

**THIS ISSUE: January Rate Letters, Preparing City Payroll,  
Funding Seminar, Legislative Update, Spanish Benefits Guide**

**January Rate Letters Have a Different Look**

Cities are accustomed to the Rate Reminder Letter that arrives every January to verify your City Contribution Rate for the upcoming year. We expect to send these letters with your city's data on January 16. The letter you received in the past was short and sweet: It included your city's total monthly rate for the year, including your Retirement Plan Contribution Rate and your Supplemental Death Benefit Rate, if offered by your city.

Like before, the letters show the Total Monthly Rate for 2009, but for cities eligible to pay a Phase-in Rate, the letter will show both the Phase-in (TMRS Minimum) and the Full Rate (the Annual Required Contribution per GASB 25).

In addition to the rate cover letter, all cities will receive a detailed attachment that explains:

- Phase-in Rates and Full Rates (if applicable)
- Additional City Contributions
- The TMRS Actuarial Cycle
- The December 31, 2008 Actuarial Valuation
- Actuarial Experience in 2008
- TMRS Legislation in 2009
- TMRS Seminar on Funding, Investments, and Legislation

If you are a payroll officer in a city that has opted to use the 8-year Phase-in Rate, the Phase-in Rate is the minimum allowable contribution rate. TMRS encourages you to pay the full rate if you can. It is also possible to pay at a rate between minimum and full; just be sure to inform TMRS of the actual percentage you are paying monthly (see next item).

**Tips on Preparing City Payroll**

The many changes TMRS has undergone in past months and the additional options we have given cities for paying their contributions (either Full Rate or Phase-in Rate, somewhere in between, or making additional lump sum contributions) mean that reporting payroll may be a more complicated process for some cities.

On the Summary of Monthly Payroll Report (TMRS-3) under "Municipality Remittance" – specifically, line 2A – the city payroll officer will need to indicate the **actual percentage paid for that month**. Whether your city is paying the Full Rate, the Phase-In Rate, something above

the Phase-In Rate, or a rate greater than the Full Rate, the correct percentage (computed from the actual amount you are submitting) must be indicated on line 2A of the TMRS-3 form.

If your city is making an additional payment in a lump sum, you will also need to send the Remittance of Lump Sum City Contributions form (TMRS-3ADD).

**REMEMBER:** No matter what option your city chooses – Phase-In, above Phase-In, Full Rate, or greater than Full Rate, it is incumbent on the city to **tell TMRS the percentage** you are sending each month by indicating the percentage on the Summary of Monthly Payroll form (TMRS -3).

We are adding the above information to the TMRS website under the City section in the “How Do I Handle City Payroll” page.

### **TMRS Seminar on Funding, Investments, and Legislation**

For the first time, we are offering a 2-day session similar to the Annual Training Seminar, geared for city finance officers and managers. This seminar will be focused on TMRS investments, funding, and legislation and will be a good place to learn about issues important to the continued strength of TMRS.

The spring seminar, “Building a Foundation for the Future,” will take place March 1-3 at the Hyatt Regency in Austin. It will have a kick-off reception on Sunday, March 1, a full day of presentations on March 2, and a half day on March 3, including a panel “Perspectives on TMRS.”

Keep checking the TMRS website for more detailed information, and we will send the particulars and registration information in an upcoming e-bulletin.

### **Legislative Update**

The Texas Legislature convened for its 81<sup>st</sup> Legislative session on January 13, 2009. Each session runs 140 days, with the 81<sup>st</sup> set to adjourn in May. House members elected Representative Joe Straus, R-San Antonio, as Speaker of the Texas House by acclamation. The Senate had no changes in leadership but did add two new senators to its membership.

Committees will be set next, likely at the end of January or first part of February. As soon as committees are set, bills will begin being referred and heard. As a reminder, the TMRS legislation for this session was pre-filed in December — House Bill 360 by Representative Edmund Kuempel. Senator Tommy Williams will introduce the Senate version of the bill in the near future.

Stay tuned in for legislative updates as the session progresses. If you have questions regarding the TMRS legislation or legislative matters, contact Eddie Solis, TMRS Government Relations Director, at [esolis@tmrs.com](mailto:esolis@tmrs.com).

## **Spanish-Language Member Guide Now Available!**

We have translated the TMRS *Member Benefits Guide* specifically for those members whose first language is Spanish. A PDF of the guide – *La Guía de Beneficios para Miembros* – is available [here](#) for those who wish to check it out. It covers the same material as the English benefits guide and has a similar look and feel.

These guides will be distributed on city visits and seminars, and are available to cities upon request. Let us know how many you need (send your request via email to [records@tmrs.com](mailto:records@tmrs.com)) and we will ship them right out to you!

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