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## June Board of Trustees Meeting

The TMRS Board of Trustees met in Austin on June 25. The meeting was webcast. The Board:

- Adopted a Partial Year [Board and Committee Work Plan](#)
- Continued a discussion of the [Board's Investments Beliefs](#)
- Approved additional proposed amendments to Chapter 123 of the TMRS Rules for later submission for publication in the Texas Register
- Received reports on the results of [2019 Financial Statement Audit and the System and Organization Controls \(SOC\) Audit](#)
- Heard an overview and approved distribution of the [2019 CAFR](#). The 2019 [financial reports](#) are posted on the TMRS website
- Authorized the Executive Director to negotiate the terms of an agreement with Ron Lewis & Associates as the [Governmental Relations Consultant](#) to the Board
- Heard reports from the Chief Investment Officer and Executive Director

On June 26, the Board met in Executive Session to conduct interviews of candidates for the position of Executive Director (see item below).

The next meeting of the TMRS Board of Trustees is planned for August 20 – 21 in Austin.

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## Executive Director Update

In 2019, current TMRS Executive Director David Gavia announced his intention to retire in May 2020. Due to the COVID-19 emergency, the Board of Trustees' search for his successor has been slightly delayed, and Mr. Gavia has postponed his retirement to accommodate the search delay. The Board conducted interviews with finalists for the position on June 26. Watch the TMRS website, social media, and other communications for updates.

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## COVID-19 Status and City Actions

The TMRS office remains closed to visitors and our staff is not traveling. Because of the increase in coronavirus cases in Texas, the office will stay closed at least through the end of August. Remember, you can always reach us by calling the Phone Center (800-924-8677), sending an email to the [TravelTeam@tmrs.com](mailto:TravelTeam@tmrs.com), or consulting the [TMRS Town Square](#) to request a virtual meeting with a Regional Manager on the TMRS Travel Team (see item below).

If your city is thinking about offering retirement incentives, which might include lump-sum payouts by the city to employees, there are issues you may wish to consider. In general, additional money awarded to employees is considered "compensation" under the TMRS Act, so your city's percentage for employee contributions (5, 6, or 7% of compensation) would be added to their accounts prior to calculating the retirement benefit. However, for persons who first became TMRS members on or after January 1, 1996, the IRS imposes limits on the maximum amount of compensation that can be used for purposes of determining TMRS employee contributions and benefits. Please reach out to us ([TravelTeam@tmrs.com](mailto:TravelTeam@tmrs.com)) to discuss how these incentives may affect your employees' accounts so you can fully communicate this information to them.

In addition to incentives, some cities are considering layoffs, furloughs, reducing the number of work hours for some employees, and other cost-cutting measures. On the question of "furloughs," please review [this previous ebulletin](#). If your city is considering any type of reduction that will affect members' TMRS accounts, we strongly urge you to communicate with your members to help them understand their options and encourage them to contact TMRS if they need additional assistance. If you are considering any unusual actions to address COVID-19's impact on your city, please call TMRS and work with us so that we can provide any needed information.

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## Actuarial GRID Now Available!

If your city is considering making changes to your TMRS plan, we encourage you to contact us. TMRS staff is now able to access the GRID, a tool supplied to TMRS by consulting actuary GRS. Using the GRID, TMRS staff can run plan studies showing how your rate may be affected if you change your plan options.

For assistance, contact your Regional Manager (send an email to [TravelTeam@tmrs.com](mailto:TravelTeam@tmrs.com)) or contact a member of the Actuarial Services department ([lhardy@tmrs.com](mailto:lhardy@tmrs.com) or [koliver@tmrs.com](mailto:koliver@tmrs.com)).

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## Online Training at the TMRS Town Square

With travel still restricted, TMRS is offering expanded online training. The [TMRS Town Square](#) page on the website offers virtual options to give you the training and information you need. Whether you join a webinar, watch a video, or schedule a virtual face-to-face meeting with a Travel Team member, you still have access to the guidance you may need to help your employees understand their TMRS benefits.

The Travel Team recently presented a webinar for employees approaching retirement, and it can be viewed [here](#). Watch for future webinar announcements on the TMRS Town Square webpage and [Facebook](#), and contact the [Travel Team](#) to schedule a webinar for your employees or a virtual meeting for your benefit administrators.

Take a stroll in the Town Square [here](#).

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## Service Credit for Previous Government Employment

Changes your city makes in positions, hours worked, or terminations will have a direct impact on your employees but may also affect their TMRS accounts. If any of your employees have previously worked for a governmental employer – military, federal, local, or any state – they may be eligible for [Restricted Prior Service Credit \(RPSC\)](#). If your city has adopted RPSC as part of its TMRS plan, your employees may apply for this additional credit to become vested or retirement eligible. If available, that additional service credit can be important to them as they make decisions about whether to leave their account intact, apply for a refund, or retire. Note that RPSC, if your city offers it, also covers any TMRS city service they may have refunded in the past.

See more information on the Restricted Prior Service Credit provision adopted by some TMRS cities [here](#), and download the member form [here](#). Check the [My City Plan](#) page on the website to see if your city has adopted this provision. For additional questions about Restricted Prior Service Credit, call the Phone Center at 800-924-8677 or email the [Travel Team](#).

**Additional service credit may help your employees reach vesting or retirement eligibility, and this can be extremely important information if they are making a decision about their benefits.**

**One important note about RPSC:** Service credit cannot be established for the same period of time more than once. For example, if your employee had prior service for the State of Texas and your city adopted RPSC, the employee could not claim that state service under both the Proportionate Retirement Program and RPSC. Similarly, if your employees have prior military service, they cannot claim it as both Military Service Credit and RPSC.

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