



PRB PLANS

Dallas Police & Fire cuts 2 risk-parity managers in allocation shuffle

June 3, 2016, By Meaghan Kilroy

Dallas Police & Fire Pension System will redeem investments with risk-parity managers PanAgora Asset Management and AQR Capital Management as part of the pension fund's restructuring of its global asset allocation portfolio, according to a recently released meeting summary.

In March, the \$2.7 billion pension fund voted to lower its global asset allocation target to 10% from 20% of the overall pension fund portfolio and establish a 5% risk-parity target within the GAA portfolio. As of April 15, the pension fund had \$182 million, or about 6.7%, of total assets in risk parity. It did not previously have a dedicated risk-parity target.

Pensions & Investments

Round Rock fire chief to lead Dallas fire department

June 6, 2016, By Tasha Tsiaperas

An outsider from a smaller Texas fire department will become the next Dallas Fire-Rescue chief.

Round Rock Fire Chief David Coatney will replace recently retired Chief Louie Bright III, who served in the top spot for four years. Bright, a Dallas native, was a 34-year department veteran.

Coatney, 55, will start July 13.

City Manager A.C. Gonzalez introduced Coatney as the new chief Monday afternoon at Dallas City Hall. He said he was looking for a person who might be the best in the country to lead our department to new heights.

The Dallas Morning News

Pension problems: 'unbelievable,' 'ridiculous,' 'frustrating'

June 7, 2016, By Lisa Falkenberg

If Houston's municipal pension board makes investment decisions the way it makes personnel decisions, it's in more trouble than we thought. Actually, we all are.

The Chronicle's Mike Morris reported recently that the pension board had renewed a generous contract with the fund's director, Rhonda Smith, in late 2014, only to notify her a few months later that she'd be out of a job. She was finally put on paid leave in January, and removed in February, but her contract entitles her to \$223,000 in annual salary through August 2017, plus a monthly car allowance and other extras.

Houston Chronicle

Fitch Rates Houston, TX TRANs 'F1+' and Affirms GOs at 'AA'; Outlook Stable

June 7, 2016

Fitch Ratings assigns an 'F1+' rating to the City of Houston, Texas' (the city) \$230 million tax and revenue anticipation notes (TRANs), series 2016.

The notes are scheduled for a competitive sale on June 22. Proceeds will finance general operating expenditures during fiscal 2017 in anticipation of tax and revenue collection.

In addition, Fitch affirms the following ratings:

--\$1.49 billion limited tax public improvement bonds (PIBs), certificates of obligation (COs), and pension obligation bonds (POBs) at 'AA'.

[Business Wire](#)

TEXAS ECONOMIC INDICATORS

Texas lands top 10 spot on best economies list

June 7, 2016, By Laura Furr

A recent study from WalletHub shows that Texas' economy remains active amid the oil slump, but it isn't exactly healthy.

The report from the financial website, titled 2016 States with the Best & Worst Economies, compared data from all 50 states on three key areas - economic activity, economic health and innovation potential.

Texas ranked ninth overall on the list, scoring the highest marks in the economic activity category, in which it ranked third overall.

[Houston Business Journal](#)

Texas growing into a national bioscience power

June 7, 2016, By Jenny Deam

Biotechnology continues to grow in Texas, contributing to the state's overall economy by adding jobs, making strides in research and innovation and last year attracting \$1 billion in federal funding for research, a new report on business development from a biotechnology trade association found.

As the Texas economy struggles under the weight of an oil and gas industry downturn, the biosciences of medical research, treatment innovation and pharmaceutical development are seen as a bright light that stands to soon glow brighter.

[Houston Chronicle](#)

LEGAL PROCEEDINGS, LAWS & REGULATIONS

Connecticut governor signs state retirement program into law

June 1, 2016, By James Comtois

Connecticut Gov. Dannel P. Malloy signed the Connecticut Retirement Security Program into law, according to the state General Assembly's website.

The bill was passed by Connecticut's House of Representatives on April 25, and passed by the state Senate on April 30. Mr. Malloy signed the bill May 27.

This follows Mr. Malloy's signing into law in June 2014 legislation to invest \$400,000 to establish the creation of a statewide retirement plan open to all private-sector workers.

Pensions & Investments

First State-Run Retirement Plan for Private-Sector Set to Launch

June 2, 2016, By Rebecca Moore

Starting January 1, 2017, Washington will be the first state to offer a state-run retirement plan for private-sector workers.

According to the Puget Sound Business Journal, the Small Business Retirement Marketplace will be an Internet site through which individuals and employees of small companies can set up retirement plans. It will operate much like the Washington Health Exchange does now for individuals to buy health insurance.

PLANSPONSOR

Employees challenge pension cuts, file lawsuit against city

June 5, 2016

On Thursday, three City of Dyersburg employees filed a class-action lawsuit in Dyer County Circuit Court to challenge harmful changes made to the Dyersburg Pension Plan by the Board of Aldermen and Mayor of Dyersburg on Dec. 7, 2015. The lawsuit seeks to strike down the changes, which according to the employees will reduce their retirement benefits.

The lawsuit alleges that the changes illegally reduce certain vested benefits and entitlements to pension participants, and interferes with the rights of city employees to retire early with full benefits from their employment.

State Gazette

Amid controversy over secrecy, T pension fund head to resign

June 6, 2016, By Beth Healy

Michael H. Mulhern, whose tenure as chief of the MBTA retirement fund was marked by controversy over its investment performance and penchant for secrecy, said Monday he would step down in August.

A former bus driver who served as general manager of the transit authority before moving to the \$1.5 billion pension fund, Mulhern said he was leaving with decidedly mixed emotions after a decade in the job.

[Boston Globe](#)

T cops pension fund won't open books

June 8, 2016, By Matt Stout

T police pension bosses are refusing to open their books, defying a court ruling and calls from the Baker administration and the MBTA to be more transparent - even as the fund is set to receive nearly \$3 million in taxpayer cash next fiscal year.

The MBTA Police Association Retirement Plan's latest stonewalling came this week, when its attorney, Randall Nash, sent a letter to the Herald and the secretary of state's office refusing to release records the paper has sought on what the \$72 million fund pays out to its retirees.

[Boston Herald](#)

Uptick in Fee Litigation Reshaping 401(k) Industry

June 8, 2016, By Jacklyn Wille

The decadelong litigation effort challenging the fees charged to 401(k) investors has reached a previously unthinkable target: a Minnesota auto body repair company with barely 100 participants and less than \$10 million in assets.

Workers have used litigation to challenge 401(k) fees for more than a decade, but the frequency of these lawsuits recently picked up steam. Since September 2015, more than a dozen lawsuits have been filed challenging the fees paid by 401(k) plans of large companies like Intel Corp., Anthem Inc., Verizon Communications Inc. and Chevron Corp.

[Bloomberg BNA](#)

N.J. Supreme Court hands Christie win in pension suit

June 9, 2016, By Salvador Rizzo

The state Supreme Court has ruled against New Jersey public worker unions and retirees in a multibillion-dollar case, declining to restore cost-of-living adjustments that have been frozen since 2011 under a pension reform law signed by Governor Christie.

In a 6-1 vote, the high court once again sided with Christie over the state's powerful labor unions in a case with large implications for the state's finances.

[NorthJersey.com](#)

House passes Puerto Rico rescue

June 9, 2016, By Peter Schroeder and Sylvan Lane

The House on Thursday passed legislation to tackle Puerto Rico's debt crisis, as Congress took a large step towards addressing the economic and humanitarian crisis enveloping the island.

The carefully crafted compromise passed 297-127, earning majorities in both parties.

The passage of the carefully crafted compromise is a significant win for Speaker Paul Ryan (R-Wis.), who was an early and active supporter of the legislation, and Minority Leader Nancy Pelosi (D-Calif.) and the White House, which also pushed the package.

[The Hill](#)

NATIONAL ECONOMIC, PENSION, INVESTMENT & BANKING INFORMATION

Moody's not soothed by Emanuel's new pension law

June 3, 2016, By Hal Dardick

Mayor Rahm Emanuel's newly approved plan to fix the police and fire pension funds will spare taxpayers in the short run but cost them billions of dollars more over the long haul, a Wall Street credit ratings agency has concluded.

"By paying less now, Chicago risks having to pay much more later on," Moody's Investors Service declared in its Weekly Credit Outlook released late Thursday. Moody's analysts said the mayor's plan will increase the city's debt to the pension funds by an extra \$3.3 billion over the next 20 years.

[Chicago Tribune](#)

More pension funds join chorus opposing GM pay package

June 6, 2016, By Barry B. Burr

California State Teachers' Retirement System, Canada Pension Plan Investment Board and Florida State Board of Administration joined other large pension funds and proxy-voting advisory firms in opposing ratification of the pay of Mary T. Barra, chairman and CEO, and other top executives at General Motors Co.

The C\$278.9 billion (\$214 billion) Toronto-based CPPIB; \$187.4 billion West Sacramento-based CalSTRS; and \$179.5 billion Tallahassee-based FSBA plan to vote against ratification of the compensation packages, according to their proxy-voting disclosures.

[Pensions & Investments](#)

In Albany, Teamsters protest possible pension cuts

June 6, 2016, By Rick Karlin

A group of retired Teamsters demonstrated in front of the Leo W. O'Brien federal building in Albany Monday to protest pending threats to their pensions and to highlight the need for Congress to take action.

The march, largely by retired truck drivers, comes as dozens of union pensions nationwide are in danger of serious shortfalls or insolvency due to declining membership over time.

[Times Union](#)

Weighted by Debt, Puerto Ricans Divided Over Federal Oversight

June 8, 2016, By Lizette Alvarez

Standing at his lottery ticket concession in this town speckled with graceful colonial-era buildings, Félix Muñiz Rivera said the island's economic meltdown had proved one thing amid all the uncertainty: Puerto Rico's political leaders, no matter the party, could not be trusted to pull the commonwealth out of the quagmire they created.

"The politicians, red and blue, have stolen this country; they have finished this country," said Mr. Muñiz, 74, who grew up here and helped inaugurate this now half-closed pedestrian mall where he runs his business. "When a patient is sick, he needs medicine. When a patient is in critical condition, he needs intensive care. That's what the junta is."

[The New York Times](#)

Rauner, Madigan blame each other for Illinois' credit rating downgrade

June 9, 2016, By Monique Garcia

Illinois' worst-in-the-nation credit rating sunk even lower Thursday as a pair of Wall Street agencies issued another downgrade, citing the record-breaking budget impasse that one analyst said has left the state "increasingly vulnerable."

As has been the case throughout their yearlong battle of wills, Republican Gov. Bruce Rauner and Democratic House Speaker Michael Madigan quickly sought to blame the other guy for the financial bad news.

[Chicago Tribune](#)

WORLDWIDE ECONOMIC, PENSION, INVESTMENT & BANKING INFORMATION

African capital markets to meet in New York

June 5, 2016, By Paul Tentena

Africa investor (Ai), a leading international investment and communications group, announced recently that global institutional investors and US pension fund leaders will meet with African pension and sovereign wealth funds (SWFs) and capital market leaders at the Ai Pension and Sovereign Wealth Fund Forum in New York in September.

In May of this year, Africa investor convened African institutional investors (comprising Africa's largest and most active pension and sovereign wealth fund investors) to engage and explore ways to encourage and promote pension and SWF investing in African infrastructure investment opportunities, as well as co-investments amongst African and international pension and SWFs.

[East African Business Week](#)

EU sees progress on Greek reform, '95 percent' of work done to unlock funds

June 6, 2016, By Francesco Guarascio

The European Commission is confident that Greece will conclude the reforms needed to unlock bailout funds before next week's meeting of euro zone finance ministers, top officials said on Monday.

Greece and its international lenders wrapped up the bulk of reforms needed for badly needed bailout cash in May, but left some loose ends which must be tied up before Athens can receive installments of 10.3 billion euros (\$11.48 billion) by September.

[Reuters](#)

Greece Cuts 200,000 Supplementary Pensions by 40%

June 8, 2016, By Philip Chrysopoulos

A new ministerial decree posted on state website Diavgia on Tuesday night calls for cuts of up to 40 percent on supplementary pensions for 200,000 pensioners.

The decree was signed by Deputy Labor Minister Tasos Petropoulos and is published in Tuesday's government gazette.

[Greek Reporter](#)

Altmann warns of Brexit threat to pensions

June 8, 2016, By Damian Fantato

Baroness Ros Altmann has said pensions could be under threat from upcoming economic turmoil in a veiled reference to the European Union referendum.

Britain goes to the polls on 23 June to decide whether to leave the European Union or remain a part of the political, economic and trade block.

Speaking at the Marketforce annual conference in London today (8 June), the pensions minister warned of the impact on pensions of any changes to the UK economy.

[FTAdviser](#)

Bulging Pension Funds Lure U.S. Asset Managers to Australia

June 9, 2016, By Vera Sprothen

U.S. asset managers are going for the hard sell in Australia in a bid to woo some of the world's most cashed-up pension funds as clients.

The push is being led by hedge funds and other firms offering so-called alternative investments in anything from almond plantations to oil futures.

Several large U.S. asset managers recently opened offices in Sydney. Others have forged alliances with local fund managers and some already-established players are adding more sales staff.

[The Wall Street Journal](#)

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