

Texas Emergency Services Retirement System
Board Meeting Minutes
April 15, 2021 9:00 a.m.
Virtual Meeting Only, No Physical Location

Members Present via Teleconference:

Jenny Moore, Chairman
Pilar Rodriguez, Vice Chairman
Courtney Bechtol, Secretary
Nathan Douglas, Trustee
Edward Keenan, Trustee
Matt Graves, Trustee
Jerry Romero, Trustee
Rod Ryalls, Trustee

Staff and Others Present Via Teleconference:

Shirley Hays, Executive Director, TESRS
Jessica O'Brien, Data & Technology Officer, TESRS
Wayne Oberhoff, CPA, Chief Financial Officer, TESRS
Chana Kramer, Staff Services Officer, CTCD, CTCM, TESRS
Kimberly Fuchs, Assistant Attorney General
Ryan Falls, F.S.A, Gabriel, Roeder, Smith & Company
Janie Shaw, A.S.A, Gabriel, Roeder, Smith & Company
Mark Fenlaw, F.S.A, Rudd & Wisdom, Inc.
Rebecca Morris, A.S.A, Rudd & Wisdom, Inc.

Chairman Moore called the meeting to order at 9:00 A.M.

1. Roll Call

Chana Kramer, Staff Services Officer, called the roll. Eight trustees were present. Trustee Wagner was absent. Chairman Moore announced that a quorum of the board was present.

No action was taken on this agenda item.

2. Invitation for Public Comment

Chairman Moore called for public comment. No public comments were made.

No action was taken on this agenda item.

TESRS Meeting Minutes

April 15, 2021

Page 2

3. Approval of Minutes for March 17th and March 18th

Trustee Keenan moved to adopt the minutes for both March 17th and March 18th as presented. The motion was seconded by Trustee Romero and unanimously passed by the board.

Board Members	Vote
Pilar Rodriguez	Yay
Nathan Douglas	Yay
Courtney Bechtol	Abstain
Jerry Romero	Yay
Edward Keenan	Yay
Matt Glaves	Yay
Rod Ryalls	Yay

4. GRS - Actuarial Audit Report – Discussion and Possible Action

Mark Fenlaw, F.S.A., Rudd & Wisdom, Inc., advised the Board that in accordance with state law, an independent actuarial firm was hired to review the assumptions, methodology and results of the August 31, 2020 actuarial valuation. Mr. Fenlaw further advised that the firm that completed the actuarial audit is Gabriel, Roeder, Smith & Co. (GRS) and that they were present at the meeting to discuss their findings.

Ryan Falls, F.S.A, and Janie Shaw, A.S.A., both with GRS, presented their report entitled *Texas Emergency Services Retirement System Results of Actuarial Audit*. Mr. Falls explained that based on his firm's review, they believe that the August 31, 2020 actuarial valuation is reasonable based on reasonable assumptions and methods and that the reports generally comply with the Actuarial Standards of Practice. He further explained that his firm did have recommendations for a number of enhancements to the application of the actuarial cost method to improve the comparison of the employer monthly contribution amounts to the normal cost. Ms. Shaw described the scope of the review and detailed GRS' recommendations, which included:

- Monitoring the termination and rehire experience prior to the next experience study;
- Monitoring the actual commencement ages of vested terminated benefits to ensure that the assumed commencement age of 58 continues to be reasonable;
- Adoption of amount-weighted approach for the next experience study; and
- A change to the inflation assumption if the actual inflation remains at current low levels.

Mr. Falls then provided examples of the benefits of using the normal cost method recommended by GRS compared to the current normal cost method and provided a summary of findings of the financial risks facing the system.

TESRS Meeting Minutes

April 15, 2021

Page 3

No action was taken on this agenda item.

5. Executive Director's Report – Discussion and Possible Action

A. System Administrative and Financial Activities Update

B. Annual Reports of Qualified Service

C. Participating Department Training Plan Update

Shirley Hays, Executive Director, presented her report entitled *Texas Emergency Services Retirement System Executive Director's Report April 15, 2021*. Ms. Hays' report included staffing updates, a summary of system activities, and upcoming recruiting activities. Ms. Hays also summarized the status of annual reporting of qualified service administrative penalties. She noted that more than 85% of participating departments had submitted an annual report. Ms. Hays concluded her presentation by outlining her training plan for participating departments.

No action was taken on this agenda item.

6. Authority to Issue Request for Qualifications for Outside Counsel – Discussion and Possible Action

Chana Kramer, Staff Services Officer, summarized her memorandum entitled *RFQ for Outside Counsel Services*. Ms. Kramer advised that the current contract for Outside Counsel Services will expire on August 31, 2021 and requested the board's authority to issue a request for qualifications in order to solicit competitive proposals from qualified firms.

Vice Chairman Rodriguez moved to authorize the Executive Director to issue a request for qualifications for outside counsel services and to extend invitations to qualified firms to present at the July meeting. The motion was seconded by Secretary Bechtol and passed unanimously by the board.

Board Members	Vote
Pilar Rodriguez	Yay
Courtney Bechtol	Yay
Nathan Douglas	Yay
Jerry Romero	Yay
Matt Graves	Yay
Edward Keenan	Yay
Rod Ryalls	Yay

TESRS Meeting Minutes

April 15, 2021

Page 4

7. Board Member Training – PRB Requirements – Discussion and Possible Action

Chana Kramer, Staff Services Officer, provided an overview of her handout entitled *Summary of Minimum Educational Training (MET) Requirements*. Ms. Kramer described the minimum training requirements needed to satisfy the Pension Review Board's requirements as described in Texas Administrative Code §607.110.

No action taken regarding this agenda item.

8. Future Agenda Items and Meeting Dates

Chairman Moore reminded the board members that cyber security training is scheduled for April 29th at 12:00 P.M. and May 13th at 12:00 P.M. These will be posted meetings of the board with the board moving into closed session for training.

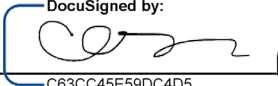
No action was taken on this agenda item.

9. Adjourn

Chairman Moore requested a motion to adjourn at 10:20 A.M.

A motion to adjourn was made by Trustee Keenan, seconded by Trustee Ryalls and unanimously passed by the board.

Minutes Approved by:

DocuSigned by:

C63CC45E59DC4D5...

Courtney Bechtol, Secretary

Courtney Bechtol
6-14-2021

Date