

**Important Ordinance Reminder, December Board Meeting Recap,  
Advisory Committee Meeting, Pre-Retirement Regionals, Reminders**

**Important: Ordinances and Plan Changes Due Before December 31**

Please remember that any city ordinances changing TMRS benefits for your city for calendar year 2012 must be submitted to TMRS before December 31, 2011. If you have sent in an ordinance but have not received a confirmation of receipt from TMRS, please let us know immediately (call toll-free 800-924-8677 and ask for LaShelle Ruiz).

As usual, TMRS will send contribution rate reminder letters to all cities in January containing your city's full rate and, if applicable, your phase-in rate.

**December Board Meeting Report**

The TMRS Board of Trustees met on December 1 and 2, 2011. Actions and consideration included the following items:

- The Board approved revisions to the TMRS Strategic Plan. Substantially all of the objectives contained in the original plan, adopted in 2007 and 2008, have been completed.
- The Board approved the reappointment of Allen Bogard, City Manager of Sugar Land, to the TMRS Advisory Committee. The term of another committee member, Michelle Leftwich, Assistant City Manager / Planning Director of Mercedes, expires at the end of December, and she has chosen not to seek reappointment. The Board will appoint her replacement in 2012.
- The Trustees named new officers for 2012. H. Frank Simpson will serve as Chair and Julie Oakley as Vice Chair.
- The Board approved changes to TAC Rule Section 127.7. The Board adopted the amended Rule on a temporary emergency basis to accommodate timing deadlines imposed by the Internal Revenue Service and approved filing the amendments with the Texas Register in a proposed form with permanent adoption to take place at a future Board meeting. The amendments make conforming changes to the Rule governing rollovers of lump sum payments from TMRS to eligible retirement plans and IRAs by members and non-spouse beneficiaries.
- The Board approved the 2012 TMRS operating budget and transferred appropriate funds from the Interest Reserve Account to the Expense Fund.

- The Board approved the 2012 Risk-Based Audit Plan.
- The Board also heard or acted on the following investment-related items:
  - The Board approved the 2012 Real Estate Implementation Plan, calling for an additional \$600 million to be allocated to Real Estate investments in 2012. The Board also authorized TMRS staff and real estate consultant ORG Portfolio Management to conduct additional manager searches as needed.
  - Investment consultant R.V. Kuhns presented investment reports for the quarter ended September 30, 2011, and TMRS' CIO, Nancy Goerdel, presented the report for the month ending October 31, 2011. These reports are posted on the [Investments](#) page on the TMRS website.
  - TMRS staff presented the results of a manager review on PIMCO, the manager for TMRS' Core Plus Fixed Income portfolio, recommending that PIMCO be retained with no change in status.
  - TMRS staff presented proposed revisions to the TMRS Investment Policy for potential consideration and adoption at a future Board meeting.

### **Advisory Committee Meeting Report**

The Advisory Committee on Retirement Matters held an organizational meeting on December 1, 2011. H. Frank Simpson is the Chair of the committee, and Julie Oakley is the Vice Chair. Committee members discussed a variety of TMRS-related topics, including cost of living adjustments, two-tiered plans, gain-sharing options, vesting requirements, minimum retirement eligibility, and return to work options. The Committee decided that more discussion was needed on a number of these topics at future meetings to determine if any recommendations for change should be made to the Board of Trustees.

The schedule for future meetings will be discussed at the February 2012 Board meeting. The Advisory Committee was created by the Board of Trustees to provide input on matters relating to TMRS and to provide an additional conduit for communication between TMRS and its members. The TMRS website includes a list of current Advisory Committee members [here](#).

### **Pre-Retirement Regional Conferences Planned for 2012**

TMRS scheduled the following 2012 dates for pre-retirement conferences in ten TMRS cities around the state.

February 7	Regional Pre-Retirement Conference - Schertz
March 8	Regional Pre-Retirement Conference - Conroe
March 21	Regional Pre-Retirement Conference - Georgetown
March 26	Regional Pre-Retirement Conference - Beaumont

April 24	Regional Pre-Retirement Conference - McAllen
May 3	Regional Pre-Retirement Conference - Longview
May 30	Regional Pre-Retirement Conference - Amarillo
June 25 & 26	Regional Pre-Retirement Conferences - Addison
June 27	Regional Pre-Retirement Conference - Hurst
July 12	Regional Pre-Retirement Conference – Midland

## **Recent Mailings and Postings**

### ***Newsletters***

TMRS mailed *INSIGHT*, the newsletter for employee members, and *RetirementWise*, the magazine for retirees, before the Thanksgiving holiday. The current issues of these publications are posted on the TMRS website [here](#).

### ***Results of Social Security Survey Posted***

TMRS submitted the results of a survey about city participation in Social Security to the State Pension Review Board in late November. The Pension Review Board requested data on this topic, so TMRS conducted a survey to determine the percentage of member municipalities that currently participate in the federal Social Security Program. TMRS received survey responses from 434 cities. In addition, 71 other cities were contacted by phone or e-mail, and TMRS made further calls to clarify survey responses. For those cities not responding to the survey, TMRS used existing information maintained by the Employees Retirement System. The results are available [here](#). *NOTE:* If your city did not participate in the survey and you would like to do so, we encourage you to send your information via e-mail to [dan.wattles@tmrs.com](mailto:dan.wattles@tmrs.com).

## **Upcoming Publication and Form Revisions**

### ***Revised Booklets***

TMRS is planning to revise two booklets designed for cities: *TMRS FACTS for City Officials*, and the *City Guide to USC & COLAs*. Both booklets will be available in hard copy and posted on the website in early 2012.

### ***USERRA Form Revision***

The old USERRA form has been taken off the website, and a revised version will be posted soon. The revised form will include changes reflecting amendments to an existing Board rule regarding USERRA. The amended rule took effect in mid-November and reflects the requirements of the federal laws, which permit a member who leaves employment with a City to perform services in the uniformed services (“military service”) and who applies to return to work with the same City within 90 days after discharge/release, to deposit missed retirement

contributions (“USERRA deposits”) within a certain time period. The amended rule limits the time an eligible member may make USERRA deposits into TMRS to no more than three times the length of the member’s immediate past military service, not to exceed five years. It is important to remember that members can only make USERRA deposits while they remain reemployed with such City. The entire amended Rule §127.4 rule can be found [here](#).

### **Interest Rate for Members and Cities**

TMRS member accounts will receive an annual interest credit of 5% effective December 31, 2011. The city interest allocation will be determined by the Board of Trustees at its February 2012 Board meeting and will also be credited effective December 31, 2011.

*TMRS offices will be closed Friday December 23 and Monday December 26 in observance of the Christmas holiday and Monday January 2 for the New Year’s holiday.*

***HAPPY HOLIDAYS!***

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