

Texas County & District Retirement System
Minutes of the Board of Trustees' Meeting
June 12, 2025

The Board of Trustees of the Texas County & District Retirement System (TCDRS) met on June 12, 2025, in Austin, Texas, with the following trustees present:

Chair Mary Louise Nicholson
Vice-chair Deborah Hunt
James Bass
Chris Davis
Sammy Farias
Susan Fletcher
Ronnie Keister
Holly Williamson

TCDRS Staff & consultants present:

Amy Bishop, Executive Director
Casey Wolf, Chief Investment Officer
Sandra Bragg, Deputy Investment Officer
Karen Correa, Deputy Executive Director
Jay Dyer, Deputy Executive Director of Government and External Relations
Ann McGeehan, General Counsel
Russell Newbury, Director of Investment Operations
Claudia Garcia, Chief Services Officer
Nathan Joiner, Chief Financial Officer
Trey Lanshe, Chief Decision Support Officer
Kathy Thrift, Chief Customer Experience Officer
Chris Bucknall, Director of Actuarial Services
Natalia Ashley, Senior Staff Attorney
Chad Estes, Systems Administrator
Colleen Clemens, Executive Office Coordinator
Matt Larrabee, Principal & Consulting Actuary, Milliman, Inc.
Nick Collier, Principal & Consulting Actuary, Milliman, Inc.
Timothy Bruce, Partner – Head of Portfolio Construction, NEPC
Keith Stronkowski, Principal & Senior Consultant, NEPC
Spencer Edge, Portfolio Senior Analyst, Albourne
Shannon Canals, Managing Director, KPMG US

1. Call meeting to order

Chair Nicholson called the meeting to order at 9:00 a.m.

2. Receive report of executive director

Amy Bishop, Bishop, Executive Director, presented the executive director report which highlighted the upcoming TCDRS annual conference to be held July 16-18.

3. Public comment

No members of the public provided comments.

4. Consider consent agenda items

Karen Correa, Deputy Executive Director, presented five consent agenda items for approval.

4a. March 2025 regular meeting minutes.

4b. Quarterly financial statements as of March 31, 2025.

4c. Participation of four (4) districts to join the system: Brazos County Emergency Service District No. 3, Cameron County Drainage District No. 6, La Feria Irrigation District Cameron County No. 3 and Wise County Emergency Services District No. 1.

4d. Adoption of Credited Service for Spring Hills Special Utility District.

4e. Plan Termination of Goliad Appraisal District.

Motion: Trustee Davis made a motion to approve the consent agenda items. Trustee Farias seconded. Motion carried.

5. Receive report of fiduciary counsel

Chuck Campbell of Jackson Walker had no report for this meeting.

6. Consider executive director's monitoring report

Amy Bishop presented the executive director's monitoring report, which included the *annual EL2 – Services to Members and Employers* and the quarterly *EL5 – Financial Activities*. Ms. Bishop discussed compliance with each monitoring report and reported an update to the interpretation of Policy 6 in *EL5*. The updated interpretation is a stricter standard and better aligns with member's experiences and expectations.

Motion: Vice-chair Hunt made a motion to approve the executive director's monitoring report. Trustee Williamson seconded. Motion carried.

7. Consider chief investment officer's monitoring report

Casey Wolf, Chief Investment Officer, presented the chief investment officer's monitoring report which included the quarterly *EL5 – Financial Activities* and *EL11 – Investment Policies*. Mr. Wolf discussed each

monitoring report and reported compliance with the executive limitations required by the Board of Trustees' Policy Manual.

Motion: Vice-Chair Hunt made a motion to approve the chief investment officer's monitoring report. Trustee Fletcher seconded. Motion carried.

8. Receive investment performance measurement and investment consultant reports

Casey Wolf, NEPC representatives, Timothy Bruce and Keith Stronkowski, and Albourne representative, Spencer Edge, presented the investment performance measurement and investment consultant reports for the period which ended March 31, 2025.

9. Consider investment consulting budget

Casey Wolf presented a request for investment consulting budget increase of \$500,000 to Investment Consulting under Professional and Custodial Services. The full year budget for Investment Consulting increases to \$3,250,000.

Motion: Trustee Williamson made a motion to approve the investment consulting budget increase. Trustee Farias seconded. Motion carried

10. Consider amendment(s) and update(s) to investment policy

There were no amendments or updates to the investment policy presented at this meeting.

11. Consider report of independent financial auditor

Shannon Canals of KMPG presented the results of the independent financial audit of Texas County and District Retirement System. Ms. Canals communicated that the audits of the financial statements, the schedule of changes in fiduciary net position by employer, and the SOC report all received unmodified (clean) opinions.

Motion: Trustee Davis moved to accept the results of the independent financial audit. Trustee Keister seconded. Motion carried.

12. Consider report of consulting actuary, including report on valuation and approve 2026 contribution rates.

Matt Larrabee and Nick Collier, with Milliman, presented the report of the consulting actuary.

Mr. Larrabee presented the Dec. 31, 2024, actuarial valuation. The aggregate funded ratio of the system increased to 89.9% (up from 89.1% as of Dec. 31, 2023) and the aggregate required contribution rate decreased to 11.89% in 2026 (down from 12.23% in 2025). The major factors which contributed were larger-than-assumed payroll increases and positive investment experience.

Motion: After discussion, Trustee Keister made a motion to approve the 2026 retirement plan employer contribution rates and 2026 premium rates for Group Term Life as recommended by Milliman in the *System-wide Actuarial Valuation as of Dec. 31, 2024*; and authorize Milliman to calculate the 2026 employer contribution rates for employer plans that adopt benefit changes. Trustee Bass seconded. Motion carried.

13. Receive annual comprehensive financial report

Nathan Joiner, TCDRS Chief Financial Officer, presented the [TCDRS Annual Comprehensive Financial Report](#) for the year ending Dec. 31, 2024. His presentation highlighted the report's theme, recent awards and key insights from each section. Mr. Joiner noted that TCDRS now serves more than 394,000 members, including 88,200 retirees, and reported that the system's fiduciary net position has grown to over \$50 billion.

14. Receive report on operations

Karen Correa, Deputy Executive Director, presented the upcoming rollout of the TCDRS mobile app, which will provide members with an additional channel to conveniently access their accounts with enhanced security. Ms. Correa highlighted how to download the app, new passkey sign-in options and the marketing plan for launch. Kathy Thrift, Chief Customer Experience Officer, provided an update on the redesign of the employer portal, which is being developed to improve the employer experience. She explained that the new portal will serve as a tool to support employee onboarding, assist members in making benefit decisions, streamline account management and facilitate plan administration. Ms. Thrift outlined the current design progress and shared the next steps in the project.

15. Receive report from deputy executive director of government and external relations

Jay Dyer, Deputy Executive Director of Government and External Relations, provided the board with a brief summary of the 89th Regular Session of the Texas State Legislature.

16. Review governance policy can consider amendment(s) to the board's governance policy

Amy Bishop presented the governance policies that were up for review in the second quarter according to the board's governance policy monitoring schedule. The policies up for review were *GP4 – Trustee Education*, *GP5 Agenda Planning*, *GP6 Board Officer's Roles*, *BSR3 – Accountability of Director and Investment Officer* and *BSR4 – Delegation to the Director and Investment Officer*. The board did not have revisions to the governance policies.

17. Receive report of legal counsel

Ann McGeehan, TCDRS General Counsel, had no legal report.

18. Receive report on review of administrative rules (34 T.A.C., Part 5, Chapters 101, 103, 105, 107, 109, 11 and 113) and proposed changes

Ms. McGeehan presented an overview of the administrative rules and requested permission to publish the rules for public comment.

Motion: Trustee Farias moved to approve the publication in the Texas Register of proposed amendments and repeals to TCDRS administrative rules – 34 T.A.A. Chapter 101, 103, 105, 107, 109, 111, and 113. Trustee Davis seconded. Motion carried.

19. Receive report of chair

Chair Nicholson encouraged the board to attend the upcoming TCDRS Annual Conference.

20. Consider compliance at this meeting with board's governance policies

The board considered its compliance with the governance policies during this meeting as required by GP5 - *Agenda Planning*.

21. Adjournment

There being no further business to come before the board, Chair Nicholson adjourned the meeting at 12:08 p.m.

APPROVED BY THE TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM BOARD OF TRUSTEES ON THE 11TH DAY OF SEPTEMBER 2025.

ATTESTED BY:



Amy Bishop
Executive Director & Secretary to the
TCDRS Board of Trustees

9/13/2025

Date