

Main Street

For city officials and staff

TMRS® Recognized for Communication Practices

One of the challenges facing any organization is its ability to communicate with constituents, government, and the public. The need for effective communication is further compounded by the increasing demands by stakeholders for transparency in the information and operation of public institutions and organizations.

TMRS was recently named a top performing public pension system for its “effective approaches to offering financial, benefit, and other related information, while also maintaining ongoing communication with stakeholder groups.” A report from the Center for State and Local Government Excellence (SLGE) with input from the National Association of State Retirement Administrators (NASRA) in April 2017 detailed the disclosure and reporting practices of 83 public pension systems. According to the report, TMRS is one of five systems across the country with exceptional practices.

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New Online Feature – Beneficiary Designation

The latest update to MyTMRS® under the TMRSDirect® initiative allows many members to designate or change their beneficiaries online instead of submitting a paper form to TMRS. After you enroll new members on the City Portal, instead of directing them to a paper form, you should instead direct them to MyTMRS. This is a perfect time to encourage them to create a MyTMRS account. Employees have received instructions about this new feature in the recent INSIGHT newsletter, and the information is also posted on the TMRS website.

Beneficiary choices that require spousal consent (for example, if the member is vested, married, and naming a beneficiary other than his/her spouse) still require a paper form and a signature. MyTMRS will alert those members if spousal consent is necessary and will direct them to the correct form. A blue “Update” button will be available if the employee is eligible to make a beneficiary change online.

For those members who are not MyTMRS users, please direct them to the new Beneficiary Designation Before Retirement (TMRS-BENE) form. This form replaces the TMRS-7 and TMRS-7V and is for both vested and non-vested members. This form must be mailed or faxed to TMRS. ▲



From the Executive Director

Dear City Correspondents
and Officials,

The Texas Legislature has been busy this year, with a Regular Session and a Special Session.

The legislative impact on TMRS has been slight, but some important issues affecting other plans in Texas were at center stage in the Regular Session (see story, page 2).

The top story at left highlights the things TMRS is doing right. In an era of public plan uneasiness, our System has been singled out as one among five systems in the country with exceptional communications and transparency. Also on page one is a story about our newest feature in MyTMRS – online beneficiary designation. This makes enrolling new members easier for cities and gives members timely control of their beneficiary choices.

On the back page is information about the 2017 Annual Training Seminar in Grapevine and instructions for how to register for this event online. We hope to see you at the Gaylord Texan Hotel this October!

TMRS is grateful for your work in helping your employees understand the value of their retirement benefit. We also appreciate your keeping them updated as changes (such as online initiatives) occur. Our partnership with cities is a crucial component of the success of our plan.

Sincerely,

David Gavia
Executive Director



TMRS Recognized for Communication Practices, continued

The SLGE paper acknowledged that “there are a range of reasons that the Texas Municipal Retirement System is viewed by many in Texas and across the United States as a model for pension reporting and transparency.” SLGE pointed to four reasons for TMRS’ success in these practices: (1) a practical need to communicate plan information to a wide group of stakeholders across all parts of the state, (2) an organizational culture that promotes a free flow of information between the System and the legislative committees responsible for its oversight, (3) the existence of a stakeholder advisory committee, and (4) its fruitful working relationship with the Texas Pension Review Board.

TMRS is committed to being an outstanding system among public pension plans by providing stable, long-term benefits for its members and retirees. We are proud to be considered exemplary among public plans, and we plan to continue serving our members, retirees, and municipalities as transparently and openly as possible. The full report is available on the TMRS website under About TMRS/Public Information. ▲

85th Legislative Summary

The 85th Regular Session of the Texas Legislature adjourned on May 29, 2017. Legislators passed three bills that affect TMRS and that were signed into law by Governor Abbott:

- **HB 89** – Prohibits statewide retirement funds, including TMRS, from investing in certain companies that boycott Israel and the procurement of services from those companies.
- **HB 3056** – Designates a process for the City of University Park to close its local firefighter plan to future fire employees and enroll such future employees of the fire department in TMRS. Civilian and police employees of the city are already TMRS members.
- **SB 500** – Suspends the annuity payments of an elected member of a public retirement system who is convicted of certain felonies committed after the effective date of the Act (July 6, 2017) and while in office and performing the duties of the office.

Legislators also passed major bills enacting solutions for funding issues affecting systems in Houston and Dallas.

Governor Abbott called a Special Session of the Legislature on July 18 that focused on passage of Sunset legislation for several State agencies and other topics. The topic of pensions was not included or added to the call. The Special Session concluded on August 16. ▲

Address Change Reminder • Whenever employees change their address with your city, it is important that they also change their address with TMRS. Please let your employees know they are able to update their addresses online, using MyTMRS. If they are not yet on MyTMRS, please encourage them to sign up so they can take advantage of its new features and keep their information current.



Salute to Board Member Roy Rodriguez

Congratulations are in order for McAllen City Manager Roel “Roy” Rodriguez, a TMRS Board Member who has served on the Board of Trustees since 2005. This past June, the Texas City Management Association (TCMA) named Mr. Rodriguez City Administrator of the Year for 2017. This honor from his peers reflects the thorough knowledge of city government that he brings to the Board. We extend our thanks for his service to his city and to the municipal employees of Texas. ▲

Comprehensive Annual Financial Report Available Online

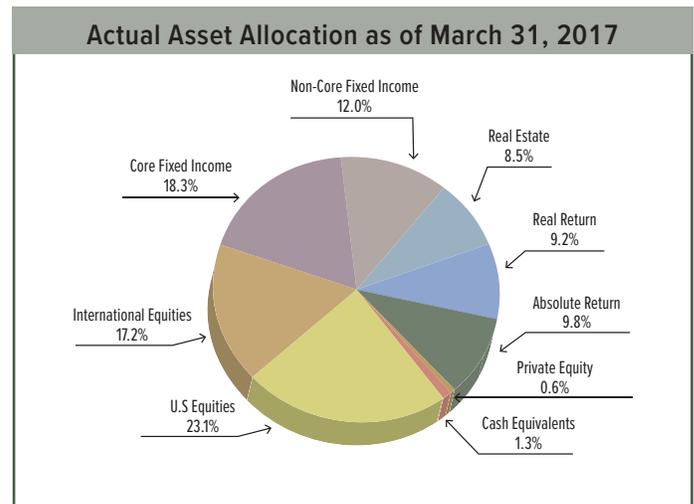
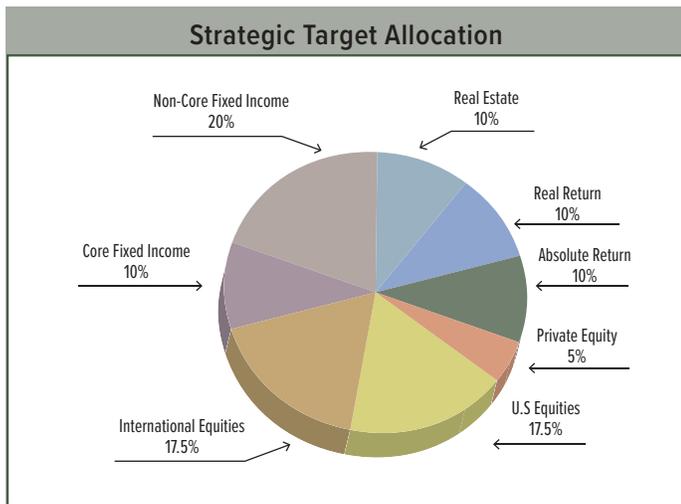
The most recent CAFR and an archive of past reports can be accessed through the Publications page on the TMRS website under the “Financial Reports” tab. The document itself has been split into five separate sections — Introductory, Financial, Investments, Actuarial, and Statistical — for user-friendly access, or it can be downloaded as a single document. The report provides detailed assessments on the System’s performance for the 2016 fiscal year. Further, the CAFR helps ensure that TMRS continues to achieve its goal of being transparent in communicating with its members and their cities. ▲

Overview of Investments

TMRS' investment portfolio achieved a total gross return of 7.42% in 2016. After accounting for all administrative and investment expenses, the annual interest credit to city accounts was 6.73%, just under the 6.75% actuarial long-term rate of return assumption.

TMRS enhances the System's long-term stability with continued diversification of our investment portfolio by working toward Board-approved allocation targets. In the past year, initiatives have included expanded investment into the private equity, non-core fixed income, real estate, real return, and absolute return (hedge funds) asset classes. The ongoing diversification of the system's portfolio and adoption of a 6.75% actuarial assumption not only promote long-term stability but are also important to our overall goal of keeping city contribution rates as stable as possible. In this way, TMRS helps ensure the sustainability of benefits over time.

All public materials on investment items are posted the day of the TMRS Board meeting in the Agendas / Minutes area: www.tmr.com/agendas_minutes.php. Quarterly summaries of investment performance and other data are posted on the Investments page as soon as they have been presented to the Board. ▲



Calendar 2017

September 21-22	TMRS Board of Trustees Meeting – Austin
October 25	TMRS Board of Trustees Meeting – Grapevine
October 25-27	TMRS Annual Training Seminar – Grapevine
November 10	Holiday (Veterans Day)
November 23-24	Holidays (Thanksgiving)
December 5-6	City Correspondent Certification Course – Austin
December 7-8	TMRS Board of Trustees Meeting – Austin
December 25-26	Holidays (Christmas)

Calendar 2018

January 1	Holiday (New Year's Day)
January 15	Holiday (Martin Luther King Jr Day)
February 19	Holiday (Presidents' Day)
March 30	Holiday (Good Friday)
May 28	Holiday (Memorial Day)

Check the website in late 2017 for event dates in 2018

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Deputy City Manager – Administrative Services, Plano

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City Manager, McAllen

Main Street is sent to TMRS city contacts once per year. If you have questions or suggestions, email communications@tmrs.com.

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TMRS Annual Training Seminar —

TMRS' Annual Training Seminar takes place October 25 – 27 in Grapevine at the Gaylord Texan Resort and Conference Center. Registration for this year's event is handled through an online application. The cost of attendance is \$125 per attendee.

More information about the seminar, including speakers, sessions, and events, is available on the event web page. Go to the TMRS website, click on the Events Calendar, then on the Seminar Webpage link in the Annual Training Seminar item. If you have questions, contact communications@tmrs.com. ▲