Texas Pension Review Board

Board Meeting Minutes
December 11, 2025

1. Meeting called to order (00:00:12)

The Pension Review Board (PRB) meeting was called to order on Thursday, December 11, 2025, at 10:03 AM at 1100 N. Congress Avenue, Capital Extension Committee Room E1.012, Austin TX 78701 and via videoconference.

2. Roll call of board members and consideration to excuse absence (00:00:20)

Board members present were Chair Stephanie Leibe, Vice Chair Keith Brainard, Marcia Dush, Roy Rodriguez; and Daniel Harper and Christopher Zook by videoconference.

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

Chair Leibe entertained a motion to excuse Mr. Gonzales' absence. The motion was made by Mr. Brainard and seconded by Ms. Dush.

The motion passed unanimously.

3. Consideration and possible action to approve September 25, 2025, board meeting minutes (00:01:40)

Chair Leibe entertained a motion to approve the minutes of the September 25, 2025, board meeting as circulated. The motion was made by Ms. Dush and seconded by Mr. Brainard.

The motion passed unanimously.

4. Opening remarks from board members (00:02:15)

No opening remarks were provided by board members.

5. Public comment (00:02:41)

No comments were provided by members of the public.

6. Actuarial Committee (00:03:05)

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

David Fee, PRB chief actuary, presented the actuarial valuation report. Several systems have made changes or reached agreements to improve their funding status, including Dallas Police & Fire Pension System, Marshall Firemen's Relief & Retirement Fund, and McAllen Firemen's Relief & Retirement Fund.

Mr. Fee compared firefighter termination experience to general employee termination experience within Texas Municipal Retirement System (TMRS), presenting analysis showing firefighters in TMRS are over 2.5 times more likely than general employees to reach 20 years of service and retirement eligibility. He noted that the fewer firefighter terminations resulted in fewer match forfeitures, resulting in higher pension costs to provide the same formula benefit as general employees. He then discussed how many Texas Local Firefighter Retirement Act (TLFFRA) plan sponsors base their TLFFRA contribution rates on TMRS contribution rates. The board requested additional analysis from the TMRS actuary on the effect on normal costs and discussed possible outreach to TLFFRA plan sponsors.

Several systems are expected to submit or complete FSRPs following recent agreements. Five systems remain at risk: Harlingen Firemen's Relief & Retirement Fund, San Angelo Firemen's Relief & Retirement Fund, San Benito Firemen Relief & Retirement Fund, McAllen Firemen's Relief & Retirement Fund, and Texarkana Firemen's Relief & Retirement Fund.

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

Bryan Burnham, analytical services team lead and TLFFRA specialist, noted that two systems remain non-compliant with annual reporting requirements. Only one system (Laredo Firefighters Retirement System) remains non-compliant with the actuarial audit requirement. The board directed staff to contact the city of Laredo by telephone regarding the requirement.

c. Intensive Study: Chapter 810 Retirement Systems

Robert Munter, senior investment analyst; Mr. Fee; and Mr. Burnham presented the comprehensive study on Chapter 810 retirement systems covering governance, benefit structures, actuarial assumptions, and investment practices. Key findings include the following: Chapter 810 systems use more conservative assumptions on average, most Chapter 810 systems use ADC funding structure resulting in better funded ratios, but seven systems still use outdated mortality tables for lump sum calculations. The board directed staff to develop recommendations addressing some of the findings.

d. Rule review and possible need for FSRP rule revisions and statutory recommendations

Tamara Aronstein, PRB general counsel, provided an overview of the upcoming FSRP rule review process to begin in 2026. The review will include actuarial committee meetings, board meetings, and stakeholder input opportunities. Any legislative recommendations arising from the review would be included in the November 2026 biennial report for consideration during the 2027 legislative session.

7. Investment Committee (01:34:08)

The committee chair, Christopher Zook, called for a 10-minute break. During the break, board members Roy Rodriguez and Daniel Harper left the meeting.

Mr. Zook requested that Robert Munter present item 7b before 7a.

a. Investment Data Report

Mr. Munter presented investment performance data showing 66 systems have 10-year returns within 1 percent of their assumptions. Analysis of quarterly investment data revealed wide ranges in portfolio risk metrics between systems that reported them. The board requested analysis of year-by-year averages comparing actual returns to assumptions by finding a way to utilize or show older assumptions.

Mr. Munter presented analysis of the three systems with 7.75 percent or higher return assumptions: Harlingen Firemen's Relief & Retirement Fund, Orange Firemen's Relief & Retirement Fund, San Angelo Firemen's Relief & Retirement Fund. Using Horizon Actuarial survey data, the capital market analysis showed the 7.75 percent assumptions are at the optimistic edge of reasonable ranges. The board expressed concerns about systems using assumptions with lower probability of achievement and discussed if the executive director should send letters to the systems, actuaries, and plan sponsors expressing the board's concerns about overstating funding condition and understating costs.

b. Consideration and potential action on adoption of the Updated Guidance for Investment Practices and Performance Evaluations, including the evaluation schedule as required by HB 3474 (89R)

Mr. Munter presented the updated IPPE guidance and PRB schedule following stakeholder feedback.

Mr. Zook entertained a motion to adopt the updated guidance for conducting investment practices and performance evaluations as presented. The motion was made by Mr. Zook and seconded by Chair Leibe.

The motion passed unanimously.

8. Education Committee (02:20:05)

a. Minimum Educational Training program compliance

Jasmin Loomis, education and communications specialist, presented the annual Minimum Educational Training (MET) compliance report. Overall, compliance has improved across all system types since 2022. However, significant noncompliance remains, particularly among Chapter 810 systems and TLFFRA sponsor trustees. Six systems have 0 percent compliance. The board discussed the importance of making MET compliance a statutory requirement and ensuring adequate communication with members. Mr. Brainard suggested creating a certificate for systems achieving 100 percent compliance.

9. IT Projects Update (02:44:50)

Ashley Rendon, deputy director, provided an update on IT projects including upgrades to the PRB's internal database, pension online reporting tool (PORT), and data center. She noted the programmer has made initial updates with a current focus on MET. Changes are being tested in a development environment before deployment. Mr. Brainard commended staff for keeping IT projects on time and within budget.

10. Executive Director's Report (02:48:50)

a. TLFFRA Conference

Executive Director Amy Cardona noted PRB staff moderated the actuarial panel at the TLFFRA Annual Conference in October.

b. SAO Audit Update

Ms. Cardona stated that the State Auditor's Office efficiency audit is currently underway with projected publication in February 2026.

c. Updated fiscal year 2026 operating budget

Ms. Cardona presented the updated operating budget.

11. Future Meetings: Agenda items, dates, locations, and other arrangements (02:52:18)

Chair Leibe announced upcoming meetings: Actuarial Committee on January 29, 2026, and full board meeting on February 25, 2026 (locations TBD). The board requested staff to follow up on several items from the Chapter 810 study including recommendations on board meeting frequency, member communication, board expertise requirements, lump sum calculation methodology, and asset pooling. An Education Committee meeting will be scheduled for mid-2026 to discuss potential legislative recommendations regarding MET compliance.

12. Adjournment (02:53:38)

The meeting was adjourned at 12:57 PM.

PRB staff in attendance:

Amy Cardona	David Fee	Bryan Burnham	Robert Munter
Jessimond McLaughlin	Tony Araguz	Jasmin Loomis	Austin Pace
Ashley Rendon	Tamara Aronstein		

Members of the public in attendance:

John Posey - LBB	Lisa Hughes – El Paso Fire/Police	Art Alfaro - TEXPERS
RJ Gonzalez – LBJ School		

Stephanie Leibe, Chair