



**Board Meeting Minutes
July 10, 2025**

1. Meeting called to order (00:05)

The Pension Review Board's (PRB) first meeting of 2025 was called to order Thursday, July 10, 2025, at 10:02 a.m. in the Capitol Extension, Committee Room E1.012, 1100 N. Congress Avenue, Austin, Texas, 78701.

2. Roll call of board members and consideration to excuse absence (00:13)

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

Board members present:

Chair Stephanie Leibe
Keith Brainard
Marcia Dush
Christopher Gonzales, via videoconference
Daniel Harper, via videoconference
Roy Rodriguez
Christopher Zook, via videoconference

3. Administrative Matters (00:47)

a. Consideration and possible action to approve December 4, 2024, board meeting minutes (01:00)

Chair Leibe entertained a motion to suspend reading the minutes of the December 4, 2024, board meeting and approve them as circulated.

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

Motion passed unanimously.

b. Committee Assignments (01:39)

Chair Leibe updated committee assignments, placing Mr. Rodriguez on the Education Committee following his recent appointment to the board. All other committee assignments remained the same.

c. Election of Vice Chair for 2025 (02:03)

Chair Leibe recognized Vice Chair Brainard for his service in the role during the previous year. Ms. Dush nominated Mr. Brainard to continue serving as vice chair. There were no objections, other nominations, or discussion.

Mr. Brainard was elected as Vice Chair for 2025.

4. Public comment (03:20)

Chair Leibe stated representatives from Beaumont had comments that would take place during item 5a.

5. Actuarial Committee (3:55)

a. Actuarial Valuation Report and Funding Soundness Restoration Plan (FSRP) report, including compliance

Senior Actuary David Fee and Actuarial Intern Annika Leong reported that recent actuarial valuation reports showed changes in key assumptions, such as discount rates and payroll growth, which directly affect liability calculations and funding projections. They noted that the timing and frequency of valuations vary, with larger and better-funded systems tending to conduct annual valuations, while smaller or systems with more funding issues often do so biennially. For systems at risk of triggering an FSRP, timely and up-to-date valuations are crucial for compliance, as outdated information can hinder corrective action. The board discussed whether annual valuations should be required for at-risk plans to improve FSRP compliance. Currently, when a system becomes at risk, staff advise them to complete valuations promptly, and communication is maintained to ensure compliance with FSRP requirements.

Luke Skelton, chair of the Beaumont Firemen's Relief Retirement Fund, reported that the system has made progress in negotiations with the city of Beaumont to restore the system's funding, though the process has been slow due to the city operating without a chief financial officer. He explained that the city recently provided a proposal, which the system's actuary determined could achieve the required 30-year funding period with some minor modifications regarding the timing of contributions. Sharae Reed, city attorney for Beaumont, confirmed the city's commitment to funding all applicable vacant positions and including a 2 percent pension increase in the upcoming budget, which is scheduled for council approval in September. She emphasized that the city is prepared to adjust contributions as needed and that the pension issue has been separated from fire contract negotiations, allowing for more direct and efficient discussions.

b. Public retirement system reporting and compliance, including noncompliant retirement systems under Section 801.209, Texas Government Code

Analytical Services Manager Bryan Burnham explained that the PRB sends reporting reminders prior to deadlines and noncompliance notices if deadlines are missed. Several systems recently resolved their noncompliance, while a few remain outstanding but are expected to submit reports soon. He also noted that systems with over \$100 million in assets must submit actuarial audits and experience studies every five years; some have not yet met these requirements but have been notified and are working toward compliance. Communication is sent to both the systems and their sponsors.

c. Intensive Study on Chapter 810 plans

Mr. Burnham provided an update on the intensive study of Chapter 810 (supplemental/special district retirement) plans. The study will examine governance structures, actuarial conditions, assumptions, and revenue streams. Surveys were sent to

all 34 Chapter 810 systems in May with responses received from 18 plans. The final report is expected to be presented in fall 2025.

6. Investment Committee (1:00:13)

a. Investment Data Report

Investment Analyst Robert Munter presented an update on the investment data report, which tracks investment returns and expenses for Texas public retirement systems. He reported that 2024 was a strong year, with many systems meeting or nearing their investment return assumptions, and noted a trend of systems lowering assumptions to more achievable levels. Mr. Munter also highlighted that 68 percent of Texas systems have investment expenses at or below the national average, with Texas averaging 0.65 percent compared to the national 0.71 percent.

The board emphasized the importance of using forward-looking risk assessments and realistic investment return assumptions, rather than relying solely on past performance. They also highlighted the need for strong governance practices to ensure assumptions are set in the best interests of plan stability and future retirees. Mario Alvarado, chair of the Harlingen Firemen's Relief and Retirement Fund, and Vice Chair Joey Albritton presented to the board explaining the system's higher-than-average investment return assumption.

During their presentation, Mr. Alvarado and Mr. Albritton emphasized that the selection of their investment return assumption is a careful, collaborative process involving the board, their investment consultant, and their actuary. They described regular reviews of asset allocation and return expectations, and while they do not have a formal policy for reviewing the assumption, it is a frequent topic in their ongoing discussions.

The board took a break from 11:56 a.m. to 12:08 p.m.

7. 89th Regular Session (2:05:55)

a. Pension legislation passed

Policy and Communications Manager Mariah Miller reported that the agency tracked 118 pension bills during the legislative session, with 17 passing and 55 actuarial impact statements completed. She highlighted key legislation affecting retirement systems, including expanded eligibility, funding reforms, and new investment and reporting requirements.

b. General government legislation passed

Deputy Director Ashley Rendon summarized that the agency tracked 263 general government bills, with 27 becoming law. Key legislation included new efficiency audit requirements before sunset review, open government and rulemaking reforms, new AI and cybersecurity regulations, and mandates for digital modernization of agency websites and portals.

c. PRB budget appropriation for Fiscal Years 2026 and 2027 under General Appropriations Act, 89th Legislature (SB 1) and supplemental appropriations (HB 500)

Ms. Rendon noted that the PRB received full funding for all requested items for fiscal years 2026 and 2027. Senate Bill 1, the General Appropriations Act, provides ongoing support for staff salary increases, IT maintenance, and the executive director's salary.

House Bill 500, the supplemental appropriations bill, supplies one-time funds for IT enhancements to be used over two years.

8. 2025-2027 IT projects updates (2:22:36)

Ms. Rendon reported that the agency will prioritize upgrades to its internal database, online reporting portal, and education website, focusing on improving the education module and system integration. Planning is underway, and the agency anticipates project work to continue through mid-2027.

9. Executive Director Report (2:25:30)

a. Updated Fiscal Year 2025 Operating Budget

Executive Director Amy Cardona presented an update on the fiscal year 2025 operating budget. She reported that the agency is expected to have a modest surplus by year-end.

b. Approval of Fiscal Year 2026 Operating Budget

This item was addressed following item 10. Ms. Cardona presented the fiscal year 2026 operating budget, explaining that it reflects the agency's appropriations and internal planning.

Chair Leibe entertained a motion to approve the fiscal year 2026 operating budget, which reflects the updated executive director salary.

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

Motion passed unanimously.

10. Executive Session – In accordance with Section 551.074, Texas Government Code, the board will meet in executive session to discuss personnel matters, including the evaluation, compensation, and performance of the Executive Director. The board may also meet thereafter in open session to discuss and consider appropriate action. (2:26:30)

The board went into closed session at 12:29 pm and resumed open session at 12:47 pm. There were no actions taken during the closed session.

Chair Leibe entertained a motion to increase the salary of the executive director to \$156,240 effective September 1, 2025, and to \$164,240 effective September 1, 2026.

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

Motion passed unanimously.

11. Future meetings: agenda items, dates, locations, and other arrangements (2:49:33)

Ms. Leibe noted that there would be an Education Committee meeting following the board meeting at 2 pm located in the same room. She noted the remaining board meetings will occur in September and December 2025, with locations to be determined.

12. Adjournment (2:50:15)

The meeting was adjourned at 12:51 p.m.

PRB staff in attendance:

Amy Cardona	David Fee	Bryan Burnham
Ashley Rendon	Robert Munter	Mariah Miller
Austin Pace	Jasmin Loomis, via videoconference	Annika Leong

Members of the public in attendance:

Luke Skelton – Beaumont Fireman’s Relief and Retirement Fund	Michael Villanueva – Texas Emergency Services Retirement System
Art Alfaro – TEXPERS	Erik Brown – Odessa Fire
Tyler Grossman – El Paso Fire and Police Pension	Joe Gimenez – TEXPERS
Pattie Featherston – Austin Police Retirement System	Eddie Solis
Pat Haggerty	Lisa Hughes
Sharae Reed – City of Beaumont	Jay Dyer - TCDRS



Stephanie Leibe, Chair