

TEXAS PENSION PLANS

Retired Wichita Falls area teachers give state candidates lessons on financial issues

October 3, 2018, By Trish Choate

Nearly 100 retired teachers who spent their careers shaping young minds schooled state candidates on financial issues educators face Wednesday during a forum in Wichita Falls. They cited steep medical costs for both working and retired teachers in a divided system that offers better health insurance to state employees and lawmakers such as those who spoke before the Texas Retired Teachers Association – District 9.

State lawmakers who spoke Wednesday morning at the District 9 conference included Rep. James Frank, R-Wichita Falls; Rep. Pat Fallon, R-Prosper; and Rep. Drew Springer, R-Gainesville.

Among teachers' concerns are any legislative efforts to change their defined benefit plan – also called a pension. It offers a guaranteed retirement income and leaves the provider of the plan with the investment risk, according to financial website Investopedia.

The lawmakers and Cramer all provided assurances to the retired teachers from across North Texas that they would oppose efforts in the Legislature to change pensions for current public school teachers' pensions as promised when they signed on.

[Times Record News](#)

Texas Employees puts more into alternative investment funds

October 9, 2018, By Christine Williamson

Texas Employees Retirement System committed or invested a total of \$115 million in September to four alternative investment strategies, a transaction report from the \$28.3 billion fund showed.

Three managers received additional commitments to existing funds from the Austin-based fund.

System investment officials invested an additional \$25 million in hedge fund manager Complus Asset Management's Complus Asia Macro Fund for a total of \$105 million. The first investment in the fund was made in September 2016. KSL Capital Partners V received a follow-up commitment of \$50 million for a total of \$100 million to the buyout private equity fund. The original commitment was made in July 2018.

An additional commitment of \$20 million, for a total of \$60 million, was awarded to Cotton Creek Capital Partners III. The system also committed \$20 million for an unnamed co-investment. Fund officials do not disclose the identities of its co-investment managers.

[Pensions & Investments](#)

Pension Checks — and Balances

October 10, 2018, By Static

Fort Worth City Councilmembers did right three weeks ago by temporarily postponing discussions about the battered pension system. The pension that funds the retirements of city employees, including firefighters and police officers, is facing a \$1.6 billion shortfall and eventual insolvency. Changes must be made, and they will require painful decisions, such as increasing employee contributions in the future, meaning less take-home pay.

Previous discussions among employees, retirees, and city leaders have been dicey at times, particularly after City Manager David Cooke suggested reducing or cutting some promised cost-of-living raises. Discussing these decisions became more difficult after the recent shooting death of Fort Worth police Officer Garrett Hull.

Part of the reason the pension has become destabilized is the pressure exerted by the Fort Worth Police Officer's Association and the Fort Worth Professional Firefighters Local 440 over the years. These labor groups are powerful forces in local elections. The police group especially. Resisting their demands and incurring their wrath (in the form of well-financed political opponents) can make it tougher for candidates to become elected or re-elected.

The pension fund is paying out about \$195 million a year while receiving far less in contributions. Currently, taxpayers contribute about \$90 million per year. Employees fork over \$32 million. Basic math shows the net result — a \$73 million annual shortfall. Unless something is done, the pension would begin drying up in 25 or 30 years, which could lead to increased taxes, cutbacks in core services, and layoffs of city employees, including police officers and firefighters.

[Fort Worth Weekly](#)

TEXAS ECONOMIC INDICATORS

Amazon hiring more than 5,500 seasonal, full-time workers in Texas--all at \$15 an hour

October 10, 2018, By CBS Austin

Amazon announced on Wednesday it is looking to fill more than 5,550 season and full-time in fulfillment centers and delivery facilities in Austin and around Texas.

The mega-retailer says candidates can walk in, apply and receive a job offer on-the-spot at one of their hiring events, or they can apply online.

Jobs are available in Austin, San Marcos and San Antonio. As previously announced, all Amazon employees will receive a minimum wage of \$15 an hour starting November 1.

[CBS Austin](#)

How does Texas rank among other states for fiscal health? The answer might surprise you

October 10, 2018, By Korri Kezar

While two North Texas cities rank among the fastest-growing economies in the nation, the state as a whole ranks in the middle of the pack for fiscal health.

According to a study conducted at the Mercatus Center of George Mason University, Texas ranks No. 22 among U.S. states based on factors like cash, budget, long-run, service-level and trust fund solvency.

Cash solvency looks at whether a state has enough cash to cover its short-term bills, while budget solvency measures whether a state can cover its fiscal year spending with current revenue. On those two metrics, Texas ranks 34th and 24th, respectively.

Service-level solvency measures how taxes, revenues and spending compare to state personal income. As Mercatus explains it, the measure examines whether a state is in a good position to raise taxes without hurting its economy if spending demands more revenue. Texas ranked highest in this measurement, at No. 13.

Trust fund solvency looks at how much debt a state has racked up. In this metric, Texas takes a relatively high spot, at No. 15.

[Dallas Business Journal](#)

NATIONAL PENSION, INVESTMENTS & LEGAL

Pensions Get Bolder in Challenging Private Equity on Investments' Human Cost

October 8, 2018, By Michael Corkery

Private equity firms and public pension funds have long had a symbiotic relationship: The funds supply the firms with billions of dollars to invest, and the firms deliver double-digit returns that help the funds support retired public servants.

Now, pension leaders are showing a new willingness to confront private equity over the human impact of its investments.

Minnesota's pension plan temporarily halted investments in one of Toys "R" Us's former private equity owners, Kohlberg Kravis Roberts, after hearing that 30,000 workers laid off amid the retailer's bankruptcy had been denied severance.

A top Oregon pension official criticized the private equity firm TPG for what he said was its serious lack of diversity, specifically citing a disparaging remark that one of the firm's founders had made about women.

Pension officials said the moves were sound investment decisions that were not driven by politics. Major layoffs at companies owned by private equity firms can hurt local economies, where pensions are broadly invested. A harassment scandal could damage a private equity firm's reputation and, by extension, a pension fund's investment.

Pensions have long shunned investments unpopular with the people they represent, often in broad categories like guns and fossil fuels. But in recent years, pension holders' concerns have gotten more specific, and calls for the funds to take stands have increased.

[New York Times](#)

U.S. markets claw back losses; markets across Asia and Europe slide

October 11, 2018, By Taylor Telford, Anna Fifield, and Gerry Shih

U.S. markets are taking more losses Thursday morning following a government report that showed consumer prices rose less than expected last month.

U.S. consumer prices rose 0.1 percent in September, following a 0.2 percent increase in August.

The report came on the heels of a global sell-off as investors reacted to fears that rising U.S. interest rates will lead to slower growth in the world's largest economy.

By late morning, the Dow Jones industrial average was down 1.1 percent, pushing the two day loss beyond 1,000 points. The broad-index Standard & Poor's 500-stock index was off 1.2 percent. The tech-heavy Nasdaq had lost 0.8 percent.

After the Dow Jones industrial average dropped 832 points Wednesday, one of the worst sell-offs since February, and criticism from President Trump, National Economic Council Director Larry Kudlow heralded the administration's economic policies and assured the public that "the war on business is over" during a Thursday news conference

[Washington Post](#)

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