

TMRS Advisory Committee Meeting

Report on August 16, 2012 Meeting

Advisory Committee Prior Activities

- 5 meetings since December 2011
- Discussed:
 - 9 different COLA options
 - Gainsharing
 - Other eligibility provisions
- Presentation at each meeting by Gabriel Roeder Smith and Company
- Presentation by Ron Lewis, Legislative Consultant
- Analysis by TMRS staff including “straw poll” of possible legislative changes, with results to be discussed at August 16, 2012 meeting

Advisory Committee Agenda

- Proposal 1: Variable Repeating COLA
- Proposal 2: One Time Extra Payments
- Proposal 3: Flat Rate Repeating COLA
- Proposal 4: Flat Rate Ad Hoc COLA
- Proposal 5: Increase Retirement Eligibility
- Proposal 6: Age/Years Delayed COLA
- Proposed Statement of Philosophy

Discussed Legislative Environment

- House and Senate after recent elections are more conservative
- House
 - Majority of members Freshmen or Sophomores
 - Committee turn-over, especially Pensions, Investments and Financial Services
- Senate
 - 5 (possibly 6) new Senators
 - Changes on Senate Finance Committee will likely affect Senate State Affairs Committee where pension bills are heard

Advisory Committee Discussion

- Preliminary comments redirected focus from six proposals to discussion of the perceived legislative environment and general attitudes toward public pension plans
- The group discussion coalesced around:
 - This is not the right time for TMRS to seek legislation
 - TMRS needs to educate legislators and stakeholders
 - Pro-active defense of the System's current structure

Advisory Committee Discussion Cont.

- There was acknowledgement that some cities or groups would likely seek legislation regarding their individuals needs
- The System will have to address the specifics of these bills as they arise, based on the issues raised
 - The six proposals were not discussed by the Advisory Committee for purposes of trying to reach consensus.