

**MINUTES OF THE
TEXAS MUNICIPAL RETIREMENT SYSTEM
Meeting of the Board of Trustees**

May 17, 2017 – 1:30 p.m.

On May 17, 2017, the Board of Trustees of the Texas Municipal Retirement System (TMRS) convened for a meeting at 1:30 p.m. at the Lakeway Resort, located at 101 Lakeway Drive, Austin, Texas, with the following members present:

Board of Trustees

Julie Oakley, Chair
Jim Parrish, Vice Chair
Bill Philibert
David Landis
Jim Jeffers

Absent: Roel “Roy” Rodriguez

Present also were:

David Gavia, Executive Director
Eric Davis, Deputy Executive Director
TJ Carlson, Chief Investment Officer
Christine Sweeney, General Counsel
Sandra Vice, Director of Internal Audit
Robert Klausner, Klausner, Kaufman, Jensen & Levinson
Karen Jackson, Executive Assistant
Marcia Beard, RVK
Mark Randall, Gabriel, Roeder, Smith and Company
Joe Newton, Gabriel, Roeder, Smith and Company
Amy McDuffee, Mosaic Governance Advisors

Also in attendance:

David Rodriguez, Regional Manager – City Services
Bob Scott, City of Carrollton
Kathleen Depweg, City of Arlington

Mr. Parrish called the meeting to order at 1:30 p.m.

1. Strategic Planning Session

Mr. Parrish began by stating this meeting is to update the existing plan and to have a discussion regarding the direction the Board would like the organization to take. Mr. Gavia thanked all of those who participated and who provided input prior to the meeting.

Ms. McDuffee facilitated this session and emphasized that we are updating the current plan to keep it moving forward. She led the attendees in a visioning exercise with the results of the discussion captured in her summary.

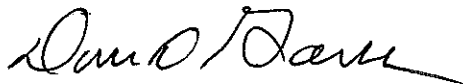
The Mission, Vision and ACTIVE Principles were reviewed. The length and relevance of the existing Mission Statement was discussed. The history behind the creation of the ACTIVE Principles was also noted.

The results from the survey of various stakeholders were discussed as well as the primary themes observed. Ms. McDuffee noted that the stakeholder research will appear again as part of the summary of the Board's planning session that will be provided in August.

The next activity moved the discussion to the analysis of the organization's strengths, weaknesses, opportunities and threats or S.W.O.T. The focus of this analysis was to look internally and externally to do a "self-review" of TMRS at the thematic level. The Board reviewed the draft S.W.O.T. provided in advance of the meeting. Nothing appeared to be missing from the S.W.O.T. analysis. A suggestion was made to add "social media" to the "Threat" item.

Ms. McDuffee concluded the session by reviewing the day's discussions and previewed the discussion to be conducted on day two.

The meeting was recessed until 9:00 a.m. Thursday, May 18, 2017.



David Gavia
Executive Director



Jim Parrish
Chair, Board of Trustees

**MINUTES OF THE
TEXAS MUNICIPAL RETIREMENT SYSTEM
Meeting of the Board of Trustees**

May 18, 2017 – 9:00 a.m.

On May 18, 2017, the Board of Trustees of the Texas Municipal Retirement System (TMRS) convened for a meeting at 9:00 a.m. at the Lakeway Resort, located at 101 Lakeway Drive in Austin, Texas, with the following members present:

Board of Trustees

Julie Oakley, Chair
Jim Parrish, Vice Chair
Bill Philibert
David Landis
Jim Jeffers

Absent: Roel “Roy” Rodriguez
Eric Davis, Deputy Executive Director

Present also were:

David Gavia, Executive Director
TJ Carlson, Chief Investment Officer
Christine Sweeney, General Counsel
Robert Klausner, Klausner, Kaufman, Jensen & Levinson
Karen Jackson, Executive Assistant
Marcia Beard, RVK
Mark Randall, Gabriel, Roeder, Smith and Company
Joe Newton, Gabriel, Roeder, Smith and Company
Amy McDuffee, Mosaic Governance Advisors

Also in attendance:

Kathleen Depweg, City of Arlington

Mr. Parrish called the meeting to order at 9:05 a.m.

1. Strategic Planning Session (continued from Wednesday, May 17, 2017)

Ms. McDuffee recapped Day 1 discussion and reviewed the agenda for Day 2 which comprised two key items. She stated that the goal is not necessarily to solve issues, but to identify the priorities and for the Board to set a direction.

Ms. McDuffee noted that good progress has been made under the Strategic Plan since it was adopted by the Board in December 2015. The first guided discussion focused on the progress made under the Goals and Objectives. The Board reviewed Senior Staff’s recommendations for each objective under the five current Strategic Plan goals. The discussion centered on the objectives that were complete and could be removed from the strategic plan, and those that were not complete and therefore needed to be carried into the updated strategic plan.

Consensus was achieved on the item, and Ms. McDuffee noted that the results of the discussion would be captured in a summary provided to the Board at the August meeting.

The second and final guided discussion focused on the “critical issues” identified in advance of the meeting through the individual Board member telephone interviews and the meeting with Staff. A listing of critical issues categorized under high-level themes was reviewed. The three highest priority issues for each theme were identified and a discussion held on each. The Board provided direction as to how each critical issue was to be addressed, with the majority of them noted as items for the updated strategic plan.

Ms. McDuffee again referenced that a summary of all of the guided discussions as well as a draft of the revised Strategic Plan will be provided in August for the Board to review.

2. Call for Future Agenda Items

No items were mentioned.

3. Executive Session

Executive Session was not required and the meeting was adjourned.



David Gavia
Executive Director



Jim Parrish
Chair, Board of Trustees