

**THIS ISSUE: October Board Presentations,
Advisory Committee Update, Certification Course**

TMRS Board Members Hear Presentations, Take No Actions

The TMRS Board of Trustees was scheduled to hold a meeting in Ft. Worth on October 23. Due to unforeseeable circumstances, a quorum of the Board was not present. As the meeting had been publicly noticed and a number of interested members were present, the Trustees in attendance received reports from advisors and staff. No formal meeting was convened and no votes were taken.

The following reports were received:

1. Consulting actuary GRS made a presentation on asset smoothing and the need for TMRS to establish a robust reserve fund. They also discussed the implications of a potential restructuring of TMRS funds
2. RV Kuhns and TMRS investment staff presented a report on investment performance as of September 30, 2009. A [summary](#) of the performance report is on the TMRS website
3. TMRS finance staff made a preliminary presentation of the proposed TMRS operating budget for 2010
4. The TMRS Internal Auditor made a brief report on the 2010 risk-based audit plan.

The reports will be presented again at the next meeting of the Board, scheduled for December 4 in Austin.

Advisory Committee Update

As many of you know, the TMRS Advisory Committee on Retirement Matters (Committee) is a 19-member committee that serves as a resource for the TMRS Board of Trustees on TMRS matters. The Committee members are appointed by the TMRS Board of Trustees.

During the last legislative interim, the Committee, at that time called the Legislative Stakeholder Group, was instrumental in providing the TMRS Board with feedback on legislative recommendations that resulted in House Bill 360. HB 360, which passed during the 81st Texas Legislature, was an essential piece of legislation that made needed changes in the structure of TMRS.

Chaired by April Nixon and Vice Chair Roy Rodriguez, the Committee will meet on November 20, 2009 in Austin to begin preparing for the next legislative session. We will keep our members and member cities informed of the progress of the Committee. If you or someone from your city has an interest in serving on the Advisory Committee, please view the web page for the [Board Committees](#) (the committee application is near the bottom of the page).

If you have any additional questions, contact TMRS' Director of Government Relations, Eddie Solis, at esolis@tmrs.com.

TMRS at TML

TMRS was well represented at the annual Texas Municipal League convention in Fort Worth October 21-23. Members of the TMRS Travel Team and other staff met hundreds of TML attendees, offering information, estimates, and city rate analysis over the convention's three days. A summary [handout on investments](#) is available on the TMRS website.

TMRS Acting Executive Director David Gavia and Acting Chief Investment Officer Nancy Goerdel also made two joint presentations on current TMRS issues. Their [presentation](#) may be downloaded from the TML website.

Reminder about Enrollment Forms

IMPORTANT! When a member joins TMRS, certain personal information is provided about the member's date of birth, gender, and monthly salary. This information is fundamental to the annual valuation process that determines your city's contribution rate. Please be sure that any New Member form that is transmitted to TMRS is accurate and complete. Missing information can affect your city's rate.

Last Certification Course for 2009

City Correspondents who wish to learn the details about helping members may still sign up for the December 1-2 Certification Course, held in Austin at the TMRS Headquarters. The cost for the course is \$75, which includes materials, continental breakfast, and catered lunch both days. See the TMRS website calendar for [registration and hotel information](#). TMRS has a group rate at the Sheraton Austin Hotel — just one block south of the TMRS building. You may reserve your rooms online through the Sheraton page for the [Texas Municipal Retirement System](#).

Please e-mail Melanie Thomas – mthomas@tmrs.com – in the Communications Department if you have any questions about the course.

Audit Disclosure Information

Many TMRS cities have closed their 2009 fiscal year and are beginning their external audits and preparing their annual financial reports. Please remind your city finance departments that

contribution rate information and actuarial information used in some of their financial disclosures is available in the annual rate letter, sent to cities earlier this year. This can be accessed through the “Cities” section on the TMRS website (see *2010 Municipal Contribution Rate Letter*).

End of Year Reminders

Plan Change Deadlines

- If a city wants to make a plan change in 2009 affecting Updated Service Credit or COLAs, an ordinance has to be adopted by the City Council, and transmitted to TMRS, prior to January 1, 2010.
- The decision to terminate Supplemental Death Benefits has to be adopted by ordinance and transmitted to TMRS prior to November 1, 2009 for the change to be effective January 1.

January COLAs Will Be Small

If your city provides Annuity Increases (Cost of Living Adjustments, or COLAs) to your retirees, please be aware that most retirees will receive very small increases with their January payment. 2009 COLAs are based on the change in the Consumer Price Index (CPI) ending December 2008. Since the 2008 CPI change was only 0.1%, even retirees who receive a COLA based on 70% of the change will see only a small increase. Because the amounts retirees are receiving are very small, TMRS will **not** notify retirees in writing regarding COLAs this year.

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