

**Texas County & District Retirement System
Minutes of the Board of Trustees' Meeting
March 5, 2026**

The Board of Trustees of the Texas County & District Retirement System (TCDRS) met on March 5, 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
Holly Williamson

TCDRS Staff & consultants present:

Amy Bishop, Executive Director
Casey Wolf, Chief Investment Officer
Jon Shoen, Deputy Chief 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
Nathan Joiner, Chief Finance Officer
Trey Lanshe, Chief Decision Support Officer
Natalia Ashley, Senior Staff Attorney
Chad Estes, Systems Administrator
Colleen Clemens, Executive Office Coordinator
Erika Aquirre Vasquez, Senior Account Manager
Kristina Fox, Development Manager
Chuck Campbell, Jackson Walker
Alyca Garrison, Jackson Walker
Matt Larrabee, Principal & Consulting Actuary, Milliman, Inc.
Nick Collier, Principal & Consulting Actuary, Milliman, Inc.
Keith Stronkowsky, Principal & Senior Consultant, NEPC
Timothy Bruce, Partner, Head of Portfolio Construction, NEPC
Spencer Edge, Portfolio Senior Analyst, Albourne

1. Call meeting to order

Chair Hunt called the meeting to order at 8:37 a.m.

2. Receive report of executive director

Amy Bishop, Executive Director, reported that year end activities were on track and that over 110,000 1099s were posted online and mailed, and over 316,000 annual member statements were posted online. Ms. Bishop also provided an update on the plan selections made by participating employers effective January 2025. Finally, she reported that TCDRS received the Government Finance Officers Association Certificate of Achievement for the 33rd consecutive year.

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

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

5a. December 2025 regular board meeting minutes.

5b. Participation of three new districts: Eastland Hospital District, El Paso Area Transportation Services Local Government Corporation, Runnels Central Appraisal District.

5c. Austin County Emergency Communications District Plan termination request.

5d. Quarterly financial statements as of December 31, 2025.

Motion: Trustee Williamson made a motion to approve the consent agenda items. Trustee Taylor seconded. Motion carried.

6. Consider employers' flat-rate COLA limit

Karen Correa presented a historical overview of maximum flat-rate COLAs adopted by the board and recommended that the board adopt 3% as the maximum flat-rate COLA increase employers may elect for the plan year 2027.

Motion: Trustee Williamson moved to approve a 3% maximum increase for flat-rate COLAs effective January 2027. Trustee Fletcher seconded, motion carried.

7. Consider executive director's monitoring report

Amy Bishop presented the executive director's monitoring report, which included *EL1 – Global Executive Constraints*, *EL4 – Operational Budgets*, *EL8 – Plan Funding* and *EL10 – Pension Plan Financial Planning* and the quarterly *EL5 – Financial Activities*. Ms. Bishop reported compliance with the executive limitations as required by the Board of Trustees' Policy Manual.

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

8. Consider chief investment officer's monitoring report

Casey Wolf, Chief Investment Officer, presented the chief investment officer's monitoring report, which included the annual *EL1 – Global Executive Constraints*, *EL4 – Operational Budgets* and *EL10 Pension Plan Financial Planning* and the quarterly *EL5 – Financial Activities* and *EL11 – Investment Policies*. Mr. Wolf reported compliance with the executive limitations as required by the Board of Trustees' Policy Manual.

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

9. Receive investment performance measurement and investment consultant reports

Casey Wolf, NEPC representatives Timothy Bruce and Keith Stronkowsky and Albourne representative Spencer Edge presented the investment performance measurement and investment consultant reports for the fourth quarter of 2025.

10. Receive Education on capital market assumptions and asset allocation plan

Timothy Bruce and Keith Stronkowsky, NEPC, presented education on capital market assumptions and asset allocation plan.

11. Adopt 2026 capital market assumptions and asset allocation plan

Mr. Bruce and Mr. Stronkowsky presented NEPC's January 2026 capital market assumptions. Based on the updated forecasts, minor changes were recommended to asset class targets.

Motion: Trustee Fletcher made a motion to adopt the 2026 capital market assumptions and asset allocation plan as recommended by NEPC and the Chief Investment Officer. Trustee Nicholson seconded. Motion carried.

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

Mr. Wolf presented recommended updates to asset class targets in the investment policy.

Motion: Trustee Williamson moved to approve the proposed changes to the investment policy. Vice-chair Davis seconded, motion carried.

Mr. Wolf also presented possible changes to Section 9.C of the investment policy concerning commodities for discussion only. No board action was requested at this meeting.

13. Consider allocation of 2025 investment results

Karen Correa presented staff's recommendation for the allocation of the 2025 investment earnings. Based on the estimated investment gains as of Dec. 31, 2025, staff recommended an allocation of 8.5% of plan assets to employer plans. The estimated impact of the recommendation is that the average employer contribution rate is projected to decrease from 11.89% to 11.73% of payroll. The reserves balance will increase to approximately \$4.7 billion, and the aggregate funded ratio is estimated to increase from 90% to 91%.

Motion: Trustee Fletcher moved to approve the Resolution for the Allocation of 2025 Investment Results. Trustee Williamson seconded. Motion carried.

Resolution for the Allocation of 2025 Investment Results

In accordance with Section 845.315 of the TCDRS Act, the board of trustees shall annually make allocations that in aggregate equal the net investment income or loss for the year.

Therefore, be it resolved and ordered by the Board of Trustees of the Texas County & District Retirement System:

1. Pursuant to Subsections 845.315(a)(1), (2), and (4) of the TCDRS Act, the required interest allocations will be made to the Employee Savings Fund, the Optional Group Term Life Fund and the Closed Subdivision Annuity Reserve Fund.
2. For purposes of determining the allocation to the account of each subdivision under Section 845.315(a)(5), the total assets of the subdivision are equal to the sum of the Jan. 1, 2025 balance of each participating subdivision's Subdivision Accumulation Fund and the subdivision's respective Employee Savings Fund. The allocation to each participating subdivision shall be determined by multiplying the subdivision's total assets as described by **8.5%**. If needed, amounts shall be transferred from the general reserves to complete this allocation.
3. Pursuant to Section 845.307 of the TCDRS Act, the allocation to each participating subdivision is credited to the Subdivision Accumulation Fund effective Dec. 31, 2025 and equals the amount described in (2) minus the required interest allocated to the respective subdivision's Employee Savings Fund for 2025.
4. After the above allocations, any remaining net investment income amounts will be transferred to the general reserves account of the endowment fund effective Dec. 31, 2025, pursuant to Section 845.315(a)(3).

14. Receive report of consulting actuary

Matt Larrabee, with Milliman, had no report for this meeting.

15. Consider arrangements and contracts for services from providers hired by the board

Ms. Bishop provided an update on current contracts and services hired by the board. Ms. Bishop presented recommendations for the board's contract with the outside auditor.

Motion: Trustee Fletcher moved to authorize the executive director to negotiate and execute a contract with KPMG. Trustee Bass seconded, motion carried.

16. Consider means to be used by board to ensure linkage between board and member counties and districts

Kathy Thrift, Chief Experience Officer, presented the methods for gathering feedback from employers for the Annual Linkage Survey for trustee consideration. The presentation included both how feedback would be gathered and what the focus for the survey would be.

Motion: Trustee Williamson made a motion to approve the adoption of the linkage plan as presented by the Chief Experience Officer. Trustee Bass seconded. Motion carried.

17. Receive education on TCDRS Doing Retirement Right

Erika Aguirre Vasquez and Kristina Fox, TCDRS, presented the board with education on benefits administration at TCDRS.

18. Receive operations report

Ms. Correa presented the operations report covering TCDRS Strategic Initiatives. She highlighted progress on work optimization, the rollout of Knowledge Buddy in the call center, and continued work on network security.

19. Receive report on plan options

Trey Lanshe, Chief Decision Support Officer, presented a report on key considerations and potential impacts of adding a hypothetical 8% employee deposit rate as a plan option.

The board was recessed for lunch at 12:01 p.m., the meeting was reconvened at 12:37 p.m.

20. 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.

21. Receive report of legal counsel

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

22. Receive report on educational opportunities for 2026

Ms. McGeehan presented a report on the board's governance policy *GP4 - Trustee Education* concerning trustee education requirements and guidelines. Ms. McGeehan reviewed the trustee education program components required by the Texas Pension Review Board (PRB) and by TCDRS Governance Policy — GP4 and discussed several potential training opportunities, including the TCDRS Annual Conference.

23. Consider amendments to the TCDRS Ethics Policy

Ann McGeehan presented proposed changes to the TCDRS Ethics Policy which included cleaning up existing language and adding a reference to the revolving door restriction prescribed under state law.

Motion: Trustee Nicholson made a motion to approve the proposed amendments to the TCDRS Ethics Policy. Trustee Fletcher seconded. Motion carried.

24. Executive session in accordance with Texas Government Code Section 551.074 for the purpose of discussing Executive Director transition with the Executive Director designate

At 12:52 p.m., the open meeting of the board was recessed. An executive session convened in accordance with Texas Government Code Section 551.074, to discuss the Executive Director transition. The open meeting was reconvened at 1:04 p.m. No action, decision or vote was taken by the board while in executive session.

25. Consider Executive Director's salary

Motion: Trustee Williamson made a motion that the Executive Director's salary be \$550,000. Trustee Nicholson seconded. Motion carried.

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

Amy Bishop presented *GP1 – Global Governance Commitment*, *GP2 – Governing Style*, *GP3 – Board Job Description*, *BSR 1 – Global Board Staff Relationship*, *BSR 2 – Unity of Control*, and *GP 5 – Agenda Planning* for board review. Ms. Bishop recommended minor date updates to *GP 5 – Agenda Planning*.

Motion: Vice-chair Davis made a motion to approve the proposed changes to the governance policy. Trustee Farias seconded, motion carried.

27. Receive report of chair

Chair Hunt thanked Ms. Bishop for her years of service and congratulated Ms. Correa on her new role.

28. Consider resolution of appreciation for Amy Bishop

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

29. 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*.

30. Adjournment

There being no further business to come before the board; Chair Hunt adjourned the meeting at 1:14 p.m.

APPROVED BY THE TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM BOARD OF TRUSTEES ON THE 11TH DAY OF JUNE 2026.

ATTESTED BY:



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

6/11/2026

Date