

**THIS ISSUE: Board and Advisory Committee Meetings,
Regional Pre-Retirement Seminars, June Funding Seminar**

May 7 Board Meeting

The TMRS Board of Trustees met on May 7 in a joint session with the TMRS Advisory Committee on Retirement Matters. Highlights of the meeting included:

- The Board approved the results of the actuarial valuation of the System performed as of December 31, 2009, containing city contribution rates for 2011. Notable actuarial experience that affected some cities' rates included lower than expected employee termination rates, but overall, little change in rates occurred for most cities. The System's funded ratio increased from 74.4% to 75.8%. Rate letters with detailed information on city rates will be mailed very soon. The actuarial valuation is available [here](#) on the website (PDF, 167 pages).
- The Board approved the engagement of ORG Portfolio Management LLC as the System's first real estate consultant. Current plans call for 10% of the TMRS fund to be allocated to real estate by the time the fund is fully diversified. Investment policies, initial strategies, and recommended investments will be developed between now and the end of the year.
- R.V. Kuhns presented a report on first quarter investment performance. A summary of the report is available [here](#).
- R.V. Kuhns presented its annual review of the TMRS securities lending program. Realized income generated by securities lending for the 12 months ending 12/31/2009 was over \$13 million.
- The Board heard a presentation from economic advisor Gary Shilling.
- The TMRS Director of Government Relations presented a report on the work of the Advisory Committee (see article below).
- Board member Carolyn Linér announced her retirement from her position as Director of Human Resources/Civil Service for the City of San Marcos. Ms. Linér will retain her position on the Board until a replacement is named by the Governor.

May 6 Advisory Committee Meeting

The TMRS Advisory Committee on Retirement Matters met in Austin on May 6. The System's consulting actuary, GRS, presented a summary of the proposal to restructure TMRS funds by merging the Municipality Accumulation Fund, Current Service Annuity Reserve Fund, and Employees Saving Fund. Merging the funds will help stabilize city contribution rates over time. Watch for an issue of *Main Street* with more information on the trust fund restructuring proposal soon.

The committee also discussed the proposals developed by the Texas Municipal Human Resources Association committee on TMRS that were recently presented to the Texas Municipal League. Those proposals include an alternate COLA structure that would base COLAs for TMRS retirees on a single year's change in the consumer price index (rather than the current retroactive method) and a change in law to allow cities to create different benefit tiers for different groups of employees covered under TMRS.

The next meeting of the Advisory Committee will be announced soon, with the goal of having legislative recommendations to the Board in August.

Regional Pre-Retirement Seminars

With many city employees contemplating retirement, we are receiving a great deal of interest in our Regional Pre-Retirement Seminars. So far this year, we have held Regional Pre-retirement Seminars in Lufkin, Missouri City, McAllen, Addison, and Denton. All have had a large turnout. The remaining seminars for the year will be held in Midland on July 15, Amarillo on July 20, and San Marcos on July 29.

These seminars are free and are designed to help members with their retirement planning. Attendees will learn about retiring with TMRS, and there will also be presentations about Social Security and estate/financial planning. Employees may bring their spouses, and TMRS provides lunch.

We highly encourage TMRS Correspondents to sign up their employees who are approaching retirement. As we get close to each seminar, the agenda and registration forms are posted on the website under the Calendar listing. If you have additional questions, send an e-mail to communications@TMRS.com.

Funding Seminar Invitations

Your city manager, finance officer, and/or City Correspondent should have received an invitation in the mail for the annual seminar on TMRS Funding, Investments, and Legislation planned for June 21 at the Sheraton Hotel in Austin. The invitation, agenda, and registration forms for the seminar, titled "Looking Ahead to 2011," are also available on the website [here](#).

Our lunchtime speaker will be former Texas Chief Deputy Comptroller Billy Hamilton, an expert on Texas economic issues. Mark Randall, TMRS consulting actuary, will present a report on the results of the December 31, 2009, actuarial valuation and will discuss the proposed TMRS fund restructuring currently under consideration by the TMRS Board of Trustees and the Advisory

Committee. Other presenters include Kevin Kavanaugh of the Legislative Budget Board on Texas budget issues; Peter Madsen of R.V. Kuhns and Associates on diversifying TMRS investments; TMRS staff on legislative issues; and NASRA research director Keith Brainard on public retirement plans.

The registration fee for the seminar is only \$25 and includes the cost of breakfast and lunch, as well as all presentation materials. The seminar will be held after the mailing of annual rate letters to cities, so this will provide cities an opportunity to ask questions about their rates in one-on-one sessions with TMRS staff. If you are interested in attending, please return the registration form by June 7.

After reviewing the materials, if you have any further questions about the seminar, please send an e-mail to communications@tmrs.com.

REMINDER: It Is Important to Keep your City Contact Information Up-to-Date!

In an era when we communicate most information electronically, it is more and more important to keep our list of “authorized contacts” correct. Contact information for our member cities now includes names, titles, e-mail addresses, phone, and fax numbers. If there is a change in your city’s authorized contact information, please let TMRS know promptly in writing by sending an e-mail to LaShelle Ruiz at lruiz@tmrs.com.

Submit Your Data via FTP – It’s Fast, Secure, and Easy!

PC Magazine recently ran a story about how Sony has decided to stop manufacturing floppy disks. This is a reminder that local storage media are constantly changing, but the need to store and save data does not change. It also means that the days of sending payroll data to TMRS on a floppy are numbered. While TMRS will accept floppies for the near future, the IT Department reminds us that sending a floppy through the mail is not secure, and they often arrive damaged and difficult to read.

What better time to start sending your data to TMRS electronically, via our secure FTP site? FTP is the safest and most timely method to get your information here (same day) so that you don’t incur late fees or possibly lose data. To set up electronic payroll reporting, call Rick Almanza or Charles Matthes at 800-924-8677. A complete guide to electronic reporting AND electronic funds submission is available [here](#).

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