



TRS Board of Trustees

Meeting Summary

Sept. 19-20, 2024

The TRS Board of Trustees met Thursday, Sept. 19 and Friday, Sept. 20, 2024 in person at our Red River Headquarters in Austin. [A recorded webcast](#) of all public meetings is available on our website at www.trs.texas.gov. Once you've opened the video link page, just click on the board segment you'd like to watch.

Read through presentations to the board and committees by clicking on the [board books here](#) and on the hyperlinked titles below.

TRS Headlines

- **Positive Benefit Services Levels Continue**
- **The IMD Reports Record Investment Excess Return for Q2**
- **New Headquarters Construction Remains on Track**

BOARD & COMMITTEE HIGHLIGHTS

Benefits

The Benefit Division's customer service levels remain strong. Two examples: the number of retirements processed was up 15% last fiscal year through July. That's due to a fully trained team, according to the Chief Benefit Officer. Total yearly annuity payments issued were up 6.4% to \$12.9 billion.

Health staff offered an overview of the Health Operations area, busier of late due to new dental and vision offerings for our retirees via TRS-Care. Trustees also discussed staff recommendations to legislative authorities on a supplemental appropriation to help keep TRS-ActiveCare premium increases below 10% on average in the coming plan year. Page 40 of the Benefits book shows the program's fund balance projections.

Investment Management

The **Chief Investment Officer** announced that TRS' one-year return for the second quarter (June 30) was 9% with a record high 333 basis points of excess return (revenues

above what financial markets produced). The preliminary return for all fiscal year 2024 that ended Aug. 31, was **12.7%**! That's good news since TRS strives to produce an average return of 7%.

On page 31 of [the book](#), the board's investment consultant broke out the positive performance and showed trustees that our pension's market value was \$203.7 billion as of June 30. Trustees also received the Semi-Annual Risk Report.

Policy

Trustees approved updates to the Investment Policy Statement. These reflect the revised [Strategic Asset Allocation](#) approved in July. Trustees also approved updates to the Pension Counseling Policy.

Strategic Planning

The **Chief Financial Officer** and the team promoted a plan to pinpoint efficiency improvements at TRS.

The **Chief Communications Officer** showed metrics in the myriad ways her team is reaching out to members and reporting employers. Example: 1.5 million people are subscribed to receive the three-times-a-year newsletter, [TRS News](#). That's up from 1.3 million a year ago. See the [latest copy here](#).

Trustees also heard that a refreshed TRS website is set to launch in the spring. So far more than 500 TRS members have given their feedback on enhancements with this platform that represents the digital doorway to TRS.

Other Topics Discussed

Executive Director Brian Guthrie's update included mention of the TRS employees who are presenting to our retirees at 22 well-attended [Health and Education Fairs](#) and at TRTA events across the Lone Star State this fall!

And from page 34 of the [board book](#), take a look at construction progress on our new boardroom in the Bravo building in Mueller. Move-in is still set for mid-2025. TRS'

FUND FACT: TRS' Core Values [originated in 2013](#) with a goal to review them every four years.

Deputy Director shared word that our growing organization will revisit its [Mission Statement](#) and [Core Values](#) this fall as part of a regular review cycle. Updated guiding principles will be revealed in February. See page 98 of the book. Trustees also received a report on the Historically Underutilized Business (HUB) Program for the last fiscal year.

The board also selected a second Securities Lending Agent (SLA) for the IMD, as was previously recommended by an internal audit. State Street is the pension's current SLA. Using an SLA is another prudent way to produce investment returns for the pension. More simply, it allows TRS to lend market securities in exchange for cash. See page 47 of the [board book](#) for more on how this works. Negotiations will commence with the newly chosen firm, Securities Finance Trust Company (with Mitsubishi UFJ Trust and Banking Corporation in a backup capacity).

FUND FACT: TRS has had a securities lending program for more than 20 years and brings in about **\$20 million** a year for our members.

Our IT teams continue to work toward a go-live date for the transition of the pension payroll system to a new platform. The current date range analysis is for the first quarter of 2026. Learn from page 88 of the board book that various considerations have kept that date variable.

Ombuds Lori LaBrie shared her update. View slides on page 39 of the board book. What does our ombuds do? Learn more [right here](#).

Next Board Meeting

The next board meeting is set for Thursday, Dec. 5 and Friday, Dec. 6, 2024, in person at our Austin headquarters. Access all board materials [online](#), including agendas, board books and a link to the live and recorded webcasts. View [the board schedule](#) on our board meetings calendar page. Visit www.trs.texas.gov to find board of trustees' information under the [About TRS](#) tab. And remember, you can always follow TRS on social media via our [Facebook](#), [X](#) (Twitter), [Threads](#), [YouTube](#), [Instagram](#) and [LinkedIn](#) pages.