

**THIS ISSUE: Eric Henry’s Resignation, Joint Board/Advisory Committee Meeting,  
Annual Seminar in Arlington, Information for Correspondents**

**TMRS Executive Director Resigns**

TMRS Executive Director and Chief Investment Officer Eric Henry has resigned from his position to pursue another employment opportunity. At their meeting on August 21, the TMRS Board of Trustees appointed TMRS General Counsel David Gavia as acting Executive Director and TMRS Director of Public Investments and Asset Allocation Nancy Goerdel as acting Chief Investment Officer pending a search for candidates to replace Mr. Henry. The Board appointed a committee to identify a firm to conduct the search for a new Executive Director.

TMRS Board Chair, Carolyn Linér, said, “The Board tremendously appreciates all Eric has done for us, and we will be seeking someone to continue the outstanding work he has begun.”

Eric Henry has been with TMRS since June 2007 and served with the Pennsylvania and New Hampshire state retirement systems prior to coming to Texas. During his time at TMRS, Mr. Henry began to diversify the System’s portfolio, carried out the Board’s directions with regard to changes in actuarial methodology, and successfully steered the System through important statutory changes in Texas law.

The TMRS staff would like to extend our thanks to Eric Henry for his leadership and to wish him success in his new enterprise.

**August Board Meeting Report**

The TMRS Board of Trustees in a joint session with the Board’s Advisory Committee on Retirement Matters met August 21, 2009, in Austin at the TMRS Building. The Board and committee members heard the following presentations:

- TMRS Director of Governmental Relations Eddie Solis gave a summary of activities during the 81st Regular Session of the Texas Legislature, including the passage of HB360.
- Investment advisor R.V. Kuhns presented a summary of [investment performance](#) through the end of July and an overview of the [System’s ongoing plans](#) for asset diversification.
- Consulting actuary Gabriel Roeder Smith & Company gave a four-part presentation on actuarial issues, including a recap of [recent actuarial changes](#), a discussion on the [outlook](#)

[for rates](#) next year, an introduction to the establishment of a [reserving policy](#), and a discussion of possible [fund structure](#) changes for TMRS. GRS will continue its discussion of the reserve policy issue at the September Board meeting.

- Board Chair Carolyn Linér appointed April Nixon as chair of the Advisory Committee on Retirement Matters and Roy Rodriguez as Vice Chair.

### **Advisory Committee Update**

The TMRS Board met for a joint meeting with the TMRS Advisory Committee on August 21. The Board and Committee heard updates on investments as well as continuing the discussion with the TMRS actuary, GRS, on the system's reserve policy.

TMRS and the TMRS Board benefited from the feedback, input, and hard work of the TMRS Legislative Stakeholders Group (LSG) during the last interim. The LSG worked diligently to craft recommendations to the Board resulting in House Bill 360 - 81<sup>st</sup> Legislature. The bill passed, was signed into law, and is already in effect. The success of the LSG led to the Board's expansion of the TMRS Advisory Committee to include the members and member organizations of the LSG.

In the coming months, the Advisory Committee will be reconvened to continue work and dialogue on items the committee began discussing during the interim prior to the 81<sup>st</sup> Texas Legislature.

We will continue to keep you informed of the Advisory Committee's work during the interim. Please don't hesitate to contact me if you have any questions regarding legislation or the TMRS Advisory Committee.

—Eddie Solis, Director of Government Relations, [esolis@tmrs.com](mailto:esolis@tmrs.com)

### **Mortality Table Rumors**

They're surfacing again – those persistent rumors about TMRS changing its mortality table (also called the “life expectancy” table for calculating retirement annuities) by the end of the year. TMRS has no imminent plans to change the mortality table. The mortality table estimates the amount of time a member is expected to live after retirement. Due to demographic changes, sometime in the future, our consulting actuary may suggest that TMRS update the tables. But for now, they will remain unchanged.

If the TMRS Board determines at a future date that we need to make such changes, we will notify cities and members well in advance. Any change would be very gradual. If a change in the life expectancy table is needed, it is not likely to be made until after the next actuarial experience study. The end of the next study period will be 12/31/2010, with results of the study presented to the Board in 2011. This topic has been discussed with the Board in the past, and any change in the life expectancy table will probably be “phased in” so as not to create a change in the pattern of retirement.

## **Annual Seminar in Arlington Less than Six Weeks Away!**

The TMRS 2009 Annual Training Seminar, “TMRS and Cities: A Winning Team,” will take place October 4 – 6 at the Hilton Arlington Hotel. On Sunday evening, October 4, TMRS will host a welcome reception for all registrants. The training sessions will be held in the Hilton – all day Monday October 5 and a half-day Tuesday October 6. On Monday night after a “tailgate” party at the Hilton, participants will embark on a tour of the new Cowboys Stadium. Tuesday’s closing speaker is Beth Almeida, Executive Director of the National Institute on Retirement Security. Ms Almeida is an expert in the pension field, speaking frequently at national and international conferences regarding economics, pensions, and retirement security issues.

The registration form and [seminar information](#) are posted on the website. Meals are included in the registration fee of \$125. Hotel accommodations are not included in the registration — call 817.640.3322 ext. 6606 for room reservations at the Hilton Arlington or visit the TMRS page on the [Hilton website](#) to register for rooms online.

Please e-mail Angela Deats – [adeats@tmrs.com](mailto:adeats@tmrs.com) – in the Communications Department if you have any questions. We look forward to seeing you in Arlington!

## **Funding Workshops Wrap Up August 26**

TMRS provides a variety of options to keep cities informed of key decisions, legislative progress, investment changes, and funding issues. In addition to Executive presentations, e-bulletins, city visits, and direct mailings to cities, TMRS Staff offered additional outreach this summer in the form of Funding Workshops.

Summer Funding Workshops were held in nine cities around the state including Austin (in conjunction with GFOAT), Sugar Land, Corpus Christi, McAllen, Killeen, Amarillo, San Marcos, Tyler, and Addison. The purpose of these workshops, which were scheduled June 24 through August 26, was to provide city managers, finance officers, and human resources managers with an overview of the recent legislative changes, investment updates, and funding issues. During the workshops, cities had their questions answered by the TMRS Actuary, Investments Staff, and the Travel Team.

Key city personnel attended each session, with an average of 19 city officials per session. A total of 76 cities attended, for both the information overview and the one-on-one communication about their particular city’s situation.

## **FYI for Correspondents: Address Solicitation Mailings**

In the past few weeks we have been working to update member addresses. Many members change their address and do not notify TMRS of the new address using the TMRS-CHNG form, which results in a large number of “bad addresses” in our records. If TMRS does not have a current mailing address, members won’t receive their annual statement, estimates, and TMRS newsletters. In addition, members will not be able to access MyTMRS online.

To remedy this, TMRS has partnered with a third party to solicit current address information for approximately 12,000 members. Over the next four weeks, letters will be mailed to members with bad addresses soliciting the completion of our TMRS –CHNG form. Cities may receive phone calls about this, and any help you can provide to keep addresses current will be greatly appreciated.

### **Two More Certification Courses Planned for 2009**

Due to overwhelming interest in the City Correspondent Certification Course that was offered June 30 – July 1, we have scheduled two more before the end of the year. Those correspondents who wish to refresh their training or who are new and want to get up to speed on all aspects of the Correspondent's duties, may sign up for either the October 19-20 course or the December 1-2 course. Both courses will be held in Austin at the TMRS Headquarters and cost for both courses is \$75, which includes course materials, continental breakfast, and catered lunch both days.

Correspondent training focuses on day-to-day situations and helping members at all stages of their careers, from enrollment through retirement. You may [register](#) for either of the courses on the TMRS website.

*NOTE - Previously issued e-bulletins and correspondence are posted in the "E-Bulletin Archive" section under the Publications page on the TMRS Website.*