Texas County & District Retirement System
Minutes of the Board of Trustees' Meeting
June 11, 2026

The Board of Trustees of the Texas County & District Retirement System (TCDRS) met on June 11, 2026, in Austin, Texas, with the following trustees present:

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

TCDRS Staff & consultants present:

Karen Correa, Executive Director
Casey Wolf, Chief Investment Officer
Jon Shoen, Deputy Chief Investment Officer
Jay Dyer, Deputy Executive Director of Government and External Relations
Ann McGeehan, General Counsel
Russell Newbury, Deputy Investment Officer, Investment Operations
Nathan Joiner, Chief Finance Officer
Trey Lanshe, Chief Decision Support Officer
Kathy Thrift, Chief Customer Experience Officer
Natalia Ashley, Senior Staff Attorney
Ray Spiller, IT Technical Support Specialist
Colleen Clemens, Executive Office Coordinator
Chuck Campbell, Jackson Walker
Matt Larrabee, Principal & Consulting Actuary, Milliman, Inc.
Nick Collier, Principal & Consulting Actuary, Milliman, Inc.
Sam Austin, Partner, NEPC
Spencer Edge, Portfolio Senior Analyst, Albourne
Kailash Pagarani, Audit Managing Director, KPMG
Nadia Al-Absy, CPA Senior Manager, KPMG

1. Call meeting to order

Chair Hunt called the meeting to order at 8:30 a.m.

2. Receive report of executive director

Karen Correa, Executive Director, presented the executive director report which highlighted the upcoming TCDRS annual conference to be held July 16-17 and the new method to share plan assessments with employers.

3. Receive report of fiduciary counsel

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

4. Public comment

No members of the public provided public comments.

5. Consider consent agenda items

Ms. Correa presented three consent agenda items for approval.

5a. March 2026 regular board meeting minutes.

5b. Quarterly financial statements as of March 31, 2026.

5c. Participation of four new districts: Culberson County Appraisal District, Eastland Memorial Hospital District, Kaufman County Emergency Services District Number Seven, Northwest Grayson County WCID Number One.

Motion: Trustee Nicholson made a motion to approve the consent agenda items. Trustee Fletcher seconded. Motion carried.

6. Consider executive director's monitoring report

Karen Correa presented the executive director's monitoring report, which included the annual *EL2 – Services to Members and Employers* and the quarterly *EL5 – Financial Activities*. Ms. Correa reported compliance with the executive limitations as required by the Board of Trustees' Policy Manual.

Motion: Trustee Fletcher made a motion to approve the executive director's monitoring report. Trustee Keister 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 Davis made a motion to approve the chief investment officer's monitoring report. Trustee Nicholson seconded. Motion carried.

8. Receive investment performance measurement and investment consultant reports

Casey Wolf, NEPC representative Sam Austin, and Albourne representative Spencer Edge presented the investment performance measurement and investment consultant reports for the reporting period which ended March 31, 2026.

9. Receive report on investment practices and performance evaluation as required by Texas Government Code 802.109

Sam Austin, with NEPC, presented a summary of the Investment Practices and Performance Evaluations Report prepared by NEPC. Pursuant to state law, TCDRS must select an independent firm to evaluate its investment practices and performance every three years.

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

Mr. Wolf presented a recommended update Section 9.C of the investment policy. The update added more detail to the definitions of public markets and commodities.

Motion: Trustee Bass moved to approve the proposed changes to the investment policy. Trustee Taylor seconded, motion carried.

11. Consider investment counsel

Casey Wolf provided a recommendation to hire additional investment counsel.

Motion: Vice-chair Davis moved to authorize the chief investment officer to negotiate and execute a contract with Noah Schottenstein with Stone Hilton. Trustee Taylor seconded, motion carried.

12. Consider report of independent financial auditor

Kailash Pagarani and Nadia Al-Absy of KMPG presented the results of the independent financial audit of the Texas County and District Retirement System. Mr. Pagarani 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 Taylor moved to accept the results of the independent financial audit. Trustee Farias 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, 2025. His presentation highlighted the report's theme, recent awards and key insights from each section. Mr. Joiner noted that TCDRS now serves more than 409,000 members, including 92,200 retirees, and reported that the system's fiduciary net position has grown to over $56 billion.

14. Receive operations report

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

Mr. Larrabee presented the Dec. 31, 2025, actuarial valuation. The aggregate funded ratio of the system increased to 90.7% (up from 89.9% as of Dec. 31, 2024) and the aggregate required contribution rate decreased to 11.67% in 2026 (down from 11.67% in 2026). The major factors which contributed were larger-than-assumed payroll increases and positive investment experience.

Motion: Trustee Fletcher made a motion to approve the 2027 retirement plan employer contribution rates and 2027 premium rates for Group Term Life as recommended by Milliman in the *System-wide Actuarial Valuation as of Dec. 31, 2025;* and authorize Milliman to calculate the 2027 employer contribution rates for employer plans that adopt benefit changes. Trustee Nicholson seconded. Motion carried.

15. Receive report on operations

Karen Correa presented the report on operations. The report included details on the employer portal update, work optimization for annuity payments, and updates on policy covering AI usage.

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

Karen Correa 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 requested review of the language regarding scheduling in *GP5 Agenda Planning* to be considered in the next Board of Trustees' Meeting.

17. Receive report of deputy executive director of government and external relations

Jay Dyer, deputy executive director of government and external relations, provided the board with a brief update on current government affairs.

18. Receive report of legal counsel

Ann McGeehan, General Counsel, had no report for this meeting.

19. Receive report of chair

Chair Hunt encouraged trustees to attend the TCDRS Annual Conference.

20. Consider resolution of appreciation for Ann McGeehan

Motion: Trustee Fletcher made a motion to approve the resolution of appreciation for Ann McGeehan. Trustee Bass seconded. Motion carried.

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

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

22. Adjournment

There being no further business to come before the board; Chair Hunt adjourned the meeting at 12:28 p.m.

APPROVED BY THE TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM BOARD OF TRUSTEES ON THE 10TH DAY OF SEPTEMBER 2026.

ATTESTED BY:

Karen Correa

Karen Correa
Executive Director & Secretary to the
TCDRS Board of Trustees

9/10/2026
Date