

TMRS E-Bulletin for Cities – Vol. 2
September 6, 2007

NOTE TO RECIPIENTS - We will be sending an e-bulletin once or twice each month to all city contacts for whom we have e-mail addresses. This issue is intended primarily for CFOs, controllers, and city managers. Please forward a copy of this e-mail to your city manager and/or finance officer if they are not currently TMRS contacts. (Previously issued e-bulletins and correspondence are posted in the [“Breaking News for Cities”](#) section on the TMRS Website.)

THIS ISSUE: UPDATE ON MAILINGS AND MEETINGS

We sent our first e-bulletin to TMRS member cities on August 8 and 9. In that issue we advised you that a packet was sent to your city correspondent, finance officer, and city manager. That mailing included historical rates for your city and a discussion of changes under consideration by the TMRS Board of Trustees.

This e-bulletin is to advise you of another mailing, going to the same city personnel in early September. The next mailing will show future projections for a “sample” city, focusing on the liabilities associated with Updated Service Credit and Annuity Increases under the new Actuarial Cost Method and 25-year closed Amortization Period.

Please remember, your 2008 rate will not change.

TMRS SOUNDNESS

As TMRS discusses changes in our actuarial policies and procedures, it is important to remember that the ultimate cost of benefits remains the same. What changes is the schedule under which those benefits are being funded. The changes under consideration are intended to recognize the cost of liabilities associated with annually repeating benefits while providing steady progress on each city’s Funded Ratio.

Remember, TMRS as a retirement system is soundly funded. Any changes that we are making are to ensure not only the continued soundness of the system as a whole but also the soundness of the cities’ individual plans. Any changes the Board makes this year will be implemented gradually, in some cases over a span of several years. No final decisions have been made at this point, but we want to keep you apprised of potential future decisions.

“FOCUS ON FUNDING” SEMINAR REMINDER

Correspondents and city officials will be receiving an invitation to the TMRS Annual Training Seminar within a few days, if you have not already received one. Because the seminar will cover city funding issues and potential changes, we encourage you to attend to ask questions and give us your views. Information about the seminar, held October 14-16 in Austin, is available at http://www.tmr.com/annual_seminar_shtm.

AUGUST BOARD MEETING REPORT

When the TMRS Board and Advisory Committee met in Austin on August 17, they covered the following topics of interest to cities:

- Discussed the upcoming Actuarial Second Opinion. The second actuary will review the recommendations made by TMRS' actuary (The Segal Company) with regard to the proposed change in funding methods. The results of that second opinion will be communicated in a mailing immediately after the Board meeting.
- Discussed the Actuarial Experience Study from Segal, now underway. The Experience Study will also be presented to the Board in September and then communicated to cities.
- Adopted a new charter for the Advisory Committee and appointed Keith Brainard, Research Director of the National Association of State Retirement Administrators (NASRA) and City Councilman for Georgetown, to the Committee. The [charter](#) is available on the TMRS Website.

The Board will meet next on September 7-8. We are now posting the agendas of Board meetings prior to the meetings, and the approved minutes afterwards on <http://www.tmr.com/calendar.shtm>

TMRS is committed to continuing to provide a reasonable retirement benefit at a reasonable cost to cities.

FEEDBACK

If you have questions or comments, please reply directly to this e-mail. If you received this email through a forward from your City Correspondent and you wish to receive the "TMRS E-Bulletin for Cities" regularly, send an e-mail to bulletin@tmr.com.