



TEXAS PENSION  
REVIEW BOARD

Actuarial Committee Meeting Minutes  
July 27, 2023

**1. Meeting called to order (0:00)**

The first meeting of 2023 of the Actuarial Committee was called to order Thursday, July 27, 2023, at 10:00 a.m. in the William P. Clements building, room 402, 300 W. 15<sup>th</sup> Street, Austin, Texas, 78701.

**2. Roll call of committee members (0:00)**

Board members present:

Keith Brainard, Chair  
Marcia Dush  
Stephanie Leibe

A quorum being present, the meeting was called to order by Chair Brainard.

**3. Administrative matters (0:01)**

**a. Consideration and possible action to approve November 3, 2022, meeting minutes**

Chair Brainard entertained a motion to suspend reading the minutes of the November 3, 2022, committee meeting and approve them as circulated.

The motion was made by Ms. Dush and seconded by Ms. Leibe.

**The motion passed unanimously.**

**4. Invitation for public comment (0:04)**

There were no public comments.

**5. Request for proposal for independent actuary to perform the actuarial analysis of Dallas Police & Fire Pension System required by Section 2.025, Article 6243a-1, Vernon's Texas Civil Statutes (0:31)**

Chair Brainard asked Tamara Aronstein and David Fee to present item five. Ms. Aronstein explained the selection process for an independent actuary before providing details on an updated memorandum of understanding with Dallas Police & Fire Pension System.

Mr. Fee discussed the two proposals received, and explained the process the selection committee went through to recommend Cheiron. He explained that the proposals were detailed enough that the selection committee decided not to conduct interviews before making its recommendation. Ms. Aronstein apprised the committee of upcoming steps to finalize the selection.

Chair Brainard entertained a motion to recommend the executive director finalize the selection of Cheiron, as recommended by the selection committee, pending final approval of the board chair, as authorized at the June board meeting.

The motion was made by Ms. Dush and seconded by Ms. Leibe.

**The motion passed unanimously.**

**6. Preliminary summary of systems authorized under Texas Government Code Chapter 810 that offer 100 percent lump sum options (9:44)**

Mr. Fee explained that actuarial equivalence is comprised of interest rates and mortality tables. He stated that the IRS mandates updated mortality tables be used when calculating lump sum payouts in the private sector, but that Texas does not mandate public retirement systems to do so, which led to outdated mortality tables being used currently in some system lump sum calculations. Further, Mr. Fee pointed out that systems offering lump sums tended to use higher interest rates when calculating payouts.

Mr. Fee and the committee discussed how retirees electing a lump sum may not be receiving a truly equivalent benefit when systems used higher interest rates and outdated mortality tables. They also discussed the importance of systems providing adequate financial information when they presented the options of annuity or lump sum payments. Mr. Fee explained that recent mortality tables generally reflected longer retiree lifetimes, which generated higher lump sums. He presented the next steps the PRB would take to finalize assumption data.

The committee asked that the final data be approved by the full board before being posted on the agency's website. Chair Brainard asked for the percentage of lump sum payees that were either retiring or separating employment before stating his opinion that systems could improve stakeholder communications. Ms. Dush and Mr. Fee discussed whether a spouse signature was required when a lump sum was paid. Chair Brainard also mentioned that it would be helpful to know which systems' employees participate in Social Security.

**7. Future meetings: Agenda items, dates, locations, and related matters (38:17)**

Chair Brainard announced that the next Actuarial Committee meeting was TBD. He stated the next full board meeting would be September 21, 2023, at the same location. Ms. Dush requested an update from Cheiron on the actuarial analysis of DFPF at an upcoming meeting.

**8. Adjournment (40:17)**

The meeting was adjourned at 12 22 p.m.

**PRB staff in attendance:**

Amy Cardona	David Fee	Mariah Miller	Tamara Aronstein
Ashley Rendon	Robert Munter	Wes Allen	Jasmin Loomis
Bryan Burnham	Noah Jones	Lindsay Seymour	Matthew Featherston

**Members of the public in attendance:**

Kelly Gottschalk- Dallas Police & Fire Pension    Eddie Solis- Dallas Police & Fire Pension  
Art Alfaro- TEXPERS    John Posey- LBB



---

**Keith Brainard, Chair**

