

## TEXAS PENSIONS

### **CPS Energy's Pension Plan is in Good Hands**

July 1, 2019, By Paula Gold-Williams

While plan asset values declined last year, we had double-digit positive returns over the prior two years, adding close to \$400 million in investment income. Further, our pension plan costs are fully covered in this year's budget and are not driving the potential pressure of a rate case. We are approaching six years of no rate increases. When we announce one, it will be to put more money into new secure technologies, better optimized systems and enhanced products and services, and to accommodate our community's growth.

We want our customers, community and employees (both active and retired) to feel comforted that we have had many more positive financial years than negative years. We are managing your community assets diligently. As one of the highest credit-rated and well-run utilities in the nation, we remain focused. Our eyes remain on San Antonio's current energy needs and on our special metropolitan community's bright future.

[San Antonio Express-News](#)

## TEXAS ECONOMIC INDICATORS

### **Texas Economic Growth Moderates as Trade Uncertainty Builds: Dallas Fed**

June 27, 2019, By Erin Douglas

The outlook for Texas' economy continues to weaken, according to the latest economic indicators analyzed by the Federal Reserve Bank of Dallas, as businesses feel increasingly uncertain about how tariffs and trade relations will affect their firms and a tight labor market makes it more difficult each month to find workers to fill jobs.

[Houston Chronicle](#)

### **Technology Lawsuits Send Texas Businesses Scrambling**

July 1, 2019, By Manny Palaez

San Antonio is home to more than 1,500 innovation and tech companies. Not only that, but San Antonio has one of the largest concentrations, across multiple agencies, of IT and cybersecurity professionals in the nation. The San Antonio Economic Development Foundation reports that San Antonio boasts more than 34,000 IT professionals and that the industry generates nearly \$10 billion of economic impact for our city.

[The Rivard Report](#)

# NATIONAL PENSION, INVESTMENTS & LEGAL

## **How to Avert a Public-Pension Crisis**

June 26, 2019, By Josh B. McGee

At the turn of the millennium, public pensions seemed to be riding high. By their own accounting, most such funds were more than fully funded, and public workers' retirement benefits were more generous than ever after a round of enhancements in the 1990s. But the two decades that followed have decimated the finances of many public-pension funds, resulting in steeply rising taxpayer costs and serious negative effects on public workers' salaries, jobs, and benefits.

The great irony is that the retirement systems that were meant to protect public workers, shielding them from the vagaries of the market, have often accentuated the effects of market swings, increasing the threats to public workers' financial well-being. Today's strong economy means policymakers are not under maximal pressure: They can see the problem, but they do not yet truly feel it. That time will come, however, and if public pensions are going to survive over the long term, funding and investment practices must improve, and benefits need to be modernized to flexibly meet the needs of today's public workforce.

### [National Affairs](#)

## **GASB Proposes Financial Reporting Changes for Government 457 Plans**

July 1, 2019, By Rebecca Moore

The Governmental Accounting Standards Board (GASB) has proposed new accounting and financial reporting guidance on Internal Revenue Code Section 457 deferred compensation plans.

The Exposure Draft, Internal Revenue Code Section 457 Deferred Compensation Plans That Meet the Definition of a Pension Plan and Supersession of GASB Statement 32, proposes that if a Section 457 plan meets the definition of a pension plan in GASB guidance, the appropriate GASB pension standards should be applied to the financial reporting for that plan and for the benefits provided through that plan. Under existing guidance, Section 457 plans are explicitly excluded from the pension standards.

### [PLANSPONSOR](#)

## **Gov. J.B. Pritzker Says Illinois Can't Take on Chicago's Public Pension Liabilities Without Trashing State Credit Rating**

July 2, 2019, By Dan Petrella and Gregory Pratt

Illinois cannot assume the unfunded pension liabilities of Chicago and other municipalities across the state because its credit rating would be reduced to junk status if it did, Gov. J.B. Pritzker said Monday.

But the state is still looking for ways to help offset municipalities' soaring pension debt and he left open the possibility of a consolidation in which the local governments could pool their money for better investment returns.

### [Chicago Tribune](#)

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