



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

**November 6, 2025 – 9:00 a.m.**

The Board of Trustees of the Texas Municipal Retirement System (TMRS) convened for a meeting at 9:00 a.m. at the TMRS office located at 2717 Perseverance, Suite 300 in Austin, Texas, with the following Trustees present: Chair Jim Parrish, Tommy Gonzalez, Bryan Langley, Jaime Reyes, Isaac Tawil and Pamela Williams.

Staff present included: Debbie Muñoz, Christine Sweeney, Anali Alanis, Yup Kim, Jac Greene, Nick O’Keefe, Cindy Demers, Daisy Olivera and Tom Masthay.

Mr. Parrish called the meeting to order at 9:00 a.m.

**1. Receive Update on Budget and Compensation Committee.**

Mr. Gonzalez, Chair of the Budget and Compensation Committee (Committee), provided an update on its meeting on September 23, 2025, discussed his questions and comments regarding the budget, and requested education and training for Trustees on investments and artificial intelligence (AI) topics. He suggested increasing the Committee size to three Trustees and proposed the creation of an Investment Committee with the same number of Trustees

**2. Discuss 2026 Proposed Operating and Capital Budgets, and Possibly Take Action on Budget Items.**

Mr. Parrish said TMRS has new opportunities with Ms. Muñoz becoming Executive Director in July and four new Trustees joining in October. The new Trustees and staff introduced themselves, and Ms. Muñoz introduced the budget. Ms. Demers then presented an overview of the proposed 2026 Operating and Capital Budgets.

Mr. Gonzalez discussed the concept of approving last year’s budget amount in December, followed by a budget adjustment made after the Board retreat in early 2026 to discuss strategic planning.

Staff discussed the proposed 8% employee contribution rate for TMRS included in the Operating Budget. Mr. Langley asked about the impact of the rate increase on TMRS’ plan liabilities and TMRS’ employee benefits and noted the importance of cities having full information about the impacts before making a decision. Mr. Gonzalez requested information on city contribution rates regarding the highest and median rates. Mr. Reyes, Ms. Williams and Mr. Tawil added comments concurring with cities’ needing to understand the impacts before increasing their employee contribution rate.

The Personnel portion of the budget was discussed and Ms. Olivera reviewed comparisons of compensation between TMRS and comparable pension system employers. The investment related bonus program was discussed, with Mr. Kim providing an Investments strategy overview and Mr. Masthay discussing the program. Trustees requested additional information, which staff will provide. Mr. Parrish proposed that Mr. Gonzalez, Mr. Langley and Mr. Tawil work with Ms. Munoz to review this information for the program.

Ms. Demers reviewed the budget for Professional Services. Mr. Greene reviewed the technology portions of the Operating and Capital budgets and how TMRS was approaching AI. Mr. Kim and Mr. Masthay discussed reasons for employing AI in Investments. Mr. Langley noted it is important to know where one is trying to go with AI and why. Mr. Parrish asked for information regarding TMRS cybersecurity insurance coverage. Ms. Demers provided information and said TMRS is reviewing its insurance currently. Mr. Greene discussed TMRS fraud prevention efforts and Information Services' technology roadmap. Ms. Demers discussed additional budget proposals for facilities and capital.

Mr. Langley asked about TMRS' process for periodic review of its consultants and suggested that could be a topic for a Board retreat. Mr. Parrish and Mr. Gonzalez discussed the concept of approving a base budget in December and then making adjustments after a Board retreat. Mr. Langley asked Ms. Muñoz for information regarding TMRS' urgent needs as compared to budget requests that can wait. Mr. Gonzalez asked for information about budget needs for the next three years if the proposed increases were approved for 2026.

### **3. Executive Session.**

Mr. Parrish read the Board into Executive Session at 12:21 p.m. The meeting reconvened in Open Meeting at 12:45 p.m. Mr. Parrish said that all Trustees who were present before the executive session returned to open session, and no action was taken in the executive session.

### **4. Call for Future Agenda Items.**

Mr. Gonzalez described topics he would like to include on the agenda for December or future meetings and said he would send staff the topics.

Ms. Muñoz said that an orientation for new Trustees would be held on December 10, 2025, beginning at 1:30 p.m.

Mr. Parrish adjourned the meeting at 12:54 p.m.

  
Debbie J. Muñoz  
Executive Director

  
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Jim Parrish  
Chair, Board of Trustees