



Summary of TCDRS Board Meeting Held June 25, 2020

The key events at the board meeting were as follows:

- The board received an operations report from the executive director on TCDRS' response to the global pandemic that included how TCDRS has worked to reassure members and assist employers during this challenging time.
- The board approved the consent agenda, which included:
 - Meeting minutes for April 2, 2020
 - Quarterly financial statements
 - Participation requests from two new districts: Bexar County Emergency Service District 5 and the Housing Authority of the City of Mission
- The board received an investment performance report and a report from the outside investment consultant, Cliffwater, and approved the board resolution for approval of investments.
- Cliffwater presented a due diligence review report on the index funds' manager, and the board approved retention of State Street Global Advisors as manager.
- The board approved the 2020 capital market assumptions as recommended by Cliffwater and adopted adjustments to the asset allocation. The asset allocation is projected to earn 8% over the long term based on the updated capital market assumptions with an expected risk of 13.01%.

Changes were made to the following asset classes:

- U.S. equity (10.5% to 14.5%)
- Non-U.S. equity (10.0% to 7.0%)
- Distressed debt (2.0% to 4.0%)
- MLPs (3.0% to 2.0%)
- REITs (2.0% to 3.0%)
- Private Equity (18.0% to 20.0%)
- Hedge funds (13.0% to 8.0%).



Summary of TCDRS Board Meeting Held April 2, 2020

- The board amended the [TCDRS Investment Policy](#) to reflect the newly adopted capital market assumptions and asset allocation plan as described above and made some clarifications and updates to text as recommended by the chief investment officer.
- Milliman presented the results of the Dec. 31, 2019 valuation and the board adopted the 2021 employer contribution rates and Group Term Life premium rates.
- KPMG presented the results of their financial audit. TCDRS received an unmodified or “clean” opinion. This means KPMG found the financial statements fairly present TCDRS’ financial results for 2019. In addition, KPMG reviewed the results of the SOCI audit, which provides TCDRS participating employers’ auditors assurance that the numbers provided for their financial reports are reliable. TCDRS received an unmodified or “clean” SOCI audit.
- The operations report to the board included a presentation of the [Comprehensive Annual Financial Report](#) (CAFR) for the year ending Dec. 31, 2019.
- Lastly, the board approved an amendment to their governing policy concerning public comment at board meetings. The amendment clarifies that public comment is limited to three minutes per agenda item, unless modified by the chair.

Note: *The official meeting minutes will be posted after the board approves them at their next meeting on Sept. 10.*