



**Board Meeting Minutes
July 23, 2026**

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

Chair Stephanie Leibe recognized that a quorum of the board was present and called the Pension Review Board (PRB) meeting to order at 10:03 a.m., Thursday, July 23, 2026, in the William P. Clements Building, Fourth Floor, Room 402, 300 W. 15th St., Austin, Texas, 78701.

2. Roll call of board members and consideration to excuse absence (00:00:10)

Jessimond McLaughlin, administrative coordinator, called roll. The following board members were present: Chair Stephanie Leibe, Marcia Dush, Chris Gonzales, Daniel Harper, and Christopher Zook. Christopher Gonzales and Christopher Zook attended virtually.

Chair Leibe entertained a motion to excuse Mr. Brainard and Mr. Rodriguez's absences. The motion was made by Mr. Zook and seconded by Ms. Dush.

The motion passed unanimously.

3. Administrative items (00:01:18)

a. Consideration and possible action to approve February 25, 2026, board meeting minutes

Chair Leibe entertained a motion to approve the minutes of February 25, 2026, board meeting as circulated. The motion was made by Ms. Dush and seconded by Mr. Gonzales.

The motion passed unanimously.

4. Opening remarks from board members (00:02:05)

No opening remarks were provided by board members.

5. Public comment (00:02:28)

No comments were provided by members of the public.

6. Actuarial Committee (00:02:48)

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

PRB Chief Actuary David Fee presented the actuarial valuation and FSRP report. He summarized system funded status changes and significant economic assumption changes since the February meeting. He reviewed six-year funding trends showing a declining average discount rate and growing numbers of systems meeting the board's 2040 target funding period, along with lists of

outlier systems by funding period and funded ratio. Mr. Fee also presented an overview of funding periods and funded ratios by system type. Most TLFFRA and municipal systems have funding periods between 15 and 30 years and decreased their funding periods by 10 years or more over the last six years.

Mr. Fee presented an update on the TLFFRA sponsor contribution consideration from the February meeting. PRB staff sent a letter in March at the request of the board and received positive response. He also presented an update on FSRPs, stating that no systems are currently subject to FSRPs.

b. Consideration and possible action to adopt rule review of 40 T.A.C. Chapter 610, pertaining to funding soundness restoration plans

PRB General Counsel Tamara Aronstein and Mr. Fee provided background on the review and proposed revisions to the Funding Soundness Restoration Plan (FSRP) rules. Staff explained that the rule review and stakeholder engagement process began earlier in the year, with informal and formal opportunities for feedback. Four stakeholders submitted informal comments, generally supporting the proposed changes and raising suggestions related to standardized forms, sponsor involvement, model timelines, and transparency for investment-advisor reviews. No stakeholder comments opposed the proposed rule changes.

Ms. Dush entertained a motion to adopt the rule review of 40 T.A.C Chapter 610, pertaining to funding soundness restoration plans. The motion was made by Mr. Zook and seconded by Chair Leibe.

The motion passed unanimously.

c. Consideration and possible action to propose amendments to 40 T.A.C. Chapter 610, pertaining to funding soundness restoration plans

Ms. Aronstein and Mr. Fee detailed several proposed amendments to Chapter 610, focusing on improving clarity, consistency, and oversight of the FSRP process. Key changes would include a new model notice for systems with inadequate funding, a standardized progress update form requiring participation and signatures from both the pension system and sponsor, clearer FSRP submission timelines, and more precise language regarding funding corridors. The revisions would also remove outdated provisions related to voluntary and legacy FSRPs and make several technical corrections. The new forms are intended to make existing requirements easier to monitor and apply consistently.

Ms. Dush entertained a motion to approve the publication in the Texas Register of the proposed amendments to 40 Texas Administrative Code Chapter 610 as presented, pertaining to the funding soundness restoration plan requirement.

Mr. Zook made the motion, Chair Leibe seconded.

The motion passed unanimously.

d. Consideration and possible action to adopt legislative recommendations on funding soundness restoration plans

Ms. Aronstein and Mr. Fee presented potential statutory recommendations for future consideration. One recommendation would authorize the PRB to specify FSRP submission

requirements in rule. A narrower alternative would specifically eliminate the requirement for additional formal action to adopt an FSRP when new legislation has already addressed the matter. Additional recommendations would establish separate compliance and progress report requirements for the PRB, to keep state leadership and legislative committees informed about FSRP compliance and developments.

Ms. Aronstein suggested the board hold any action pertaining to legislative recommendations until the September 2026 board meeting. Ms. Dush agreed.

e. Update on Draft Intensive Study, Steps to Complete FSRPs with Model Timelines

Bryan Burnham, the PRB analytical services team lead, presented an update on the PRB's study to establish a clearer timeline for pension systems completing and submitting FSRPs under the current two-year deadline. The study will examine the key steps involved after an FSRP is triggered, including the development and negotiation of plan changes between systems and their sponsors, and assess how much time each step typically requires. Drawing on five FSRPs completed under the prior requirements, staff will identify reasonable or ideal timelines that can help systems plan for timely compliance. Staff will also interview the five systems to validate the findings, with the final study expected to be presented to the board in September.

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

Mr. Burnham noted the University Park Firemen's Relief and Retirement Fund has completed its outstanding reporting requirements and was removed from the noncompliant list. The Nacogdoches County Hospital District Retirement Plan remains the only system on the list, with outstanding annual financial reports for fiscal years 2024 and 2025 due to difficulties securing an auditor. He noted that the system continues to experience financial challenges and that the PRB will continue to monitor the situation and seek periodic updates.

Mr. Burnham also reported that the Laredo Firefighters Retirement System remains outstanding on its actuarial audit requirement. The City of Laredo has reportedly hired an independent actuary, but no completion timeline is currently available.

g. Discussion and possible adoption of changes to the Policy for Regulation of Non-Compliant Retirement Systems

Mr. Burnham presented proposed updates to the agency's Policy for Regulation of Non-Compliant Retirement Systems, which was originally adopted in 1996 and last substantially updated in 2013. He noted the revisions were intended to align the policy language with current practices and expand its scope to include all required reporting requirements, including additional minimum educational training (MET) forms and reports implemented since 2013. The changes do not alter current compliance practices, which include advance deadline reminders, late notices, notification to sponsoring entities when a system remains noncompliant for 60 days, and regular compliance updates to the board. FSRP requirements were excluded because they are addressed under a separate compliance policy adopted in 2022. Mr. Burnham

explained the Actuarial Committee discussed the proposed revisions in April and shared with stakeholders in May, and the agency received no feedback. Mr. Burnham noted that the board could adopt the updated policy if no further changes were requested.

Ms. Dush entertained a motion to adopt the changes to the Policy for Regulation of Non-Compliant Retirement Systems, now titled the Policy for Promoting Compliance With Required Reporting. The motion was made by Mr. Harper and seconded by Mr. Zook.

The motion passed unanimously.

7. Education Committee (00:50:40)

a. Overview of potential changes to the Minimum Educational Training program to improve compliance

Jasmin Loomis, the PRB education and communications specialist, provided an update on the MET program compliance improvement project, which was initiated following the board's direction in December 2025 to explore statutory and agency actions to improve trustee compliance. She reported improved compliance with the reporting requirements, with only four systems receiving noncompliance letters for missing the April 1 reporting deadline by more than 60 days, and two of those systems subsequently becoming compliant. Ms. Loomis also highlighted the recent launch of enhancements to the Pension Online Reporting Tool, which provides administrators with greater visibility into trustee compliance, allows them to update trustee information and submit training electronically, and streamlines report corrections and approvals.

Ms. Loomis presented potential statutory and non-statutory recommendations developed by staff and through stakeholder and Education Committee feedback. The board discussed the importance of strong MET compliance while considering potential operational impacts, particularly for smaller systems and newly appointed trustees.

Ms. Loomis and PRB staff will revise the proposal based on the board's discussion and circulate the options for a final round of stakeholder feedback. Final statutory and non-statutory recommendations will be presented to the board in September for potential adoption, with any adopted statutory recommendations to be included in the November 2026 Biennial Report to the Legislature.

Mr. Zook suggested a break at 12:06 p.m. Chair Leibe approved. The meeting resumed at 12:18 p.m.

8. Investment Committee (02:15:08)

a. Investment Data Report

Robert Munter, PRB senior investment analyst, presented the Investment Data Report, noting that early annual reports indicate generally strong investment performance among systems, with more systems exceeding or coming within 1 percent of their investment return assumptions compared with prior reporting periods. He discussed potential enhancements to future reports, including the use of a standardized passive blended benchmark to provide

additional context for system performance and a new metric to illustrate the long-term compounded impact of changes in investment return assumptions. He also provided preliminary information on portfolio liquidity, noting that most systems maintain highly liquid portfolios, while larger systems generally have higher allocations to illiquid investments. Mr. Munter noted staff will continue refining these measures and plan to present proposed enhancements to the Investment Committee in September, with additional information expected in future board reports.

9. Customer Service Survey (02:32:33)

Jenn Kirsner, PRB communications specialist, presented the results of the 2026 Customer Service Survey, which received 44 responses during its four-week survey period. Overall, respondents expressed satisfaction with the agency, with all but two of the 15 survey questions receiving average scores that indicated satisfaction. Ms. Kirsner highlighted feedback regarding the experience of remotely viewing PRB meetings, communication about upcoming training opportunities, the difficulty of completing PRB-2000 forms, and the need for additional MET courses. In response, PRB staff has improved meeting audio and visual equipment, increased communications regarding training opportunities, implemented online portal enhancements to streamline MET reporting, and plans to expand and update MET courses and training provider relationships. The survey results also included positive feedback regarding agency staff, leadership, and the website.

10. Executive Director's Report (02:41:23)

a. 2027–2031 Strategic Plan

PRB Executive Director Amy Cardona provided an update on the completion of the PRB's 2027–2031 Strategic Plan, which was completed ahead of the statutory June 1 deadline. The plan reflects priorities previously established by the board and ongoing agency initiatives, including IT enhancements, and incorporates required components such as the agency's mission, goals, action plans, and customer service survey results.

b. 2028–2029 Legislative Appropriations Request

Ms. Cardona presented an update on the 2028–2029 Legislative Appropriations Request (LAR), which will inform the legislature's budget process for the next biennium beginning September 2027. She noted that the LAR requires the agency to propose a schedule of 3 percent reductions to its base funding, while still allowing requests for exceptional items. Staff is working with the board chair on a limited request for performance-based salary increases and does not anticipate requesting additional IT funding at this time.

Chair Leibe entertained a motion to direct staff to work with the chair and vice chair to finalize and submit 2028-2029 Legislative Appropriations Request. The motion was made by Mr. Zook and seconded by Ms. Dush.

The motion passed unanimously.

c. SAO Audit Update

Ms. Cardona provided an update on the PRB efficiency audit conducted by the State Auditor's Office, which concluded in April. She reported progress on implementing the audit recommendations, including the disposal of 110 excess property items, continued efforts to automate agency processes through ongoing IT enhancement projects, and evaluation of the report review process, including a pilot of an AI tool to improve review efficiency.

d. Update on conferences

Ms. Cardona also provided an update on the agency's participation in industry conferences and educational events, noting recent presentations by staff at TEXPERS and the TLFFRA peer review and upcoming presentations at the annual conference in October. She emphasized the PRB's continued efforts to provide stakeholder education through both online MET courses and in-person industry conferences.

e. Updated Fiscal Year 2026 Operating Budget

Ms. Cardona reviewed the updated fiscal year 2026 operating budget and expenditures.

f. Approval of Fiscal Year 2027 Operating Budget

Ms. Cardona presented the fiscal year 2027 operating budget and expenditures for board approval.

Chair Leibe entertained a motion to approve the fiscal year 2027 operating budget as presented. The motion was made by Mr. Harper and seconded by Ms. Dush.

The motion passed unanimously.

**11. Future meetings: Agenda items, dates, locations, and other arrangements
(02:48:53)**

Chair Leibe announced the next full Pension Review Board meeting on September 30, 2026, at 10 a.m. in William P Clements Building, room 402, and the next Investment Committee meeting on September 30, 2026, at 2p.m. in the same location. The PRB website will be updated with meeting location information.

12. Adjournment (02:49:47)

There being no further business, Chair Leibe adjourned the meeting at 12:53 p.m.

PRB staff in attendance:

Jessimond McLaughlin

David Fee

Amy Cardona

Bryan Burnham

Tamara Aronstein

Ashley Rendon

Tony Araguz

Austin Pace

Robert Munter

Jenn Kirsner

Members of public in attendance:

Terry Bratton – Houston Police Officers’ Pension System

Christina Ramirez – El Paso Firemen & Policemen's Pension Fund

John Posey – Legislative Budget Board

Lily Tu – Sage Advisory

Scott Olguin – Dimensional Fund Advisors

Kyle Straube – Dimensional Fund Advisors

Eddie Solis



Chair, Stephanie Leibe