



2020 Board and Committee Work Plan

TMRS Board of Trustees Meeting

Presented in Connection with TMRS Strategic Plan Goal 3

June 25, 2020



Recap: Why a Work Plan?



✓ *An annual work plan is considered a board governance best practice.*

- Forward-looking, general scheduling tool.
- Links a full year of the Board's work to the broader Strategic Plan and Board priorities.
- Serves as a helpful filter to address new issues.
- Sets expectations for when routine action items and strategic items will be addressed.
- Ensures ample meeting time exists to address items.
- Helps balance organizational workload.
- Creates a rhythm between the work of the Committees and the full Board.

How a Work Plan is Used in Practice

- Ongoing Board practice versus a one-time item.
- Developed by the Board and its Committees, and approved by the Board, with flexibility, prior to the start of each year.
- Viewed as a centering point and general direction, as agendas can and do change.
- Helps the Board Chair, Executive Director, and Committee Chairs make informed decisions on agenda adjustments.
- Provided to the Board with each meeting agenda to frame the Board's work for any given meeting.
- Used in the Board's self-assessment discussions to answer broader governance questions.



Please see Handout

2020 Draft Board/Committee Work Plan (Partial Year)

- Aligns with recently adopted Committee changes and investment decision-making model.
- Provides for continuation of strategic initiatives and required action items.
- Estimates timing for individual agendas.

| TEXAS MUNICIPAL RETIREMENT SYSTEM | | | | | | | | | | |
|---|--|-------|--|------|--|-----------|---|----------|---|-----|
| DRA# 1 Proposed 2020 (Partial Year) Board Workplan - Full Board | | | | | | | | | | |
| Agenda Topic | February | March | May (Joint AC Mtg) | June | August | September | October | December | | |
| Plan Overview/Consent | Consent Agenda/Receive Report on Private Markets Investments (10 min); Executive Director Update (10 min) | 20 | Consent Agenda/Receive Report on Private Markets Investments (5 min); Executive Director Update (5 min) | 15 | Consent Agenda/Receive Report on Private Markets Investments (10 min); Executive Director Update (10 min) | 10 | Consent Agenda/Receive Report on Private Markets Investments (10 min); Executive Director Update (10 min) | 20 | Consent Agenda/Receive Report on Private Markets Investments (10 min); Executive Director Update (10 min) | 20 |
| Investments | Investment Beliefs/Education | 60 | Investment Beliefs Next Steps | 45 | Investment Beliefs/Education | 30 | Investment Beliefs/Education (30 min) | 30 | Investment Beliefs/Education | 60 |
| | Manager Recommendations (8) (120 Min) (Fixed Income, Real Estate, Private Equity, Real Return); Portfolio Risk Review (60 min) | 180 | Global Equity Asset Class Annual Review | 30 | SB 322 Investment Practices Report | 30 | Asset Allocation Study (30 min); Real Estate Asset Class Annual Review (30 minutes); Real Return Asset Class Annual Review (30 Minutes) | 60 | Private Equity Manager Recommendations (2) (30 minutes); Absolute Return Annual Asset Class Review (30 minutes) | 60 |
| | RVK Quarterly Report / Asset Class Updates (30 min) | 30 | | 0 | RVK Quarterly Report / Asset Class Updates | 30 | | 0 | RVK Quarterly Report / Asset Class Updates | 30 |
| | CIO Management Update (10 min) | 10 | CIO Management Update | 10 | CIO Management Update | 10 | CIO Management Update | 5 | CIO Management Update | 10 |
| Funding & Actuarial Matters | | 0 | 2020 Interest Credit Allocation to the Benefit Accumulation Fund and Interest Reserve Account | 30 | 2019 Actuarial Valuation and Approval of 2021 Contribution Rates and Supplemental Death Benefit Contribution Rates | 45 | | 0 | | 0 |
| Operations & Finance/Accounting | Receive Risk Assessment and 2019-2020 Audit Plan (30 min) | 30 | Review and Discussion of External Audit Plan for Year End 2019 (SAS-114) and SO-C (15 min); Quarterly Internal Audit Committee Update and TMRS 2020 Risk Audit Plan (15 minutes) | 30 | Quarterly Internal Audit Committee Update | 15 | 2019 External Audit Results and Audit Report, SO-C-1 Report (30 min); 2019 CAFR (30 min); | 60 | Quarterly Internal Audit Committee Update | 15 |
| Benefits & Services | Ratification of Ordinances Adopting USC and/or Annuity Increases Effective 1/1/20 (5 min) | 5 | Pension Administration System Update | 15 | | 0 | | 0 | Pension Administration System Update | 15 |
| Legislative | | 0 | Discuss Possible Items for 2021 Legislative Agenda and Consider and Assign Study Topics to the Advisory Committee on Benefits Design | 45 | 2021 Legislative Agenda (30 min) | 30 | Government Relations Consultant Selection (60 min) | 60 | Preliminary Discussion on Possible 2021 Legislative Agenda | 60 |
| Governance/Trustee Education | Discuss Proposed Rules Amendments (30 min); Governance Manual Update (30 min); CEM Benchmarking Results (45 min); Alternative Board Processes for Investment Manager Decisions, including IPS changes (30 min); Advisory Cmte Appts (15 min) | 135 | Governance Manual Update (30 Min); Bylaws/Committee Charter Discussion (30 min) | 60 | Proposed Rules Amendments (30 min); Board Governance Manual Group 1 (30 min); Annual Economic Outlook Presentation (45 min); Public Pension Trends Presentation (30 min) | 135 | 2020 Partial Work Plan (15 min); Proposed Rules Amendments (20 min) | 35 | Board Governance Manual Policy Review (30 min) | 30 |
| Executive Session/ Personnel | Executive Director Search Update/Interviews (60 min); General Executive Session Topics (30 min) | 90 | General Executive Session (30 minutes); | 30 | General Executive Session (30 min) | 30 | Internal Auditor and General Counsel Performance Evaluation and Compensation (15 Min); General Executive Session (15 min); Ex. Dir. Search Interviews (240 min) | 270 | General Executive Session (30 min); Board Self-Assessment (45 min); | 75 |
| Actual Timing | | 560 | | 310 | | 365 | | 485 | | 390 |
| | | | | | | | | | | 360 |
| | | | | | | | | | | 360 |
| | | | | | | | | | | 330 |
| | | | | | | | | | | 385 |

Questions for the Board

1. What clarification or edits are needed to approve the draft Work Plan as presented?

2. Are there any additional items that the Board would like to take on or reprioritize?

3. Are there any items, to the extent they are not a required action, that the Board would like to postpone until a later time?

4. Does staff believe that the Work Plan as presented is realistic?

5. Any other comments or questions?

Next Steps | Open Discussion