

TMRS E-Bulletin for Cities – Vol. 14
August 20, 2008

**THIS ISSUE: Legislative Stakeholder and TMRS Board Meeting Summaries,
Website Redesign, and Annual Training Seminar**

Legislative Stakeholder Group Meeting

The Legislative Stakeholder Group that is working with TMRS to craft recommended legislation for the upcoming session met on August 14. The group approved the following items:

- Guarantee interest credits to employee accounts and the annuity purchase rate for retirement calculations to be no less than 5%;
- Seek authority for TMRS to credit unrealized gains and losses and establish that the employer accounts will bear the risk of TMRS investment performance and will receive a variable rate of interest each year;
- Use excess earnings to establish an adequate reserve account to stabilize contribution rates during years when returns are low;
- Maintain the Legislative Stakeholder Group as an advisory body to the TMRS Board of Trustees to ensure that these provisions are monitored by all interested parties for possible action in future legislative sessions (not a statutory change).

A subcommittee of the Stakeholder Group will review the actual language of the amendment. That draft will be reported back to the full Stakeholder Group for approval before it is presented to the TMRS Board at its meeting on September 25-26.

The subcommittee comprises one member from each of these groups: Combined Law Enforcement Associations of Texas, Texas Municipal Police Association, Texas State Association of Fire Fighters, Service Employees International Union, Arlington Fire, Texas Municipal League, Texas City Managers Association, Government Finance Officers Association of Texas, Texas Municipal Human Resources Association, and TMRS (a non-voting member).

A meeting of the drafting subcommittee of the Stakeholder Group is tentatively planned for late August, and the subsequent meeting of the full group is tentatively planned for early September.

TMRS Board of Trustees Meeting

The TMRS Board met on August 15 and considered the following agenda items:

- The Board received and approved the report from the Legislative Stakeholder Group, with the Board Chairman urging any members of the Stakeholder Group who wish to attend the drafting subcommittee's meeting to do so.
- The Board received a report from Blackrock that reported good progress on its mandate to shorten the duration of the TMRS bond portfolio. When Blackrock was hired, the TMRS portfolio duration was 13.8 years; the market yield was 5.42%, and the book yield was 5.49%. As of August 13, 2008, the portfolio duration was 8.18 years, market yield was 5.79%, and book yield was 5.87%. Blackrock has succeeded in bringing down the duration while improving the yield.
- R.V. Kuhns gave a presentation on the overall investment performance of the TMRS fund. A summary of that report is available on the TMRS Website.
- Joseph Newton of GRS gave a report on actuarial issues. The information was similar to what was presented to the Legislative Stakeholder Group at their July meeting — a discussion of how investment volatility affects plan funding. The presentation shows the importance of a reserve fund in keeping city rates and funding ratios reasonably level.
- The Board considered and approved changes to their strategic planning policy and received a report on the progress of the goals and objectives in the current strategic plan, all of which are on target for timely implementation. See the Website for more information.

Keep Watching the TMRS Website!

TMRS Communications staff has redesigned the TMRS Website. The new version — which is undergoing testing and review now — will be accessible to cities, members, and retirees in September. Our goals in redesigning the site were:

- 1) To make the site more modern;
- 2) To provide a better space on the front page to showcase important news and announcements; and, most importantly,
- 3) To organize the information for our members and cities in a way that we believe will be more useful to them.

Most of the site is organized around the concept of “How Do I?” with easy-to-follow step-by-step instructions (tutorials) to help our members and cities perform the most common tasks associated with TMRS. We will send out a bulletin when the new site is available.

And this is only the beginning. Early next year, TMRS will add a benefit calculator to our Website. The calculator, accessible through MyTMRS, will be tied to member data and will provide an instant benefit estimate based on a retirement date chosen by the user.

Even better things are coming in 2010. TMRS has begun planning a “**city portal**” for our Website, a secure area for each TMRS city that will provide interactive access for cities to process information and run reports for their employees.

Important Notice!

As the first step in development of the city portal, later this week, TMRS will be sending you a link to an online survey that will help us learn which interactive, online features are of most interest to our cities. Your response is important, and we appreciate you taking a few minutes to reply.

Annual Seminar Is Right Around the Corner!

We’re gearing up for our Annual Training Seminar, which takes place September 2– 4. This year the seminar is in Corpus Christi instead of Austin. Not only is the setting different, but the programming track is also different from past years. It’s a single, all-inclusive program, “Back to Basics,” designed for City Correspondents and other benefit administrators.

We have structured the sessions so that this single programming track gives attendees a complete overview of how TMRS works. This will be good for correspondents who are new to TMRS as well as those who want to refresh their knowledge. In addition, we are offering sessions to update attendees about recent System changes, investments, legislation, and funding issues. This year will also feature an expanded version of the City Services Suite to provide one-on-one counseling and plan rate projections. The Suite will be open throughout the seminar.

The program is limited to the first 300 registrants, but there is still plenty of room left for this important training. If you are interested in attending, please let us know right away. All you need to do is fill out a [registration form](#) to reserve your spot. The cost is \$125. The registration fee covers the courses and presentations, Tuesday evening reception, Wednesday dinner at the Texas State Aquarium, breakfasts both days, lunch on Wednesday, and snacks. TMRS has reserved a block of rooms at the Omni Corpus Christi Hotel (800-THE-OMNI) so when you call to reserve your room, let them know you’re attending the TMRS Annual Training Seminar.

ABBREVIATED AGENDA

September 2

3:00 – 5:00	Early check-in
6:00 – 7:30	Evening Reception, Omni Hotel

September 3 - Full-day session

7:30 – 9:00	Check-in and breakfast
-------------	------------------------

9:00 – 9:15	Welcome, Opening Remarks, Hon. Henry Garrett, Mayor of Corpus Christi, and Roel “Roy” Rodriguez, Chair, TMRS Board of Trustees
9:15 – 10:00	TMRS - Changing with the Times - Eric Henry, TMRS Executive Director
10:15 – 11:15	TMRS Membership 101 - Lorraine Moreno, TMRS Travel Team
11:30 – 12:30	TMRS Plan Design 101 - David Rodriguez, TMRS Travel Team
12:30 – 1:30	Lunch
1:30 – 2:20	TMRS Services 101 - Colin Davidson and Maryann Malave-Jaini, TMRS Travel Team
2:30 – 3:20	Legal and Taxes 101 - Shannon Lucero, TMRS Travel Team
3:30 – 4:30	Rates and Actuarial Science 101 – Anthony Mills, TMRS Travel Team, and Mark Randall, GRS
6:00	Bus ride to Texas State Aquarium for Dinner and Tours

September 4 - Half-day session

7:30 – 9:00	Breakfast
9:00 – 10:00	TMRS Investments - What Lies Ahead? - Peter Madsen, R. V. Kuhns & Associates
10:15 – 11:15	TMRS Legislative Report - Eddie Solis, TMRS Government Relations Director
11:15 – 11:30	Closing

Travel Team Available for City Council Meetings

TMRS is receiving a record number of requests this year for staff members to attend city council meetings and help explain the new actuarial cost method and investment initiatives. Our expanded Travel Team of three Regional Managers and three Regional Representatives is ready to assist you. E-mail communications@tmrs.com if you wish to schedule a visit to your city.

NOTE - Previously issued e-bulletins and correspondence are posted in the “Breaking News for Cities” section on the TMRS Website.