87%	\$ 2,862.46	\$ 947.32	\$ 1,915.13	33.1	\$ 2,448.88	27.9	8.12%	2036
Longview Firemen's Relief & Retirement Fund	12/31/2019	4.21%	\$ 167.80	\$ 45.78	\$ 122.02	27.3	\$ 148.04	23.6	5.69%	2038
Lower Colorado River Authority Retirement Plan	12/31/2019	7.00%	\$ 637.48	\$ 429.88	\$ 207.60	67.4	\$ 273.20	61.1	7.10%	N/A
Lubbock Fire Pension Fund	12/31/2019	7.75%	\$ 293.02	\$ 211.55	\$ 81.47	72.2	\$ 117.02	64.4	6.68%	N/A
Lufkin Firemen's Relief & Retirement Fund	12/31/2019	7.50%	\$ 37.25	\$ 18.98	\$ 18.27	50.9	\$ 22.39	45.9	6.84%	N/A
Marshall Firemen's Relief & Retirement Fund	12/31/2019	7.50%	\$ 20.80	\$ 8.27	\$ 12.52	39.8	\$ 15.23	35.2	7.14%	N/A
McAllen Firemen's Relief & Retirement Fund	9/30/2019	5.67%	\$ 99.61	\$ 53.97	\$ 45.64	54.2	\$ 59.69	47.5	6.68%	2062
Midland Firemen's Relief & Retirement Fund	12/31/2018	5.29%	\$ 208.63	\$ 80.01	\$ 128.62	38.4	\$ 157.43	33.7	5.39%	2043
Nacogdoches County Hospital District	6/30/2019	7.25%	\$ 48.19	\$ 45.98	\$ 2.21	95.4	\$ 7.35	86.2	9.51%	N/A
Northeast Medical Center Hospital Retirement Plan	6/30/2020	6.70%	\$ 12.32	\$ 8.90	\$ 3.43	72.2	\$ 4.44	66.7	8.81%	2057
Northwest Texas Healthcare System Retirement Plan	9/30/2019	7.50%	\$ 24.70	\$ 23.91	\$ 0.79	96.8	\$ 2.81	89.5	6.83%	N/A
Odessa Firemen's Relief & Retirement Fund	12/31/2019	7.50%	\$ 115.74	\$ 44.79	\$ 70.95	38.7	\$ 84.61	34.6	6.88%	N/A
Orange Firemen's Relief & Retirement Fund	12/31/2019	6.67%	\$ 19.47	\$ 8.94	\$ 10.53	45.9	\$ 12.82	41.1	6.77%	2060

This report is a compilation of pension data reported by retirement systems to the PRB in their most recently published Annual Financial Report and PRB-1000.

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(Dollars in Millions)

Plan Name	Fiscal Year End	Discount Rate	(a) Total Pension Liability (TPL) (1)	(b) Fiduciary Net Position (2)	(a) - (b) Net Pension Liability (NPL) (3)	(b) / (a) NPL Funded Ratio %	NPL at Disc. Rate -1% (4)	NPL -1% Funded Ratio %	10 Year Net Return (5)	Expected Depletion Date (6)
Paris Firefighters' Relief & Retirement Fund	12/31/2019	7.25%	\$ 15.39	\$ 4.50	\$ 10.89	29.2	\$ 12.49	26.5	4.76%	N/A
Plainview Firemen's Relief & Retirement Fund	12/31/2019	7.50%	\$ 17.62	\$ 6.24	\$ 11.38	35.4	\$ 13.41	31.7	6.43%	N/A
Plano Retirement Security Plan	12/31/2019	6.75%	\$ 168.19	\$ 167.76	\$ 0.44	99.7	\$ 25.37	86.9	8.81%	N/A
Port Arthur Firemen's Relief & Retirement Fund	12/31/2019	7.50%	\$ 69.96	\$ 51.91	\$ 18.05	74.2	\$ 25.48	67.1	7.72%	N/A
Port of Houston Authority Retirement Plan	7/31/2020	6.25%	\$ 203.78	\$ 191.25	\$ 12.53	93.9	\$ 36.57	83.9	7.18%	N/A
Refugio County Memorial Hospital	10/31/2019	6.00%	\$ 1.94	\$ 1.86	\$ 0.08	96.0	\$ 0.35	84.1	6.53%	N/A
San Angelo Firemen's Relief & Retirement Fund	12/31/2019	7.80%	\$ 112.76	\$ 71.68	\$ 41.08	63.6	\$ 54.14	57.0	7.68%	N/A
San Antonio Fire & Police Pension Fund	12/31/2019	7.25%	\$ 3,922.67	\$ 3,408.69	\$ 513.98	86.9	\$ 1,065.59	76.2	7.70%	N/A
San Antonio Metropolitan Transit Retirement Plan (8)	9/30/2019	7.25%	\$ 456.21	\$ 303.01	\$ 153.20	66.4	\$ 203.00	59.9	N/A	N/A
San Benito Firemen Relief & Retirement Fund	9/30/2019	7.50%	\$ 6.45	\$ 3.93	\$ 2.52	60.9	\$ 3.35	54.0	3.96%	N/A
Sweeny Community Hospital	12/31/2019	7.00%	\$ 3.70	\$ 3.49	\$ 0.21	94.4	\$ 0.44	88.7	9.18%	N/A
Sweetwater Firemen's Relief & Retirement Fund	12/31/2019	8.00%	\$ 14.37	\$ 9.02	\$ 5.35	62.8	\$ 7.00	56.3	6.82%	N/A
Teacher Retirement System of Texas	8/31/2020	7.25%	\$ 218,974.21	\$ 165,416.25	\$ 53,557.96	75.5	\$ 82,585.42	66.7	8.83%	N/A
Temple Firemen's Relief & Retirement Fund	9/30/2019	7.75%	\$ 63.03	\$ 45.57	\$ 17.46	72.3	\$ 24.71	64.8	6.33%	N/A
Texarkana Firemen's Relief & Retirement Fund	12/31/2019	7.60%	\$ 44.30	\$ 36.40	\$ 7.90	82.2	\$ 12.77	74.0	7.45%	N/A
Texas City Firemen's Relief & Retirement Fund	12/31/2019	7.50%	\$ 35.25	\$ 16.48	\$ 18.78	46.7	\$ 22.89	41.9	6.10%	N/A
Texas County & District Retirement System (9)	12/31/2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	8.10%	N/A
Texas Emergency Services Retirement System	8/31/2020	7.50%	\$ 150.44	\$ 125.23	\$ 25.21	83.2	\$ 48.57	72.1	9.01%	N/A
Texas Municipal Retirement System (9)	12/31/2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6.86%	N/A
The Woodlands Firefighters' Retirement System (7)	12/31/2019	7.00%	\$ 39.55	\$ 42.32	\$ (2.77)	107.0	\$ 3.51	92.3	4.94%	N/A
Travis County ESD #6 FRRF	12/31/2019	7.00%	\$ 32.47	\$ 28.09	\$ 4.39	86.5	\$ 9.78	74.2	7.31%	N/A
Tyler Firefighters' Relief & Retirement Fund	12/31/2019	7.50%	\$ 98.96	\$ 74.57	\$ 24.38	75.4	\$ 34.83	68.2	7.57%	N/A
University Health System Pension Plan	12/31/2019	7.00%	\$ 583.57	\$ 436.56	\$ 147.01	74.8	\$ 225.22	66.0	8.63%	N/A
University Park Firemen's Relief & Retirement Fund	12/31/2018	7.50%	\$ 24.30	\$ 9.45	\$ 14.85	38.9	\$ 17.70	34.8	6.48%	N/A
Waxahachie Firemen's Relief & Retirement Fund	9/30/2019	7.00%	\$ 25.13	\$ 18.11	\$ 7.03	72.0	\$ 10.34	63.6	6.84%	N/A
Weslaco Firemen's Relief & Retirement Fund	9/30/2019	7.25%	\$ 16.74	\$ 11.93	\$ 4.81	71.3	\$ 7.41	61.7	5.64%	N/A
Wichita Falls Firemen's Relief & Retirement Fund	12/31/2019	4.99%	\$ 125.91	\$ 52.88	\$ 73.03	42.0	\$ 90.18	37.0	7.74%	2046

Grand Totals: **\$ 349,597.75** **\$ 236,202.13** **\$ 113,395.63** **67.6%** **\$ 160,850** **59.5%**

Notes

- (1) Total Pension Liability is the actuarial accrued liability calculated in accordance with GASB 67, as reported in the system's Annual Financial Report.
- (2) Fiduciary Net Position is the market value of assets as of the Fiscal Year End, as reported in the system's Annual Financial Report.
- (3) Net Pension Liability is measured as the Total Pension Liability less the amount of the pension plan's Fiduciary Net Position.
- (4) Net Pension Liability measured using a discount rate 1% lower than the stated discount rate.
- (5) 10 Year Net Return (gross return net of investment expenses) as reported for the Fiscal Year on the PRB-1000 Investment Returns and Assumptions Report.
- (6) Expected Depletion date is reported in GASB 67 when applicable.
- (7) The plan is less than 10 years old; return is calculated since date of inception.
- (8) A 10 Year Net Return was not available from this plan.
- (9) Plan is an Agent Multiple Employer Defined Benefit Plan and is not subject to the majority of GASB 67 reporting requirements.

This report is a compilation of pension data reported by retirement systems to the PRB in their most recently published Annual Financial Report and PRB-1000.

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**Contribution Report
July 1, 2021**

Plan Name	Plan Status (1)	Fiscal Year End	Covered Payroll	(a) Total NC (% of Pay) (2), (3)	(b) EE Cont (% of Pay) (3)	(c) = (a) - (b) ER Normal Cost (% of Pay) (3)	(d) Amort Pmt (% of Pay) (3)	(e) = (c) + (d) ER Rec Cont (% of Pay) (3), (4)	(f) Actual ER Cont (% of Pay) (5)	Actual ER Cont Type	(f) / (e) Percent of Rec Cont Paid
Nacogdoches County Hospital District	Frozen	6/30/2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Actuarial	0%
Refugio County Memorial Hospital	Frozen	10/31/2019	\$ 2,928,887	0.00%	0.00%	0.00%	0.25%	0.25%	0.00%	Actuarial	0%
Law Enforcement & Custodial Off Sup. Ret. Fund	Active	8/31/2020	\$ 1,662,147,480	2.08%	0.50%	1.58%	1.83%	3.41%	1.34%	Other	39%
Beaumont Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 19,019,948	20.20%	15.50%	4.70%	27.50%	32.20%	15.50%	Fixed	48%
Orange Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 2,523,746	12.24%	12.50%	0.00%	23.45%	23.19%	14.94%	Fixed	64%
Wichita Falls Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 11,295,885	15.19%	13.00%	2.19%	17.34%	19.53%	12.77%	Other	65%
Austin Police Retirement System	Active	12/31/2019	\$ 168,782,554	24.99%	13.00%	11.99%	19.98%	31.97%	21.33%	Fixed	67%
Dallas Employees' Retirement Fund	Active	12/31/2019	\$ 433,591,000	20.95%	13.32%	7.63%	13.64%	21.27%	14.34%	Other	67%
Longview Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 13,359,496	16.74%	16.76%	0.00%	27.98%	27.96%	19.10%	Fixed	68%
Midland Firemen's Relief & Retirement Fund	Active	12/31/2018	\$ 17,568,234	25.98%	14.20%	11.78%	20.08%	31.86%	22.20%	Fixed	70%
Odessa Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 13,948,594	14.89%	18.00%	0.00%	31.97%	28.86%	20.18%	Fixed	70%
Irving Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 36,988,450	21.22%	13.00%	8.22%	13.80%	22.02%	16.15%	Fixed	73%
Conroe Fire Fighters' Retirement Fund	Active	12/31/2019	\$ 10,217,674	21.89%	13.24%	8.65%	11.26%	19.91%	15.00%	Fixed	75%
McAllen Firemen's Relief & Retirement Fund	Active	9/30/2019	\$ 12,505,315	16.89%	12.00%	4.89%	12.31%	17.20%	13.00%	Fixed	76%
Sweetwater Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 1,659,628	23.01%	17.00%	6.01%	17.64%	23.65%	18.00%	Fixed	76%
Marshall Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 2,816,321	17.30%	14.00%	3.30%	22.70%	26.00%	20.15%	Fixed	77%
Fort Worth Employees' Retirement Fund	Active	9/30/2020	\$ 509,575,065	17.50%	11.10%	6.40%	25.03%	31.43%	24.48%	Actuarial	78%
Employees Retirement System of Texas (7)	Active	8/31/2020	\$ 7,158,435,103	13.76%	9.50%	4.26%	9.50%	13.76%	11.79%	Fixed	86%
Dallas Police & Fire Pension System-Supplemental	Active	12/31/2019	\$ 622,000	42.44%	13.98%	28.46%	257.09%	285.55%	246.02%	Actuarial	86%
Texas City Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 5,521,000	14.30%	16.00%	0.00%	20.40%	18.70%	16.17%	Fixed	86%
Cleburne Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 4,603,850	20.27%	14.00%	6.27%	19.16%	25.43%	22.00%	Other	87%
Judicial Retirement System of Texas Plan Two	Active	8/31/2020	\$ 88,578,603	23.14%	9.39%	13.75%	4.70%	18.45%	16.02%	Fixed	87%
Harlingen Firemen's Relief & Retirement Fund	Active	9/30/2019	\$ 6,486,567	18.74%	15.00%	3.74%	14.57%	18.31%	15.92%	Fixed	87%
Houston Firefighters' Relief & Retirement Fund	Active	6/30/2020	\$ 259,235,000	27.59%	10.50%	17.09%	20.07%	37.16%	32.34%	Actuarial	87%
Laredo Firefighters Retirement System	Active	9/30/2020	\$ 39,542,040	20.90%	15.00%	5.90%	17.65%	23.55%	20.60%	Fixed	87%
Colorado River Municipal Water Dist.	Active	12/31/2019	\$ 3,604,131	10.08%	0.00%	10.08%	8.57%	18.65%	16.38%	Actuarial	88%
Atlanta Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 601,869	19.96%	13.00%	6.96%	9.64%	16.60%	14.78%	Fixed	89%
Greenville Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 4,343,865	17.64%	16.30%	1.34%	20.86%	22.20%	19.80%	Fixed	89%

This report is a compilation of pension data reported by retirement systems to the PRB in their most recently published Annual Financial Report and Actuarial Valuations.

**Contribution Report
July 1, 2021**

Plan Name	Plan Status (1)	Fiscal Year End	Covered Payroll	(a) Total NC (% of Pay) (2), (3)	(b) EE Cont (% of Pay) (3)	(c) = (a) - (b) ER Normal Cost (% of Pay) (3)	(d) Amort Pmt (% of Pay) (3)	(e) = (c) + (d) ER Rec Cont (% of Pay) (3), (4)	(f) Actual ER Cont (% of Pay) (5)	Actual ER Cont Type	(f) / (e) Percent of Rec Cont Paid
Plainview Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 2,006,573	15.23%	15.00%	0.23%	29.38%	29.61%	26.73%	Fixed	90%
Amarillo Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 20,101,508	25.60%	13.00%	12.60%	8.89%	21.49%	19.67%	Fixed	92%
Capital MTA Admin Employees	Active	12/31/2019	\$ 26,490,906	8.35%	0.00%	8.35%	4.19%	12.54%	11.50%	Actuarial	92%
Port Arthur Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 10,281,941	16.10%	13.50%	2.60%	11.45%	14.05%	13.01%	Other	93%
Big Spring Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 4,259,859	17.53%	13.00%	4.53%	11.97%	16.50%	15.30%	Fixed	93%
Teacher Retirement System of Texas	Active	8/31/2020	\$ 48,530,876,156	11.76%	7.70%	4.06%	5.27%	9.33%	8.66%	Fixed	93%
Austin Employees' Retirement System	Active	12/31/2019	\$ 686,720,461	17.46%	8.00%	9.46%	9.91%	19.37%	18.00%	Fixed	93%
Killeen Firemen's Relief & Retirement Fund	Active	9/30/2019	\$ 14,763,291	17.02%	11.00%	6.02%	7.96%	13.98%	13.00%	Fixed	93%
El Paso Police Pension Fund	Active	12/31/2019	\$ 95,292,546	21.23%	18.00%	3.23%	16.59%	19.82%	18.50%	Fixed	93%
Lubbock Fire Pension Fund	Active	12/31/2019	\$ 34,639,673	21.53%	14.98%	6.55%	16.54%	23.09%	21.81%	Other	94%
Paris Firefighters' Relief & Retirement Fund	Active	12/31/2019	\$ 2,808,113	9.63%	16.00%	0.00%	21.11%	14.74%	14.00%	Fixed	95%
San Angelo Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 12,562,703	21.58%	16.45%	5.13%	15.42%	20.55%	19.58%	Fixed	95%
Houston Municipal Employees Pension System	Active	6/30/2020	\$ 625,055,807	11.32%	3.00%	8.32%	21.07%	29.39%	28.23%	Actuarial	96%
Abilene Firemen's Relief & Retirement Fund	Active	9/30/2019	\$ 14,246,004	16.61%	13.20%	3.41%	16.55%	19.96%	19.25%	Fixed	96%
Brownwood Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 2,016,738	14.77%	8.00%	6.77%	14.96%	21.73%	21.31%	Fixed	98%
Corpus Christi Fire Fighters' Retirement System	Active	12/31/2019	\$ 33,683,725	16.11%	13.10%	3.01%	18.27%	21.28%	20.90%	Fixed	98%
CPS Energy Pension Plan	Active	12/31/2020	\$ 285,863,324	13.97%	5.00%	8.97%	10.88%	19.85%	19.53%	Actuarial	98%
Lufkin Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 5,331,845	16.43%	14.20%	2.23%	21.00%	23.23%	23.00%	Fixed	99%
Travis County ESD #6 FRRF	Active	12/31/2019	\$ 6,965,200	24.11%	20.00%	4.11%	15.09%	19.20%	19.20%	Fixed	100%
Galveston Employees' Retirement Fund	Active	12/31/2019	\$ 26,941,018	9.81%	6.00%	3.81%	5.19%	9.00%	9.00%	Fixed	100%
Denison Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 3,529,767	14.19%	12.00%	2.19%	12.81%	15.00%	15.00%	Fixed	100%
Galveston Firefighter's Relief & Retirement Fund	Active	12/31/2019	\$ 8,244,583	19.50%	18.00%	1.50%	15.50%	17.00%	17.00%	Fixed	100%
Brazos River Authority Retirement Plan (6)	Frozen	2/29/2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Actuarial	100%
Northeast Medical Center Hospital Retirement Plan (6)	Frozen	6/30/2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Actuarial	100%
Denton Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 19,674,270	21.77%	12.60%	9.17%	9.33%	18.50%	18.50%	Other	100%
JPS - Tarrant County Hospital District	Active	9/30/2019	\$ 276,492,971	6.38%	1.91%	4.47%	1.78%	6.25%	6.25%	Other	100%
Harris County Hospital District Pension Plan	Closed	12/31/2019	\$ 163,835,000	4.92%	0.00%	4.92%	15.60%	20.52%	20.52%	Actuarial	100%
Sweeny Community Hospital	Closed	12/31/2019	\$ 881,890	8.10%	0.00%	8.10%	5.63%	13.73%	13.74%	Actuarial	100%

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Houston MTA Non-Union Pension Plan	Closed	12/31/2019	\$ 40,747,394	8.22%	0.00%	8.22%	22.77%	30.99%	31.04%	Actuarial	100%
Texas Emergency Services Retirement System (6)	Active	8/31/2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Other	100%
Fort Worth Employees' Retirement Fund Staff Plan	Active	9/30/2020	\$ 1,510,527	21.58%	10.50%	11.08%	12.21%	23.29%	23.42%	Actuarial	101%
El Paso Firemen's Pension Fund	Active	12/31/2019	\$ 68,727,915	22.17%	18.00%	4.17%	14.33%	18.50%	18.61%	Fixed	101%
Houston MTA Workers Union Pension Plan	Closed	12/31/2019	\$ 94,602,405	4.12%	0.00%	4.12%	14.70%	18.82%	19.03%	Actuarial	101%
Houston Police Officers' Pension System	Active	6/30/2020	\$ 464,301,000	24.01%	10.50%	13.51%	18.07%	31.58%	32.11%	Actuarial	102%
Temple Firemen's Relief & Retirement Fund	Active	9/30/2019	\$ 8,566,960	19.67%	15.00%	4.67%	10.29%	14.96%	15.31%	Fixed	102%
Dallas Police & Fire Pension System-Combined Plan	Active	12/31/2019	\$ 363,117,000	16.69%	13.50%	3.19%	38.69%	41.88%	42.88%	Other	102%
Corsicana Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 4,286,307	14.97%	14.00%	0.97%	14.13%	15.10%	15.74%	Fixed	104%
Texas Municipal Retirement System	Active	12/31/2019	\$ 6,790,788,227	15.06%	6.63%	8.43%	4.66%	13.09%	13.70%	Actuarial	105%
Guadalupe Regional Medical Center	Active	12/31/2019	\$ 27,861,128	9.36%	4.00%	5.36%	1.11%	6.47%	6.89%	Other	107%
Tyler Firefighters' Relief & Retirement Fund	Active	12/31/2019	\$ 11,892,452	21.10%	13.50%	7.60%	11.90%	19.50%	21.12%	Fixed	108%
DFW Airport Board	Active	12/31/2019	\$ 53,256,000	17.74%	0.00%	17.74%	20.18%	37.92%	41.15%	Actuarial	109%
Citizens Medical Center	Active	2/29/2020	\$ 54,745,777	7.78%	3.75%	4.03%	-1.02%	3.01%	3.29%	Other	109%
DFW Airport Board DPS	Active	12/31/2019	\$ 31,820,000	23.62%	7.00%	16.62%	14.23%	30.85%	33.94%	Actuarial	110%
University Health System Pension Plan	Active	12/31/2019	\$ 380,744,589	3.43%	2.50%	0.93%	4.64%	5.57%	6.15%	Actuarial	110%
Texas County & District Retirement System	Active	12/31/2019	\$ 7,342,564,173	13.30%	6.78%	6.52%	5.05%	11.57%	12.79%	Actuarial	111%
Galveston Wharves Pension Plan	Closed	12/31/2019	\$ 1,527,483	10.60%	0.00%	10.60%	23.20%	33.80%	37.64%	Actuarial	111%
Irving Supplemental Benefit Plan	Active	12/31/2019	\$ 110,411,883	3.34%	2.50%	0.84%	1.16%	2.00%	2.23%	Other	112%
Plano Retirement Security Plan	Active	12/31/2019	\$ 156,481,717	3.27%	0.00%	3.27%	-0.05%	3.22%	3.62%	Actuarial	112%
The Woodlands Firefighters' Retirement System	Active	12/31/2019	\$ 12,007,492	22.11%	12.00%	10.11%	0.47%	10.58%	12.00%	Fixed	113%
San Antonio Fire & Police Pension Fund	Active	12/31/2019	\$ 328,796,000	24.42%	12.32%	12.10%	9.61%	21.71%	24.64%	Fixed	113%
Austin Fire Fighters Relief & Retirement Fund	Active	12/31/2019	\$ 95,500,068	28.43%	18.70%	9.73%	9.29%	19.02%	22.05%	Fixed	116%
San Benito Firemen Relief & Retirement Fund	Active	9/30/2019	\$ 1,338,375	13.90%	12.00%	1.90%	8.20%	10.10%	12.00%	Fixed	119%
Waxahachie Firemen's Relief & Retirement Fund	Active	9/30/2019	\$ 4,798,508	17.92%	12.00%	5.92%	6.70%	12.62%	15.24%	Other	121%
Dallas Co. Hospital Dist. Retirement Income Plan	Active	12/31/2019	\$ 685,520,000	8.16%	6.20%	1.96%	3.65%	5.61%	6.81%	Actuarial	121%
Texarkana Firemen's Relief & Retirement Fund	Active	12/31/2019	\$ 4,370,067	21.60%	13.50%	8.10%	7.44%	15.54%	19.50%	Fixed	125%
Lower Colorado River Authority Retirement Plan	Closed	12/31/2019	\$ 104,489,000	5.49%	0.00%	5.49%	13.00%	18.49%	23.40%	Actuarial	127%

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Weslaco Firemen's Relief & Retirement Fund	Active	9/30/2019	\$ 4,276,933	14.50%	12.00%	2.50%	5.79%	8.29%	12.15%	Fixed	147%
City of El Paso Employees Retirement Trust	Active	8/31/2020	\$ 172,242,295	11.94%	8.95%	2.99%	6.87%	9.86%	14.69%	Fixed	149%
Capital MTA Bargaining (6)	Frozen	12/31/2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Actuarial	152%
Guadalupe-Blanco River Authority (6)	Frozen	12/31/2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Actuarial	154%
El Paso Firemen & Policemen's Pension Staff Plan	Active	12/31/2019	\$ 796,080	10.24%	5.00%	5.24%	-0.39%	4.85%	7.50%	Fixed	155%
DART Employees	Closed	9/30/2019	\$ 12,374,000	7.40%	0.02%	7.38%	41.21%	48.59%	80.81%	Actuarial	166%
San Antonio Metropolitan Transit Retirement Plan	Active	9/30/2019	\$ 63,152,166	7.93%	3.95%	3.98%	9.97%	13.95%	23.32%	Actuarial	167%
Galveston Employees' Retirement Plan for Police	Active	12/31/2019	\$ 12,539,068	14.36%	12.00%	2.36%	15.64%	18.00%	30.33%	Actuarial	168%
Employees of Brownsville Navigation District	Active	12/31/2019	\$ 4,342,902	8.52%	4.00%	4.52%	5.73%	10.25%	17.96%	Fixed	175%
University Park Firemen's Relief & Retirement Fund	Closed	12/31/2018	\$ 3,011,825	18.13%	10.48%	7.65%	22.05%	29.70%	56.87%	Fixed	191%
Port of Houston Authority Retirement Plan	Closed	7/31/2020	\$ 29,924,796	13.73%	0.00%	13.73%	3.95%	17.68%	35.51%	Actuarial	201%
Corpus Christi Regional Transportation Authority	Active	12/31/2019	\$ 10,668,048	8.25%	0.00%	8.25%	3.26%	11.51%	34.60%	Actuarial	301%
Northwest Texas Healthcare System Retirement Plan (6)	Frozen	9/30/2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Fixed	417%
Anson General Hospital	Frozen	6/30/2020	\$ 216,296	25.92%	4.00%	21.92%	-21.92%	0.00%	0.00%	Actuarial	N/A
Arlington Employees Deferred Income Plan	Active	6/30/2020	\$ 3,270,867	5.67%	3.00%	2.67%	-2.67%	0.00%	2.35%	Actuarial	N/A

Notes

(1) Plan status indicates whether a plan is active (admitting new hires), closed to new hires (but still accruing benefits), or frozen (not accruing benefits).

(2) Normal Cost includes any explicit provisions for administrative expenses.

(3) Values may differ from that reported by the system due to differences in timing and/or rounding. For systems that do not indicate the fiscal year associated with this value (or the requisite valuation has not been provided to the PRB), they are based on the most recently reported valuation date on or before the beginning of the fiscal year.

(4) Recommended Contribution needed for the system to achieve and maintain an amortization period that does not exceed 30 years, in accordance with Texas Code §802.101(a).

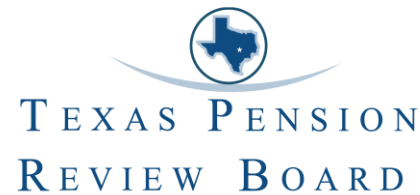
(5) Actual contribution rate is determined as the employer contributions made to the plan during the fiscal year divided by the covered payroll shown. This may differ from the plan's stated contribution rate due to differences between actual and assumed covered payroll.

(6) Covered payroll is not reported for this plan.

(7) Plan calculates a recommended contribution based on a 31-year amortization period.

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5c. Systems subject to the Funding Soundness Restoration Plan (FSRP) requirement, including compliance



Summary of Funding Soundness Restoration Plans (FSRPs) Submitted Since the Prior PRB Meeting

Texas Government Code Section 802.2015(e) requires FSRPs to be developed by the public retirement system and the associated governmental entity in accordance with the system's governing statute; and be designed to achieve a contribution rate that will be sufficient to amortize the unfunded actuarial accrued liability within 40 years not later than the 10th anniversary of the date on which the final version of an FSRP is agreed to. The following table summarizes the FSRPs received by the PRB since the last board meeting.

Retirement System	FSRP Trigger Amortization Period	Plan Changes			Comments
		Employee Contributions	Employer Contributions	Other	
Orange Firemen's Relief & Retirement Fund – Second Revised FSRP	Infinite	Old: 12.80% New: 13.80%	Old: 15.80% New: 18.80%	N/A	N/A
Irving Firemen's Relief & Retirement Fund - Revised FSRP	Infinite	N/A	Old: 16.75% New: 20.25%	<ul style="list-style-type: none"> Lowered assumed rate of return from 7.5% to 7%. Lowered payroll growth assumption from 3.5% to 2.75%. Lowered the interest rate on the DROP to 3.3% Members no longer receive interest on their DROP account when they leave the department. Final average salary raised from 3 years to 5 years. New Benefit Tier (members hired after 1/1/2021): Multiplier is 3% for the first 21 years. Normal retirement is 54/20. 	City contributions increased effective 1/1/2021.

FSRPs Submitted Since the Prior PRB Meeting (cont.)					
Retirement System	FSRP Trigger Amortization Period	Plan Changes			Comments
		Employee Contributions	Employer Contributions	Other	
Plainview Firemen's Relief & Retirement Fund	79.7	N/A	Old: 24.68% New: 25.00%	<ul style="list-style-type: none"> 1.25 million in additional city contributions over the next 4 years. Overtime pay removed from the definition of pensionable pay used to determine benefits, but still used to determine City/member contribuitons. New benefit formula: <ul style="list-style-type: none"> 2.5% of monthly avg salary for 20 yrs and 2.8% for the next 5 yrs Maximum base benefit formula at 25 yrs of 64% Retain current longevity benefit after 20 yrs (\$78 per month; 15 yrs max) 	Additional City contributions will be as follows: 2020: \$500,000 2021: \$250,000 2022: \$250,000 2023: \$250,000

Systems Immediately Subject to FSRP Formulation Requirement

The FSRP requirement is triggered for retirement systems that have had amortization periods over 40 years for three consecutive annual actuarial valuations, or two consecutive actuarial valuations if the systems conduct the valuations every two or three years.

Systems Immediately Subject to an FSRP Formulation Requirement							
Retirement System	Am Period	Date of AV	Am Period	Date of AV	Am Period	Date of "Trigger" AV	FSRP Due Date
Midland Firemen's Relief & Retirement Fund – Revised FSRP ¹	59.1	1/1/2014	44.7	12/31/2015	Infinite	12/31/2017	8/2019
Longview Firemen's Relief & Retirement Fund	50.7	12/31/2016	40.2	12/31/2017	Infinite	12/31/2018	2/2020
Marshall Firemen's Relief & Retirement Fund – Revised FSRP ^{1,2}	43.2	12/31/2014	56.4	12/31/2016	59.0	12/31/2018	5/2020
Beaumont Firemen's Relief & Retirement Fund ²	39.1	12/31/2014	104.0	12/31/2016	Infinite	12/31/2018	7/2020
Dallas Employees' Retirement Fund – Revised FSRP ¹	47.0	12/31/2017	46.0	12/31/2018	65.0	12/31/2019	1/2021

¹Texas Government Code Section 802.2015(d) requires systems to formulate a revised FSRP if the system conducts an actuarial valuation showing that the system's amortization period exceeds 40 years, and the previously formulated FSRP has not been adhered to.

²The system has made changes expected to satisfy the FSRP requirements, but a formal evaluation of the changes has not yet been provided.

Systems at Risk of FSRP Formulation Requirement

These at-risk systems' most recent actuarial valuation shows an amortization period that exceeds 40 years but does not yet trigger the FSRP requirement.

Systems at Risk of an FSRP - <u>Not Yet Subject to FSRP Requirement</u>							
Retirement System	Am Period	Date of AV	Am Period	Date of AV	Am Period	Date of AV	FSRP Due Date
Atlanta Firemen's Relief & Retirement Fund	36.2	12/31/2014	28.4	12/31/2016	Infinite	12/31/2018	N/A
Austin Police Retirement System	35.0	12/31/2017	Infinite	12/31/2018	Infinite	12/31/2019	N/A
Brownwood Firemen's Relief & Retirement Fund	36.1	12/31/2015	38.6	12/31/2017	94.7	12/31/2019	N/A
Cleburne Firemen's Relief & Retirement Fund	27.3	12/31/2014	28.8	12/31/2016	48.6	12/31/2018	N/A
Conroe Fire Fighter's Retirement Fund	39.0	12/31/2017	Infinite	12/31/2018	Infinite	12/31/2019	N/A
Dallas Police & Fire Pension System (Combined Plan) ¹	45.0	1/1/2018	38.0	1/1/2019	55.0	1/1/2020	N/A
Galveston Firefighter's Relief & Retirement Fund ¹	Infinite	12/31/2016	26.8	12/31/2017	57.6	12/31/2019	N/A
Laredo Firefighters Retirement System	29.8	9/30/2014	28.0	9/30/2016	43.0	9/30/2018	N/A
McAllen Firemen's Relief & Retirement Fund	29.0	10/1/2014	33.4	10/1/2016	Infinite	10/1/2018	N/A
Sweetwater Firemen's Relief & Retirement Fund ¹	58.8	12/31/2014	27.5	12/31/2016	63.3	12/31/2018	N/A
Texas City Firemen's Relief & Retirement Fund	31.6	12/31/2014	28.0	12/31/2016	41.1	12/31/2018	N/A
Texarkana Firemen's Relief and Retirement Fund	16.3	12/31/2015	15.0	12/31/2017	58.3	12/31/2019	N/A

¹These plans previously completed an FSRP.

Progress Report on Previously Submitted FSRPs

The following systems have previously formulated an FSRP. The table below outlines their progress towards the FSRP requirement.

Systems Still Working Towards Meeting the 40-Year Amortization Period Requirement						
Retirement System	FSRP Trigger		Current Progress ¹		Goal Year ²	Update Required
	Am Period	Date	Am Period	Date		
Greenville Firemen's Relief & Retirement Fund – Revised FSRP	Infinite	12/31/2012	40.7	12/31/2018	2026	9/2021
Plainview Firemen's Relief & Retirement Fund	79.7	12/31/2019	35.0 ³	12/31/2019	2031	2/2022
Fort Worth Employees' Retirement Fund	72.5	12/31/2015	43.0	12/31/2019	2026	5/2022
Wichita Falls Firemen's Relief & Retirement Fund – Revised FSRP	Infinite	1/1/2015	43.3	1/1/2020	2026	6/2022
Orange Firemen's Relief & Retirement Fund – Second Revised FSRP	58.2	1/1/2015	35.0 ³	1/1/2020	2026	12/2022
Irving Firemen's Relief & Retirement Fund - Revised FSRP	63.4	1/1/2014	43.6	12/31/2019	2026	3/2023

¹ Based on the most recent actuarial valuation or FSRP.

² The year in which a system must reach an amortization period of 40 years or less.

³ The amortization period reflects estimates of actions that occurred after the valuation date. The system will be removed from the list if a subsequent valuation reflects an amortization period of 40 years or less

Previously Completed FSRP Requirement Systems

The following table is a list of all systems that have submitted an FSRP that has lowered their amortization period below 40 years in a subsequent actuarial valuation.

Systems that Have Submitted Post-FSRP Actuarial Valuations Showing Amortization Period Below 40 Years					
Retirement System	FSRP Trigger		Completed Progress ¹		Goal Year ²
	Am Period	Date	Am Period	Date	
Dallas Police & Fire Pension System (Combined Plan)	44.0	1/1/2017	38.0 ³	1/1/2019	2027
Galveston Employees' Retirement Plan for Police	55.1	1/1/2014	35.3	1/1/2018	2026
Galveston Firefighter's Relief & Retirement Fund – Revised FSRP	50.2	1/1/2014	26.8	12/31/2017	2026
Harlingen Firemen's Relief & Retirement Fund – Revised FSRP	66.6	12/31/2013	38.0	9/30/2019	2026
Lufkin Firemen's Relief & Retirement Fund	40.6	12/31/2014	33.1	12/31/2016	2026
Odessa Firefighters' Relief & Retirement Fund – Revised FSRP	Infinite	1/1/2013	37.5	1/1/2020	2026
Sweetwater Firemen's Relief & Retirement Fund	58.8	12/31/2014	27.5	12/31/2016	2026
University Park Firemen's Relief & Retirement Fund – Revised FSRP	81.3	12/31/2012	28.8	12/31/2018	2026

¹ Based on the valuation in which the system completed its FSRP requirement.

² The year in which a system was expected to reach an amortization period of 40 years or less.

³ The amortization period reflects a payroll projection based upon the City of Dallas' Hiring Plan which has yet to materialize, a concern that was noted by the system's actuary in the 2019 actuarial valuation.

5d. Intensive actuarial review of Midland Firemen's Relief & Retirement Fund

Initial Plan Review Data
As of 3/31/2021

Plan Name		Market Value of Assets	Funding Val Metrics										Fiscal Year End Metrics						
			Amort Period Distance		Funded Ratio Distance		UAAL as % of Payroll Distance		Assumed Rate of Return Distance		Payroll Growth Rate Distance		Actual Cont as % of ADC Distance		Non-Invest Cash Flow as % of FNP Distance		DROP as % of FNP		
			Val Date	Value	From Avg (28.10)	Value	From Avg (68.38%)	Value	From Avg (239.91%)	Value	From Avg (7.18%)	Value	From Avg (3.16%)	FYE	Value	From Avg (101.95%)		Value	From Avg (-2.39%)
Employees Retirement System of Texas		\$ 27,946,206,540	8/31/2020	Infinity	N/A	65.98%	-2.40%	203.77%	-36.14%	7.00%	-0.18%	2.70%	-0.46%	8/31/2020	85.65%	-16.30%	-4.42%	-2.03%	N/A
Law Enforcement & Custodial Off Sup. Ret. Fund		\$ 947,324,194	8/31/2020	Infinity	N/A	60.14%	-8.24%	39.37%	-200.54%	7.00%	-0.18%	2.70%	-0.46%	8/31/2020	39.33%	-62.62%	-6.20%	-3.81%	N/A
Austin Police Retirement System		\$ 857,839,229	12/31/2019	Infinity	N/A	58.40%	-9.98%	349.30%	109.39%	7.25%	0.07%	3.00%	-0.16%	12/31/2019	66.70%	-35.25%	-1.25%	1.14%	5.07%
Judicial Retirement System of Texas Plan Two		\$ 477,331,237	8/31/2020	Infinity	N/A	82.34%	13.96%	116.28%	-123.63%	7.00%	-0.18%	2.30%	-0.86%	8/31/2020	86.80%	-15.15%	-2.12%	0.27%	N/A
Beaumont Firemen's Relief & Retirement Fund		\$ 105,769,426	12/31/2018	Infinity	N/A	55.80%	-12.58%	457.43%	217.52%	7.50%	0.32%	3.00%	-0.16%	12/31/2019	48.14%	-53.82%	-5.64%	-3.25%	34.42%
Midland Firemen's Relief & Retirement Fund		\$ 84,848,966	12/31/2019	Infinity	N/A	51.10%	-17.28%	432.24%	192.33%	7.50%	0.32%	3.25%	0.09%	12/31/2019	69.68%	-32.27%	-5.33%	-2.94%	0.60%
McAllen Firemen's Relief & Retirement Fund		\$ 52,675,409	9/30/2018	Infinity	N/A	68.16%	-0.22%	196.53%	-43.38%	7.50%	0.32%	3.00%	-0.16%	9/30/2019	75.59%	-26.37%	-1.89%	0.50%	N/A
Longview Firemen's Relief & Retirement Fund		\$ 45,779,786	12/31/2019	Infinity	N/A	39.35%	-29.03%	504.54%	264.63%	7.50%	0.32%	3.00%	-0.16%	12/31/2019	68.32%	-33.63%	-2.93%	-0.54%	N/A
Conroe Fire Fighters' Retirement Fund		\$ 29,561,207	12/31/2019	Infinity	N/A	58.41%	-9.97%	200.13%	-39.78%	7.50%	0.32%	4.00%	0.84%	12/31/2019	75.34%	-26.62%	3.26%	5.65%	6.83%
Orange Firemen's Relief & Retirement Fund		\$ 7,961,733	1/1/2019	Infinity	N/A	46.28%	-22.10%	360.64%	120.73%	7.75%	0.57%	2.50%	-0.66%	12/31/2019	64.40%	-37.55%	-7.34%	-4.95%	0.00%
Atlanta Firemen's Relief & Retirement Fund		\$ 3,801,042	12/31/2018	Infinity	N/A	80.03%	11.65%	184.83%	-55.08%	7.40%	0.22%	3.00%	-0.16%	12/31/2019	89.04%	-12.91%	-3.84%	-1.45%	N/A
Brownwood Firemen's Relief & Retirement Fund		\$ 4,655,263	12/31/2019	94.7	66.6	42.75%	-25.63%	297.83%	57.92%	7.00%	-0.18%	3.00%	-0.16%	12/31/2019	98.05%	-3.90%	-0.60%	1.79%	N/A
Plainview Firemen's Relief & Retirement Fund		\$ 6,238,767	12/31/2019	79.7	51.6	33.99%	-34.39%	576.43%	336.52%	7.50%	0.32%	3.25%	0.09%	12/31/2019	90.28%	-11.67%	-5.38%	-2.99%	N/A
Dallas Employees' Retirement Fund		\$ 3,658,088,000	12/31/2019	65.0	36.9	75.73%	7.35%	272.04%	32.13%	7.25%	0.07%	2.50%	-0.66%	12/31/2019	67.42%	-34.54%	-5.29%	-2.90%	N/A
Sweetwater Firemen's Relief & Retirement Fund		\$ 7,760,982	12/31/2018	63.3	35.2	63.94%	-4.44%	294.74%	54.83%	8.00%	0.82%	4.00%	0.84%	12/31/2019	76.11%	-25.84%	-3.37%	-0.98%	N/A
Marshall Firemen's Relief & Retirement Fund		\$ 7,278,840	12/31/2018	59.0	30.9	36.66%	-31.72%	429.30%	189.39%	7.50%	0.32%	4.00%	0.84%	12/31/2019	77.50%	-24.45%	-5.34%	-2.95%	0.00%
Texarkana Firemen's Relief & Retirement Fund		\$ 36,402,489	12/31/2019	58.3	30.2	80.01%	11.63%	202.16%	-37.75%	7.60%	0.42%	3.00%	-0.16%	12/31/2019	125.48%	23.53%	-3.93%	-1.54%	N/A
Galveston Firefighter's Relief & Retirement Fund		\$ 49,030,850	12/31/2019	57.6	29.5	64.90%	-3.48%	294.44%	54.53%	7.50%	0.32%	2.85%	-0.31%	12/31/2019	100.00%	-1.95%	-2.97%	-0.58%	N/A
Dallas Police & Fire Pension System-Combined Plan		\$ 2,057,857,317	1/1/2020	55.0	26.9	45.73%	-22.65%	645.88%	405.97%	7.00%	-0.18%	2.50%	-0.66%	12/31/2019	102.40%	0.44%	-5.69%	-3.30%	7.55%
Cleburne Firemen's Relief & Retirement Fund		\$ 19,362,808	12/31/2018	48.6	20.5	59.61%	-8.77%	324.13%	84.22%	7.35%	0.17%	3.00%	-0.16%	12/31/2019	86.51%	-15.44%	-1.69%	0.70%	N/A
Irving Firemen's Relief & Retirement Fund		\$ 195,803,334	12/31/2019	43.6	15.5	65.41%	-2.97%	267.38%	27.47%	7.00%	-0.18%	2.75%	-0.41%	12/31/2019	73.33%	-28.62%	-14.38%	-11.99%	18.87%
Wichita Falls Firemen's Relief & Retirement Fund		\$ 52,839,714	1/1/2020	43.3	15.2	56.78%	-11.60%	326.00%	86.09%	7.75%	0.57%	4.00%	0.84%	12/31/2019	65.39%	-36.57%	-6.35%	-3.96%	N/A
Fort Worth Employees' Retirement Fund		\$ 2,396,727,586	12/31/2019	43.0	14.9	52.33%	-16.05%	433.49%	193.58%	7.00%	-0.18%	3.00%	-0.16%	9/30/2020	77.89%	-24.07%	-2.61%	-0.22%	5.50%
Laredo Firefighters Retirement System		\$ 154,813,837	9/30/2018	43.0	14.9	59.86%	-8.52%	282.55%	42.64%	7.50%	0.32%	2.75%	-0.41%	9/30/2019	86.41%	-15.54%	0.96%	3.35%	N/A
Texas City Firemen's Relief & Retirement Fund		\$ 14,389,108	12/31/2018	41.1	13.0	45.92%	-22.46%	348.98%	109.07%	7.50%	0.32%	3.00%	-0.16%	12/31/2019	86.49%	-15.46%	-4.96%	-2.57%	N/A
Greenville Firemen's Relief & Retirement Fund		\$ 12,254,104	12/31/2018	40.7	12.6	46.61%	-21.77%	368.76%	128.85%	7.75%	0.57%	4.00%	0.84%	12/31/2019	89.17%	-12.78%	-2.84%	-0.45%	N/A
Austin Employees' Retirement System		\$ 2,928,033,076	12/31/2019	40.0	11.9	63.48%	-4.90%	231.64%	-8.27%	7.00%	-0.18%	N/A	N/A	12/31/2019	92.93%	-9.03%	-1.44%	0.95%	N/A
Killeen Firemen's Relief & Retirement Fund		\$ 43,947,221	9/30/2018	39.8	11.7	69.35%	0.97%	131.39%	-108.52%	7.50%	0.32%	3.00%	-0.16%	9/30/2019	92.99%	-8.96%	0.89%	3.28%	N/A
Big Spring Firemen's Relief & Retirement Fund		\$ 10,902,959	1/1/2019	38.3	10.2	53.22%	-15.16%	245.07%	5.16%	7.75%	0.57%	4.50%	1.34%	12/31/2019	92.73%	-9.22%	-0.39%	2.00%	N/A
Amarillo Firemen's Relief & Retirement Fund		\$ 193,539,560	12/31/2019	38.1	10.0	82.00%	13.62%	185.22%	-54.69%	7.50%	0.32%	3.00%	-0.16%	12/31/2019	91.53%	-10.43%	-3.58%	-1.19%	N/A
Harlingen Firemen's Relief & Retirement Fund		\$ 33,712,925	9/30/2019	38.0	9.9	64.53%	-3.85%	277.57%	37.66%	7.75%	0.57%	3.50%	0.34%	9/30/2019	86.93%	-15.02%	-2.97%	-0.59%	2.45%
San Angelo Firemen's Relief & Retirement Fund		\$ 71,755,778	12/31/2019	37.6	9.5	61.97%	-6.41%	339.34%	99.43%	7.80%	0.62%	3.50%	0.34%	12/31/2019	95.30%	-6.65%	-2.25%	0.14%	N/A
Odessa Firemen's Relief & Retirement Fund		\$ 44,792,900	1/1/2020	37.5	9.4	36.81%	-31.57%	544.63%	304.72%	7.50%	0.32%	3.50%	0.34%	12/31/2019	69.92%	-32.04%	-6.81%	-4.42%	4.40%
Lubbock Fire Pension Fund		\$ 186,484,535	12/31/2018	33.0	4.9	70.80%	2.42%	241.06%	1.15%	7.75%	0.57%	3.50%	0.34%	12/31/2019	94.46%	-7.50%	-2.15%	0.24%	N/A
Paris Firefighters' Relief & Retirement Fund		\$ 4,152,310	12/31/2018	32.1	4.0	30.50%	-37.88%	382.48%	142.57%	7.25%	0.07%	3.50%	0.34%	12/31/2019	94.98%	-6.97%	-10.09%	-7.70%	N/A
Abilene Firemen's Relief & Retirement Fund		\$ 55,688,061	10/1/2019	31.4	3.3	49.07%	-19.31%	393.82%	153.91%	7.50%	0.32%	3.00%	-0.16%	9/30/2019	96.44%	-5.51%	-6.29%	-3.90%	N/A
Lufkin Firemen's Relief & Retirement Fund		\$ 15,659,035	12/31/2018	30.7	2.6	48.81%	-19.57%	349.28%	109.37%	7.50%	0.32%	3.00%	-0.16%	12/31/2019	99.01%	-2.94%	0.82%	3.21%	4.20%
Galveston Employees' Retirement Plan for Police		\$ 17,856,397	1/1/2019	30.0	1.9	33.95%	-34.43%	315.26%	75.35%	7.00%	-0.18%	3.50%	0.34%	12/31/2019	168.50%	66.54%	3.80%	6.19%	N/A
El Paso Police Pension Fund		\$ 932,430,228	1/1/2020	29.9	1.8	76.34%	7.96%	298.45%	58.54%	7.75%	0.57%	3.00%	-0.16%	12/31/2019	93.33%	-8.62%	-3.50%	-1.11%	3.01%
Corpus Christi Fire Fighters' Retirement System		\$ 139,811,086	12/31/2018	29.8	1.7	60.21%	-8.17%	305.70%	65.79%	7.50%	0.32%	3.10%	-0.06%	12/31/2019	98.22%	-3.74%	-2.31%	0.08%	N/A
Fort Worth Employees' Retirement Fund Staff Plan		\$ 5,853,631	12/31/2019	29.2	1.1	67.45%	-0.93%	181.77%	-58.14%	7.00%	-0.18%	N/A	N/A	9/30/2020	100.56%	-1.40%	4.21%	6.60%	N/A
Tyler Firefighters' Relief & Retirement Fund		\$ 74,572,570	12/31/2019	29.0	0.9	71.13%	2.75%	240.14%	0.23%	7.25%	0.07%	3.00%	-0.16%	12/31/2019	108.31%	6.35%	-3.10%	-0.71%	N/A
Corsicana Firemen's Relief & Retirement Fund		\$ 8,563,597	12/31/2018	28.9	0.8	50.67%	-17.71%	218.76%	-21.15%	7.00%	-0.18%	2.75%	-0.41%	12/31/2019	104.21%	2.26%	-0.35%	2.04%	N/A
University Park Firemen's Relief & Retirement Fund		\$ 9,447,674	12/31/2018	28.8	0.7	43.36%	-25.02%	441.37%	201.46%	7.50%	0.32%	N/A	N/A	12/31/2018	191.49%	89.54%	3.64%	6.03%	N/A
Temple Firemen's Relief & Retirement Fund		\$ 44,243,769	9/30/2018	28.6	0.5	72.96%	4.58%	181.02%	-58.89%	7.75%	0.57%	3.75%	0.59%	9/30/2019	102.33%	0.37%	-3.32%	-0.93%	N/A
Houston Municipal Employees Pension System		\$ 2,881,788,000	7/1/2020	27.1	-1.0	59.16%	-9.22%	330.40%	90.49%	7.00%	-0.18%	2.75%	-0.41%	6/30/2020	96.04%	-5.91%	-3.94%	-1.55%	22.77%
Teacher Retirement System of Texas		\$ 165,416,245,243	8/31/2020	27.0	-1.1	76.79%	8.41%	101.24%	-138.67%	7.25%	0.07%	3.00%	-0.16%	8/31/2020	92.80%	-9.16%	-2.46%	-0.07%	0.00%
Houston Police Officers' Pension System		\$ 5,572,476,000	7/1/2020	27.0	-1.1	82.38%	14.00%	255.17%	15.26%	7.00%	-0.18%	2.75%	-0.41%	6/30/2020	101.67%	-0.28%	-3.07%	-0.68%	35.53%
Houston Firefighters' Relief & Retirement Fund		\$ 4,102,932,000	7/1/2020	27.0	-1.1	86.20%	17.82%	261.15%	21.24%	7.00%	-0.18%	3.00%	-0.16%	6/30/2020	87.03%	-14.93%	-5.50%	-3.11%	30.19%
CPS Energy Pension Plan		\$ 1,779,033,857	1/1/2020	27.0	-1.1	82.68%	14.30%	125.49%	-114.42%	7.00%	-0.18%	N/A	N/A	12/31/2019	133.42%	31.46%	-1.49%	0.90%	N/A
El Paso Firemen's Pension Fund		\$ 643,133,030	1/1/2020	26.6	-1.5	76.45%	8.07%	281.17%	41.26%	7.75%	0.57%	3.00%	-0.16%	12/31/2019	100.59%	-1.37%	-3.30%	-0.91%	1.88%

This report is a compilation of pension data reported by retirement systems in their most recent AVs, sorted by amortization period.

Initial Plan Review Data
As of 3/31/2021

Plan Name		Market Value of Assets	Funding Val Metrics										Fiscal Year End Metrics							
			Val Date	Amort Period Distance From Avg (28.10)		Funded Ratio Distance From Avg (68.38%)		UAAI as % of Payroll Distance From Avg (239.91%)		Assumed Rate of Return Distance From Avg (7.18%)		Payroll Growth Rate Distance From Avg (3.16%)		FYE	Actual Cont as % of ADC Distance From Avg (101.95%)		Non-Invest Cash Flow as % of FNP Distance From Avg (-2.39%)		DROP as % of FNP	
				Value		Value		Value		Value		Value			Value		Value			Value
San Benito Firemen Relief & Retirement Fund		\$	9/30/2019	26.1	-2.0	60.89%	-7.49%	184.91%	-55.00%	7.50%	0.32%	4.00%	0.84%	9/30/2019	118.81%	16.86%	-1.99%	0.40%	N/A	
University Health System Pension Plan		\$	1/1/2018	26.0	-2.1	70.74%	2.36%	39.14%	-200.77%	7.00%	-0.18%	3.50%	0.34%	12/31/2019	110.48%	8.53%	2.25%	4.64%	N/A	
Irving Supplemental Benefit Plan		\$	70,213,418	1/1/2020	26.0	-2.1	73.45%	5.07%	21.43%	-218.48%	6.75%	-0.43%	2.75%	-0.41%	12/31/2019	111.50%	9.55%	0.24%	2.63%	N/A
Dallas Co. Hospital Dist. Retirement Income Plan		\$	1,173,720,580	1/1/2020	24.0	-4.1	64.82%	-3.56%	89.21%	-150.70%	6.00%	-1.18%	4.00%	0.84%	12/31/2019	121.43%	19.48%	2.82%	5.21%	N/A
Port Arthur Firemen's Relief & Retirement Fund		\$	49,890,603	12/31/2017	23.7	-4.4	74.22%	5.84%	182.37%	-57.54%	7.50%	0.32%	3.50%	0.34%	12/31/2019	92.60%	-9.35%	-3.14%	-0.75%	N/A
San Antonio Metropolitan Transit Retirement Plan		\$	298,393,798	10/1/2018	23.0	-5.1	64.05%	-4.33%	139.47%	-100.44%	7.25%	0.07%	3.25%	0.09%	9/30/2019	167.19%	65.24%	-2.44%	-0.05%	N/A
Houston MTA Workers Union Pension Plan		\$	294,629,862	1/1/2020	23.0	-5.1	64.18%	-4.20%	175.09%	-64.82%	6.25%	-0.93%	N/A	N/A	12/31/2019	101.13%	-0.82%	-1.73%	0.66%	N/A
Houston MTA Non-Union Pension Plan		\$	186,645,413	1/1/2020	23.0	-5.1	60.49%	-7.89%	303.71%	63.80%	6.25%	-0.93%	N/A	N/A	12/31/2019	100.16%	-1.80%	-1.88%	0.51%	N/A
Nacogdoches County Hospital District		\$	45,978,650	7/1/2019	22.0	-6.1	96.83%	28.45%	0.00%	-239.91%	7.25%	0.07%	N/A	N/A	6/30/2016	131.32%	29.37%	-4.66%	-2.27%	N/A
Galveston Wharves Pension Plan		\$	12,411,631	1/1/2019	22.0	-6.1	76.06%	7.68%	255.74%	15.83%	7.25%	0.07%	N/A	N/A	12/31/2019	111.37%	9.42%	-5.11%	-2.72%	N/A
Austin Fire Fighters Relief & Retirement Fund		\$	1,029,892,806	12/31/2019	21.9	-6.2	86.80%	18.42%	159.33%	-80.58%	7.50%	0.32%	2.00%	-1.16%	12/31/2019	115.93%	13.98%	-2.26%	0.13%	11.20%
Lower Colorado River Authority Retirement Plan		\$	428,877,867	1/1/2020	20.0	-8.1	67.69%	-0.69%	202.35%	-37.56%	7.00%	-0.18%	N/A	N/A	12/31/2019	126.53%	24.58%	-5.03%	-2.64%	N/A
Dallas Police & Fire Pension System-Supplemental		\$	17,307,433	1/1/2020	20.0	-8.1	48.30%	-20.08%	3091.36%	2851.45%	7.00%	-0.18%	2.50%	-0.66%	12/31/2019	86.16%	-15.80%	-7.25%	-4.86%	0.79%
Texas Emergency Services Retirement System		\$	125,229,661	8/31/2020	19.0	-9.1	83.33%	14.95%	0.00%	-239.91%	7.50%	0.32%	N/A	N/A	8/31/2020	100.50%	-1.46%	-2.02%	0.37%	N/A
Brownsville Navigation District		\$	4,890,148	1/1/2019	19.0	-9.1	57.56%	-10.82%	89.19%	-150.72%	6.15%	-1.03%	4.50%	1.34%	12/31/2019	175.19%	73.23%	4.84%	7.22%	N/A
Waxahachie Firemen's Relief & Retirement Fund		\$	17,428,039	10/1/2018	18.9	-9.2	73.08%	4.70%	131.82%	-108.09%	7.00%	-0.18%	4.00%	0.84%	9/30/2019	120.79%	18.84%	-0.48%	1.91%	N/A
Denton Firemen's Relief & Retirement Fund		\$	103,815,795	12/31/2019	18.3	-9.8	80.79%	12.41%	115.79%	-124.12%	6.75%	-0.43%	3.00%	-0.16%	12/31/2019	100.00%	-1.95%	1.60%	3.99%	N/A
Sweeny Community Hospital		\$	3,490,459	1/1/2020	18.0	-10.1	88.84%	20.46%	65.55%	-174.36%	7.00%	-0.18%	N/A	N/A	12/31/2019	100.04%	-1.92%	-5.96%	-3.57%	N/A
Texas Municipal Retirement System		\$	31,813,811,275	12/31/2019	17.2	-10.9	88.00%	19.62%	61.15%	-178.76%	6.75%	-0.43%	2.75%	-0.41%	12/31/2019	104.65%	2.69%	-0.61%	1.78%	N/A
Galveston Employees' Retirement Fund		\$	57,497,904	12/31/2019	16.5	-11.6	77.51%	9.13%	60.63%	-179.28%	7.25%	0.07%	2.75%	-0.41%	12/31/2019	100.00%	-1.95%	-1.55%	0.84%	N/A
City of El Paso Employees Retirement Trust		\$	877,989,396	9/1/2020	16.0	-12.1	79.96%	11.58%	129.60%	-110.31%	7.25%	0.07%	2.50%	-0.66%	8/31/2020	148.95%	47.00%	-3.95%	-1.56%	N/A
Harris County Hospital District Pension Plan		\$	737,879,367	1/1/2020	15.8	-12.3	73.00%	4.62%	167.34%	-72.57%	6.75%	-0.43%	N/A	N/A	12/31/2019	100.01%	-1.95%	-2.27%	0.12%	N/A
DFW Airport Board		\$	549,954,511	1/1/2020	15.0	-13.1	85.83%	17.45%	173.42%	-66.49%	7.25%	0.07%	N/A	N/A	12/31/2019	108.52%	6.56%	-1.10%	1.29%	N/A
DFW Airport Board DPS		\$	215,337,151	1/1/2020	15.0	-13.1	81.24%	12.86%	146.11%	-93.80%	7.25%	0.07%	3.75%	0.59%	12/31/2019	110.03%	8.08%	1.46%	3.85%	N/A
Plano Retirement Security Plan		\$	167,755,102	12/31/2019	15.0	-13.1	95.42%	27.04%	4.87%	-235.04%	6.75%	-0.43%	2.75%	-0.41%	12/31/2019	112.42%	10.47%	-0.34%	2.05%	N/A
Weslaco Firemen's Relief & Retirement Fund		\$	11,577,179	9/30/2018	14.1	-14.0	71.99%	3.61%	101.90%	-138.01%	7.25%	0.07%	3.25%	0.09%	9/30/2019	146.61%	44.66%	0.68%	3.07%	N/A
Corpus Christi Regional Transportation Authority		\$	42,170,049	1/1/2020	14.0	-14.1	92.14%	23.76%	31.97%	-207.94%	7.30%	0.12%	N/A	N/A	12/31/2018	119.63%	17.68%	-1.46%	0.93%	N/A
San Antonio Fire & Police Pension Fund		\$	3,408,690,035	1/1/2020	13.7	-14.4	87.64%	19.26%	141.90%	-98.01%	7.25%	0.07%	3.00%	-0.16%	12/31/2019	113.50%	11.54%	-2.17%	0.22%	N/A
DART Employees		\$	185,583,667	10/1/2019	12.3	-15.8	80.50%	12.12%	366.26%	126.35%	6.75%	-0.43%	N/A	N/A	9/30/2019	166.32%	64.37%	-3.29%	-0.90%	N/A
Denison Firemen's Relief & Retirement Fund		\$	20,225,141	12/31/2019	12.2	-15.9	75.29%	6.91%	169.53%	-70.38%	7.50%	0.32%	2.75%	-0.41%	12/31/2019	100.00%	-1.95%	-5.33%	-2.94%	N/A
Capital MTA Bargaining		\$	35,284,632	1/1/2020	12.0	-16.1	52.06%	-16.32%	0.00%	-239.91%	6.75%	-0.43%	3.00%	-0.16%	12/31/2019	151.88%	49.92%	-3.50%	-1.11%	N/A
Brazos River Authority Retirement Plan		\$	20,463,482	3/1/2020	12.0	-16.1	63.51%	-4.87%	0.00%	-239.91%	6.50%	-0.68%	N/A	N/A	2/29/2020	100.00%	-1.95%	-3.92%	-1.53%	N/A
Capital MTA Admin Employees		\$	37,818,736	1/1/2020	11.7	-16.4	77.77%	9.39%	41.53%	-198.38%	6.75%	-0.43%	3.50%	0.34%	12/31/2019	91.70%	-10.25%	4.79%	7.18%	N/A
Texas County & District Retirement System		\$	33,833,510,529	12/31/2019	11.3	-16.8	89.42%	21.04%	52.85%	-187.06%	8.00%	0.82%	3.25%	0.09%	12/31/2019	110.53%	8.58%	-0.85%	1.54%	N/A
Port of Houston Authority Retirement Plan		\$	191,251,270	8/1/2020	11.0	-17.1	93.36%	24.98%	45.80%	-194.11%	6.25%	-0.93%	N/A	N/A	7/31/2020	200.82%	98.87%	-0.43%	1.96%	N/A
Guadalupe-Blanco River Authority		\$	28,731,703	1/1/2019	10.0	-18.1	86.94%	18.56%	0.00%	-239.91%	6.75%	-0.43%	N/A	N/A	12/31/2019	153.55%	51.60%	-2.57%	-0.18%	N/A
Northeast Medical Center Hospital Retirement Plan		\$	9,405,456	7/1/2019	10.0	-18.1	82.73%	14.35%	0.00%	-239.91%	7.25%	0.07%	N/A	N/A	6/30/2019	100.00%	-1.95%	-8.01%	-5.62%	N/A
Colorado River Municipal Water Dist.		\$	10,699,777	1/1/2020	7.1	-21.0	88.33%	19.95%	44.47%	-195.44%	6.00%	-1.18%	N/A	N/A	12/31/2019	87.83%	-14.13%	-1.88%	0.51%	N/A
Refugio County Memorial Hospital		\$	1,861,692	11/1/2019	5.2	-22.9	96.46%	28.08%	0.00%	-239.91%	6.00%	-1.18%	N/A	N/A	10/31/2019	0.00%	-101.95%	-8.67%	-6.28%	N/A
JPS - Tarrant County Hospital District		\$	292,578,664	10/1/2018	5.0	-23.1	93.60%	25.22%	6.89%	-233.02%	7.00%	-0.18%	N/A	N/A	9/30/2019	100.00%	-1.95%	2.94%	5.32%	N/A
Guadalupe Regional Medical Center		\$	83,831,107	1/1/2020	5.0	-23.1	99.10%	30.72%	2.40%	-237.51%	7.00%	-0.18%	N/A	N/A	12/31/2019	106.51%	4.56%	0.21%	2.60%	N/A
Travis County ESD #6 FRRF		\$	28,086,052	12/31/2019	4.6	-23.5	88.61%	20.23%	48.47%	-191.44%	7.00%	-0.18%	3.00%	-0.16%	12/31/2019	100.00%	-1.95%	8.84%	11.23%	N/A
Northwest Texas Healthcare System Retirement Plan		\$	23,912,245	10/1/2019	1.0	-27.1	96.20%	27.82%	0.00%	-239.91%	7.50%	0.32%	N/A	N/A	9/30/2019	417.33%	315.38%	-1.96%	0.43%	N/A
Citizens Medical Center		\$	114,266,627	3/1/2020	0.0	-28.1	106.13%	37.75%	-11.60%	-251.51%	6.75%	-0.43%	3.50%	0.34%	2/29/2020	109.23%	7.28%	-0.19%	2.20%	N/A
The Woodlands Firefighters' Retirement System		\$	42,315,851	1/1/2020	0.0	-28.1	107.00%	38.62%	-22.22%	-262.13%	7.00%	-0.18%	N/A	N/A	12/31/2019	113.42%	11.47%	5.80%	8.19%	0.00%
Arlington Employees Deferred Income Plan		\$	2,999,905	6/30/2019	0.0	-28.1	107.17%	38.79%	-5.33%	-245.24%	5.00%	-2.18%	3.00%	-0.16%	6/30/2020	0.00%	-101.95%	-0.13%	2.26%	N/A
Anson General Hospital		\$	1,806,754	7/1/2020	0.0	-28.1	110.93%	42.55%	-172.71%	-412.62%	6.00%	-1.18%	N/A	N/A	6/30/2020	0.00%	-101.95%	-14.03%	-11.64%	N/A
El Paso Firemen & Policemen's Pension Staff Plan		\$	685,883	1/1/2020	0.0	-28.1	113.67%	45.29%	-9.54%	-249.45%	7.75%	0.57%	3.00%	-0.16%	12/31/2019	154.64%	52.68%	14.17%	16.56%	0.00%

Texas Average
Texas Standard Deviation
National Average

28.10
16.94

68.38%
16.59%
72.33%

239.91%
333.46%
289.86%

7.18%
0.44%
7.15%

3.16%
0.51%
3.63%

101.95%
30.19%
108.14%

-2.39%
3.47%

Initial Plan Review Data Key:

Amortization Periods

Infinite
 >= 40 years, but not infinite
 > 30 years, < 40 years
 > 25 years, <= 30 years
 >= 10 years, <= 25 years
 > 0 years, < 10 years
 0 years

of plans

11
16
10
17
34
6
5

Discount Rates

>= 8.00%
 > 7.50%, < 8.00%
 7.50%
 > 7.00%, < 7.50%
 7.00%
 > 6.50%, < 7.00%
 <= 6.50%

of plans

2
12
23
18
24
10
10

Funded Ratios

< 40%
 >= 40%, < 60%
 >= 60%, < 80%
 >= 80%

6
22
37
34

Payroll Growth Rate

Top Quartile (>= 3.25%)

27

Actual Cont as % of ADC

Bottom Quartile (<= 86.80%)

23

UAAL as % of Payroll

Top Quartile (>= 303.71%)

25

Non-Invest Cash Flow as % of FNP

Bottom Quartile (<= -4.42%)

5

Plan Name

Prior Review Completed

Review Currently In-Process

DROP as % of FNP

> 15%

5

**Initial Plan Review Data
As of 3/31/2021**

Plan Name	Market Value of Assets	Val Date	Funding Val Metrics					Fiscal Year End Metrics			
			Amort Period	Funded Ratio	UAAL as % of Payroll	Assumed Rate of Return	Payroll Growth Rate	FYE	Actual Cont as % of ADC	Non-Invest Cash Flow as % of FNP	DROP as % of FNP
Employees Retirement System of Texas	\$ 27,946,206,540	8/31/2020	Infinity	65.98%	203.77%	7.00%	2.70%	8/31/2020	85.65%	-4.42%	N/A
Law Enforcement & Custodial Off Sup. Ret. Fund	\$ 947,324,194	8/31/2020	Infinity	60.14%	39.37%	7.00%	2.70%	8/31/2020	39.33%	-6.20%	N/A
Austin Police Retirement System	\$ 857,839,229	12/31/2019	Infinity	58.40%	349.30%	7.25%	3.00%	12/31/2019	66.70%	-1.25%	5.07%
Judicial Retirement System of Texas Plan Two	\$ 477,331,237	8/31/2020	Infinity	82.34%	116.28%	7.00%	2.30%	8/31/2020	86.80%	-2.12%	N/A
Beaumont Firemen's Relief & Retirement Fund	\$ 105,769,426	12/31/2018	Infinity	55.80%	457.43%	7.50%	3.00%	12/31/2019	48.14%	-5.64%	34.42%
Midland Firemen's Relief & Retirement Fund	\$ 84,848,966	12/31/2019	Infinity	51.10%	432.24%	7.50%	3.25%	12/31/2019	69.68%	-5.33%	0.60%
McAllen Firemen's Relief & Retirement Fund	\$ 52,675,409	9/30/2018	Infinity	68.16%	196.53%	7.50%	3.00%	9/30/2019	75.59%	-1.89%	N/A
Longview Firemen's Relief & Retirement Fund	\$ 45,779,786	12/31/2019	Infinity	39.35%	504.54%	7.50%	3.00%	12/31/2019	68.32%	-2.93%	N/A
Conroe Fire Fighters' Retirement Fund	\$ 29,561,207	12/31/2019	Infinity	58.41%	200.13%	7.50%	4.00%	12/31/2019	75.34%	3.26%	6.83%
Orange Firemen's Relief & Retirement Fund	\$ 7,961,733	1/1/2019	Infinity	46.28%	360.64%	7.75%	2.50%	12/31/2019	64.40%	-7.34%	0.00%
Atlanta Firemen's Relief & Retirement Fund	\$ 3,801,042	12/31/2018	Infinity	80.03%	184.83%	7.40%	3.00%	12/31/2019	89.04%	-3.84%	N/A
Brownwood Firemen's Relief & Retirement Fund	\$ 4,655,263	12/31/2019	94.7	42.75%	297.83%	7.00%	3.00%	12/31/2019	98.05%	-0.60%	N/A
Plainview Firemen's Relief & Retirement Fund	\$ 6,238,767	12/31/2019	79.7	33.99%	576.43%	7.50%	3.25%	12/31/2019	90.28%	-5.38%	N/A
Dallas Employees' Retirement Fund	\$ 3,658,088,000	12/31/2019	65.0	75.73%	272.04%	7.25%	2.50%	12/31/2019	67.42%	-5.29%	N/A
Sweetwater Firemen's Relief & Retirement Fund	\$ 7,760,982	12/31/2018	63.3	63.94%	294.74%	8.00%	4.00%	12/31/2019	76.11%	-3.37%	N/A
Marshall Firemen's Relief & Retirement Fund	\$ 7,278,840	12/31/2018	59.0	36.66%	429.30%	7.50%	4.00%	12/31/2019	77.50%	-5.34%	0.00%
Texarkana Firemen's Relief & Retirement Fund	\$ 36,402,489	12/31/2019	58.3	80.01%	202.16%	7.60%	3.00%	12/31/2019	125.48%	-3.93%	N/A
Galveston Firefighter's Relief & Retirement Fund	\$ 49,030,850	12/31/2019	57.6	64.90%	294.44%	7.50%	2.85%	12/31/2019	100.00%	-2.97%	N/A
Dallas Police & Fire Pension System-Combined Plan	\$ 2,057,857,317	1/1/2020	55.0	45.73%	645.88%	7.00%	2.50%	12/31/2019	102.40%	-5.69%	7.55%
Cleburne Firemen's Relief & Retirement Fund	\$ 19,362,808	12/31/2018	48.6	59.61%	324.13%	7.35%	3.00%	12/31/2019	86.51%	-1.69%	N/A
Irving Firemen's Relief & Retirement Fund	\$ 195,803,334	12/31/2019	43.6	65.41%	267.38%	7.00%	2.75%	12/31/2019	73.33%	-14.38%	18.87%
Wichita Falls Firemen's Relief & Retirement Fund	\$ 52,839,714	1/1/2020	43.3	56.78%	326.00%	7.75%	4.00%	12/31/2019	65.39%	-6.35%	N/A
Fort Worth Employees' Retirement Fund	\$ 2,396,727,586	12/31/2019	43.0	52.33%	433.49%	7.00%	3.00%	9/30/2020	77.89%	-2.61%	5.50%
Laredo Firefighters Retirement System	\$ 154,813,837	9/30/2018	43.0	59.86%	282.55%	7.50%	2.75%	9/30/2019	86.41%	0.96%	N/A
Texas City Firemen's Relief & Retirement Fund	\$ 14,389,108	12/31/2018	41.1	45.92%	348.98%	7.50%	3.00%	12/31/2019	86.49%	-4.96%	N/A
Greenville Firemen's Relief & Retirement Fund	\$ 12,254,104	12/31/2018	40.7	46.61%	368.76%	7.75%	4.00%	12/31/2019	89.17%	-2.84%	N/A
Austin Employees' Retirement System	\$ 2,928,033,076	12/31/2019	40.0	63.48%	231.64%	7.00%	N/A	12/31/2019	92.93%	-1.44%	N/A
Killeen Firemen's Relief & Retirement Fund	\$ 43,947,221	9/30/2018	39.8	69.35%	131.39%	7.50%	3.00%	9/30/2019	92.99%	0.89%	N/A
Big Spring Firemen's Relief & Retirement Fund	\$ 10,902,959	1/1/2019	38.3	53.22%	245.07%	7.75%	4.50%	12/31/2019	92.73%	-0.39%	N/A
Amarillo Firemen's Relief & Retirement Fund	\$ 193,539,560	12/31/2019	38.1	82.00%	185.22%	7.50%	3.00%	12/31/2019	91.53%	-3.58%	N/A
Harlingen Firemen's Relief & Retirement Fund	\$ 33,712,925	9/30/2019	38.0	64.53%	277.57%	7.75%	3.50%	9/30/2019	86.93%	-2.97%	2.45%
San Angelo Firemen's Relief & Retirement Fund	\$ 71,755,778	12/31/2019	37.6	61.97%	339.34%	7.80%	3.50%	12/31/2019	95.30%	-2.25%	N/A
Odessa Firemen's Relief & Retirement Fund	\$ 44,792,900	1/1/2020	37.5	36.81%	544.63%	7.50%	3.50%	12/31/2019	69.92%	-6.81%	4.40%
Lubbock Fire Pension Fund	\$ 186,484,535	12/31/2018	33.0	70.80%	241.06%	7.75%	3.50%	12/31/2019	94.46%	-2.15%	N/A
Paris Firefighters' Relief & Retirement Fund	\$ 4,152,310	12/31/2018	32.1	30.50%	382.48%	7.25%	3.50%	12/31/2019	94.98%	-10.09%	N/A
Abilene Firemen's Relief & Retirement Fund	\$ 55,688,061	10/1/2019	31.4	49.07%	393.82%	7.50%	3.00%	9/30/2019	96.44%	-6.29%	N/A
Lufkin Firemen's Relief & Retirement Fund	\$ 15,659,035	12/31/2018	30.7	48.81%	349.28%	7.50%	3.00%	12/31/2019	99.01%	0.82%	4.20%
Galveston Employees' Retirement Plan for Police	\$ 17,856,397	1/1/2019	30.0	33.95%	315.26%	7.00%	3.50%	12/31/2019	168.50%	3.80%	N/A
El Paso Police Pension Fund	\$ 932,430,228	1/1/2020	29.9	76.34%	298.45%	7.75%	3.00%	12/31/2019	93.33%	-3.50%	3.01%
Corpus Christi Fire Fighters' Retirement System	\$ 139,811,086	12/31/2018	29.8	60.21%	305.70%	7.50%	3.10%	12/31/2019	98.22%	-2.31%	N/A
Fort Worth Employees' Retirement Fund Staff Plan	\$ 5,853,631	12/31/2019	29.2	67.45%	181.77%	7.00%	N/A	9/30/2020	100.56%	4.21%	N/A

This report is a compilation of pension data reported by retirement systems in their most recent AVs, sorted by amortization period.

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From: James King
Sent: Wednesday, April 28, 2021 4:45 PM
To:
Cc:
Subject: PRB Actuarial Review Follow-Up Email

Dear Chairman McGary:

Thank you for speaking with Anumeha Kumar yesterday. This email serves as a follow-up to that conversation. As discussed, the Pension Review Board (PRB) is mandated by state statute to conduct intensive studies of potential or existing problems that threaten the actuarial soundness of or inhibit an equitable distribution of benefits in one or more public retirement systems. Based on an initial risk assessment and at the request of the PRB Actuary, the Midland Firemen's Relief & Retirement Fund has been selected for actuarial review. The review will examine the actuarial and financial condition of the fund, raise red flags and analyze those risks, and draw conclusions/make recommendations. The tentative time frame is for staff to conduct its review and provide the report to the Board at its September 16, 2021 meeting.

As part of the review, the PRB would like to provide multiple opportunities for feedback from both the retirement plan and the city. We invite you to provide any input that you believe might be helpful as we conduct the review. This could include insights into the fund's current actuarial condition, relevant background information, and strategies, in addition to the Funding Soundness Restoration Plan and funding policy, being considered to address existing funding shortfalls and/or mitigate future problems, etc. Information sent may or may not be included in the published report but will be taken into consideration.

Upon completion of the report, staff will provide you with a preliminary draft of the report and invite your formal response to the analysis and conclusions presented. Your response will be attached to the final draft report presented to the Board for their input and recommendations at its September meeting. The Board kindly requests a representative from the plan and city attend the meeting to answer any questions they may have.

Please let us know if you have any questions or concerns about the actuarial review process.

Sincerely,

James King

James King | Actuarial Analyst and TLFFRA Program Specialist | **Texas Pension Review Board**
www.prb.texas.gov | James.King@prb.texas.gov | P.O. Box 13498 | Austin, TX 78711-3498 | P 512-463-8814 | F 512-463-1882

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From: James King
Sent: Wednesday, April 28, 2021 4:47 PM
To:
Cc:
Subject: PRB Actuarial Review Follow-Up Email

Dear Mr. Williams:

Thank you for speaking with Anumeha Kumar today. This email serves as a follow-up to that conversation. As discussed, the Pension Review Board (PRB) is mandated by state statute to conduct intensive studies of potential or existing problems that threaten the actuarial soundness of or inhibit an equitable distribution of benefits in one or more public retirement systems. Based on an initial risk assessment and at the request of the PRB Actuary, the Midland Firemen's Relief & Retirement Fund has been selected for actuarial review. The review will examine the actuarial and financial condition of the fund, raise red flags and analyze those risks, and draw conclusions/make recommendations. The tentative time frame is for staff to conduct its review and provide the report to the Board at its September 16, 2021 meeting.

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Please let us know if you have any questions or concerns about the actuarial review process.

Sincerely,

James King

James King | Actuarial Analyst and TLFFRA Program Specialist | **Texas Pension Review Board**
www.prb.texas.gov | James.King@prb.texas.gov | P.O. Box 13498 | Austin, TX 78711-3498 | P 512-463-8814 | F 512-463-1882

6. Investment Committee

6a. Investment Practices and Performance Evaluations received as required by Government Code Section 802.109, including compliance

Kenny Herbold

Subject: Midland Fire Investment Practices and Performance Evaluation

Chairman McGary,

In 2020, the PRB's Investment Committee and full board expressed concerns regarding limited analysis included in certain Investment Practices and Performance Evaluations (IPPE) and how well those analyses met the intent of the statute. For your reference, a link to the recording and the accompanying packet of the July 28, 2020 Investment Committee meeting can be found on our meeting page [here](#). Relevant discussion occurs beginning at approximately 37:45 and the more substantive comments from the committee members begins at 49:15.

As a result, the committee directed staff to reach out to those systems regarding their IPPEs and encourage changes be made before it was published on our website ([Link](#)). Accordingly, we are writing to highlight the relevant concerns regarding Midland Fire's IPPE.

The Board has indicated they would like to see the following in all evaluations:

Recommendations for improvement. If no improvement is needed, the IPPE should provide an explanation why existing practices are appropriate, adequate and/or effective, which will also be required in subsequent evaluations per HB 3898.

References to specific industry standards. The evaluator should explain what guideline was used for determining "the appropriateness, adequacy, and effectiveness of the retirement system's investment practices and performance," per Texas Government Code §802.109.

Detailed explanations outlining the system's policies and procedures. The IPPE offers an opportunity to present a complete and accessible picture of a fund's investment operations for stakeholders interested in learning more that could not otherwise be obtained without extensive research and close following of a board's actions.

For your reference, below are several examples of evaluations that may be helpful:

Odessa Fire ([IPPE Link](#))

- The Findings and Recommendations section (pg. 3-5) provides a **concise overview** of the findings, recommendations, or justification for why none are needed.
- The Investment Asset Allocation summary (pg. 4) explains that the **plan is in line with best practices and notes the industry standards**. The section also had a minor recommendation that provides details to justify their conclusion of best practice.
- Section 2(C) explains **the method and frequency** of how real estate is valued. (pg. 13)

Fort Worth ERF ([IPPE Link](#))

- The Executive Summary (pg. 7-8) lays out **key observations from the review**.
- The Governance section (pg. 28) provides a good example of **not having any recommendations but justifying that conclusion** with supporting practices or policies.
- The evaluation **uses various plan studies** such as the asset/liability study to help explain plan cash flow needs and decisions. (pg. 18-21)

ERS ([IPPE Link](#))

- Provides a **thorough review** of the investment policy statement (IPS) and **how it compares to industry standards**, referencing standards such as GFOA and CFA Institute. (pg. 6)
- Evaluation used funding contribution data to **help identify key issues and explain problems**. (pg. 18-21)
- **Provides investment fee data** for private investments, commissions, and investment managers. It also **reviews the reasonableness of the fees** and the policies for how they are reviewed. (Section 3. Pg. 21-27)

In addition to the general recommendations outlined above, the PRB has performed a quick, informal review of the evaluation included in the attached document.

Please note that the PRB is only providing suggestions for improvement of the evaluation, cannot require any changes, and does not provide any judgement on its compliance with statute.

Regards,
Kenny

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Review of MFRRF IPPE and Investment Practices

Summary

The evaluation consists of responses to the questions in the PRB's informal *Guidance for Investment Practices and Performance Evaluation*. However, many of the responses are single word answers, include limited analysis, and/or do not address the intended subject matter. For example, for the question "Is an attorney reviewing any investment fee arrangements for alternative investments?" the response provided is "Sometimes. It depends." with no further discussion of the subject included elsewhere in the IPPE.

The following sections outline several questions and/or concerns regarding both current policies and procedures as well as the evaluation itself. Some of the listed items might be considered innocuous when viewed individually but are more concerning when considered as whole.

Investment Policy Statement

The IPPE provides an affirmative response to several questions regarding the content of the IPS but in general does not provide recommendations for improvement or reference to outside documents to explain how the IPS meets best practices or guidelines outlined in TLFFRA statute. The PRB notes:

- 1) TLFFRA statute Sections 27 and 28 direct boards to "adopt formal investment policies that emphasize safety and diversity as well as liquidity for benefit payments," and "give special consideration to the preferred investment practices of the Government Financial Officers Association [GFOA]."
- 2) The IPS is a one-page document that does not include many items that are considered best practice by the CFA Institute or the GFOA.
- 3) The IPPE indicates the "roles and responsibilities of those involved in governance, investing, consulting, monitoring and custody" are clearly outlined in the IPS. While the IPS refers to TLFFRA statute which directs boards to "adopt formal investment policies."
- 4) The IPPE indicates the IPS contains measurable investment manager performance goals by asset class. This information is not included the IPS. The IPS states, "Investment managers, once chosen, will be retained as long as the Board determines that the investment philosophy utilized and returns realized are appropriate for the long-term needs of the MFRRF."
- 5) The IPS does not identify the investment objective and time horizon which are specifically identified in many industry standards for best practice.
- 6) There are no formal or specific policies in place to review the overall effectiveness of the investment program. The IPPE indicates the Fund evaluates its overall portfolio performance based on whether it is "meeting actuarial assumptions."

Asset Allocation

- 1) Per Texas Government Code §802.109(a)(2)(A), the evaluation is required to include "a detailed review of the retirement system's investment asset allocation, including: the process for determining target allocations." The IPPE states there is a formal written policy, however the IPS/IPPE do not include the process.
- 2) Per Texas Government Code §802.109(a)(2)(C), the evaluation should assess "the appropriateness of selection and valuation methodologies of alternative and illiquid assets." The IPPE does not discuss the valuation methodology of alternative or illiquid assets, nor does it discuss how the Fund's policies compare to industry standards. Responses to relevant questions

discuss how returns are calculated, not how the investments are selected or the assets themselves are valued.

- 3) The capital market assumptions provided in the evaluation need clarification regarding how the expectations were calculated. They appear to differ rather drastically from what is provided in the plan's annual financial audit and from other industry expert surveys. One specific example would be the expected 7.31% return on fixed income included in the IPPE vs. the MFRRF actuary's 3-4% expected return.
- 4) According to the 12/31/2019 audit, the Fund holds approximately 20-30% of its total portfolio in illiquid assets (generally assets valued at Level III and potential redemption periods of 30 days or longer) but there is very little discussion in the IPPE about the appropriateness of these assets or how the risk it presents to the long-term solvency of the Fund is evaluated, if at all.
- 5) In addition to a large allocation to illiquid assets, the liquid portion appears to be heavily allocated to higher risk investments, such as high-yield fixed income, international fixed income, including sovereign debt and emerging markets. However, the IPPE provides no discussion on the investment tilt to higher risk.

Fees and Commissions

- 1) The evaluation notes that the investment fees are "in-line with industry averages," however no data is provided to show how the system ranks compared to peers or industry averages and no explanation is provided for how this conclusion is drawn.

Manager Selection and Monitoring

- 1) Per Texas Government Code §802.109(a)(5), the evaluations should provide "a review of the retirement system's investment manager selection and monitoring process." The IPPE provides limited descriptions regarding how the managers are selected but does not "evaluate the appropriateness, adequacy, and effectiveness" of this approach, per statute.
- 2) The Fund invests a large percentage in direct real estate and other illiquid investments but appears to have very few, if any, formal policies on how to select, manage, or evaluate these complicated assets.

Other General Notes

- 1) The IPPE does not have a publication date which makes it difficult for the public stakeholders to understand the context of the analysis or period reviewed.
- 2) The evaluation references an asset/liability study performed in 2019, but the PRB was informed no formal study was conducted, so it is unclear how it could be considered part of the evaluation.
- 3) The evaluation provided a list (Tab 3) that discloses investment positions of the Fund. More explanation is needed on the following to aid in the usefulness of the document:
 - a. It is unclear if the expected return is intended to be an annualized return or a total return since inception.
 - b. The asset class expected return is the same as the investment return when normally there would be some return variance.
 - c. The sum of individual asset values exceeds both the total reported at the bottom of the list as well as the value reported in the audit by a significant margin.
 - d. Certain individual asset values exceed the value reported in the audit by a significant margin.

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The following is an excerpt of the Midland Firemen's Relief & Retirement Fund Investment Practices and Performance Evaluation received by the Pension Review Board. A copy of the complete evaluation can be found on the PRB website [here](#).



MIDLAND FIREMEN'S RELIEF AND RETIREMENT FUND

SB 322 REPORT



Midland Firemen's Relief & Retirement Fund

SB 322 Review and Analysis



Outline

1.) Independent Advisor:

A.) State of Texas Securities Registration

B.) U.S. Securities & Exchange Commission Registration

C.) Municipal Standards Rulemaking Board Details

D.) Current Professional Errors & Omissions Insurance

E.) Biography

2.) Responses to Texas Pension Review Board Questions

3.) Statistical/Numerical Spreadsheet

4.) Investment Policies and Guidelines

5.) Asset Allocation versus other TLFFRA Funds

6.) Sample monthly dynamic CAPE projected risk/reward analysis



Individual Investment Manager Sample Analysis:

7.) SeaCrest Diversified Income

8.) Westwood Large Cap Equity

9.) Westwood Master Limited Partnerships

10.) Westwood SMID Cap Value Equities

11.) SeaCrest Global Fixed-Income

12.) Lazard International Equity

13.) NBW Master Limited Partnerships

14.) Loomis Hybrid Fixed-Income



15.) Westwood Short-Duration High Yield Fixed-Income

16.) Westwood High Yield Fixed-Income

17.) Davis Investment Ventures Fund II

18.) GreenSpring Opportunities V and V-B

19.) Glendower Capital Secondary Opportunities Fund IV

20.) Silverado Interests

21.) CDK Beach House Jacksonville Beach, Florida

22.) CDK Multifamily I

23.) Moriah



24.) John Crider TLFFRA Survey

25.) EurekaHedge Sample Monthly Report

26.) Callan Institute 2019 Investment Management Fee Study

TAB 2

Midland Firemen's Relief & Retirement Fund

SB 322 Independent Review Submission

Investment Practices and Performance Evaluations

Texas Pension Review Board

Summary:

In accordance with the Texas Senate Bill 322, and, in accordance with Guidance for Investment Practices and Performance Evaluations, this report is intended to fulfill the requirements for an independent third-party evaluation and opinion on the following:

- 1.) Identify and review existing investment policies, procedures, and practices. This should include any formally established policies (e.g. Investment Policy Statement), as well as any informal procedures and practices used to carry out the investment activities of the system. It is not necessary to review past policies, procedures, and practices that are no longer applicable unless they are deemed helpful to understand current policy or practice.
- 2.) Compare the existing policies and procedures to industry best practices.
- 3.) Generally, assess whether the board, internal staff, and external consultants are adhering to the established policies.
- 4.) Identify the strengths and weaknesses of the current policies, procedures, and practices and make recommendations for improvement.
- 5.) Include a detailed description of the criteria considered and methodology used to perform the evaluation, including an explanation of any metrics used and associated calculations.

Independent Consultant:

Parenteau Analytics is a Fort Worth, Texas based registered investment advisor which manages no money. Parenteau Analytics solely does independent, unbiased performance and attribution reporting on separately managed accounts, mutual funds, ETF's, hedge funds, and private equity placements. Parenteau Analytics is not affiliated with any bank, brokerage, or financial services company in any way. Research sources employed by Parenteau Analytics are also independent and unaffiliated sources. For Separately Managed Accounts, Parenteau Analytics uses Informais/PSN. For Mutual funds and ETF's, Parenteau Analytics uses Morningstar. For hedge funds, Parenteau Analytics uses EurekaHedge. For Private Equity, Parenteau Analytics uses Preqin. For Asset Allocation, and projected asset class returns, Parenteau Analytics uses Research Affiliates. Further information on any of these sources is available upon request. Sample reports on managers and products are included in subsequent sections of this report. Claude R. Parenteau is President and sole owner of Parenteau Analytics. Claude Parenteau has over 35 years of experience evaluating and reviewing and advising institutional investment programs such as pension funds, endowments, and insurance companies. Parenteau Analytics does not manage any of the assets of the Midland Firemen's Relief and Retirement Fund, or any other client. Parenteau Analytics solely charges a flat fee to the Midland Firemen's Relief & Retirement Fund for quarterly performance updates on manager and product performance. Parenteau Analytics may be tasked with exploring ideas for the Midland Firemen's Relief & Retirement Fund, but, Parenteau Analytics has no power of attorney or ability to make any decisions for the fund.

Full Disclosure: In addition to the flat fee charged by Parenteau Analytics for quarterly performance reporting, Parenteau Analytics is charging an additional \$500 to the Midland Firemen's Relief & Retirement Fund for this PRB report.

Components of Evaluation:

1.) Does the system have a written investment policy statement (IPS)?

Yes

2.) Are the roles and responsibilities of those involved in governance, investing, consulting, monitoring and custody clearly outlined?

Yes

3.) Is the policy carefully designed to meet the real needs and objectives of the retirement plan? Is it Integrated with any existing or funding or benefit policies (i.e. does the policy take into account the current funded status of the plan, the specific liquidity needs associated with the difference between expected short-term inflows and outflows, the underlying nature of the liabilities being supported [e.g. pay-based vs. flat benefit, automatic COLAs, DROP, etc.]?)

Yes.

4.) Is the policy written so clearly and explicitly that anyone could manage a portfolio and conform to the desired intentions?

Yes

5.) Does the policy follow industry best practices? If not, what are the differences?

The policy follows industry best practices.

6.) Does the policy contain measurable outcomes for managers? Does the IPS outline over what time periods performance is to be considered?

Yes, but this varies based upon asset class.

7.) Is there evidence that the system is following it's IPS? Is there evidence that the system is not following it's IPS?

There is evidence that the system is following its IPS.

- 8.) What practices are being followed that are not in, or are counter to, written investment policies and procedures?**

There are no practices being followed that are not in or counter to written investment policies and procedures.

- 9.) Are stated objectives being met?**

Asset allocation targets are being met; however, historical returns are falling short of actuarial goals

- 10.) Will the retirement fund be able to sustain a commitment to the policies under stress test scenarios, including those based on the capital markets that have actually been experienced over the past ten, twenty, or thirty years?**

Actually, the past ten, twenty, and thirty years have been more conducive to investment return goals than what forward projected returns are likely to be (please see expected returns section).

- 11.) Will the investment managers be able to maintain fidelity to the policy under the same scenarios?**

Some investment managers in some asset classes should be able to maintain fidelity to the policy under the same scenarios. Other investment managers may need to be re-weighted, and/or replaced altogether to reflect changes in the capital markets.

- 12.) How often is the policy reviewed and/or updated? When was the most recent substantial change to the policy and why was this change made?**

The most recent substantial change to the policy was made on April 30th, 2020, and this change was in reflection of preservation of capital during market stress due to the COVID-19 shock to the capital markets.

Investment Asset Allocation:

- 1.) Does the system have a formal and/or written policy for determining and evaluating its asset allocation? Is the system following this policy?

Yes. The system has a formal and/or written policy for determining and evaluating its asset allocation. The system does follow this policy.

- 2.) If no formal policy exists, what is occurring in practice?

Not applicable. Reference question #1 above.

- 3.) How is the system's overall risk tolerance expressed and measured? What methodology is used to determine and evaluate the strategic asset allocation?

Risk is first defined as in terms of adequate liquidity to pay current and pending obligations. Second, risk is defined as falling short of plan participants' needs for retirement income. Risk is not defined short-term volatility. The amount of leverage in the portfolio, and the amount of illiquidity in the portfolio are major areas of focus in risk management. More recently, there is more focus on hedging downside risk for periods of capital market distress.

- 4.) How often is the strategic asset allocation reviewed?

Strategic asset allocation is typically reviewed annually, although major events in the markets do trigger "interim" reviews in strategic asset allocation.

- 5.) Do the system's investment consultants and actuaries communicate regarding their respective future expectations?

Yes

- 6.) How does the current assumed rate of return used for discounting plan liabilities factor into the discussion and decision making associated with setting the asset allocation? Is the actuarial expected return on assets a function of the asset allocation or has the asset allocation been chosen to meet the desired actuarial expected return on assets?

The asset allocation is determined by risk management, and, by the stated actuarial goal of the system.

Investment Asset Allocation (continued):

- 7.) Is the asset allocation approach used by the system based on a specific methodology? Is this methodology prudent, recognized as best practice, and consistently applied?**

The asset allocation approach used by the system is much like the “endowment model” for investing, and has been consistently aligned with this generally accepted “best practice” for long-term liabilities.

- 8.) Does the system implement a tactical asset allocation? If so, what methodology is used to determine the tactical asset allocation? Who is responsible for making decisions regarding the tactical asset allocation?**

Tactical asset allocation is not employed by the system. It is not believed that short-term market timing adds value to returns.

- 9.) How does asset allocation compare to peer systems?**

Based upon the 2008-2018 report of TLFFRA pension funds, the Midland Firemen’s’ Relief & Retirement Fund is roughly in line with equities, perhaps slightly underweight fixed income, slightly underweight alternatives, and overweight in real estate, as compared to other TLFFRA funds (2 charts following these text responses).

Expected Risk and expected rate of return, categorized by asset class:

1.) What are the strategic and tactical allocations?

Cash:	1%-10%
Fixed-Income:	15%-25%
U.S. Equities:	15%-25%
International Equities:	15%-25%
Real Estate:	20%-30%
Alternatives:	5%-15%

2.) What is the expected risk and expected return of each asset class?

	<u>Expected Return:</u>	<u>Expected Risk:</u>
Cash:	0	0
Fixed-Income:	7.31%	6.2%
U.S. Equities:	12.83%	14.2%
International Equities:	9.92%	16.7%
Real Estate:	11.0%	12.5%
Alternatives:	20.09%	28.0%

3.) How is this risk measured, and how are the expected rates of return determined? What is the time horizon?

For the sake of the table above, risk is measured by annualized historical volatility of the asset class. However, for purposes of this fund, (which manages to an “endowment” style), “risk” is determined to be meeting actuarial assumptions and achieving sufficient investment results such that all retirees and beneficiaries are able to be paid.

4.) What mix of assets is necessary to achieve the plan's investment return and risk objectives?

The mix of asset classes necessary to achieve the plan's investment return and risk objectives changes constantly. Employment of rebalancing, based upon market price changes and relative values between asset classes. There is no "static" allocation which can achieve this.

5.) What consideration is given to active vs. passive management?

Consideration is always considered for passive management, especially in highly liquid asset classes where "information discovery" is widely available to virtually all investors equally. However, thus far, active management has contributed added value to the fund.

6.) Is the approach used by the system to formulate asset allocation strategies sound, consistent with best practices, and does it result in a well-diversified portfolio?

Yes. The approach used by the system to formulate asset allocations strategies is sound, consistent with best practices, and it does result in a well-diversified portfolio.

7.) How often are the strategic and tactical allocations reviewed?

Strategic and tactical allocations are typically reviewed annually, although these are reviewed at any point in time where there are significant market dislocations or changes.

Appropriateness of selection and valuation methodologies of alternative and illiquid assets:

1.) How are alternative and illiquid assets selected, measured, and evaluated?

Ideas for selection of illiquid, and alternative assets come from multiple sources, including screening and research, educational conferences, and unsolicited introductions. Selection is made after research and analysis has been done, and discussed very thoroughly by the investment committee, and then approved by the full Board.

2.) Are the system's alternative investments appropriate given it's size and level of investment expertise? Does the IPS outline the specific types of alternative and illiquid investments allowed, as well as the maximum allocation allowable?

Yes. The system's alternative investment allocation is appropriate given the size of the fund and the level of expertise on the investment committee and on the full Board. Yes, the IPS does outline the specific types of alternative and illiquid investments allowed, as well as the maximum allocation allowable.

3.) What valuation methodologies are used to measure alternative and illiquid assets? What alternative valuation methodologies exist and what makes the chosen method most appropriate?

For private equity, the standard methods of valuation are the "Internal Rate of Return ("IRR"), and the multiple of times of return of investment, and these are typically calculated from annual appraisals while a program is active, and then with a final calculation at the termination of the program.

For hedge funds which are easier to value on a quarterly basis, the same metrics used for long-only managers are employed and applied.

Future Cash Flow and Liquidity Needs:

- 1.) What are the plan's anticipated future cash flow and liquidity needs? Is this based upon an open or closed group projection?

Currently the plan has \$650,000 of inflows, and \$700,000 - \$800,000 of outflows. This is based upon an open group projection.

- 2.) When was the last time an asset-liability study was performed?

2019

- 3.) How are system-specific issues incorporated in the asset allocation process. What is the current funded status of the plan and what impact does it have? What changes should be considered when the plan is severely underfunded, approaching full funding, or in a surplus? How does the difference between expected short-term inflows (contributions, dividends, interest, etc.) and outflows (distributions and expenses) impact the allocation? How does the underlying nature of the liabilities impact the allocation (e.g. pay-based vs. flat \$ benefit, automatic COLAs, DROP, etc.)?

- 4.) What types of stress testing are incorporated in the process?

Actuarial

Appropriateness of investment fees and commissions paid by the retirement system:

- 1.) Do the system's policies describe the management and monitoring of direct and indirect compensation paid to investment managers and other service providers? What direct and indirect investment fees and commissions are paid by the system?**

Management fees are paid directly to the investment managers. Commission costs are indirectly paid by the system through manager transactions.

- 2.) Who is responsible for monitoring and reporting fees to the board? Is this responsibility clearly defined in the system's investment policies?**

The Administrator for the system is responsible for monitoring and reporting fees to the board. This responsibility is not clearly defined in the system's investment policies.

- 3.) Are all forms of manager compensation included in reported fees?**

Yes

- 4.) How do these fees compare to peer group and industry averages for similar services? How are the fee benchmarks determined?**

Fees are deemed to be in-line with industry averages. Sources of comparison are independent Research databases which report this information annually.

- 5.) Does the system have appropriate policies and procedures in place to account for and control investment expenses and other asset management fees?**

Yes.

- 6.) What other fees are incurred by the system that are not directly related to the management of the portfolio?**

Legal, auditing, custody, actuarial

- 7.) How often are the fees reviewed for reasonableness?**

On an on-going basis.

8.) Is an attorney reviewing any investment fee arrangements for alternative investments?

Sometimes. It depends.

Transparency:

**1.) Does the system have a written governance policy statement outlining the governance structure?
Is it a stand-alone document or part of the IPS.**

Yes. It is part of the IPS.

2.) Are all investment related policy statements easily accessible by the plan members and the public (e.g. posted to the system website)?

Yes.

3.) How often are board meetings? What are the primary topics of discussion? How much time, detail, and discussion are devoted to investment issues?

Board meetings are typically held monthly. Discussion topics range from administrative issues, reports by board members from educational conferences they have attended, to investments. Time devoted to investments is dependent upon the topic as a priority.

4.) Are meeting agendas and minutes available to the public? How detailed are the minutes?

Yes. Meeting minutes are available to the public, and all board meetings are open to any member of the public who would like to attend. Minutes are very detailed.

Investment Knowledge/Expertise:

- 1.) What are the backgrounds of the board members? Are there any investment-related educational requirements for board members?

Board is composed of 3 Firemen, one attorney, one Mayor's appointee, and a civilian member with substantial investment experience. There is an on-going educational requirement for board members to engage in continuing education, typically at educational conferences.

- 2.) What training is provided and/or required of new board members? How frequently are board members provided investment related education?

There is no requirement for investment education for new board members. Board members are afforded the opportunity to learn at multiple educational conferences each year.

- 3.) What are the minimum ethics, governance, and investment education requirements? Have all Board members satisfied these minimum requirements?

There are no minimum ethics, governance, or investment education requirements.

- 4.) Does the system apply adequate policies and/or procedures to help ensure that all board members understand fiduciary responsibilities?

Yes.

- 5.) What is the investment management model (i.e. internal vs. external investment managers)?

All external investment managers.

- 6.) Does the board receive impartial investment advice and guidance?

Yes

- 7.) How frequently is an RFP issued for investment consultant services?

The RFP process is not used. Services are vetted and negotiated on an "as needed" basis.

Accountability:

- 1.) How is leadership of the board and committee(s), if any, selected.**

By vote/election.

- 2.) Who is responsible for making decisions regarding investments, including manager selection and asset allocation? How is authority allocated between full-board, a portion of the board (e.g. an investment committee), and internal staff members and/or outside consultants? Does the IPS clearly outline this information? Is the board consistent in its use of this structure/delegation of authority?**

Any investment changes must be discussed by the full board, and only the full board can make decisions. A portion of the board acts as an "investment committee" which brings ideas to the board for discussion and consideration. There are no internal staff involved in this process. Consultant simply monitors performance for the board, and brings ideas to the investment committee for discussion.

- 3.) Does the system have policies in place to review the effectiveness of its investment program, including the roles of the board, internal, staff and outside consultants?**

No formal, specific policies are in place to review the effectiveness of the investment program.

- 4.) Is the current governance structure striking a good balance between risk and efficiency?**

Yes.

- 5.) What controls are in place to ensure policies are being followed?**

- 6.) How is overall portfolio performance monitored by the board?**

Delegated to consultant, and reference to John Crider TLFFRA annual report.

- 7.) How often are the investment governance processes reviewed for continued appropriateness?**

Annually.

Investment Manager Selection and Monitoring Process:

1.) Who is responsible for selecting investment managers?

The full board is responsible for selection of investment managers, with recommendations from the investment committee.

2.) How are managers identified as potential candidates?

Conferences, and independent research on PSN/Informa, Preqin, Morningstar, and EurekaHedge/HFR.

3.) What are the selection criteria for including potential candidates?

Needs of the fund, performance, diversification, asymmetrical upside/downside capture, length of track record, researched and approved by at least one major research organization.

4.) What are the selection criteria when deciding between multiple candidates?

Is process sensible, consistent, and prudent, and is process replicable prospectively. Ideally seeking firms and products poorly correlated to current portfolio holdings and exposures.

5.) How does the selection process address ethical considerations and potential conflicts of interest for both investment managers and board members?

6.) Who is responsible for developing and/or reviewing investment consultant and/or manager contracts?

The full board is responsible for developing and/or reviewing investment consultant and/or manager contracts.

7.) What is the process for monitoring individual and overall fund performance?

Consultant provides quarterly performance on individual managers and products. Overall fund performance is benchmarked against John Crider's TLFFRA Returns survey. Additionally, system is looking at additional capabilities for calculating these returns.

8.) Who is responsible for measuring performance?

Consultant

9.) What benchmarks are used to evaluate performance?

Typically, benchmark is that which is specific to the asset class that the individual manager and/or product (i.e. hedge fund, private equity, mutual fund, etc.) is investing in. However, in certain circumstances, more than one benchmark, a “hybrid” benchmark, or a customized benchmark may be employed. Moreover, the prevailing “benchmark” for the full portfolio is simply achieving actuarial assumptions.

10.) What types of performance reports are provided to the board? Are they provided in a digestible format accessible to trustees with differing levels of investment knowledge /expertise?

Sample reports included with this report. All performance reports are presented in a digestible format accessible to trustees with differing levels of investment knowledge/expertise. Additionally, consultant does explain in great detail the information contained in the reports, and the effect upon the fund.

11.) How often is net-of-fee and gross-of-fee investment manager performance reviewed? Is net-of-fee and gross of fee manager performance compared against benchmarks or peers?

For the sake of consistency, investment manager fees are reported net-of-fee only. Performance is compared against benchmarks and peer universes.

12.) What is the process for determining when an investment manager should be replaced?

Extended underperformance through a full market cycle, departure of key investment personnel, other concerns about prospective contribution to overall fund performance.

13.) How is individual performance evaluation integrated with other investment decisions such as asset allocation and investment risk decisions?

Individual performance evaluation includes changes in weightings to specific asset classes, managers, and products, as well as correlation (ideally poor correlation) to the overall portfolio, seeking to diversify overall risk to the portfolio.

TAB 3

Midland Firemen's Relief & Retirement Fund SB 322 Analysis								
As of December 31st, 2019								
<u>Manager:</u>	<u>Value on December 31st, 2020</u>	<u>Asset Class</u>	<u>Management Fees:</u>	<u>Expected or realized return since inception:</u>	<u>Expected Return of Asset Class:</u>	<u>Expected Volatility of Asset Class</u>	<u>Inception Date:</u>	
NBW Capital:	\$3,521,573	Master Limited Partnerships	1.25%	8.50%	8.50%	15.7	Jul-11	
Westwood MLP:	\$2,392,496	Master Limited Partnerships	0.95%	2.93%	2.93%	15.7	Jul-11	
Westwood Large Cap Value:	\$2,935,387	U.S. Large Cap Value	0.63%	12.83%	12.83%	14.2	Jul-11	
Westwood SMID Cap Value:	\$2,749,288	U.S. SMID Cap Value Equities	0.63%	10.35%	10.35%	18.9	Jun-06	
Lazard International Equity Small-Mid Cap:	\$7,404,865	International Equities	0.90%	5.57%	5.57%	18.9	Sep-99	
Morgan Stanley Global International:	\$5,692,633	International All-Cap Equities	1.00%	9.92%	9.92%	16.7	Dec-19	
SeaCrest Hybrid Fixed-Income:	\$729,938	Blended Current Income	1.00%	4.34%	4.34%	6.2	Nov-11	
SeaCrest International Sovereign Debt:	\$10,272,102	International Fixed-Income	0.40%	2.97%	2.97%	6.2	Dec-09	
Loomis Sayles Hybrid Fixed-Income:	\$8,529,192	Blended Current Income	0.57%	7.31%	7.31%	6.2	Dec-11	
G Street 101 - Midland, Texas:	\$98,767	Real Estate	0	7.75%	7.75%	12.5	Aug-16	
G Street 105 - Midland, Texas:	\$1,190,922	Real Estate	0	7.75%	7.75%	12.5	Aug-16	
Davis Fund:	\$937,931	Real Estate	\$207,580	10.10%	11.30%	12.5	Jul-12	
Moriah Hospitality:	\$275,442	Real Estate	See Attached	-4.08%	-0.45%	12.5	May-14	
Moriah SRC Pref.:	\$76,500	Real Estate	See Attached	21%	142.59%	12.5	Jan-13	

Midland Firemen's Relief & Retirement Fund SB 322 Analysis

As of December 31st, 2019

<u>Manager:</u>	<u>Value on December 31st, 2020</u>	<u>Asset Class</u>	<u>Management Fees:</u>	<u>Expected or realized return since inception:</u>	<u>Expected Returns for Asset Class:</u>	<u>Expected Volatility for Asset Class</u>	<u>Inception Date:</u>
Silverado Autumn Leaves Westover Hills:	\$500,000	Real Estate	\$45,138	0	0	12.5	Jul-16
CDK Beach House Jacksonville:	\$314,134	Real Estate	\$75,000	-33.39	-33.39	12.5	Sep-13
IM - Multi-Family:	\$2,030,071	Real Estate	184,476	14.6	14.6	12.5	Jun-17
CDK Multi-Family	\$2,557,241	Real Estate	\$530,000	3.33	3.33	12.5	Jan-14
Harvest Interest II (Strategic Partner Fund):	\$6,615,239	Real Estate	\$470,213	6.57	6.57	12.5	Oct-05
Glendower:	\$2,010,057	Private Equity	\$114,875	39.00%	39.00%	28	Apr-18
Greenspring V:	\$1,837,507	Private Equity	See Attached	20.09%	20.09%	28	Nov-18
Greenspring V-B:	\$,361,895	Private Equity	See Attached	22.48%	22.48%	28	Jan-11
Westwood High-Yield Short-Term:	\$9,982,421	High Yield Fixed-Income	0.63%	7.72%	7.72%	8.9	May-06
Westwood High Yield Fixed-Income:	\$3,019,657	High Yield Fixed-Income	0.40%	3.35%	3.35%	8.9	Oct-11
Cash and Cash Equivalents:	\$17,485,148	Cash	0	0	0	0	NA
Frost Bank (Custodian):	0	N/A	\$17,203	NA	NA	NA	Mar-06
Parenteau Analytics (Consultant/Advisor):	0	N/A	\$55,000	7.75%	NA	NA	Sep-17
Total Portfolio Value:	\$85,941,435						

6b. Preliminary investment expense reporting as required by Texas Government Code Section 802.103(a)(3) and Chapter 609, Texas Administrative Code

Texas Pension Review Board

Preliminary investment expense reporting as required by Texas Government Code
Section 802.103(a)(3) and Texas Administrative Code, Chapter 609

Preliminary investment expense reporting

- New reporting requirements outlined under Texas Government Code §802.103 and Texas Administrative Code §609.111.
- Additional information required to be included in a plan's Annual Financial Report (AFR):
 - A listing of the names of investment managers engaged by the retirement system.
 - A listing, by asset class, of all direct and indirect commissions and fees paid by the retirement system during the fiscal year.
 - A listing, by service provided, of investment services.
- The additional information **must** be in the AFR and not provided in a separate document that accompanies the AFR.
- The information is **not** required to be audited.

Initial reporting schedule

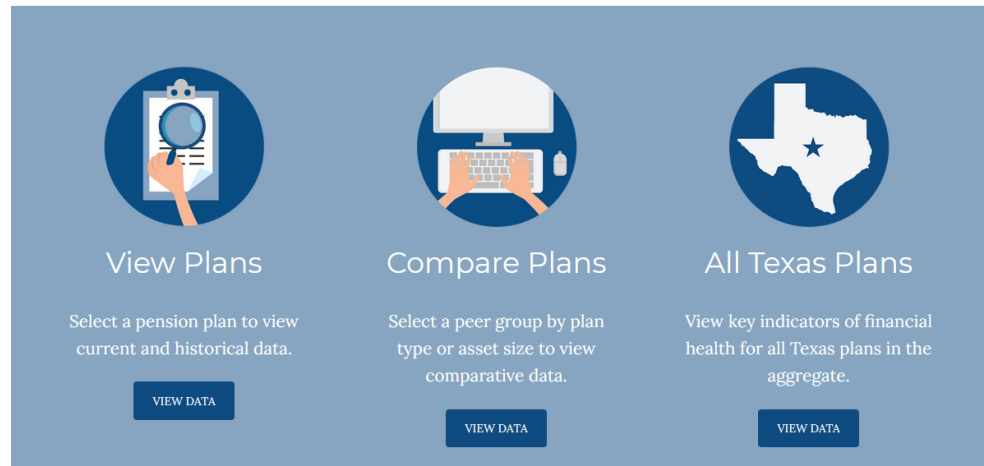
Fiscal Year	Fiscal Year End Date	AFR Due	# of Plans	Expected Total % for Fiscal Year
2020	9/30/2020	4/29/2021	15	15
	10/31/2020	5/30/2021	1	16
	12/31/2020	7/30/2021	68	84%
2021	2/28/2021	9/27/2021	2	2
	6/30/2021	1/27/2022	7	9
	7/31/2021	2/27/2022	1	10
	8/31/2021	3/30/2022	6	16
	9/30/2021	4/29/2022	15	31
	10/31/2021	5/30/2022	1	32
	12/31/2021	7/30/2022	68	100%

Preliminary investment expense graphs

- Staff developing preliminary graphs to display new reporting information
- Preliminary graphs are examples of potential ways to display one year of data
- Time series will be developed once sufficient data is received
- Going forward:
 - Finalize graphs for Data Center
 - Develop standardized reporting for board meetings
 - Develop benchmarking and other reports with new information

Texas Public Pension Data Center

This data center is meant to provide lawmakers, taxpayers, pension systems, and other stakeholders with current, historical and comparative public pension information. As part of its mission, the Pension Review Board compiles and reviews data from state and local public retirement systems in Texas. This website contains information reported by retirement systems to the PRB.

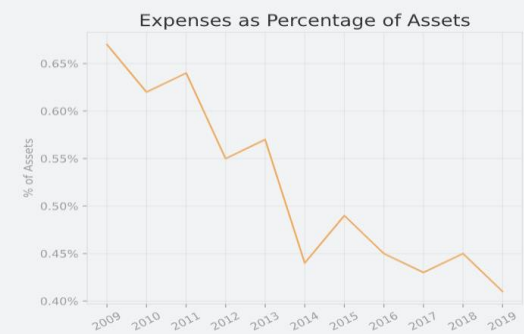


The screenshot displays the Texas Public Pension Data Center website with a blue background. It features three main navigation options, each with an icon, a title, a description, and a 'VIEW DATA' button.

- View Plans**: Icon of a hand holding a magnifying glass over a document. Description: "Select a pension plan to view current and historical data." Button: "VIEW DATA".
- Compare Plans**: Icon of hands typing on a keyboard in front of a monitor. Description: "Select a peer group by plan type or asset size to view comparative data." Button: "VIEW DATA".
- All Texas Plans**: Icon of a map of Texas with a star. Description: "View key indicators of financial health for all Texas plans in the aggregate." Button: "VIEW DATA".

Preliminary individual plan graphs

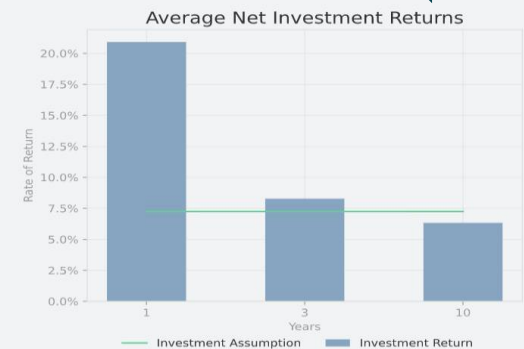
- **Three** new graphs:
 1. Investment Fees By Asset Class
 2. Investment Fees By Fee Type
 3. Investment Fees By Service Provided
- Placed between the existing Expenses as Percentage of Assets and the Average Net Investment Returns graphs



The types of expenses that go into running a retirement fund include investment-related, administrative, and occasionally, other miscellaneous expenses. The graph displays the retirement system's total expenses as a percentage of assets. Due to inconsistencies in reporting of investment expenses, this data may not be an entirely accurate depiction of true investment-related expenses paid.

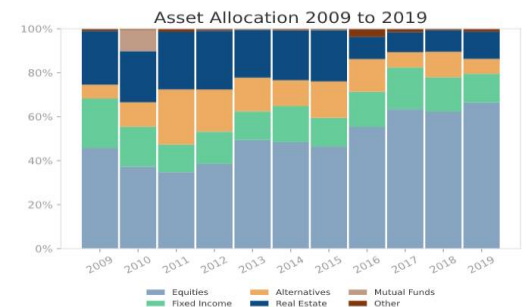
[Download Data](#)

New graphs location



Investment returns make up an essential part of a retirement system's funding strategy. The graph shows the most recently reported short- and medium-term investment rates of return compared with the rate of return the plan assumes it will make on its investments. Figures obtained from the most recent investment return and assumptions reports. All figures are net of fees.

[Download Data](#)



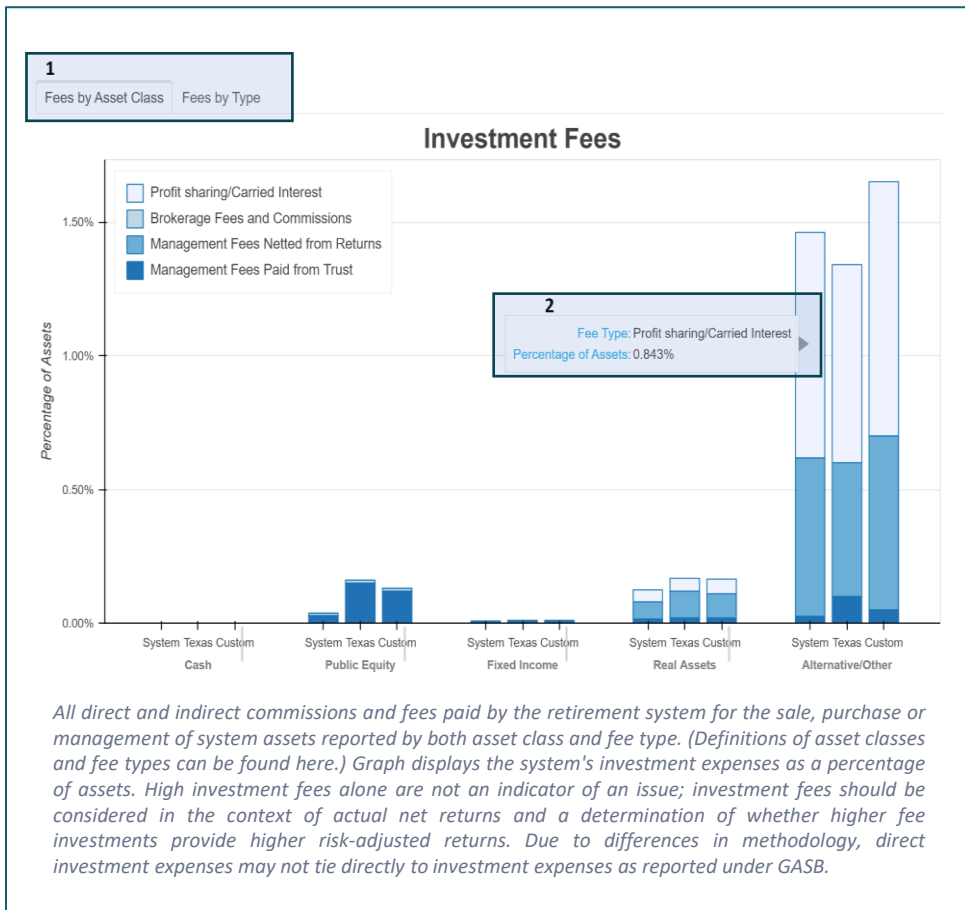
A retirement system's investments are diversified to manage risk while maximizing returns. The asset allocation is guided by its investment policy which is adjusted by the system periodically. Figures obtained from the most recent annual financial reports and may differ from allocation targets in investment policy statements. The PRB reclassifies mutual fund investments into the underlying asset classes, when the necessary information is provided.

Other includes capital assets, receivables, securities lending collateral, liabilities and cash.

[Download Data](#)

Preliminary investment expense individual plan graphs

1. Investment Fees By Asset Class

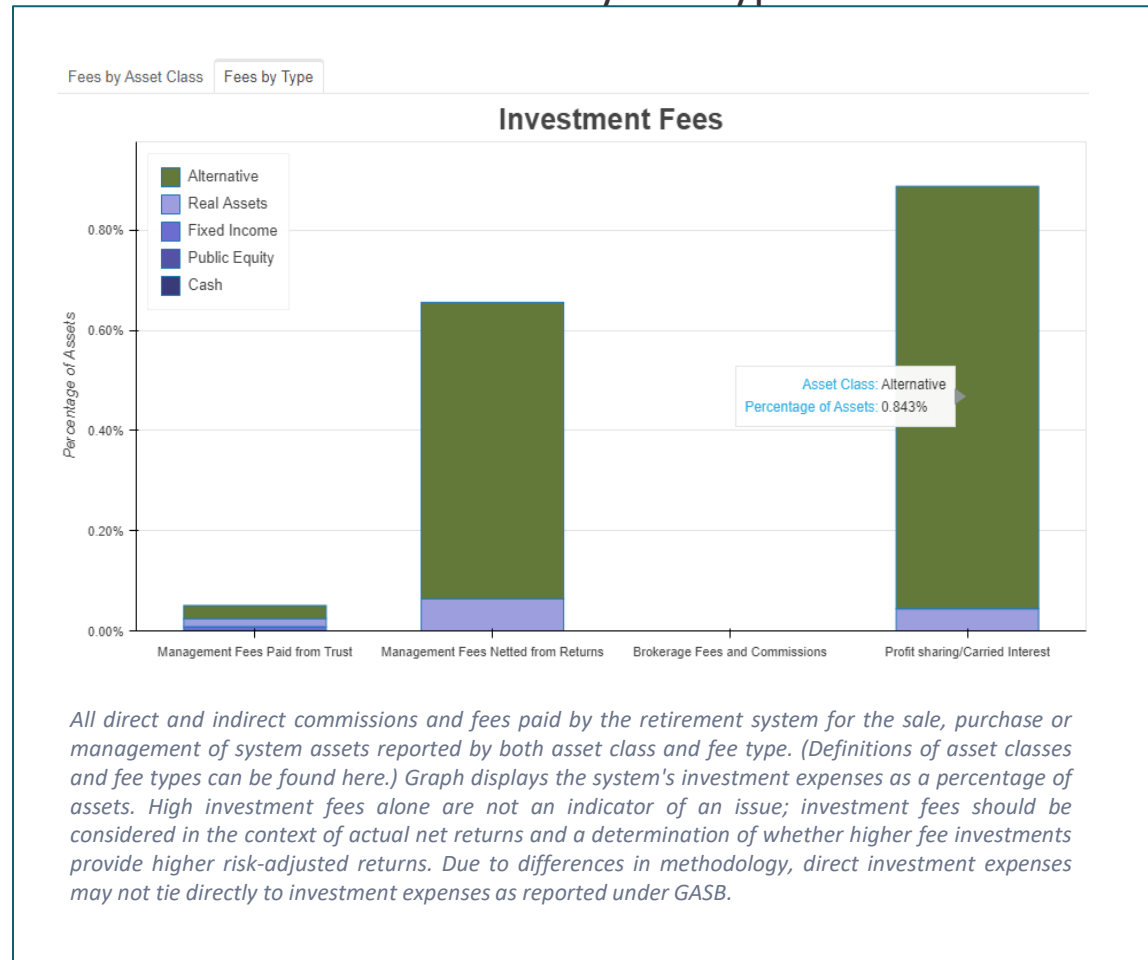


Features of New Graphs

1. Tab feature that allows multiple graphs to be shown by selecting the appropriate tab. Select a tab to display the data by asset class or by fee type.
2. Interactive information box based on what users are hovering over providing additional details.

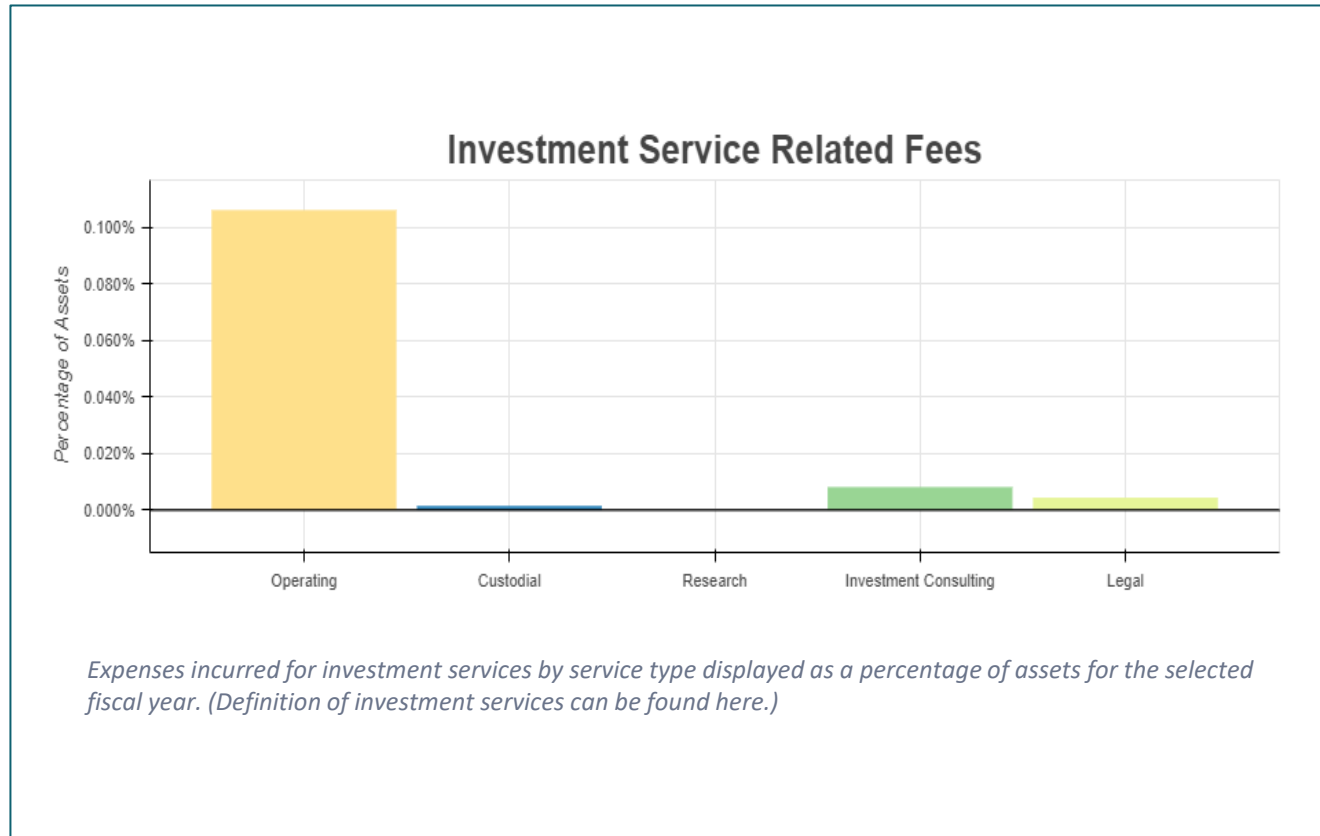
Preliminary investment expense individual plan graphs

2. Investment Fees By Fee Type



Preliminary investment expense individual plan graphs

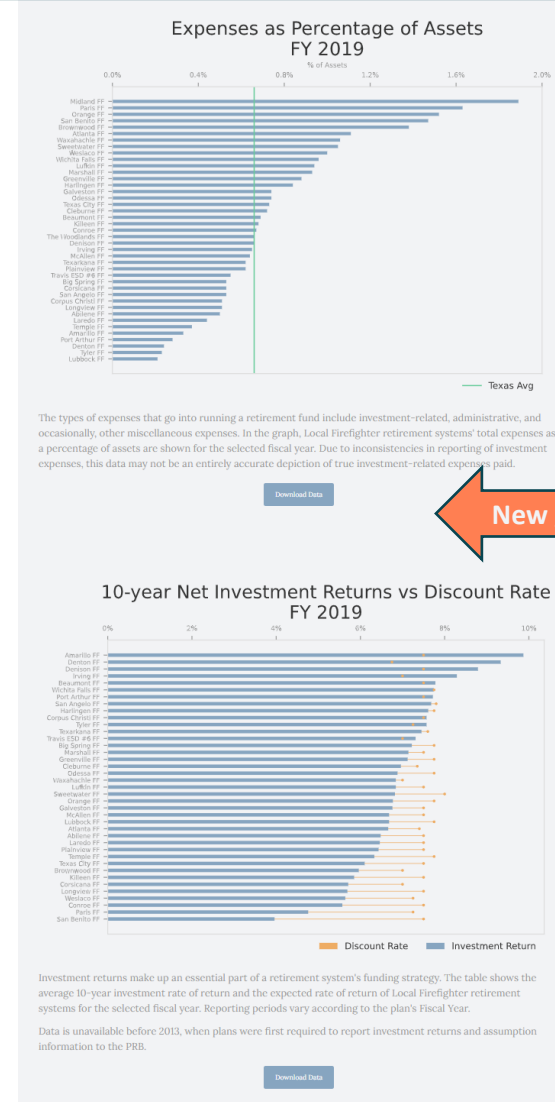
3. Investment Fees By Service Provided





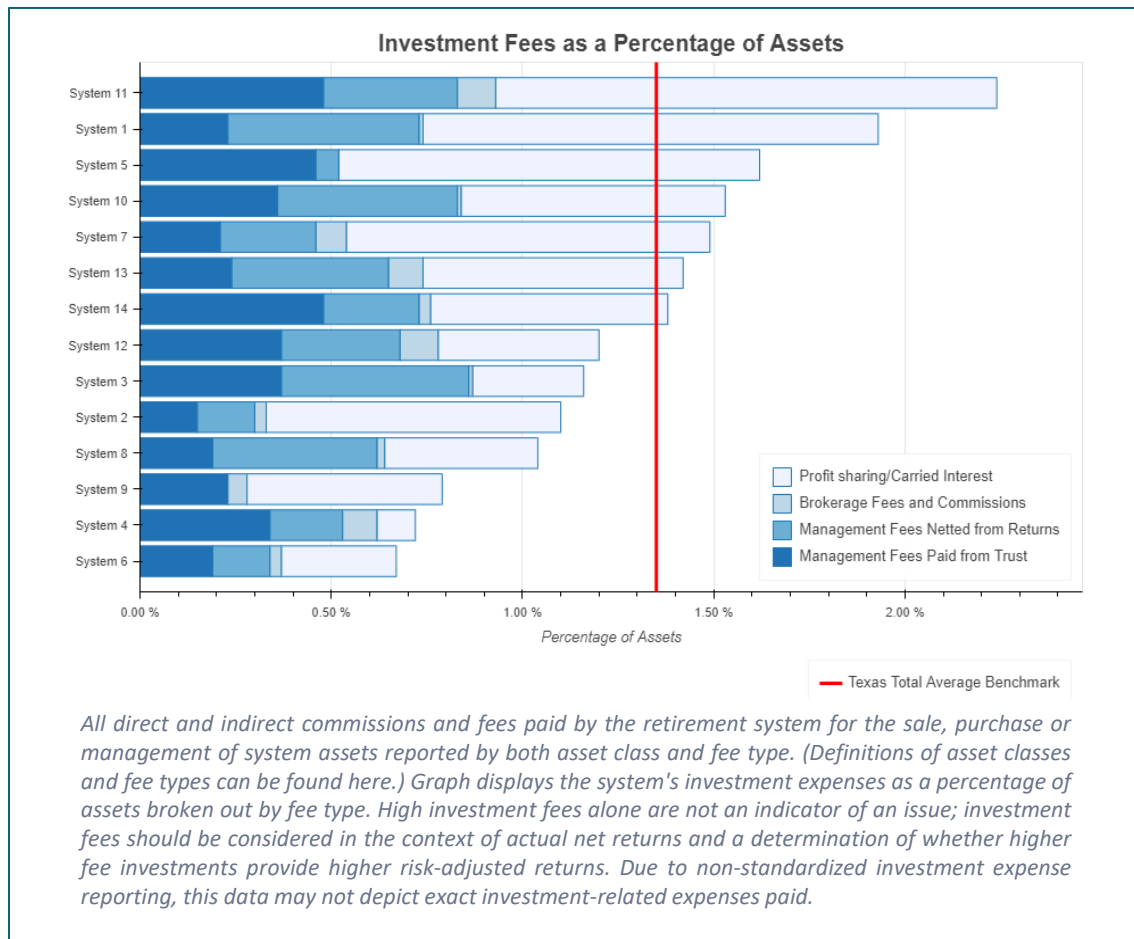
Preliminary investment expense comparative graph

- **One** new graph: Investment Fees Stacked by Fee Type
- Placed between the existing Expense as Percentage of Assets and 10-year Net Investment Returns vs Discount Rate graphs



Preliminary investment expense comparative graph

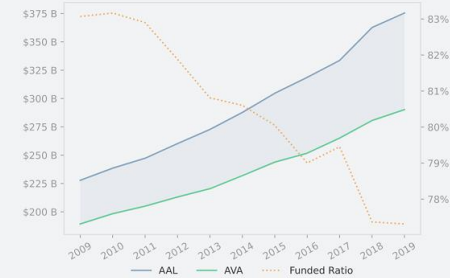
Investment Fees Stacked by Fee Type



Preliminary investment expense aggregate graph

- **One** new graph: Investment Expenses vs. Investment Return
- Placed at the bottom of the aggregate data page

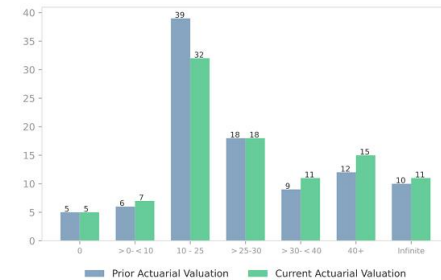
Actuarial Asset-Liability and Funded Ratio Trends



This graph presents the sum of the assets and liabilities of all Texas public pension plans. The funded ratio represents the assets divided by the liabilities, as shown. Figures obtained from plans' actuarial valuations; if a valuation was not completed for a particular year, the prior valuation data is used.

Download Data

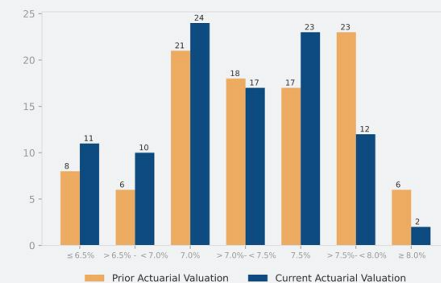
Amortization Periods



A plan's amortization period is the time it would theoretically take to fully fund any unfunded liability. The PRB Pension Funding Guidelines establish a maximum amortization period of not more than 30 years with a preferred target range of 10 to 25 years. Amortization periods are reported in actuarial valuations, which are conducted by Texas plans at least every 3 years according to law. Plans with a funding surplus are reported with an amortization period of zero.

Download Data

Investment Return Assumptions

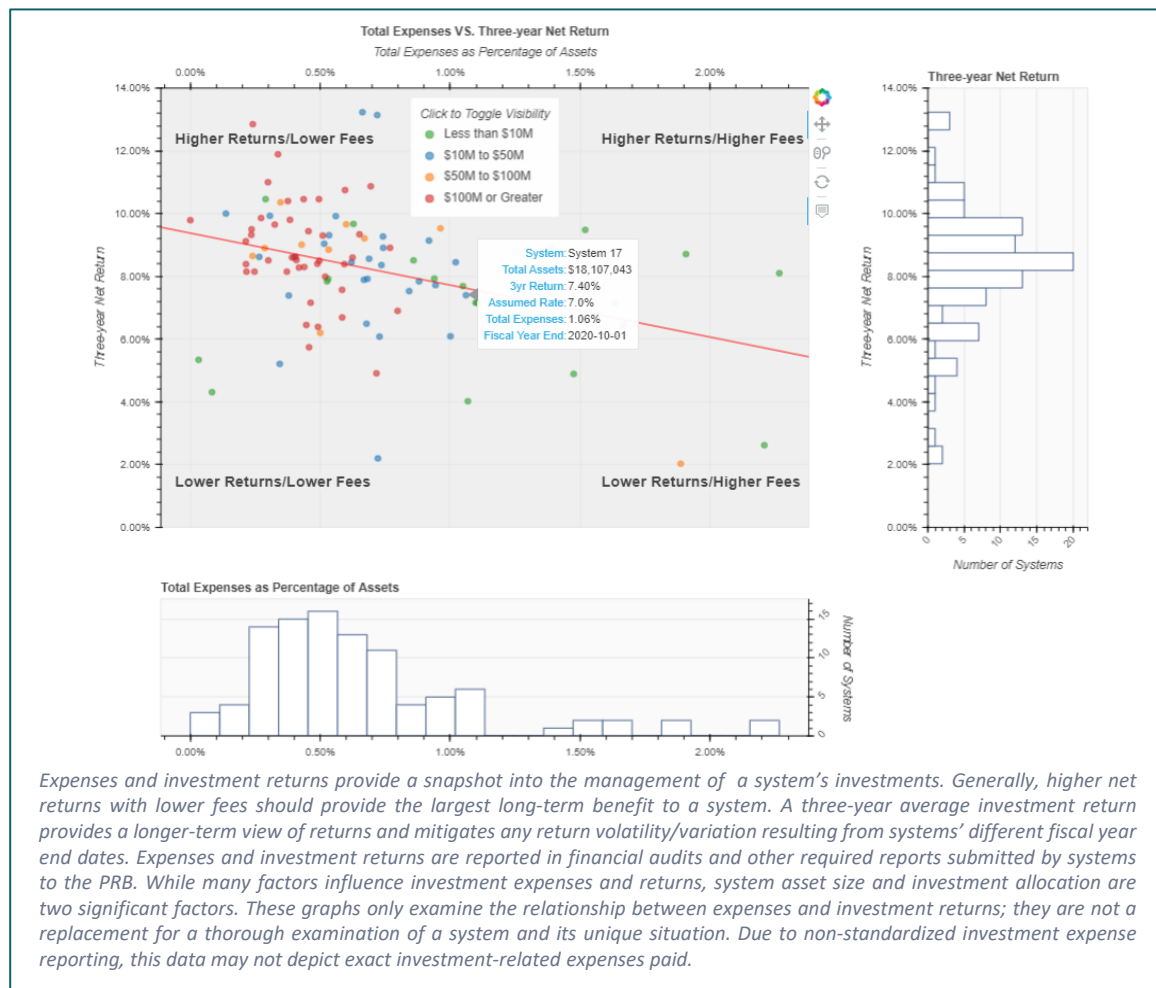


The investment return assumption is a key actuarial assumption which directly impacts a plan's liability calculation and contribution requirement. A higher return assumption leads to a lower liability calculation, therefore lower contribution requirement and vice versa. In response to projected market conditions and plan experience, retirement systems have reduced return assumptions in recent years. Return assumptions are reported in actuarial valuations, which are conducted by Texas plans at least every 3 years according to law.

Download Data

New graph location

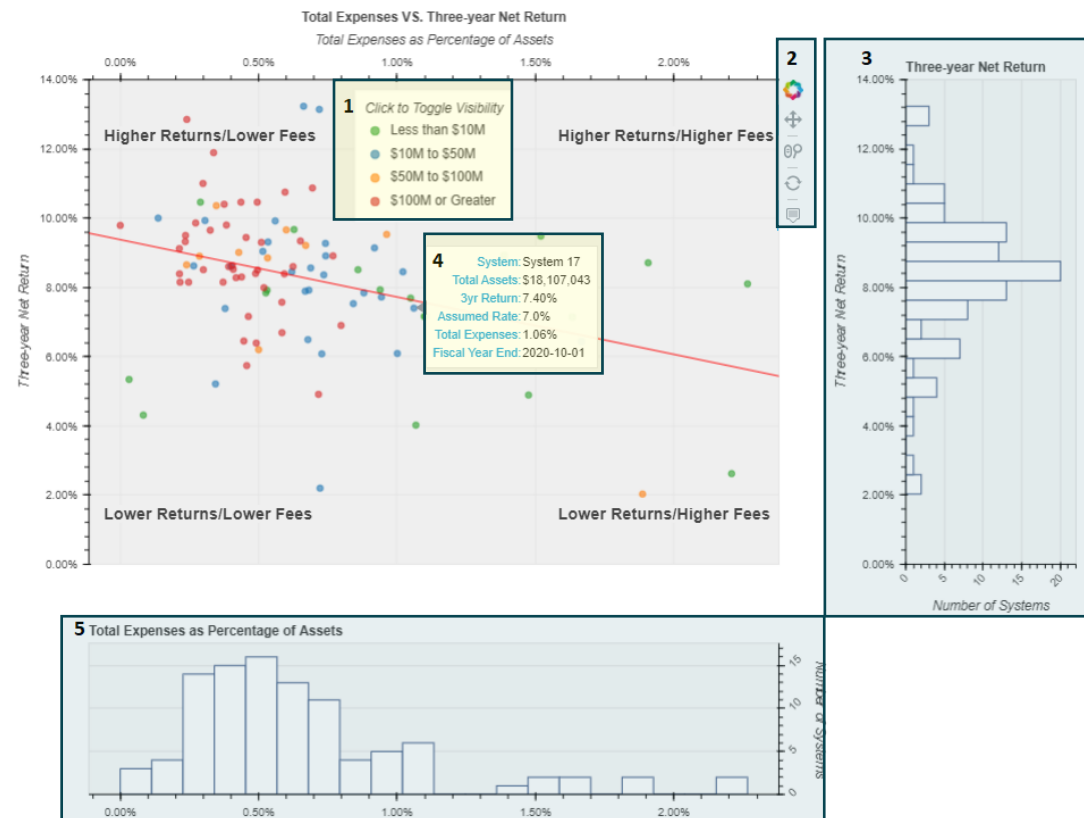
Preliminary investment expense aggregate graph



Preliminary investment expense aggregate graph

Features of New Graph

1. Legend includes interactivity to toggle the visibility of systems by asset size.
2. Interactive graph can include toolbars with additional functionality options such as zoom, window panning, reset graph and others.
3. Histogram graph shows the distribution of investment returns by displaying the number of systems with returns that is in each bar.
4. Interactive information box based on what system users are hovering over. On this graph more data has been included to provide additional context for each system.
5. Histogram graph shows the distribution of expenses as a percentage of assets by displaying the number of systems with expenses that is in each bar.



Preliminary investment expense graph improvements

Feature Improvement/Suggestions	Status
General graph formatting such as size/colors	In process
Improve naming of titles, axis, fees etc.	In process
Add additional labels/callouts to graphs	In process
Aggregate graph feature to have dots scale based on asset size of system	In process
Auto-adjusting graph axis	Currently reviewing options
Hide selected bars with stacked bar graphs and have graphs restack	Currently reviewing options
Aggregate graph feature for adding an option to select specific fiscal years data to view	Currently reviewing options

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From: PRB <PRB@prb.state.tx.us>
Sent: Tuesday, May 18, 2021 2:35 PM
Subject: Reminder on new investment expense disclosures required in all future Annual Financial Reports
Attachments: SB-322-Template-for-Reporting-Investment-Expenses-in-AFR.xlsx

Good Afternoon,

This is a reminder that new information is required to be included in annual financial reports (AFRs) per [Texas Government Code §802.103](#) and Texas Administrative Code, Chapter 609 ([Public Retirement System Investment Expense Reporting](#)).

- The following outlines the additional information required to be included in the plan's Annual Financial Report (AFR):
 - o A listing of the names of investment managers engaged by the retirement system.
 - o A listing, by asset class, of all direct and indirect commissions and fees paid by the retirement system during the fiscal year.
 - o A listing, by service provided, of investment services.

To meet the new compliance requirements, the additional information **must** be in the AFR and not provided in a separate document that accompanies the AFR. The information is **not** required to be audited and can be provided in a supplemental schedule within the report.

Please see the reporting schedule below for the first reporting period.

Initial Reporting Schedule:

Fiscal Year	Fiscal Year End Date	AFR Due to the PRB
2020	December 31, 2020	July 30, 2021
2021	June 30, 2021	January 27, 2022
2021	August 31, 2021	March 30, 2022

The enhanced investment expense disclosures will continue to be required in all future AFRs.

The template in the excel spreadsheet attached to this email provides an example of how to report this information and a clearer representation of the requested information. Additional information regarding how to report the new required information can be found in [Texas Government Code §802.103\(a\)](#) and [Texas Administrative Code §609.111](#).

Please contact us if you need any assistance.

Thank you,

Texas Pension Review Board

prb.texas.gov | prb@prb.texas.gov | P.O. Box 13498 | Austin, TX 78711-3498 | P 512-463-1736 or 800-213-9425 | F 512-463-1882

7. Education and Research Committee

7a. MET online course review

7b. 2021 Evaluation of PRB Educational Services

Educational Services Survey Results

JUNE 2021



Introduction

One of the ways the Pension Review Board (PRB) fulfills its mission is by providing a variety of educational services to inform public retirement system trustees and administrators, legislators, and the public about issues that affect Texas public pensions. Additionally, each Texas state agency must track performance measures to gauge how effectively the agency satisfies its mission to serve the people of Texas. The PRB conducts a biennial Educational Services Survey in odd-numbered years to examine the effectiveness of its current educational offerings and identify areas for improvement. This report presents the results of the 2021 Educational Services Survey.

Methods

The 2021 Educational Services Survey was open for the four weeks between Monday, May 10 and Friday, June 4, 2021. It was conducted using an online host service to record responses anonymously. The survey link was sent out by email to 370 people who had used one or more of the agency's educational services since 2019, such as retirement system trustees and administrators, weekly News Clips recipients, and legislative staff who attended the PRB's 2021 Legislative Seminar.

The 2021 survey focused on six categories of educational service:

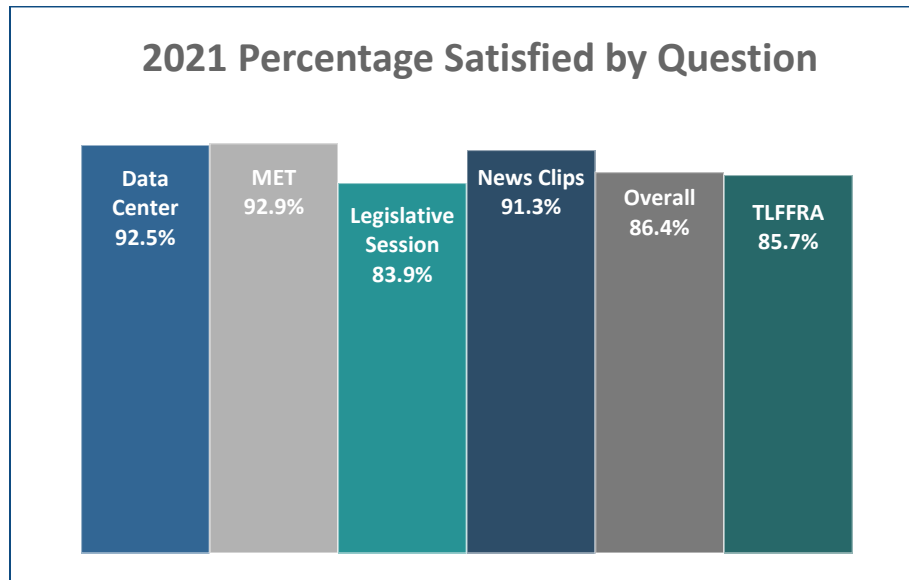
- **Texas Public Pension Data Center**— The online portal presents plan data submitted to the PRB and allows viewers to compare systems based on aggregate, individual, and comparative data.
- **Minimum Educational Training (MET) online courses**—The PRB offers seven free online training modules to fulfill the core minimum training standards for retirement system trustees and administrators.
- **Materials for the 87th Legislative Session**—The agency provided materials leading up to and throughout the legislative session such as the *Guide to Public Retirement Systems of Texas*, the Legislative Seminar for legislative staff, bill reports on pension-related legislation, and others.
- **Weekly News Clips**—The News Clips are compiled, posted, and e-mailed to subscribers weekly to provide Texas and national pension news.
- **Overall educational services**—This category measures overall satisfaction with the educational services the agency provides.
- **Specific Materials for TLFFRA Plans**—The PRB offers specific technical assistance and education for local firefighter retirement systems organized under Article 6243e, Vernon's Civil Statutes, the Texas Local Firefighters Retirement Act (TLFFRA).

Participants were asked to rank their satisfaction for each question with the options of *Very Satisfied*, *Satisfied*, *Unsatisfied*, *Very Unsatisfied*, or *Not Applicable*. The percentage satisfied score for each question was calculated by dividing the combined total answers of *Satisfied* or *Very Satisfied* by the number of answers for that question.

The survey used branching logic to allow participants to skip comment fields or questions that were not relevant to them. For example, TLFFRA-specific questions were only available to respondents who indicated they represented a TLFFRA system. For each topic, there was also an option to provide written comments.

Key Findings

Of the 370 contacts to receive the survey through email, the agency received 50 total responses yielding a response rate of 13.51 percent. This was consistent with the response rate of 12.91 percent for the 2019 Educational Services Survey.



The following tables summarize the responses for each question.

Texas Public Pension Data Center

Question 1: How satisfied are you with the data availability, user-interface, and accessibility of the PRB's updated Texas Public Pension Data Center?				
Very Satisfied	Satisfied	Unsatisfied	Very Unsatisfied	No Response/ Not Applicable
10	27	2	1	11
Total Responses: 40		Question Response Rate: 80%		Percentage Satisfied: 92.5%
Comments: <ul style="list-style-type: none">It is difficult to find the comparative chart for health of all local pension funds with funding ratio, assumed rate of return. etc.Ability to compare more individual data pieces from plan to plan. However, I am appreciative of the information that is available.				

The Texas Public Pension Data Center was launched in 2019 and was updated in early 2021. The agency plans to continue adding functionality and improving user experience in the future.

Minimum Educational Training (MET) online courses

Question 2: How satisfied are you with the Minimum Educational Training (MET) online courses provided by the PRB (content, layout, difficulty, etc.)?				
Very Satisfied	Satisfied	Unsatisfied	Very Unsatisfied	No Response/ Not Applicable
10	29	2	1	9
Total Responses: 42		Question Response Rate: 84%		Percentage Satisfied: 92.85%
Comments:				
<ul style="list-style-type: none">• Could be a little more difficult.• The basic training is very good. It would help to have additional courses for those who have completed the 7 basic courses. I have push back from my pension plan Board about the limited selection of the same 7 courses.• The courses need to be updated to reflect current environment. At present they resemble basic college courses. General information with no real-world application.• Please add additional content. Our Trustees have taken everything available.• Additional courses would be nice.• Additional courses would be a bonus.				

The MET program is the central educational service provided by the PRB. It has also received the most consistent satisfaction score over time. This question did receive several written comments, four of which requested additional courses and two of which suggested updating the information or increasing the difficulty. This is consistent with the results of previous surveys in which respondents said their biggest complaint was a lack of new and continuing education courses.

The PRB has recently accredited new course offerings from third-party sponsors to allow more options to complete continuing education requirements. Additionally, staff is currently reviewing its own core courses to update language, content, and references to reflect the current landscape and improve the quality of the courses. The PRB also hopes to develop additional continuing education courses in the future.

Materials for the 87th Legislative Session

Question 3: How satisfied are you with the presentation of information by the PRB during the 87 th Legislative Session (pension bill reports, seminars for legislative staff, the Guide to Public Retirement Systems in Texas, etc.)?				
Very Satisfied	Satisfied	Unsatisfied	Very Unsatisfied	No Response/ Not Applicable
6	20	3	2	20
Total Responses: 31		Question Response Rate: 62%		Percentage Satisfied: 83.87%
Comments:				
<ul style="list-style-type: none">When asked about the education available for TLFFRA systems you only referenced MET courses online. A one-hour session twice a year on the reporting requirement for the PRB does little to educate these systems on the best practice of administration.The PRB appears to be anti-Defined Benefit and paints a negative picture towards all pension funds including the ones that are well funded.A reporting agency that every session wants more power. State unfunded mandates that are requiring cities and plans to make changes that the state itself won't even make. The PRB goal is not to help but to eliminate DB plans. Sad.Definitely not working for the Pension Systems in Texas.				

News Clips

Question 4: How satisfied are you with the PRB weekly News Clips?				
Very Satisfied	Satisfied	Unsatisfied	Very Unsatisfied	No Response/ Not Applicable
5	16	1	1	28
Total Responses: 23		Question Response Rate: 46%		Percentage Satisfied: 91.3%
Comments: <ul style="list-style-type: none">Articles sometimes do not note an author and selected articles seem to be bias on certain topics.				

This question had the lowest overall response rate for the general questions. The News Clips subscription list represented a small portion of the overall contact list for this survey. Staff strives to present a variety of perspectives from quality news outlets in the News Clips each week. The PRB takes all feedback seriously and will work to clarify the source, especially for editorial or opinion pieces.

Overall educational services

Question 5: Overall, how satisfied are you with the educational services provided by the PRB?				
Very Satisfied	Satisfied	Unsatisfied	Very Unsatisfied	No Response/ Not Applicable
9	29	3	3	7
Total Responses: 44		Question Response Rate: 88%		Percentage Satisfied: 86.3%
Comments: <ul style="list-style-type: none">• Need more conferences that we can attend. I feel like that is how many really learn the information. Taking an online class does not teach the information very well.• There is no relative educational content for the better administration of TLFFRA systems. Education on interaction with vendors, custodians, actuaries, auditors, legal, data information, federal requirements and sponsor relations are some of the topic's needed for best practice administration of their fund. Instead of highlight struggling performance lets educate them to improvement.• Annual mandatory training, as a volunteer to oversee a pension is dumb!• Other than online classes, the PRB has not tried to educate funds, but rather try and disgrace them. All evaluations are clearly laced with negative intent and malice. PRB is a think tank that spends all its time looking for ways to make DB plans look bad and go away. Shame that any tax dollars are used for such a purpose.• What is presented is good. We just need more educational sessions.• The PRB does not support the Pension Systems in Texas.				

This question captures the agency's performance measure concerning overall satisfaction with educational services. The PRB has taken note of the desire for more courses with more practical information on plan administration and will make it a priority for future educational offerings.

Questions for TLFFRA plan representatives

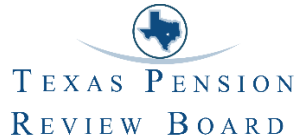
Question 6: How satisfied are you with the Information provided in the biennial TLFFRA Report?				
Very Satisfied	Satisfied	Unsatisfied	Very Unsatisfied	No Response/ Not Applicable
2	10	1	1	36
Total Responses: 14		Question Response Rate: 28%	Response Rate for TLFFRA respondents: 77.78%	Percentage Satisfied: 85.7
<p>Comments by sub-question:</p> <p>Are there any particular sections you find most useful, less useful, or would like to see added to the biennial TLFFRA Report?</p> <ul style="list-style-type: none"> It is nice to compare and see how the different funds are compared. One thing a do not like is the PRB placing ** next to funds information and not reporting the most updated information because the PRB doesn't like how it was reported. Also, one thing that has always confused me though for example is say you're looking at all the funds 1yr 5yr 10yr rate of return. Well, when you dig deeper you have to figure out what years each fund is reporting. Is it starting in 2019 and going back or a different year? From what I have found they are different from each city. So, you have to take that into account when comparing apples to apples. This is also the case on your online portal. Mr. John Crider also does a comparative survey once a year and we have found that his information is much more accurate and a lot of the time we just default and use his information. As in any report of data, the accuracy of the data is the main factor of the report. This data may be a year or more old. This should be noted better in the report. Haven't seen or used your training material or have I received any reports from PRB or TLFFRA. Information format not easy to navigate through. <p>Please let us know if there are any other types of training you would like to see from the PRB.</p> <ul style="list-style-type: none"> Would like to see things go back before the PRB went under sunset review. The TLFFRA conferences were extremely beneficial. They still are but it seems to me the PRB ha backed out of the hands-on training. All you offer is online classes which, in my opinion, are not that beneficial in terms of learning and retention of material. Providing support for the Systems not financially able. 				

Two commenters mentioned data in the TLFFRA report being outdated or not easily compared between retirement systems. The PRB relies on systems to send information in a timely manner according to statutory requirements and publishes data as it is submitted to the agency. To some extent the delay is unavoidable due to lagging reporting deadlines and differences in reporting schedules and fiscal years between retirement systems. However, the PRB will work to clarify the timeframe for data reported.

8. 87th Regular Session

8a. Legislation passed, including the following:

- i. HB 3898 (relating to the funding of public retirement systems)
- ii. SB 321 (relating to contributions to, benefits from, and the administration of the Employees Retirement System of Texas)
- iii. HB 4368 (relating to the administration of certain municipal police retirement systems)



Pension Bills of the 87th Legislative Session

General Pension Bills

[HB 3898 - Funding Policy and FSRP Updates \(Anchia\)](#)

Status: *Signed by Governor 6/18/21; Effective 9/1/21*

Funding Policy Changes

Sponsor involvement. Systems and their sponsor, if not a statewide, must **jointly develop and adopt** a funding policy.

Funding policy revision. The funding policy must be revised to reflect any significant changes required because of an FSRP. If revising the funding policy after an FSRP, the revision must describe any automatic contribution or benefit changes to avoid having to create a revised FSRP, including risk sharing, ADC structure, or other adjustable mechanisms. The PRB may adopt rules necessary to implement this section.

The most recent edition of the funding policy must be posted on a publicly available website.

FSRP Changes

Threshold, target, trigger, and sponsor adoption. For FSRPs after September 1, 2021, the triggering amortization period is lowered from **40 to 30 years** and an FSRP is required if the system's amortization period has exceeded 30 years for three consecutive annual AVs or two consecutive AVs for plans that conduct AVs every two to three years. **However, no system would have to achieve 30 years before September 1, 2025.**

FSRPs must:

- be developed by the later of two years of AV that triggered the requirement or September 1, 2025.
- be adopted at open meetings of the governing bodies of the system and sponsor.
- FSRPs may not include items requiring future actions.

Effective September 1, 2025, FSRPs are triggered immediately if:

- the amortization period is > 40 years; or
- the amortization period is > 30 years with a funded ratio under 65%.

Credit for reforms already made. An FSRP would **not** be required if:

- the system's AV shows that the system's expected funding period > 30 but < 40 years; and
 - the system is adhering to an FSRP formulated before September 1, 2025; or
 - the system is implementing or will ultimately use an ADC rate **and** the AV shows that the system is expected to achieve full funding.

If another FSRP is triggered within 10 years of the first FSRP, the revised FSRP has stricter requirements:

- must be designed to achieve a **25-year amortization period** within two years of the triggering AV.

General Pension Bills

HB 3898 (continued) - Funding Policy and FSRP Updates

Required Documentation. The system will be able to submit to the PRB an actuarial valuation that shows the combined impact of all changes of an FSRP or revised FSRP within 90 days of adoption. If the system does not provide the AV within the time allotted, the PRB may request the system provide a separate analysis. The AV or separate analysis must include an actuarial projection of the system's expected future assets and liabilities between the AV date and full funding date; and a description of all assumptions used to perform the analysis, which must conform with ASOPs.

Sponsor may pay all or part of the costs of separate analyses (original and revised FSRPs). System must pay any remaining costs not covered by the sponsor. Also, FSRPs (original and revised) cannot include actions that are subject to future approval.

Additional conforming changes are made to the Fort Worth Employees' Retirement Fund FSRP statute (Sec. 802.2016).

Grandfathering. Plans already subject to FSRP or who become subject **before September 1, 2021**, will continue to operate under the previous law, except if a plan falls off track and must formulate a revised FSRP **after September 1, 2025, the new FSRP would have to meet the same requirements as the new FSRPs formulated after September 1, 2021, and target 30 years instead of 40.**

Investment Practices and Performance Evaluation Changes:

IPPEs must include the following disclosures:

- A **summary of the independent firm's experience** in evaluating investment performance and practices and a statement stating the firm's experience meets statutory requirements.
- A statement disclosing the **nature of any existing relationship** between the independent firm and the retirement system (including whether the firm is involved directly/indirectly in managing the investments of the system).
- A list of **the types of remuneration** received by the firm from sources other than the system for services provided to the system.
- **Statement(s) disclosing conflict of interests** concerning the firm and retirement system; and
- An explanation of the firm's **determination regarding whether to include a recommendation.**

Formal review-and-comment process: The firm must deliver an initial draft to the system before the 30th day after the evaluation is completed to allow the system to submit actions or comments. The firm must file a final report between 31 and 60 days from delivering the initial report to the system for review.

The employer may pay all or part of the cost of the evaluation, and the retirement system would pay the remainder.

HB 867 - Pensions and QDROs (Thompson, Senfronia)

Status: *Signed by Governor 5/19/21; Effective 9/1/21*

The bill clarifies that Qualified Domestic Relations Orders (QDRO) or similar orders for maintenance or child support would apply to pensions, retirement plans, and other employee benefits. Judges are allowed to revise new and previous orders to comply with the requirements of a QDRO and the terms of a benefit plan if a plan administrator rules the existing order does not meet the requirements. Chapter 804 of the Texas Government Code prevails if there are conflicting statutes.

Statewide Systems

Employees Retirement System of Texas (ERS)

[SB 321 - ERS Funding & Cash Balance Tier 4 \(Huffman\)](#)

Status: *Signed by Governor 6/18/21; Effective 9/1/21*

The state is required make an **additional actuarially determined annual contribution** to pay off the legacy liability **by August 31, 2054**. The system will create a cash balance plan for new members hired on or after September 1, 2022.

Tier 4 (members hired on/after September 1, 2022) – Cash Balance

- Tier 4 members will **contribute 6%** of their compensation into an individual account.
- Members of the employee class will be **vested after five years of service** and could retire with a minimum of five years of service at age 65, or if they met the rule of 80.
- The **lifetime annuity** will be equal to the member's accumulated account balance plus a 150% employer match at retirement.
- There are no changes to the retirement eligibility for members of the elected class.

Law enforcement and custodial officer supplemental retirement fund (LECOSRF) will also have the new cash balance benefit tier. Law enforcement and custodial officers will contribute an additional 2% into LECOSRF. The **lifetime annuity** will be equal to the member's accumulated account balance plus a 300% employer match at retirement.

Interest and Gain sharing. The system will credit the employee or retiree's **accumulated account balance** with a 4% guaranteed annual **interest credit** plus a **gain sharing interest credit** of 50% of the average return on the system's investments over the preceding five years greater than or equal to 4% and less than or equal to 10%, for a maximum of 3% gain sharing interest adjustment.

- For example, if the average rate of return over the preceding five years were 7%, the total interest credited to the employee's account will be 5.5%, consisting of the 4% minimum interest credit and 1.5% of gain sharing interest credit.

Changes for Current Members. A current member could retire without separating from their position if the member had enough service credit to receive the maximum annuity, was at least 60 years-old and was not entitled to any additional retirement benefits. This change would be subject to IRS plan qualification requirements.

[HB 917 - ERS Board Composition \(Hernandez\)](#)

Status: *Signed by Governor 5/15/21; Effective 9/1/21*

ERS board eligibility criteria will change to allow one of the three elected board members to be a retiree. Under current law, retirees are eligible to be appointed members, but not elected members.

[SB 1071 - ERS Peace Officer Disability Retirement \(Hinojosa\)](#)

Status: *Signed by Governor 6/16/21; Effective 9/1/21*

Occupational disability payment for a law enforcement or custodial officer whose disability makes the person unable to work solely due to the disability will be considered a total disability under federal social security law. Currently, such members receiving an occupational disability retirement annuity receive 100% of their average monthly compensation.

Statewide Systems

Employees Retirement System of Texas (ERS)

[SB 1071 \(continued\) - ERS Peace Officer Disability Retirement](#)

The annuity amount will change to an amount computed based on the maximum salary authorized under the position classification salary schedule prescribed by the General Appropriations Act, as adjusted from time to time, applicable to the position from which the person retired. This change applies to all applicable members, including those already receiving an annuity under the current statute. Payments will be recomputed to the increased amount beginning with the first payment date on or after the bill becomes effective.

Teacher Retirement System of Texas (TRS)

[HB 1585 - TRS Sunset Bill \(Lambert\)](#)

Status: *Signed by Governor; Effective immediately 5/26/21*

For any members who retired after January 1, 2021 and returned to work for a Texas public education institution, TRS shall send a written warning to any retiree who could lose their benefits for working beyond statutory limitations. If TRS determines that a retiree continued to work past statutory limitations, the retiree will be required to pay either the amount they earned in benefits or the amount they earned through employment for each month after the issuance of the warning.

The bill updates board training requirements and adds a requirement for the executive director to develop a training manual. Additionally, it creates an ombudsman's office to protect, assist, and advocate for members and enhances requirements to search for a missing member or heir to notify the member of ability to be refunded contributions. It also creates outreach and member education program requirements. Finally, the bill makes clarifying, technical changes to TRS statute by replacing the investment practices and performance evaluation (IPPE) provision with a reference to the PRB IPPE requirement. TRS complied with the PRB's IPPE provision to satisfy a similar requirement contained in its own statute. This bill brings the TRS and PRB statutes in alignment with the system's current practice.

[SB 202 - TRS Employer Contributions \(Schwertner\)](#)

Status: *Signed by Governor; Effective immediately 6/14/21*

Employer contribution paid on behalf of a rehired retiree (employer surcharge) cannot be passed on directly or indirectly to a retiree through methods like payroll deductions, fees, or other means. The change begins with the 2021-2022 school year and applies to all retirees.

[SB 288 - TRS Loss of Monthly Annuity \(Seliger\)](#)

Status: *Signed by Governor 6/14/21; Effective 9/1/21*

TRS is required to send a written warning to any retiree subject to a loss of benefits due to employment exceeding statutory limitations. If TRS determines that a retiree continues to exceed the statutory limitations on employment, the retiree is required to pay, for each month after issuance of the warning, either the amount they earned in benefits or the amount earned through employment. Benefits are not withheld from retirees returning to work or contributions will not be collected from the employer on behalf of the rehired retiree (employer surcharge) for positions related to student learning loss because of COVID-19.

Statewide Systems

Teacher Retirement System of Texas (TRS)

[SB 288 \(continued\) - TRS Loss of Monthly Annuity \(Seliger\)](#)

The position would have to be in addition to the normal staffing level at the public educational institution; be funded wholly or partly by federal funds for the purpose of COVID-19 relief and end on or before December 31, 2024. It does not apply to disability retirees. This is a temporary exemption scheduled to expire February 1, 2025.

ERS & TRS – Bills Affecting Both Systems

[SB 483 - Biennial Report on Investment Returns \(Schwertner\)](#)

Status: *Signed by Governor 6/14/21; Effective 9/1/21*

ERS and TRS must biennially submit a report that details and compares the assumed rate of return and actual rate of return for the system for the last 1-year, 5-year, 10-year and 20-year period to the Governor, Lt. Governor, and the Legislature. The report must include an estimate of what the market value of the total assets of the fund would have been for each period had the system achieved the assumed rate of return and a comparison between the estimate (what the total assets would have been) and the actual market value of the total assets in the fund.

Texas Municipal Retirement System (TMRS)

[SB 1105 - TMRS Resumption of Service \(Hughes\)](#)

Status: *Signed by Governor 5/28/21; Effective 9/1/21*

Retired TMRS members can be reemployed by the same municipality after a one-year break in service without having their benefit payment suspended. The one-year break must consist of 12 consecutive months after the effective date of retirement.

Members who resumed employment before September 1, 2021 who had their benefits suspended could have them reinstated if they met the criteria.

All Statewide Systems

[SB 13 - Energy Boycott Investment Restriction \(Birdwell\)](#)

Status: *Signed by Governor 6/14/21; Effective 9/1/21*

Certain state governmental entities are prohibited from investing in companies that boycott energy companies. State public retirement systems that qualify include the Employees Retirement System, the Teacher Retirement System, the Texas Municipal Retirement System, the Texas County and District Retirement System, and the Texas Emergency Services Retirement System.

A system may delay or stop divesting if there was clear evidence divestment would cause financial suffering. Systems are not required to divest from indirect holdings, but they would be required to write to the fund managers to ask them to remove listed companies from the fund or create a similar fund without those listed companies. Systems would not be subject to these requirements if it is inconsistent with fiduciary and legal duties.

All Statewide Systems

[SB 19 - Firearm/Ammunition Divestment \(Schwertner\)](#)

Status: *Signed by Governor 6/14/21; Effective 9/1/21*

State agencies and political subdivisions are prevented from entering contracts paid from public funds unless there is a written verification that the company does not discriminate against firearm manufacturers or trade associations for no other reason than being a firearm manufacturer or trade association and will not do so while the contract is in effect. This would only apply to contracts that begin after the effective date. The restrictions only apply to contracts with companies with at least 10 employees and a value of at least \$100,000.

State agencies are excepted from this requirement if it is inconsistent with constitutional or statutory duties surrounding debt issuance or investments.

Local Systems

[HB 3375 - Dallas Police & Fire Pension Fund DROP Partial Lump-Sum \(Davis\)](#)

Status: *Signed by Governor 6/16/21; Effective 9/1/21*

Dallas Police & Fire Pension Fund may provide lump-sum payments from DROP accounts in the event of unforeseeable emergency or financial hardships. The board will define unforeseeable emergencies, financial hardships, what types of death benefits would qualify for the partial lump sum payments and the maximum payout amount.

[HB 4068 - Dallas Police & Fire Pension Fund Staff \(Parker\)](#)

Status: *Signed by Governor 6/15/21; Effective 9/1/21*

Dallas Police & Fire Pension Fund staff may join TMRS. The fund's members and/or trust fund cannot join TMRS.

[HB 4368 - Austin Police Retirement System \(Rodriguez\)](#)

Status: *Signed by Governor 6/15/21; Effective 9/1/21*

The governing statute of Austin Police plan was amended to make several changes to its contribution and benefit structure including the following:

Contribution Changes

- Member contributions increase by 2%, from 13% to 15% of pay beginning January 1, 2022.
- City contributions are divided into two parts:
 - A legacy liability layer to pay the unfunded liability as of December 31, 2020 over 30 installments. The first three years would result in a phase-in of approximately 1/3 of the contribution increase and growing at a rate of 3% thereafter.
 - The sum of the employer's normal cost and a layered amortization component designed to eliminate any unexpected future changes in the unfunded liability. Losses amortized over a max of 30 years.
- The portion of the city contribution designed to fund future benefit accruals is subject to a minimum and maximum corridor of +/-5% of the projected corridor midpoint.

Local Systems

HB 4368 (continued) - Austin Police Retirement System

Benefit Changes

- Creates a new benefit tier (Group B)
 - Reduces the multiplier from 3.2% to 2.5%.
 - Changes retirement eligibility from age 55 and 20 years of service to 50 and 25.
 - Increases final average salary calculation from the highest 36 months to highest 60.

Actuarial Assumptions & Experience Study

Requires the board's actuary to perform an experience study every five years and notify the city. The city will then inform the system whether it would perform its own experience study, review the experience study, or accept the system's. If the city performs its own or does a review, the actuaries from the city and system will be required to determine the hypothetical contribution rate based on the proposed assumptions. If the difference was greater than 2% of payroll, they would be required to reconcile the difference within 20 business days or consult a third-party actuary. The board retains the responsibility to set actuarial assumptions.

Board Composition & Authority

Removes one police officer member. One additional citizen member appointed by the city council is added to the existing one appointed by the board. Also, both citizen members are required to have finance or investment experience. Removes the board's authority to increase benefits, lower retirement eligibility, or grant COLAs.

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FSRP Changes through HB 3898 (87R)

Legacy Funding Soundness Restoration Plan

L-FSRPs must comply with Section 802.2015, Texas Government Code
(before 2021 changes made by HB 3898, 87R)

- **Formulated before Sept. 1, 2021.**
- Must be designed to achieve a contribution rate sufficient to amortize the UAAL within *40 years* by the 10th anniversary of FSRP deadline (6 months after adoption of triggering AV).
- System and sponsor shall report progress to PRB every two years.
- A copy of any changes must be submitted to PRB within 31 days.
- **If a system does not adhere to existing L-FSRP** (is no longer able to achieve a 40-year amortization period by the target date), a new FSRP must be prepared that achieves **30 years** no later than 2 years after the triggering AV or Sept. 1, 2025, whichever is later.

Funding Soundness Restoration Plan

Effective Sept. 1, 2021 (HB 3898, 87R)

- Must be designed to achieve a contribution rate sufficient to amortize the UAAL within **30 years** no later than **2 years** after the triggering AV **or Sept. 1, 2025**, whichever is later.
- Adopted at open meetings of the governing bodies of both system and sponsor.
- Is not required if amortization period is between 30-40 years **AND**
 - system is using or ultimately will use ADC-based contributions & AV shows plan should achieve full funding; **OR**
 - the system and sponsor are adhering to an FSRP adopted before Sept. 1, 2025.

Revised Funding Soundness Restoration Plan

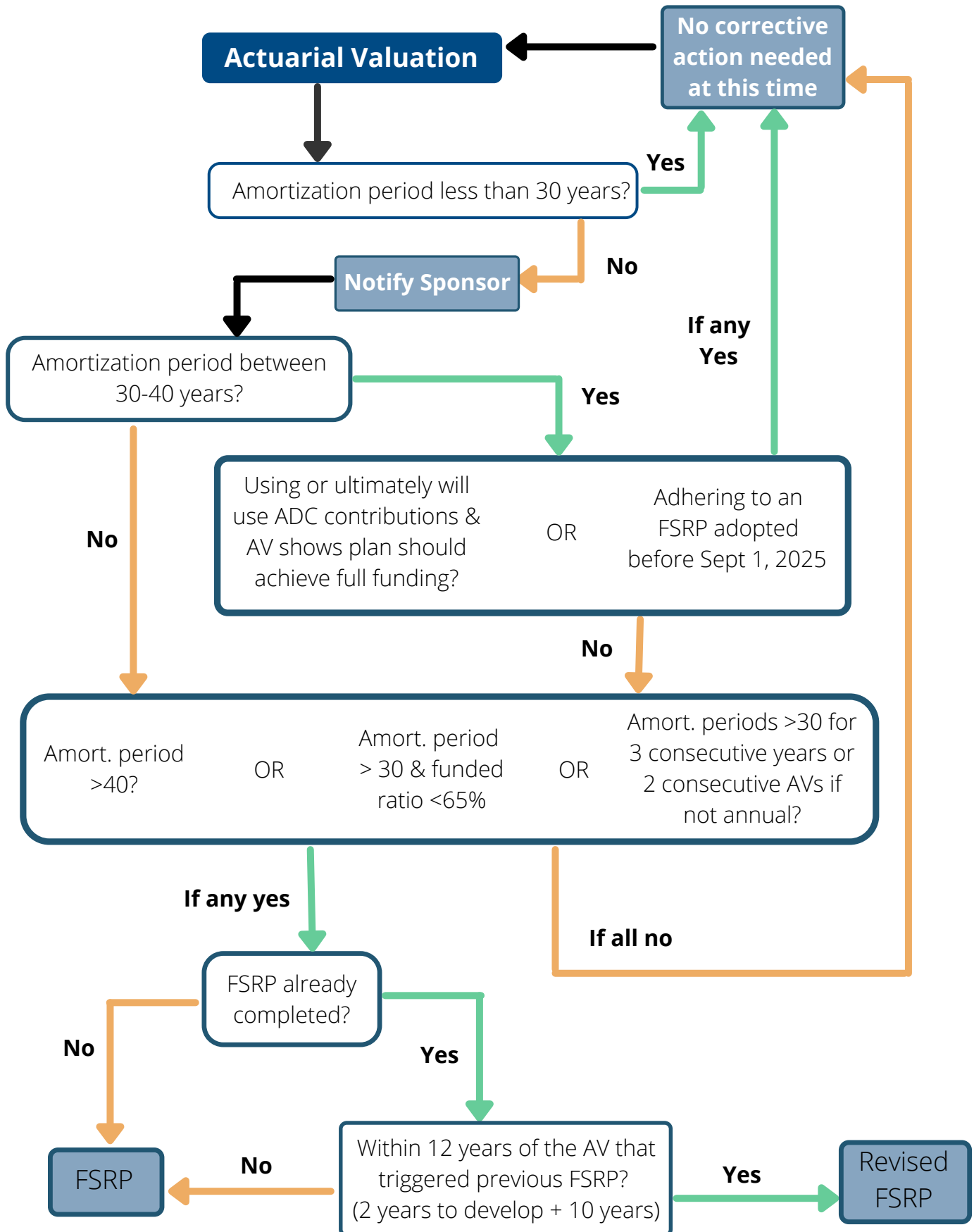
R-FSRP required if another FSRP is triggered within 10 years

Effective Sept. 1, 2021 (HB 3898, 87R)

- Must be designed to achieve a contribution rate sufficient to amortize the UAAL within **25 years** no later than 2 years after the AV triggering the R-FSRP.
- Must include **automatic risk-sharing mechanisms, ADC-based contributions, or other adjustable benefit or contribution mechanisms.**
- Adopted at open meetings of the governing bodies of both system and sponsor.

Funding Soundness Restoration Plan

After Sept. 1, 2025



FSRP Reporting to PRB

Retirement system & sponsor work together after FSRP is triggered



Within 1 year of triggering AV:

Send progress report to PRB that includes a draft of any plan or changes being considered + updates every 6 months afterwards



Within 2 years of triggering AV:

Both retirement system & sponsor **adopt FSRP/R-FSRP** at open meetings



Update funding policy based on the FSRP/R-FSRP



Within 31 days of adoption:
submit FSRP/R-FSRP to PRB



Within 90 days of adoption:

submit AV showing combined impact of all changes adopted in FSRP/R-FSRP

OR

Within 90 days of request from PRB:

submit separate analysis of combined impact of all changes adopted in FSRP/R-FSRP



Follow the FSRP/R-FSRP & return to regular actuarial valuation schedule

Comparison of FSRP Provisions

	L-FSRP (old law)	FSRP after HB 3898 (87R) takes effect Sept. 1, 2021
Target Amort. Period	≤40 years	≤ 30 years no later than 2 years after the triggering actuarial valuation or Sept. 1, 2025, whichever is later
Time to develop	6 months after triggering AV	2 years after triggering actuarial valuation
Time allowed to reach target	10 years	2 years after triggering actuarial valuation
Updates to the PRB	Every 2 years	Progress report by within 1 year of triggering AV, Updates every 6 months afterwards
Documentation	Unspecified in statute	AV or analysis that includes an actuarial projection of expected future assets and liabilities, the date the plan is expected to achieve full funding, and a description of the methods used and how they comply with actuarial standards of practice
May include future changes?	Unspecified in statute	No, changes may only be included if they have already been approved when the FSRP is adopted
Effects on funding policy	None	Adoption triggers funding policy revision so provisions are consistent
Effects of not adhering to FSRP	Revise FSRP to achieve 30 year am. pd. by original target date	R-FSRP that includes a target amortization period of ≤25 years and includes risk sharing mechanisms, ADC-based contributions, or other automatic adjustments to benefit or contribution structures
Exceptions	None	<ul style="list-style-type: none"> • If adhering to previous L-FSRP • If am. period between 30-40 years AND EITHER: <ul style="list-style-type: none"> ◦ using or ultimately will use ADC-based contributions & AV shows plan should achieve full funding; OR ◦ adhering to FSRP formulated before Sept. 1, 2025

8b. PRB budget appropriation for Fiscal Years 2022 and 2023
under General Appropriations Act, 87th Legislature (SB 1)

PRB Budget Comparison

FY 2021 to FY 2022-23

Summary of GAA and FTEs	FY 2021	FY 2022	FY 2023
General Revenue	\$1,128,749	\$1,128,749	\$1,128,749
Number of FTEs	13	13	13

Additional One-Time Funding for IT		FY 2022	FY 2023
Data Migration and Database Rewrite		\$300,000	\$0
Plan Reporting Portal		\$0	\$300,000
Total Additional Funding		\$300,000	\$300,000
Grand Total		\$1,428,749	\$1,428,749

PENSION REVIEW BOARD

	For the Years Ending	
	August 31, 2022	August 31, 2023
Method of Financing:		
General Revenue Fund	\$ 1,128,749	\$ 1,128,749
Total, Method of Financing	\$ 1,128,749	\$ 1,128,749

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):	13.0	13.0
Schedule of Exempt Positions:		
Executive Director, Group 3	\$126,730	\$126,730

Items of Appropriation:

A. Goal: SOUND RETIREMENT SYSTEMS
Provide Info to Help Ensure Actuarially Sound Retirement Systems.

A.1.1. Strategy: RETIREMENT SYSTEM REVIEWS	\$ 511,120	\$ 511,120
Conduct Reviews of Texas Public Retirement Systems.		
A.2.1. Strategy: TECHNICAL ASSISTANCE AND EDUCATION	617,629	617,629
Provide Technical Assistance; Issue Impact Statements; Educate.		

Total, Goal A: SOUND RETIREMENT SYSTEMS	\$ 1,128,749	\$ 1,128,749
Grand Total, PENSION REVIEW BOARD	\$ 1,128,749	\$ 1,128,749

Object-of-Expense Informational Listing:

Salaries and Wages	\$ 1,025,959	\$ 1,025,959
Other Personnel Costs	19,600	19,600
Professional Fees and Services	12,500	12,500
Consumable Supplies	3,500	3,500
Travel	26,000	26,000
Rent - Building	1,000	1,000
Rent - Machine and Other	15,000	15,000
Other Operating Expense	25,190	25,190

Total, Object-of-Expense Informational Listing	\$ 1,128,749	\$ 1,128,749
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Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	\$ 85,382	\$ 85,809

Group Insurance	179,642	183,160
Social Security	72,869	73,234

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	\$ 337,893	\$ 342,203
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1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Pension Review Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Pension Review Board. In order to achieve the objectives and service standards established by this Act, the Pension Review Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

PENSION REVIEW BOARD
(Continued)

	<u>2022</u>	<u>2023</u>
A. Goal: SOUND RETIREMENT SYSTEMS		
Outcome (Results/Impact):		
Percent of Actuarially Funded Defined Benefit Texas Public Retirement Systems That Are Actuarially Sound	98%	98%
Percent of All Constituents Satisfied with PRB Educational Services	98%	98%
A.1.1. Strategy: RETIREMENT SYSTEM REVIEWS		
Output (Volume):		
Number of Reviews Completed	400	450
A.2.1. Strategy: TECHNICAL ASSISTANCE AND EDUCATION		
Output (Volume):		
Number of Technical Assistance Reports Provided by Staff	150	200
Number of Applications for Sponsor Accreditation and Individual Course Approval Reviewed	20	20

inefficient hardware and software systems.

(b) The Office of the Attorney General is authorized to use an amount of \$8,187,301 from appropriated receipts for the purposes described by Subsection (a)(2) of this section.

(c) In addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2021, by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019 (the General Appropriations Act), the following amounts are appropriated to the following agencies from the specified sources for use for the listed information technology projects for the two-year period beginning on the effective date of this Act as follows:

(1) Texas Historical Commission: \$240,000 appropriated from the general revenue fund for commission technology upgrades;

(2) Pension Review Board: \$300,000 appropriated from the general revenue fund for migration of the board's data from multiple servers to the cloud and the creation of a new web-based interface for the current internal databases;

(3) Pension Review Board: \$300,000 appropriated from the general revenue fund for the creation of a self-service portal to allow retirement systems to access a secure reporting portal to upload reports and view compliance status in real time;

(4) Department of State Health Services: an aggregate amount of \$1,181,028, with \$307,427 appropriated from the general revenue fund, \$307,427 appropriated from the Bureau of Emergency Management Account No. 0512, \$307,427 appropriated from the

8c. Revised Government Code publication, Title 8, Subtitle A

8d. Need for additional rules to implement statute, including changes to reporting requirements enacted by the 87th Legislature

9. Amendments to the Board Bylaws, including changes to standing committees of the Board

Bylaws

Updated July 1, 2021

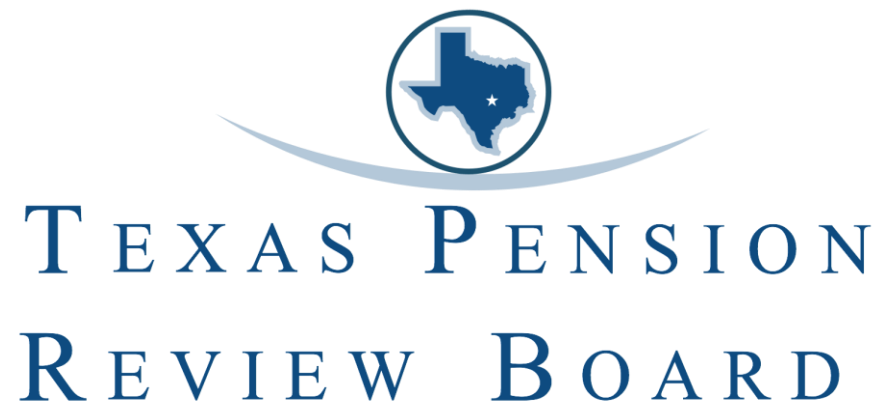


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ARTICLE 1

Organization of the Board

1.1 Authority. The State Pension Review Board (the “Board” or the “PRB”) has been established pursuant to Texas Government Code (the “Code”) Chapter 801 and has been designated by law as an agency of the state of Texas (*See* Texas Government Code §801.101). Under the law the Board is required to have board members and employ an executive director to be the executive head of the Board to perform its administrative duties. The Board and the executive director in partnership shall endeavor to achieve the Board duties, missions and goals of overseeing all Texas public retirement systems in regard to their actuarial soundness and compliance with the state law, as laid out by the legislature in the Texas Government Code, Title 8. The Board is the sole oversight body for Texas public retirement systems, and is mandated to provide information, recommendations and assistance to the State of Texas for ensuring the proper management and financial soundness of Texas public retirement systems. The Board is responsible under the law to conduct training sessions, educational activities, to develop and administer an educational training program, and furnish other appropriate services, including actuarial studies for public retirement systems (*See* the Code §801.113(e), §801.208 & §801.211). The Board is also authorized by law to adopt rules for the conduct of its own business, as well as, for performing its duties outlined under the Code. The philosophy of the Board is to act in accordance with the highest standards of ethics, accountability, efficiency, and openness and also actively progress toward achievement of legislative intent and the Board mission.

1.2 Composition and Terms of Office. The Board is composed of seven members, who hold office for staggered terms of six years, with the terms of two (2) or three (3) members, as appropriate, expiring on January 31 of each odd-numbered year (*See* the Code §801.102 & §801.106, respectively).

1.3 Appointment. The governor, with the advice and consent of the senate, shall appoint seven (7) members to the board with specified qualifications or experience as provided by the Code (*See* the Code §801.103). Three (3) members to be appointed to the Board shall have experience in the fields of securities investment, pension administration, or pension law but cannot be members or retirees of a public retirement system. One (1) member shall be an actuary and a fellow of the Society of Actuaries, or a member of the American Academy of Actuaries, or an enrolled actuary under the federal Employee Retirement Income Security Act of 1974 (29 U.S.C.A. § 1001 et seq.) (ERISA). One (1) member shall have experience in the field of governmental finance. One (1) member shall be a contributing member of a public retirement system. One (1) member shall be receiving retirement benefits from a public retirement system.

1.4 The Board Chair.

1.4.1 The governor designates a member of the Board as the presiding officer of the Board who shall be hereinafter referred to as the chair of the Board and shall serve in that capacity at the will of the governor (*See* the Code §801.110).

1.4.2 The chair shall:

- a) preside over meetings of the Board,
- b) call for supplemental meetings in addition to the statutorily prescribed number if the chair deems it appropriate, or as provided for by Board rule,
- c) direct the order of the meeting,
- d) preserve order and decorum in the meeting,
- e) recognize persons to be heard,
- f) limit time,
- g) seek clarification of issues that arise during the meeting,
- h) observe and maintain all rules adopted by the Board,
- i) sign all resolutions adopted by the Board,
- j) sign all minutes of the Board meetings as approved by the Board,
- k) sign specified publications and correspondences of the Board, including the Strategic Plan, Legislative Appropriations Request, and Annual Financial Report on behalf of the Board, unless otherwise provided by action of the Board or these Bylaws,
- l) appoint chairmen and the committee members to the various committees of the Board,
- m) coordinate with the members of the Board to attend and provide testimony during legislative committee hearings,
- n) perform such other duties as are assigned by the enabling statute, these Bylaws, or other action of the Board.

1.4.3 The chair shall serve in that capacity until the chair's term expires, or until his or her earlier resignation, or death, or removal from office by the governor, or if the governor designates a successor chair.

1.5 Vice-Chair of the Board.

1.5.1 The Board shall elect a vice-chair from among the remaining appointed members of the Board to serve for a term of one (1) year.

1.5.2 In case of the absence, death, resignation, disability, removal, or disqualification of the chair, the vice-chair shall perform the duties of the chair until the chair shall resume his or her office or a successor chair has been appointed.

1.5.3 The election of a vice-chair shall be conducted annually at the Board's first regular meeting of the calendar year. The newly elected officer shall take office immediately following his/her election. The vice-chair shall serve in that capacity for a term that expires with the next election or upon his/her earlier resignation, or death, or removal from office, or upon the appointment and assumption of office of a replacement or successor member.

1.6 Absence of Chair and Vice-Chair. In case of the absence, death, resignation, disability, removal, or disqualification of both the chair and vice-chair, the member of the Board with the longest service on the Board (considering all Board service), as certified by the executive director, shall exercise the duties of the chair, as acting chair, until the chair or the vice-chair shall resume his or her office or until a successor chair has been appointed or a successor vice-chair has been elected who shall then immediately take office. In the event there are two or more members with equal length of service, an action of the Board shall designate an acting chair from among the members with equal length of service. If both the chair and vice-chair are temporarily absent from a Board meeting, the Board members shall elect one of the members present at the meeting to serve as chair pro-tem for the duration of the meeting or until the chair or the vice-chair joins the meeting.

1.7 Vacancies. A vacancy in the office of a member of the Board shall be filled by the governor, as provided by the governing statute.

1.8 Elections.

1.8.1 Elections for vice-chair and any other positions that require election by the Board shall be conducted annually at the first regular Board meeting of each calendar year and the newly elected officer shall take office immediately following the election.

1.8.2 When a position subject to Board election becomes vacant anytime during a calendar year, a special election for the position shall be held as soon thereafter as practicable, if the Chair or the Board determines it is necessary to do so.

1.8.3 Members elected to positions under this section serve in that capacity for a term that expires with the next election or upon the member's earlier resignation, or death, or removal from office by the Board, or upon the appointment and assumption of office of a replacement or successor member. If the position falls vacant and is filled during the middle of a calendar year then the term shall expire with the next scheduled election for that position or upon resignation from the position by the person holding it.

1.8.4 Nominations for the vice-chair of the Board and any other position that requires election by the Board shall be made from the floor by individual Board members present at the meeting of the Board or by a special committee established for the

purpose of making nominations. A Board member may self-nominate for any such position.

- 1.8.5** Elections conducted in Board meetings shall be conducted in an open meeting by acclamation or by a roll-call vote pursuant to a motion that has been seconded. Unless a different number is required by law, a majority vote of a quorum is required to elect to office a nominee for each election required by these Bylaws.

1.9 Responsibilities of the Board. The Board is the sole ongoing oversight agency for Texas public retirement systems and is committed to serving the state of Texas by providing necessary information and recommendations to keep the Texas public retirement systems financially sound and properly managed with equitable distribution of benefits. The Board shall:

- a) conduct a continuing review of public retirement systems, compiling and comparing information about benefits, creditable service, financing, and administration of systems;¹
- b) conduct intensive studies of potential or existing problems that threaten the actuarial soundness of or inhibit an equitable distribution of benefits in one or more public retirement systems;²
- c) provide information and technical assistance on pension planning to public retirement systems on request;³
- d) recommend policies, practices, and legislation to public retirement systems and appropriate governmental entities;⁴
- e) develop, adopt and periodically review rules, bylaws, and policies for the conduct and performance of its business, duties and operation;⁵
- f) present to the legislature and the governor, in November of each even-numbered year, a public report explaining the work and findings of the Board during the preceding two-year period and include drafts or recommendations of any legislation relating to public retirement systems that the Board finds advisable;⁶
- g) maintain a file on each written complaint filed with the Board and review and investigate complaints filed with the Board in accordance with the Code Section 801.207;
- h) prepare and provide actuarial impact statements for bills or resolutions that propose to change the amount or the number of benefits or participation in benefits of a public retirement system or that proposes to change the fund liability of a public retirement system in accordance with the Code Sections 802.301 & 802.302;

¹ Code §801.202.

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ Code §801.201(a).

⁶ Code §801.203(a).

- i) provide the presiding officer of the committee responsible for retirement legislation in each house of the legislature, on or before the 70th day before the last possible day of each regular session of the legislature, an actuarial impact statement listing and totaling for each state-financed public retirement system the actuarial effect of all public retirement bills and resolutions that have been presented in public hearings in either house of the legislature during that legislative session and that affect that state-financed public retirement system in accordance with the Code Section 802.305(e) ;
- j) provide the presiding officer of the committee responsible for retirement legislation in each house of the legislature, on or before the 30th day before the last possible day of each regular session of the legislature, an actuarial impact statement analyzing for each state-financed public retirement system the actuarial effect of all public retirement bills and resolutions that have been passed by at least one house of the legislature during that legislative session and that affect that state-financed public retirement system, assuming that each of the bills and resolutions becomes law in accordance with the Code Section 802.305(f);
- k) In the event of a called legislative session that is scheduled to last for 30 days, the Board will provide the information required by subsections (j) and (k) above, within 15 and 5 days respectively, after receiving notice of the bill, to comply with the Code Section 803.305(g). In the event that a shorter session is called or relying on this policy would result in untimely submission of required information, the Board or staff may prepare the report and submit it as determined by the executive director;
- l) conduct training sessions, schools, or other educational activities for trustees and administrators of public retirement systems in accordance with the Code Sections 801.113(e) and 801.208;
- m) develop and administer an educational training program for trustees and system administrators, including establishing minimum training requirements in accordance with Code Section 801.211;
- n) furnish other appropriate services such as actuarial studies or other requirements of systems and may establish appropriate fees for these activities and services in accordance with the Code Section 801.113(e);
- o) inspect records, issue subpoenas, and request writs of mandamus to the plans to compel their compliance with reporting requirements of the Board in accordance with the Code Sections 801.204, 801.205, & 802.003, respectively;
- p) employ an executive director to be the executive head of the Board and delegate to him or her the responsibility for all administrative functions in accordance with the Code Section 801.111(a);
- q) develop and implement policies that clearly separate the policy-making responsibilities of the Board and the management responsibilities of the executive director and the staff of the Board in accordance with the Code Section 801.111(c);
- r) develop and implement a policy to encourage the use of negotiated rulemaking and alternative dispute resolution procedures in accordance with the Code Section 801.2012;
- s) be responsible for the compensation, job description, assignment of duties, performance evaluation and dismissal, of the executive director;

- t) review and approve the annual operating budget;
- u) receive reports from staff members, including reports on noncompliant retirement systems and the status of actuarially unsound retirement systems and regulate according to the policies adopted by the Board; and
- v) establish committees as are necessary to consider various aspects of the Board's work and to make appropriate recommendations to the Board; however, such committees may not exercise the authority required under these Bylaws or by state or federal law to be exercised by the Board as a whole, and the Board may consider and take any action otherwise specified to be taken by the committee created pursuant to article 3 of these Bylaws.

1.10 Board Travel.

1.10.1 Members of the Board shall be reimbursed for actual and necessary travel expenses while on official Board business as specified in the Code Sections 801.1062(c) and 801.108. The Board members while seeking any travel reimbursement in general shall follow the state travel laws and rules, including the Texas Government Code Chapter 660, General Appropriations Act, Article IX, Part 5 and Texas Administrative Code, Title 34, Part 1, Chapter 5, Subchapter C, Section 5.22.

1.10.2 Official Board business is defined as travel to and from meetings of the Board, meetings of Board committees, orientation meetings, and annual and regional seminars conducted by the Board.

1.10.3 In addition to travel on official Board business as defined in subsection 1.10.2 of this section, it is anticipated that each Board member may travel to attend conferences and other similar activities. For state reimbursement, the travel must meet the following criteria:

- (a) The purpose of the expense is related to the business of the Board; and
- (b) Attendance at the function or the seminar will benefit the Board or a Board member in the exercise of Board responsibilities.
- (c) Travel will be limited to Texas, unless prior approval is obtained from the Board or the appropriate committee chair, as provided in section 1.10.4, and
- (d) Travel and related expenses are authorized and approved as required by law.

1.10.4 However, ~~prior to departure and incurrence of~~ before departing or incurring travel expenses as defined in subsection 1.10.3 of this section, a member of the Board, other than the chair, shall submit a request for approval ~~with to~~ the chair. The chair shall then coordinate with the executive director to determine whether the requested travel expenses may be reimbursed, and the approval shall depend upon the eligibility of the travel from reimbursement and the availability of sufficient funds in the Board's budget to pay for the expenses. ~~In case of the incurrence of travel expenses by the chair Before the chair departs or incurs travel expenses~~ as defined in subsection 1.10.3, the

chair shall submit the request to the chair of the ~~Administrative~~Legislative Committee of the Board for approval. The said committee's chair shall then coordinate with the executive director to determine whether the requested travel expenses may be reimbursed, and the approval shall again depend upon the eligibility of the travel for reimbursement and the availability of sufficient funds in the Board's budget to pay for the expenses. Any such request, either approved or denied, for reimbursement of travel expenses under subsection 1.10.3, shall be reported to the Board by the Board's staff at the next scheduled Board meeting, ~~immediately~~ following the request.

- 1.10.5** It is further anticipated that a Board member may travel outside the state of Texas in accordance with subsection 1.10.3(a) and (b) of this section. The request for reimbursement for out-of-state travel expenses shall undergo a dual scrutiny. In addition to following the approval procedure under subsection 1.10.4 of this section, the request shall be governed by the General Appropriations Act (GAA) applicable to that fiscal year, the Legislative Budget Board's (LBB) limitations for out-of-state travel and the Texas Ethics Commission requirements to file with the commission all copies of the documents filed with the Texas Comptroller's office and LBB.
- 1.10.6** Travel expenses for which the Board member will be reimbursed by another agency, organization, institution, or from any other source shall not be reimbursed by the Board and shall be excluded from these provisions.
- 1.11 Board Member Training.** Each person who is appointed to and qualifies for office as a member of the Board may not vote, deliberate, or be counted as a member in attendance at a meeting of the Board until the person completes a training program in compliance with the Code Section 801.1062.
- 1.11.1** The training program for a new Board member shall provide, but is not limited to, the following information:
- a) results of the most recent formal audit of the Board;
 - b) Board's operating budget for the current biennium;
 - c) copy of the current Texas Government Code pamphlet published by the Board covering the provisions generally applicable to public retirement systems in Texas;
 - d) Board's adopted policy manual encompassing conflict of interest laws, legal standards of conduct and other general standards of ethical conduct adopted by the Board;
 - e) Board's adopted Bylaws;
 - f) Board's adopted rules established under Texas Administrative Code, Title 40, Part 17;
 - g) current Administrative law handbook, published by the Texas Attorney General's Office;
 - h) current Open Meetings Act handbook, published by the Texas Attorney General's Office;
 - i) current Public Information Act handbook, published by the Texas Attorney General's Office;

- 1.11.2** In addition to receiving information under subsection 1.11.1 of this section, the training program shall require every new Board member to complete training in Texas open government law encompassing the Open Meetings Act and Public Information Act as approved by the office of the Attorney General within 90 days of his or her appointment. Every new Board member shall receive links to the formal video training courses in Texas open government law offered by the office of the Texas Attorney General. Following the completion of the required training, Board members will print out a certificate of course completion for each completed course and send a copy to the executive director to be filed as a record on behalf of the Board member and shall be made available for public inspection as and when requested.
- 1.11.3** After the completion of the new Board member training in accordance with subsections 1.11.1 and 1.11.2 of this article, the new Board members shall undergo a supplemental orientation program designed to assist them in further understanding the role and functions of the Board. Under the orientation program, the executive director shall meet with the new Board member and provide details about the Board's duties, budget, programs, general laws, and clarify any questions the new member may have with regard to the information provided under subsections 1.11.1 and 1.11.2. Furthermore, the executive director shall provide to the new Board member additional administrative documents pertaining to the Board, which shall include, but not be limited to, the following: a copy of the minutes of the last three Board meetings immediately preceding the date of the appointment of the Board member, all current Board publications, including the Biennial Report, Strategic Plan, Legislative Appropriations Request and the *Guide to Public Retirement Systems in Texas*, a copy of the Board's in-house directory, and information on the Board's website.
- 1.11.4** In addition to the new Board member training, the Board may establish additional Continuing Education Programs or workshops (each a "Program") for the existing or new Board members who have already completed the mandatory training program. Any individual Board member or a committee of the Board, or the entire Board may request such Programs which may include, but is not limited to, such matters as actuarial science, securities investments, pension administration or pension law, pension plan design, governmental finance, fiduciary duties, corporate governance, standards for good governance and ethics laws, or any other recent developments and techniques related to public pension administration, which may enable the Board members to better fulfill their duties and responsibilities. Any such request shall be submitted in a timely manner in order for it to be included as an agenda item for the Board's consideration in accordance with Article 2, subsection 2.3 of these Bylaws. If the requested Program would have costs associated with it, the approval of the Board shall depend upon the availability of sufficient funds in the Board's budget to pay for the expenses related to the Program. The executive director shall act as the administrator of any such Program initiated by the Board.

ARTICLE 2

Meetings of the Board

2.1 Meetings of the Board

- 2.1.1** The Board shall meet no less than three times each year.⁷ The Board may have as many other regular meetings as the Board determines necessary for the proper performance of its duties. The proposed date for every regular meeting will be placed as an agenda item for the Board's approval during every regular Board meeting or as soon thereafter as practicable. When necessary, and in addition to the provisions of subsection 2.1.6 of this Article, the Board may add or cancel a regular meeting or change the date, time or location of a regular meeting by action of the Board.
- 2.1.2** Special meetings of the Board may be held either upon the call of the chair of the Board, or the call of at least four members of the Board, or upon action of the Board. A call for a special meeting under this section must be communicated to the executive director with sufficient time to permit posting of the meeting as required by law. The call for a special meeting under this section shall specify the date of each special meeting and may specify the time and place for each special meeting.
- 2.1.3** Meetings of the Board shall be held at a place designated by the agenda of each Board meeting.
- 2.1.4** Regular and special meetings shall begin at a time designated by the chair of the Board unless a time has been specified in the call for the particular meeting.
- 2.1.5** Emergency meetings may be called in the same manner as special meetings. The Board member who initiates the call for an emergency meeting under this section shall provide the executive director with a written reason for the emergency or urgent public necessity. An emergency meeting is one which cannot be posted within the seven-day advance notice normally required by the Open Meetings Act (Texas Government Code Chapter 551, section 551.044, or a successor statute) (the "Act"), but which is needed because of "imminent threats to public health and safety or reasonably unforeseeable situations requiring immediate action by the government body" or as otherwise defined by the Act, as amended, court decision, or other applicable law. Notice for an emergency meeting shall be posted no later than two (2) hours before the meeting is convened in accordance with the Act (or its successor statute) or other applicable law.
- 2.1.6** If a catastrophe prevents the Board from convening a properly posted meeting, the Board may, pursuant to the Code Section 551.0411, convene in a convenient location within 72 hours under the Code Section 551.045 by giving written notice of the date, hour, place, and agenda of the rescheduled and /or relocated meeting at least two hours

⁷ Code §801.109

before it begins. For the purposes of this subsection, the term “catastrophe” has the meaning assigned in the Code Section 551.0411. In consultation with the executive director, the chair of the Board shall specify the date, hour, and place of a meeting rescheduled under this subsection to accommodate as many members of the public, Board, and staff as possible.

- 2.1.7** A special or emergency meeting of the Board may be cancelled or rescheduled, or the location of the meeting changed, only by action of the Board or by a call of at least four members of the Board communicated to the executive director with sufficient time for the Board to comply with all the posting requirements for the meeting. Unless a time has been specified in the call or action of the Board rescheduling the meeting, the chair may set the time of the rescheduled meeting, though any such time must meet all posting requirements of applicable law.

2.2 Public Comment at Meetings.

- 2.2.1** The Board will allow reasonable opportunity for public comment to the Board on any issue under the jurisdiction of the Board in accordance with Section 801.206 (b) of the Code. The chair may determine the total time to allot to public comment at a meeting of the Board.
- 2.2.2** Persons who desire to deliver oral comments at the Board meeting must complete the required form, preferably before the public comment agenda item is reached during the Board meeting. Each person desiring to deliver oral comments shall have an allotted maximum of three minutes to speak. Persons wishing to speak before the Board shall provide the following information:
- a) Name and address;
 - b) The name of the person or group, if any, the speaker is representing;
 - c) The agenda item upon which the person wishes to speak, if any; and
 - d) If the matter does not relate to an agenda item, a brief description of the nature of the matter to be addressed by the speaker.

2.3 Meeting Agendas.

- 2.3.1** The agenda for each Board meeting shall be set by the chair of the Board and when appropriate, by other Board members in consultation with the executive director. At least seven calendar days prior to each regular Board meeting, the executive director and the staff shall prepare and distribute a copy of the agenda to each Board member via electronic mail, including (insofar as is practicable) copies of all reports and other relevant written materials to be presented at the meeting.

2.3.2 Items may be submitted for inclusion on the agenda of any Board meeting by any Board member or by the executive director prior to the posting deadline. The executive director shall determine the initial order of the agenda items prior to posting. Board members desiring to add an agenda item are requested to submit it to the executive director by 5:00 p.m. not later than fifteen business days before the meeting.

2.3.3 Agenda items may be added to a posted agenda by the chair, by the executive director, or by written request of any Board member, provided that the proposed addition is submitted to the executive director in time to post the amendment to the agenda in compliance with the Act. If the item must be added as an emergency agenda item due to insufficient time to post it as a regular item, the request to add the item must include a valid reason for the emergency, subject to a determination by the executive director in consultation with the assistant attorney general counsel as to whether the emergency item is permitted under the Open Meetings Act.

2.3.4 Any member of the Board or the public may inquire at any meeting of the Board about any subject or item whether or not the same is on the agenda of the meeting, but any deliberation of or decision about the subject of inquiry shall be limited to a proposal to place the subject on the agenda for a subsequent meeting.

2.4 Notice of Meetings. The executive director will cause the meeting notices to be posted in compliance with these Bylaws and the Open Meetings Act.

2.5 Auxiliary Aids or Services at Meetings. Persons who do not speak English or persons with disabilities may request auxiliary aids or services to be provided at a meeting, such as language interpreters or interpreters for persons who are hearing impaired, or readers or large print or Braille texts for persons who are visually impaired. If the request is made to the Board secretary with advance notice of at least three to five (3-5) business days prior to the meeting, such Board secretary shall cause reasonable and appropriate arrangements to be made for persons with disabilities to the extent required by the law and may exercise discretion to determine any other accommodations to be provided (*See* Americans with Disabilities Act (ADA) Amendments Act of 2008 (ADAAA) and the Code section 801.206 (a)).

2.6 Procedure.

2.6.1 A quorum of the Board is a majority of the total number of members fixed by the enabling statute, present in person, unless otherwise defined by applicable law. A quorum of the Board is required for the Board to conduct business. Unless otherwise provided by law, a majority vote (i.e., a majority vote of the members present and voting at a meeting where a quorum is present) is required for action or decision by the Board. Abstentions are not counted in determining the outcome of a vote but are counted in determining a quorum. The most recent edition of Robert's Rules of Order Newly Revised, when not in conflict with other Board-adopted rules and policy statements, these Bylaws, or other applicable law, may be employed by the chair of

the Board or of a committee to govern the parliamentary procedure of all or a portion of a meeting of the Board or of a committee. A Board member may request that the assistant attorney general who serves as the legal counsel to the Board assist and advise the Board or any of its committees regarding interpretation and application of the rules of parliamentary procedure.

- 2.6.2** All members of the Board, including the chair, may vote and make or second motions on all matters coming before the Board for consideration. No member shall vote by proxy.
- 2.6.3** The minutes of all Board meetings shall contain each subject of discussion and deliberation, all motions, seconds, and the vote, if any, on such motions, order, decision or any other action taken. Each Board member shall be given an opportunity to record in the minutes his or her vote on a motion and to have included in the minutes the reasons stated in the meeting for that vote. The staff secretary to the Board shall transcribe the minutes of Board meetings within a reasonable period after each meeting for it to be presented for approval at the next meeting. The minutes approved by the Board and signed by the chair shall form a part of the permanent records of the Board.
- 2.6.4** All meetings of the Board and its committees shall be open to the public at all times and shall be held in compliance with the Open Meetings Act. The Board and its committees may be permitted to hold closed or executive sessions, subject to the requirements of the Open Meetings Act (Texas Government Code, Chapter 551.)

ARTICLE 3

Committees

3.1 Standing Committees. In accordance with section 1.9 of these Bylaws, the Board may establish standing committees as it may determine from time to time to be necessary or desirable for the proper functioning of the Board by amendment of this article. The overall purpose of the standing committees shall be to consider various aspects of the Board's work and assist, recommend and guide the Board by reporting their research, study and discussions of issues they are charged with. A quorum of a standing committee shall be a majority of the members of the committee. Any committee may convene in joint session with any other committee. The Board shall maintain the following standing committees:

3.1.1 Actuarial Committee. The Board shall have an Actuarial Committee, which shall normally meet at the call of its chair. The responsibilities of the Actuarial Committee shall include, but not be limited to, the following: ~~handle initial interviewing of~~ interview prospective actuarial consultants and make recommendations to the full Board, review actuarial studies performed by consultants and the staff actuary, review the PRB's Pension Funding Guidelines ~~to Actuarial Soundness~~ on a continual basis,

~~review and recommend proposed rules, recommend interim studies, and be generally involved in actuarial matters before the Board.~~

3.1.2 InvestmentLegislative Committee. The Board shall have ~~an InvestmentLegislative~~ Committee, which shall normally meet at the call of its chair. The responsibilities of the ~~InvestmentLegislative~~ Committee shall include, but not be limited to, the following: ~~receive and review the budget status report from the Board staff at each regular Board meeting; identify investment practice and policy issues affecting public pensions, review and recommend proposed rules, recommend interim studies, and be generally involved in investment matters before the Board. oversee Board publications on matters pertaining to public policy or public business as assigned by the Board and undertaken by the staff prior to their distribution, and act as the Board's liaison with legislative and executive agencies.~~

3.1.3 Educationand Research Committee. The Board shall have an Education ~~and Research~~ Committee, which shall normally meet at the call of its chair. The responsibilities of the Education~~and Research~~ Committee shall include, but not be limited to, the following: provide guidance on the Minimum Educational Training Program (*See* the Code §801.211 and Texas Administrative Code, Title 40, Part 17, Chapter 607), review and update policies and procedures, and coordinate with the executive director to plan for the online or in-person PRB training sessions.~~The committee's responsibilities shall also include the following: identify issues affecting public pensions which require research including, but not limited to investment practices and policies; help turn research into policy recommendations; coordinate with the staff to prepare projects, studies, and white papers as required.~~

3.1.4 Administrative Committee. The Board shall have an Administrative Committee with the chair, and vice-chair as the permanent members of the committee. The responsibilities of the Administrative Committee shall include, but not be limited to, the following: receive and review reports provided by the executive director on administrative matters of the Board other than the reports provided under subsections 3.1.1, 3.1.2 and 3.1.3 of these Bylaws. Administrative matters shall include, but not be limited to the following: the responsibilities delegated to the executive director in accordance with sections 4.1 and 4.2 of these Bylaws, policies adopted by the Board in accordance with section 1.9(q) of these Bylaws clearly separating the policy-making responsibilities of the Board and the management responsibilities of the executive director and the staff of the Board, executive director's performance evaluation in accordance with section 1.9(s) of these Bylaws, and personnel matters which require Board's involvement. The committee may report to the full Board on any administrative matter it deems necessary.

3.1.4.1 Administrative Committee Procedures. The executive director shall annually report to the committee the current Board policy clearly separating

the policy-making responsibilities of the Board and the management responsibilities of the executive director and the staff of the Board for review and potential update. Any member of the Board outside the committee may provide suggestions with regard to committee functions by directing their written individual suggestions to the committee's chair and the executive director within sufficient time for the committee to consider such suggestions and make appropriate changes if required.

3.2 Special Committees. Special committees other than standing committees established in section 3.1 of this article may be created by the chair, with the approval of the Board, as the chair believes necessary or desirable to investigate matters or advise the Board. The Board shall establish the purpose and responsibilities of each special committee and may establish the term for which it shall exist. Special committees shall limit their activities to the accomplishment of the tasks for which created and shall have no power to act except as specifically conferred by the Board. Such committees shall operate until their tasks have been accomplished or until earlier discharged by the Board. An example of a special committee would be a Nominating Committee, which can be established by the Board for the search and appointment of the executive director when required.

3.3 Composition of Committees. Depending upon its function, each committee shall be composed of a reasonable number of Board members, as appointed by the chair, unless otherwise provided by action of the Board or these Bylaws. The chair of the Board shall appoint committee members subject to the consent of the Board on or before the Board's first regular meeting of each year or as soon thereafter as practicable. Furthermore, the Board's chair shall designate the chair of each committee who shall serve in that capacity until his or her term as committee chair expires, or until his or her earlier resignation, or death, or removal from the position of committee chair by the chair of the Board, or the chair appoints a successor chair to the committee. ~~However, the chair of the Board shall at no time act as the chair of the Legislative Committee.~~ The term of the committee member expires on the date the chair appoints a successor committee member to fill the member's position, or the date on which the member's term as a Board member expires according to the Code and the person is no longer holding over and serving as a member of the Board. The chair of the Board may appoint an interim successor to a committee member whose Board term has expired, or who is holding over as a Board member, but who has resigned his or her committee position, or in case of death. Any such interim successor member of a committee may serve until the meeting of the Board at which the chair of the Board appoints the required committee member.

3.4 Committee Agendas. The agenda for each committee meeting shall be set in a manner similar to a Board meeting agenda, but with the committee chair and members having the same authority with regard to the committee agenda of committee meetings that the Board chair and members have with regard to the Board agenda of Board meetings.

3.5 Committee Meetings. The Board's standing committees are charged with supervising public business or public policy issues relating to the Board's work, and with advising the Board on

similar matters. Hence, the standing committee meetings will be posted and conducted as per the Open Meetings Act (*See* the Code, Chapter 551.) Absence of eligible committee members from scheduled committee meetings will not constitute a ground for removal of such members under the Code Section 801.1061(a)(5).

ARTICLE 4

Executive Director

4.1 Responsibilities of Executive Director. The Board shall employ an executive director to be the executive head of the Board and perform its administrative duties and such other duties as may be required by law. The executive director, being the chief executive officer and chief administrative employee of the Board, shall perform such other duties as may be established by the Board in its policies, resolutions, and other actions. In these Bylaws, the term “executive director” means the person appointed by the Board pursuant to the Code Section 801.111 (or a successor statute).

4.1.1 With respect to the operations of the Board itself the executive director shall:

- a) make preparations, including member travel arrangements in accordance with section 1.10 of these Bylaws, for all meetings of the Board and its committees ;
- b) under the direction of the chair of the Board or of a relevant committee, prepare and distribute the agendas and appropriate documentation for all meetings of the Board and its committees;
- c) under the direction of the chair of the Board or of a relevant committee, post notices of all meetings and the subject matter thereof as may be required by law;
- d) cause the Board secretary to record, prepare, and index the official minutes of the Board and its committees;
- e) index, cross-index to statute, and make available for public inspection all adopted rules, and final orders, decisions, and opinions, and other matters, as required by Government Code Chapter 2001 Section 2001.004 of the Administrative Procedure Act (Vernon 2008), or a successor statute;
- f) file and preserve all official documents, correspondence, and proceedings of the Board and its committees in compliance with records retention laws;
- g) maintain, index, cross-index to statute, and make available for inspection the official copy of these Bylaws and Board’s Policy Manual, as required by the Government Code Chapter 2001 Section 2001.004 of the Administrative Procedure Act (Vernon 2008), or a successor statute;
- h) as directed by the Board, establish routine reporting mechanisms and procedures to the Board and prepare special reports for the Board;
- i) carry out other policies adopted by the Board;

- j) assist in new Board member training in accordance with section 1.11 of these Bylaws;
- k) administer all Programs established by the Board in accordance with subsection 1.11.4 of these Bylaws; and
- l) act pursuant to the Texas Administrative Code, Title 40, Part 17, Chapter 603 Section 603.1 as the Board's designated personnel upon whom service of process under judicial procedures may be served against the Board at the Board's official place of business.

4.1.2 The executive director is the chief executive officer of the Board and is responsible to the Board for the general administration of its duties and responsibilities in accordance with relevant state laws and with Board policies. In the aforementioned capacity the executive director shall:

- a) manage the daily operations of the Board as its executive head;
- b) assume managerial responsibility and leadership for the planning, operation, supervision, and evaluation of the programs and services;
- c) coordinate and interface with the Board and its committees regarding Board employee assigned projects and other pertinent matters including Board publications and budget;
- d) assume authority and responsibility for the selection, job description, assignment of duties, performance evaluation, promotion, and discipline, including dismissal of Board employees except as provided in section 1.9 of these Bylaws;
- e) assume authority and responsibility to set staff salaries within the limits of state law, including the General Appropriations Act, and in consultation with the Board;
- f) prepare and submit an annual operating budget for consideration by the Board;
- g) prepare and report the current budget status to the Board during every regular Board meeting;
- h) prepare recommendations for policies and rules to be considered by the Board and oversee the implementation of adopted policies and rules;
- i) make recommendations to the Board regarding the selection of the actuarial consultants when required under the Code, Chapter 802, Subchapter D and in accordance with subsection 3.1.1 of these Bylaws; and
- j) provide administrative assistance to the Board in conducting its duties, and in carrying out its missions and goals.

4.2 Miscellaneous Duties.

4.2.1 The executive director pursuant to the Code Section 801.114 shall provide to the members of the Board, as often as necessary, information regarding their qualification for office, including the Code Sections 801. 1021, -.103, and -.1061, and their responsibilities under

applicable laws relating to standards of conduct and conflict of interests for state officers, including the Texas Government Code Chapters and Sections 572 and 801.1061, Texas Penal Code Sections 36.08, 36.10, 39.01 and 39.03, and any amended, new, or successor statutes.

4.2.2 The executive director pursuant to Code Section 801.114 shall provide to the Board employees, as often as necessary, information regarding their qualification for employment, and their responsibilities under applicable laws relating to standards of conduct and conflict of interests for state officers including Texas Government Code Chapter 572, Texas Penal Code Sections 36.08, 36.10, 39.01 and 39.03, and any amended, new, or successor statutes.

4.2.3 In accordance with the Code Section 801.1061(c), the executive director shall notify the chair of the Board if he or she has knowledge that a potential ground for removal of a Board member exists. The chair shall then notify the appropriate appointing officer or body that a potential ground for removal exists. If the potential ground for removal involves the chair, the executive director shall notify the vice-chair or the next highest-ranking officer of the Board, who shall then notify the appropriate appointing officer or body that a potential ground for removal exists.

4.3 Absence of Executive Director. If the executive director will be away from the Board's principal office for a brief period, as contemplated by section 4.4 of this article, the executive director may designate the deputy director or any senior staff member of the Board to act in his or her behalf generally or for a particular purpose. In the absence of the executive director due to incapacity, resignation, removal or otherwise when the duration of the absence is unknown and the absence may be extended or permanent, the chair of the Board shall temporarily designate the deputy director or any senior staff member of the Board to assume the responsibilities and authority of the executive director pending the Board's permanent appointment of the person to serve in the capacity of the executive director. A designee under this section shall have the responsibility and authority of the executive director. A member of the Board is not eligible for temporary designation or permanent appointment to serve in the capacity of the executive director under Texas law.

4.4 Delegating Responsibilities. The executive director shall designate an employee of the Board to serve as the staff secretary to the Board to assist in the execution of duties enumerated in subsection 4.1.1 of this article and may assign other employees of the Board as necessary to assist in carrying out these duties or other duties in accordance with the Code, and other applicable law.

4.5 Performance Evaluation of the Executive Director. Beginning with calendar year 2020, the Board shall evaluate the performance of the executive director on each even-numbered year,

before the preparation of the Legislative Appropriations Request (LAR). The evaluation shall consist of methods developed by the Board.

ARTICLE 5

Miscellaneous Organizational Provisions

5.1 Administration of the Board. The administration of the Board is governed by the Code, these Bylaws, Board rules, Board policies, and other applicable law. In the event of a conflict between these Bylaws and applicable law, the applicable law shall govern to the extent necessary to resolve the conflict.

5.2 Budget and Fiscal Year. The Budget of the Board is adopted by the Board and may be amended by the Board in any subsequent meetings of the Board in accordance with the enabling statute and the General Appropriations Act.

5.3 PRB Rules. The executive director is authorized to draft and submit proposals for the adoption, amendment or repeal of Board rules to the Board for its review and approval. Upon the approval by the Board the executive director may submit the proposed rule to the *Texas Register* for publication. The executive director shall then provide a copy of the notice of proposed rule as it appeared in the Texas Register to the Board members for adoption in accordance with the state law.

5.4 Board Policy Manual. The executive director is authorized to draft and submit proposals for the adoption, amendment or repeal of Board policies. Such proposals must be consistent with the Board Bylaws that are not subject of the proposal and with applicable law.

5.5 Personnel Policies. Pursuant to the Code Section 801.1111, the executive director or the executive director's designee shall prepare, maintain and disseminate to all employees of the Board, written personnel policies and revise the same from time to time, in compliance with Board policies, state law and federal law. The Board is an at-will employer.

5.6 Official Place of Business of the Board. The Board shall maintain its official place of business in Austin, which shall be the Board's principal office for its executive director and staff members to conduct the Board's day-to-day business and to maintain records.

5.7 Administrative Assistance. Individual Board members, primarily the Board chair and vice-chair, shall be available, as requested by the staff, to advise and assist, but not to direct, the Board staff on any day-to-day administrative matter, including but not limited to the responsibilities delegated to the executive director in accordance with sections 4.1 and 4.2 of these Bylaws. Individual Board members shall not control or supervise the executive director or staff, nor shall they supervise or control (which includes making decisions) regarding public business or public policy.

5.8 Actuarial Matters. The Board actuary shall advise the Board's staff in preparing the statutorily required actuarial impact statements during the legislative sessions in accordance with the Code Section 802.301, in a timely manner. The Board actuary shall directly communicate and coordinate with the executive director in order to effectively advise the staff on preparing such actuarial impact statements on proposed public pension legislation, in accordance with the Code's Section 802.301. In the absence of the Board actuary, the Board's staff actuary shall fulfill this function.

ARTICLE 6

Amendment of Bylaws

6.1 Amendment of Bylaws. These Bylaws may be altered, amended or repealed in full and in part at any duly posted meeting of the Board by a majority vote of the members present and voting at a meeting where a quorum is present and in accordance with section 2.6 of these Bylaws, subject to the following requirements:

- a. the proposed amendment must be submitted in writing to the executive director no later than 15 business days prior to the date of the meeting at which the amendment is to be considered;
- b. a copy of the proposal must be provided to each member of the Board at least seven days prior to the meeting at which the amendment is to be voted upon;
- c. the Board must determine that the proposed change would not conflict with applicable laws;
- d. the proposed change will not become effective unless the Board determines that the proposed change is consistent with the remainder of the Board's policies or adopts a simultaneous change to any inconsistent policy.

10. Committee assignments for 2021

11. Executive Director's Report

11a. 2021 Texas Workforce Commission, Civil Rights Division Review of Personnel Policies and Procedures

Texas Workforce Commission

A Member of Texas Workforce Solutions

Bryan Daniel, Chairman
Commissioner Representing
the Public

Julian Alvarez
Commissioner Representing
Labor

Aaron Demerson
Commissioner Representing
Employers

Edward Serna
Executive Director

VIA EMAIL ATTACHMENT

May 28, 2021

Anumeha Kumar
Executive Director
Texas Pension Review Board
300 West 15th Street, Rm. 406
Austin, TX 78701

Re: CERTIFICATION LETTER - Texas Workforce Commission Civil Rights Division Review of Personnel Policies and Procedures System.

Executive Director Kumar,

The Texas Workforce Commission Civil Rights Division (the "Division") has completed the review of the personnel policies and procedures system of your agency/institution of higher learning ("agency") under Texas Labor Code §§ 21.451 – 21.456. Based on that review, I hereby certify that your agency's system complies with Texas Labor Code Chapter 21.

As specified in the Texas Labor Code, §21.454, your agency must submit a report to the Governor, the Legislature, the Legislative Budget Board, and the Civil Rights Division within 60 days. A sample report format is attached. Please provide an electronic copy of the report to the Civil Rights Division's EEO Compliance Monitor.

Although this review is now concluded, your agency is scheduled for its next review in six (6) years. The Division may advance or delay this schedule up to one year to account for the abolishment or combination of agencies and the creation of new agencies. In addition, if a risk assessment indicates a need for more frequent review, such review may be conducted pursuant to Texas Labor Code §21.453(a-1). Until your next review, we are available for technical assistance under Texas Labor Code §21.003(a)(5).

Thank you for the opportunity to work with your staff. If you have questions, please contact Erin Humphreys, EEO Compliance Monitor, at (737) 610-3114 or Erin.Humphreys@twc.state.tx.us.

Sincerely,



Ellena E. Rodriguez
Manager, Outreach, Compliance & Resolutions
Civil Rights Division, Texas Workforce Commission

Cc: Westley Allen, Accountant

Attachment: Sample Report Format

11b. Updated Fiscal Year 2021 Operating Budget

OPERATING BUDGET
FISCAL YEAR 2021
As of June 1, 2021



	LBB Obj. Code	GAA BUDGETED	ADJUSTED BUDGETED	TOTAL BUDGETED	TOTAL EXPENDED	ENCUMBRANCES	PERCENT EXPENDED	REMAINING BALANCE	PERCENT REMAINING
METHOD OF FINANCING									
General Revenue		\$1,053,749.00		\$1,053,749.00					
Contingency Rider for SB 322		\$75,000.00		\$75,000.00					
			\$0.00	\$0.00					
Total Method of Financing		\$1,128,749.00	\$0.00	\$1,128,749.00					
OBJECT OF EXPENSE									
Exempt Salaries	1001A	\$126,730.00		\$126,730.00	\$95,047.47		75.00%	\$31,682.53	25.00%
Classified Salaries	1001B	\$899,228.00		\$899,228.00	\$559,601.88		62.23%	\$339,626.12	37.77%
Other Personal Exp / Longevity Pay	1002A	\$14,600.00		\$14,600.00	\$4,720.00		32.33%	\$9,880.00	67.67%
Retirement Deduction .5% Salary	1002B	\$5,000.00		\$5,000.00	\$3,273.15		65.46%	\$1,726.85	34.54%
Benefit Replacement Pay	1004	\$0.00		\$0.00	\$0.00		0.00%	\$0.00	100.00%
Non-Overnight Meals	1001C	\$0.00		\$0.00	\$0.00		0.00%	\$0.00	100.00%
Sub-Total Salaries & Wages		\$1,045,558.00	\$0.00	\$1,035,558.00	\$662,642.50	\$0.00	63.38%	\$382,915.50	36.62%
Professional Fees and Services	2001	\$12,500.00		\$46,500.00	\$46,055.52	\$0.00	99.04%	\$444.48	0.96%
Consumable Supplies	2003	\$3,500.00		\$500.00	\$118.46	\$0.00	23.69%	\$381.54	76.31%
Travel	2005A	\$26,000.00		\$0.00	\$0.00	\$0.00	0.00%	\$0.00	100.00%
Rent-Building (Record Storage)	2006	\$1,000.00		\$1,000.00	\$832.66	\$0.00	83.27%	\$167.34	16.73%
Rent-Machine & Other (Copier/Software)	2007	\$15,000.00		\$7,100.00	\$7,000.02	\$0.00	98.59%	\$99.98	1.41%
								\$0.00	
Operating Costs (Miscellaneous)	2009A	\$6,214.25		\$4,214.25	\$3,713.90	\$0.00	88.13%	\$500.35	11.87%
Telecommunication Services	2009D	\$2,000.00		\$5,500.00	\$5,387.43	\$0.00	97.95%	\$112.57	2.05%
Education and Training	2009B	\$2,500.00		\$1,500.00	\$1,250.00	\$0.00	83.33%	\$250.00	16.67%
Postage	2009C	\$500.00		\$500.00	\$271.48	\$0.00	54.30%	\$228.52	45.70%
Printing	2009E	\$1,000.00		\$1,000.00	\$132.85	\$0.00	13.29%	\$867.15	86.72%
Subscription/Publications	2009G	\$2,000.00		\$9,900.00	\$7,410.91	\$0.00	74.86%	\$2,489.09	25.14%
PHC Deduction 1% Salary	2009H	\$8,476.75		\$7,976.75	\$6,486.75		81.32%	\$1,490.00	18.68%
Hardware & Software	2009F	\$2,500.00		\$7,500.00	\$4,383.31	\$0.00	58.44%	\$3,116.69	41.56%
Sub-Total Operating Cost		\$25,191.00	\$0.00	\$38,091.00	\$29,036.63	\$0.00	76.23%	\$9,054.37	23.77%
Total Object of Expense		\$1,128,749.00	\$0.00	\$1,128,749.00	\$745,685.79	\$0.00	66.06%	\$383,063.21	33.94%

11c. Approval of Fiscal Year 2022 Operating Budget

OPERATING BUDGET
FISCAL YEAR 2022



	LBB Obj. Code	GAA BUDGETED	ADJUSTED BUDGETED	TOTAL BUDGETED	TOTAL EXPENDED	ENCUMBRANCES	PERCENT EXPENDED	REMAINING BALANCE	PERCENT REMAINING
METHOD OF FINANCING									
General Revenue		\$1,128,749.00		\$1,128,749.00					
Add'l One-time GR Approp for IT Projects		\$300,000.00		\$300,000.00					
Appropriated Receipts			\$0.00	\$0.00					
Total Method of Financing		\$1,428,749.00	\$0.00	\$1,428,749.00					
OBJECT OF EXPENSE									
Exempt Salaries	1001A	\$126,730.00		\$126,730.00	\$0.00		0.00%	\$126,730.00	100.00%
Classified Salaries	1001B	\$899,228.00		\$899,228.00	\$0.00		0.00%	\$899,228.00	100.00%
Other Personal Exp / Longevity Pay	1002A	\$19,600.00		\$19,600.00	\$0.00		0.00%	\$19,600.00	100.00%
Retirement Deduction .5% Salary	1002B	\$0.00		\$0.00	\$0.00		0.00%	\$0.00	100.00%
Benefit Replacement Pay	1004	\$0.00		\$0.00	\$0.00		0.00%	\$0.00	100.00%
Non-Overnight Meals	1001C	\$0.00		\$0.00	\$0.00		0.00%	\$0.00	100.00%
Sub-Total Salaries & Wages		\$1,045,558.00	\$0.00	\$1,045,558.00	\$0.00	\$0.00	0.00%	\$1,045,558.00	100.00%
Professional Fees and Services	2001	\$302,500.00		\$302,500.00	\$0.00	\$0.00	0.00%	\$302,500.00	100.00%
Consumable Supplies	2003	\$3,500.00		\$3,500.00	\$0.00	\$0.00	0.00%	\$3,500.00	100.00%
Travel	2005A	\$26,000.00		\$26,000.00	\$0.00	\$0.00	0.00%	\$26,000.00	100.00%
Rent-Building (Record Storage)	2006	\$1,000.00		\$1,000.00	\$0.00	\$0.00	0.00%	\$1,000.00	100.00%
Rent-Machine & Other (Copier/Software)	2007	\$15,000.00		\$15,000.00	\$0.00	\$0.00	0.00%	\$15,000.00	100.00%
Operating Costs (Miscellaneous)	2009A	\$6,214.25		\$6,214.25	\$0.00	\$0.00	0.00%	\$6,214.25	100.00%
Telecommunication Services	2009D	\$2,000.00		\$2,000.00	\$0.00	\$0.00	0.00%	\$2,000.00	100.00%
Education and Training	2009B	\$2,500.00		\$2,500.00	\$0.00	\$0.00	0.00%	\$2,500.00	100.00%
Postage	2009C	\$500.00		\$500.00	\$0.00	\$0.00	0.00%	\$500.00	100.00%
Printing	2009E	\$1,000.00		\$1,000.00	\$0.00	\$0.00	0.00%	\$1,000.00	100.00%
Subscription/Publications	2009G	\$2,000.00		\$2,000.00	\$0.00	\$0.00	0.00%	\$2,000.00	100.00%
PHC Deduction 1% Salary	2009H	\$8,476.75		\$8,476.75	\$0.00		0.00%	\$8,476.75	100.00%
Hardware & Software	2009F	\$12,500.00		\$12,500.00	\$0.00	\$0.00	0.00%	\$2,500.00	100.00%
Sub-Total Operating Cost		\$35,191.00	\$0.00	\$35,191.00	\$0.00	\$0.00	0.00%	\$35,191.00	100.00%
Total Object of Expense		\$1,428,749.00	\$0.00	\$1,428,749.00	\$0.00	\$0.00	0.00%	\$1,428,749.00	100.00%

11d. Staff update

11e. Update on virtual meetings

11f. Update on Texas Public Pension Data Center



Texas Public Pension Data Center

This data center is meant to provide lawmakers, taxpayers, pension systems, and other stakeholders with current, historical and comparative public pension information. As part of its mission, the Pension Review Board compiles and reviews data from state and local public retirement systems in Texas. This website contains information reported by retirement systems to the PRB.



View Plans

Select a pension plan to view current and historical data.

[VIEW DATA](#)



Compare Plans

Select a peer group by plan type or asset size to view comparative data.

[VIEW DATA](#)



All Texas Plans

View key indicators of financial health for all Texas plans in the aggregate.

[VIEW DATA](#)



Aggregate Data

The 100 plans

There are 100 actuarially funded defined benefit public pension plans registered with the PRB. The total membership of these public retirement systems is more than 2.95 million active and retired members, and the total net assets of the plans are approximately \$301 billion. The 100 plans include:

7

statewide plans including 2 cash balance plans that municipalities, counties and districts may join

17

major municipal plans including 14 in state law and 3 in local ordinance

42

local firefighter plans organized under the Texas Local Firefighters Retirement Act

34

local plans administered by special purpose districts or as supplemental plans

PRB Online Data Center – Plan Data

available at: <https://data.prb.texas.gov/>

Texas Public Pension Plans

This data center is meant to provide lawmakers, taxpayers, pension systems, and other stakeholders with current, historical and comparative public pension information. As part of its mission, the Pension Review Board compiles and reviews data from state and local public retirement systems in Texas. This website contains information reported by retirement systems to the PRB.

Locate a Pension Plan

Select a plan and view key indicators of financial health over time.

Select a plan

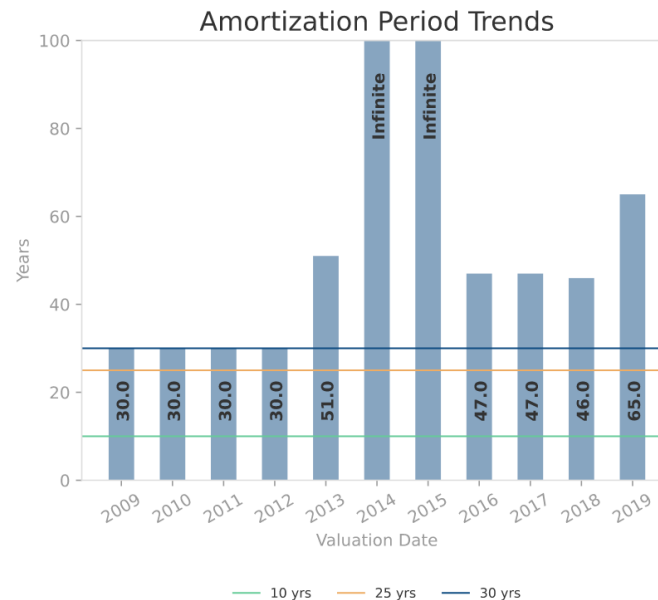


Dallas Employees' Retirement Fund

Membership	Total Net Assets	Social Security	Contributions	Contribution Type	Fiscal Year End
Active: 7,427 Annuitant: 7,405	\$3,658,088,000	No	Employee: 13.32 % Employer: 14.14 %	Other	December

The Dallas Employees' Retirement Fund was established by ordinance in November 1943 and became effective in January 1944 after ratification by the voters of the City of Dallas. The Plan derives its authority from Chapter 40A of the Dallas City Code. The Plan is a single-employer defined benefit pension plan that provides retirement, disability, and death benefits to its members, and is sponsored by the City of Dallas. All employees of the City are members in the Plan, except police officers, firefighters, elected officers, non-salaried appointee members of administrative boards or commissions, part-time employees working less than one-half time, temporary employees, individuals working under contract, and individuals whose salaries are paid in part by another government agency.





Actuarial Financial Investments



A retirement system's effective amortization period is defined by the PRB as the time it would theoretically take to fully fund the system's unfunded actuarial accrued liability (UAAL), if any exists. The effective amortization period assumes no future gains or losses and factors in both the plan's stated and historical contribution policy. The calculation is done at each actuarial valuation which is conducted every year or every two years. If no bar appears for a particular fiscal year, the amortization period is zero.

PRB Online Data Center – Comparative Data

Compare by Type

 Local Firefighter Local plans organized under the Texas Local Fire Fighters Retirement Act. View Data	 District / Supplemental Local plans administered by special purpose districts or as supplemental plans. View Data	 Municipal Major municipal plans either in state law or local ordinance. View Data	 Statewide Statewide plans including two cash balance plans that municipalities, counties and districts may join. View Data
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Compare by Total Assets

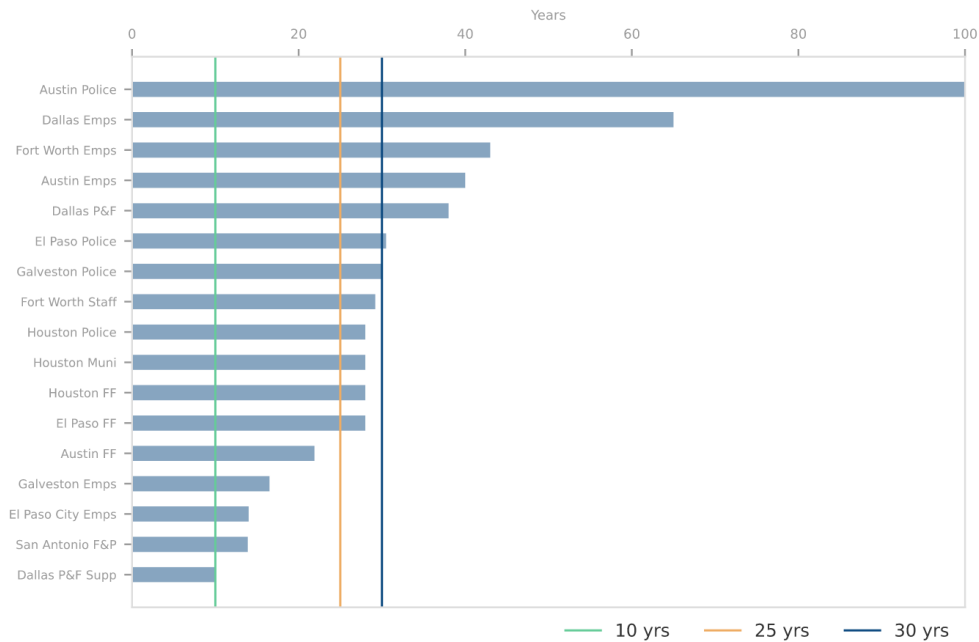
Less than \$10M Plans with less than \$10 million in total assets View Data	\$10M to \$50M Plans with at least \$10 million and less than \$50 million in total assets View Data	\$50M to \$100M Plans with at least \$50 million and less than \$100 million in total assets View Data	\$100M or Greater Plans with at least \$100 million in total assets View Data
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Municipal FY 2019

There are 17 municipal retirement systems including 14 systems enabled by Article 6243, Vernon's Civil Statutes and three created by city ordinances or charters, which are the Dallas Employees' Retirement Fund, City of El Paso Employees Retirement Trust, and Galveston Employees' Retirement Fund.

Actuarial Financial Investments

Amortization Period FY 2019



A retirement system's effective amortization period is defined by the PRB as the time it would theoretically take to fully fund the system's unfunded actuarial accrued liability (UAAL). The reported amortization period takes into account the plan's amortization policy and contribution history. The chart displays Municipal retirement systems' effective amortization periods for the selected fiscal year. If an actuarial valuation was not completed al year, the immediately preceding fiscal year is shown.

11g. 2021 TEXPERS Summer Educational Forum

12. Call for future PRB agenda items

13. Date and location of next PRB meeting – Thursday, September 16, 2021

14. Invitation for public comment

15. Adjournment