

TEXAS PENSIONS

San Antonio Fire and Police Wants More Private Investments

May 1, 2019, By Chris Butera

The \$2.8 billion San Antonio Fire and Police Fund's board aims to beef up its investments in private markets.

At a recent meeting, consulting firm NEPC presented the board a scenario for upping its presence in this arena, according to its minutes. The board unanimously accepted the proposal to invest \$60 million this year for private equity, \$45 million for private debt, and \$25 million for real assets. Also, it will seek to enlist a private equity co-investment fund.

Rather than hire specialists in each of these areas, the pension fund went with the more generalist NEPC. "I think it just comes down to each client's governance and internal structure [and] what they have for investment staff as to what's the right fit for them," Tim McCusker, NEPC's chief investment officer, told CIO, adding that the size of the fund is key. "The larger the staff of a public fund, the more likely they might be to have multiple consultants."

[Chief Investment Officer](#)

Retired Texas Teachers Could See Increase in Pension if Bill Passes

May 7, 2019, By Holly Bock

Senate Bill 12 was passed through the Senate and the House during the 2019 legislative session. The bill would increase the amount Texas contributes to retired teachers pension funds by 2%. It would also give every retiree a one-time check of up to \$2,400 by September 2020. This would be an addition to their monthly pension checks.

[KFox14](#)

Deputy CIO to Depart Texas Employees Retirement System

May 7, 2019, By Leanna Orr

The Employees Retirement System of Texas is parting ways with deputy chief investment officer and longtime employee Sharmila Kassam.

When reached late Tuesday by Institutional Investor, Kassam said she has not resigned but is in the process of "creating an orderly transition" out of the organization. ERS did not immediately respond to a request for comment on her upcoming departure and its succession plans.

[Institutional Investor](#)

TEXAS ECONOMIC INDICATORS

Report: Slowdowns at Border Ports of Entry Could Cost Texas Billions

May 3, 2019, By Julián Aguilar

Increased wait times at Texas' ports of entry could cost the state more than \$32 billion in gross domestic product in just over three months, according to a report released Thursday.

The report, conducted by the Waco-based Perryman Group, says that the border region alone could take a hit of nearly \$2 billion, while the state could lose about 292,000 jobs over the next year as a result of the federal government's decision to divert customs officers from the state's international bridges to help the U.S. Border Patrol handle a surge of migrants.

[The Texas Tribune](#)

As Demand for Recyclables Plummet Abroad, Texas Lawmakers Back Plan to Boost Demand at Home

May 6, 2019, By Carlos Anchondo

For decades, countries like China and India have bought much of the United States' recyclables, turning them into plastics, paper and other valuable goods. But in recent years, those countries have implemented policies — including banning certain plastic imports — that have cast further doubt on the future of municipal recycling in the United States.

On Monday, bipartisan legislation designed to help offset the sapped demand for recyclables abroad cleared a final legislative hurdle at the Texas Capitol.

Senate Bill 649, which passed the Senate last month on a 21-10 vote, cleared the Texas House on an informal voice vote. The bill aims to increase the number of Texas plastics and paper manufacturers using recyclables as industrial feedstock to produce consumer and other products.

[The Texas Tribune](#)

The Texas Formula: How They Keep Winning Over CEOs

May 6, 2019, By Dale Buss

Everything is big in Texas, of course, and that includes the state's appetite for economic success. The longer the Lone Star State keeps its stranglehold on the title of Best State for Business according to Chief Executive's annual survey, the more government and corporate leaders in the state want to achieve.

Jim Lentz, CEO of Toyota North America, saw the Texas approach in action as the state lured the giant automaker to relocate and consolidate its corporate headquarters in new digs near Dallas over the last few years, with most existing employees coming from California.

[Chief Executive Group](#)

NATIONAL PENSION, INVESTMENTS & LEGAL

Chicago Says IL Comptroller Wrongly Intercepting Millions in State Grant Dollars Over Pensions
May 3, 2019, By Jonathan Bilyk

The city of Chicago has filed suit against the Illinois state Comptroller's office and pension boards for its police officers and other city workers, accusing the pension funds and the comptroller of wrongly intercepting state grant funds otherwise owed to the city because the pension funds say the city has shorted its pension contributions.

On May 1, lawyers for City Hall filed a complaint in Cook County Circuit Court, asking a judge to slap an injunction on the comptroller's office and order the state release the money.

[Cook County Record](#)

Most Lawmakers Pick Traditional Pension Plan, Not New Option
May 6, 2019, By AP News

The vast majority of Pennsylvania state lawmakers are choosing a traditional pension benefit for themselves after passing legislation that ended that option for most newly hired employees in public schools and state government.

Pennlive.com reported Monday that just 20 of the 218 lawmakers who participated in the state pension system as of April 1 chose a 401(k)-style plan option.

[AP News](#)

Meet the Man Who Helped Create One of the Best Public Pension Plans in America
May 6, 2019, By Sunny Oh

For pension experts, there is plenty to learn from Wisconsin, especially when a decadelong bull market and an extended economic expansion has yet to replenish the funding levels of state retirement plans left devastated by the global financial crisis of 2008.

Analysts say poorly funded public pension systems in Illinois, Connecticut and New Jersey are ill-prepared to secure the financial well being of retirees in part because inadequate contributions and over-optimistic expected returns have allowed their obligations to outrun the growth of their investments.

In contrast, the assets in Wisconsin's public pension plan amounted to \$104 billion in 2017, leaving it 100% funded, a record it has roughly kept since 2004. In other words, the current value of the plan's investments could pay down nearly all of the retirement benefits of its members. This compares with the average funding level of 73% for the year across all states, according to the Public Plans Database.

[MarketWatch](#)

The information contained in the PRB Weekly Clips is for informational purposes only and does not represent the views, positions or opinions of the Texas Pension Review Board.