

## TEXAS PENSION PLANS

### **Texas Teachers Ponies Up \$470 Million for Alts**

August 7, 2020, By Christine Williamson

Texas Teacher Retirement System, Austin, committed a total of \$470 million to three alternative investment strategies in July, a transaction report from the \$148.1 billion system showed.

The largest commitment was \$250 million from the system's \$8.8 billion energy/natural resources/infrastructure portfolio to BIS Brazos Infrastructure Fund, a separate account managed by existing infrastructure manager BlackRock.

### **[Pensions & Investments](#)**

### **Scott Burns: Ranking Texas' Most Underfunded Public Pension Funds**

August 8, 2020, By Scott Burns

*Third in a four-part series.\**

There are 99 pension funds for state and local workers, but only 10 plans account for most of the participants. The largest 10 plans account for 95.4% of all participants. The largest five plans account for 92.6%. And the largest two plans account for 72%.

*Next Sunday: Scott Burns looks at the best and worst of the Texas public pension managers.*

\*This column began as a three-part series but has expanded to four.

### **[The Dallas Morning News](#)**

### **Fort Worth Employees Hires CIO**

August 12, 2020, By James Comtois

Derrick C. Dagnan was named chief investment officer at the Fort Worth (Texas) Employees' Retirement Fund, confirmed Benita Harper, executive director.

He replaces Joelle Mevi, who served as executive director and CIO until she left in December 2018.

Effective Oct. 1, Mr. Dagnan will work with Ms. Harper, the board and its investment committee to oversee the management of the \$2.25 billion fund.

### **[Pensions & Investments](#)**

# TEXAS ECONOMIC INDICATORS

## **Texas Economy's Rebound Stalls in July after Gains in May, June**

August 6, 2020, By Christopher Slijik and Keighton Hines

The resurgence of COVID-19 in July appears to have reversed economic gains in Texas that emerged when the virus' frequency abated in May and June. Employment and other activity had increased strongly from April lows during initial pandemic disruptions in the state.

Texas employment improved in June—though more slowly than May's pace—after historic contractions in April. The state recovered about 522,000 jobs in May and June, about 40 percent of the 1.3 million jobs lost during March and April.

### [Federal Reserve Bank of Dallas](#)

## **Texas Universities Have Started Shedding Jobs and Are Bracing for a Serious Financial Hit**

August 7, 2020, By Raga Justin

As of June, the state's two largest university systems were already dealing with steep losses. The Texas A&M System reported \$147 million in lost revenue and pandemic-related expenses, and the University of Texas System estimated its losses at \$131 million.

The Legislative Budget Board, which is handling reduction proposals, has targeted a \$28 million budget cut for UT-Austin alone. UT-Austin won't release layoff totals but has furloughed more than 260 employees, spokesperson J.B. Bird said in an email, though many furloughed staff members have since returned to work. UT-Austin is also considering scaling down academic and administrative departments and has frozen salary increases and university-sponsored travel.

But universities also count on tuition and fees, as well as revenue from outside services. When campuses shut down in the spring, institutions lost money from campus bookstores, conference centers and hotels. Schools have also estimated millions of dollars in losses just from refunding dining and housing credits to students who were barred from campus.

### [Texas Tribune](#)

## **\$400 in Extra Unemployment Benefits Remain Uncertain in Texas After Trump's Executive Order**

August 10, 2020, By Valeria Olivares, Matthew Watkins, and Patrick Svitek

On Monday, Texas leaders didn't say whether the state would pay the money. The Texas Workforce Commission issued a statement to multiple news outlets that it's "currently reviewing the presidential memoranda and will provide additional information as soon as it becomes available."

Gov. Greg Abbott, meanwhile, expressed hope that Congress would reach a deal and fully fund the extra benefits, saying he'd spoken with Vice President Mike Pence and Treasury Secretary Steven Mnuchin about the issue.

### [Texas Tribune](#)

# NATIONAL PENSION, INVESTMENTS & LEGAL

## **Oregon Supreme Court Upholds Lawmakers' Changes to Public Pension Benefits**

August 6, 2020, By Ted Sickinger

The Oregon Supreme Court on Thursday upheld the reductions in public employee pension benefits that the Legislature passed in 2019 to help address the state's burgeoning pension funding deficit and rein in the escalating pension costs and resulting budget problems for public employers.

Nine public employees filed suit last August seeking to overturn two benefit reductions the Legislature made in Senate Bill 1049: requiring employees to share a small portion of the cost of their pension benefits, and putting a \$195,000 limit on the final salary used in some benefit calculations.

### [Oregon Live](#)

## **Virus Contingency Plans Worked Well for Public Plans – Survey**

August 10, 2020, By Christine Williamson

A survey of U.S. public pension fund CEOs and executive directors found that all 34 systems had business contingency plans in place that "generally worked well" when the COVID-19 pandemic broke out in February, resulting in "very few ... significant problems," according to data released Monday by Funston Advisory Services, a governance consulting firm.

As for investments, 50% of the plan officials surveyed said their teams have been making "tactical adjustments" in some asset classes; 38% said the board had reviewed the plan's asset allocation without making changes; and 24% said their fund accelerated some new investments under consideration before the pandemic outbreak while 12% said they delayed new investments which had been under review.

### [Pensions & Investments](#)

## **Public Funds Lead Institutional Investment Rebound**

August 10, 2020, By Michael Katz

Public funds outperformed the other institutional segments tracked by Northern Trust, earning a median return of 11.14% during the quarter. That was followed by corporate ERISA [Employee Retirement Income Security Act] pension plans, which had a median return of 10.55%, and foundations and endowments, which posted a 9.24% median return during the quarter.

For the year to date, public fund plans had a 3.8% total plan loss and a one-year median return of 1.9%. Equities were down 7.4% year-to-date and down 0.6% over one year, while fixed-income investment plans for public funds returned 3.2% year-to-date, and 6.1% over one year.

### [Chief Investment Officer](#)

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