Eight Great State Parks

TMRS Welcomes New Board Members
Federal Economic Impact Payments
Dear TMRS Retirees,

In this unprecedented time of crisis and uncertainty, I want to reassure TMRS retirees that the System is taking all possible steps to ensure that your retirement benefits are secure and will be paid to you on schedule. I know there is a lot of concern about the financial markets and the economy, but the TMRS investment portfolio depends on long-term performance and is insulated against downturns. Your benefit will not be affected by the current market losses.

We are working to keep our staff safe during this time, but all TMRS operations are fully functioning. If you need any assistance or have questions about your benefit, you can call our Phone Center or send a message using the form on our website. Please keep an eye on the TMRS website and Facebook page for any updates. Also, please be sure TMRS has your current email address. You can update it in MyTMRS®.

As I mentioned in the last issue, I will be joining the ranks of retired TMRS members in the near future. If I don’t see you here again, please know it has been an honor to serve the cities, members, and retirees of TMRS.

Stay safe and let us know if you need anything from us.

Sincerely,

David Gavia
Executive Director

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Dedication

This issue of RetirementWise is dedicated to the memory of David Eastwood, a TMRS Retirement Analyst who passed away on January 10, 2020. As part of the Retirement Team at TMRS, David enjoyed helping our members. We extend our deepest condolences to his wife and family.
Board Activities

TMRS Welcomes New Board Members...
On February 4, Governor Abbott appointed Anali Alanis and Juan Diego “Johnny” Huizar to the TMRS Board.

Mrs. Alanis is an Assistant City Manager for the City of Pharr, with over a decade of successful municipal experience. She coordinates the policies and programs of a number of municipal departments, including Police, Fire, Innovation & Technology, Human Resources, and others.

Mr. Huizar is City Manager for the City of Pleasanton, where he oversees and manages all aspects of municipal government in conjunction with the city’s elected officials. He previously served as superintendent of the wastewater treatment plant and Director of Public Works.

For more information on the new Board members, see their press releases at tmrs.com | About | TMRS Highlights | TMRS Information | Press Releases.

Also, at its meeting in January 2020, the TMRS Board of Trustees elected Bill Philibert for Chair and David Landis for Vice Chair for 2020.

...And Thanks Former Board Members
Jim Jeffers was appointed to the Board in 2014 and reappointed in 2016. He served on several Board committees, chairing and championing the Internal Audit Committee and adding his expertise to the Budget and Technology committees. Jim recently retired from his position as City Manager of Nacogdoches. His expertise and sense of humor will be missed!

Jim Parrish sat on the Board from 2011 to 2019, serving as Chair in 2016, 2017, and 2018. He helped guide TMRS through several major changes, including the adoption of generational mortality tables, a change of actuarial cost method, and the continued diversification of the System’s investments. We are grateful for his service representing TMRS. ▼
The coronavirus crisis is straining our healthcare providers and requiring us all to be as resourceful as possible to cope with a situation that is changing daily. TMRS hopes that all our retirees are practicing social distancing and sheltering in place as needed.

TMRS Operations During the Crisis
TMRS headquarters are in the City of Austin. At this time Austin, Travis County, and several large urban counties in Texas are under orders to shelter in place. In addition, many city offices across Texas are closed or operating with skeleton crews. TMRS staff members are working from home except for a few on-site positions. Until the situation improves, TMRS’ office is closed to visitors except for deliveries. Business travel has been suspended and previously scheduled events in our member cities have been cancelled.

Even though we are limiting face-to-face communication, we do not expect any delays in our normal business, and this includes processing your annuity payments. As always, direct deposit of annuity payments occurs on the last business day of the month.

TMRS Communications
For ongoing communications about how TMRS is handling the crisis, we are sending electronic newsletters to retirees and members regularly. After they are sent, they are posted on our website. If you are not receiving e-newsletters from TMRS, please be sure we have a current email address for you. The email address you have on file with TMRS can be viewed and updated on MyTMRS® (see story on page 9). In addition to email notices, TMRS’ status is updated regularly on the TMRS website: www.tmrs.com. General COVID-19 information is at the top of the home page, and announcements for retirees are under Retirees | Announcements for Retirees.

As always, our Phone Center is open during normal business hours. Please call us at 800-924-8677 if you need any assistance. You may also send questions using our web form and a TMRS staff member will respond within 24 hours. To send a note using the web form, go to tmrs.com/contact.php.

Precautions You Can Take
In addition to the CDC’s recommendations (hand washing, social distancing, limiting travel, etc.) staying at home is important to “flatten the curve” of virus transmission and keep from overloading the hospital system. See the story on viruses on page 11 for tips.

Perhaps one of the most difficult things to do is to remain at home. Staying inside creates social isolation, so try to stay in touch with friends and relatives with phone calls and video chats. It’s tempting to see friends face-to-face, and you may have friends in nursing homes, but now is not the time to visit them. Contact individual nursing homes to find out their policies and if they have other options for communication besides in-person visits.

If you think you’re sick with the coronavirus, call your doctor and follow the instructions for your community. The best advice in this fast-changing emergency is posted prominently on the CDC.gov page. If you don’t have access to the internet, call the CDC information line: 800-232-4636.

Watch out for fraudulent phone calls and emails offering coronavirus cures or offering to “assist” you with your federal check (see story, page 5). Consumers are especially vulnerable during times of crisis. Remember, the IRS does not call, text, or email you asking for personal information. If you receive suspicious, unsolicited emails or texts, report them to the IRS by sending an email to phishing@irs.gov. See the story on phishing (page 10) for more information.
Economic Impact Payments

NOTE: The information in this article is based on IRS guidance. TMRS staff cannot give tax advice or answer questions about the stimulus payments. Contact the IRS for additional information.

The IRS will distribute economic impact (also called stimulus) payments related to the COVID-19 crisis. These payments are expected to begin soon, and in general, taxpayers do not need to take any action. However, if you don’t typically file a tax return, you may need to submit a simple return to receive the stimulus payment. Your payment will be direct deposited or sent to your filing address. In addition, the Treasury department is developing a web portal for those who want to provide direct deposit information. Check IRS.gov/coronavirus for more details. The IRS will post all key information there as soon as it becomes available.

For those eligible, the amount of the checks will be up to $1,200 for individuals and $2,400 for married couples filing jointly. Eligible taxpayers who filed tax returns for either 2019 or 2018 will automatically receive these payments.

Do not call TMRS. View the IRS Q&A about stimulus payments at irs.gov/newsroom/economic-impact-payments-what-you-need-to-know

Tax filers who have an adjusted gross income (AGI) of up to $75,000 for individuals and up to $150,000 for married couples filing joint returns will receive the full payment. For filers with income above those amounts, the payment amount is reduced by $5 for each $100 above the $75,000/$150,000 thresholds. Single filers with income exceeding $99,000 and $198,000 for joint filers with no children are not eligible. AGI amounts are shown on line 8b on the 2019 Form 1040.

This is a one-time payment that is designed to help people get through the down-time caused by the virus onslaught and also to get dollars circulating in the U.S. economy. It is similar to the stimulus checks taxpayers received in 2008 to help them through the recession. The information in this article is current as of press time.

Social Security Tips

Social Security recipients are eligible for the stimulus payments based on their tax returns or Social Security Administration (SSA) data (see article at left).

The SSA recently sent assurances to all recipients of Social Security payments that they will be paid on time during the COVID-19 pandemic and also to beware of scammers. Social Security issuances are found here: ssa.gov/news/press/releases.

Some TMRS retirees are eligible for Social Security and are receiving benefits. But even if you haven’t filed for Social Security yet, you should create a My Social Security account at www.ssa.gov. By registering your account, you are effectively protecting yourself from someone else “claiming” your account. My Social Security provides an overview of your earnings, estimates, disability, and survivors’ benefits. If you are married, your spouse should also create an account. After you sign up, you’ll receive briefings on important matters such as fraud threats and scammers.

Protect Yourself from Social Security Scammers

If someone contacts you about a problem with your Social Security account, be careful! In recent years, scammers have targeted many Americans with phone calls or emails that claim “your Social Security number has been compromised” or “there is a problem with your Social Security account.”

A January 9, 2020 announcement from the U.S. Inspector General says the SSA will NEVER:

- Threaten you with arrest or other legal action unless you immediately pay a fine or fee
- Promise a benefit increase or other assistance in exchange for payment
- Require payment by retail gift card, cash, wire transfer, internet currency, or prepaid debit card
- Send official letters or reports containing personally identifiable information via email

If you receive a call or email that you believe to be suspicious, hang up or do not respond. The SSA encourages you to report Social Security phone scams using a dedicated online form, at https://oig.ssa.gov. Please share this information with your friends and family to help spread awareness about phone scams.

For more information, visit https://oig.ssa.gov/scam.
**Eight Great**

**Looking beyond** the current travel restrictions and bans on group activities, it’s a good time to plan ahead. This year, it may make more sense to make vacation plans close to home. Texas has 89 fantastic state parks and natural areas offering something for everyone.

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**Galveston Island**
A few miles west of Galveston, Galveston Island State Park offers enjoyment of the bay or beach side of Galveston island. This is the perfect setting to swim, relax, fish, hike, go birding, rent a kayak, and make sand castles. Don’t forget to explore Moody Gardens, museums, and nearby attractions.

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**Palo Duro Canyon**
Experience the striated red beds of the second largest canyon in the U.S. either on foot, on horseback, mountain bike, or car. The Trading Post on the canyon floor and the Visitor Center provide mementoes. During summers, enjoy a performance of the perennial outdoor musical, TEXAS.

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**Caddo Lake**
For the full flavor of the Piney Woods bayous of northeast Texas, you can’t do better than the Caddo Lake State Park. Canoe among bald cypress and Spanish moss at the only “natural” lake in Texas. This park offers two- to six-person historic cabin rentals, and some are ADA-compliant.

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**Dinosaur Valley**
Take a trip to a former dinosaur stomping ground at Dinosaur Valley State Park, just a short drive from Fort Worth. The Interpretive Center explains how to spot the tracks in the bed of the Paluxy River. The site features two types of dinosaur tracks: three-toed theropods and saucer-shaped sauropods.
State Parks

Park activities and facilities include free pavilions for family reunions, high-quality RV areas, hiking, scenic vistas, fishing, and exhibit areas. After things return to normal, you will be able to reserve online. To plan your future trips, view the Texas Parks and Wildlife page: https://tpwd.texas.gov/state-parks/.

**Big Bend Ranch**
The remote and rugged Big Bend Ranch State Park features rocky vistas in a high desert mountain setting. You can learn all about star-gazing at this International Dark Sky Park. There’s lots of terrain to explore in Texas’ largest state park, located west of the Big Bend National Park on the Rio Grande River.

**Brazos Bend**
Brazos Bend State Park is a wonderful retreat for city dwellers, a few miles southwest of downtown Houston. This park has great nature, hike and bike, and horseback riding trails, including primitive equestrian campsites. Fish to your heart’s content, and you may even spot a gator or two!

**Estero Llano Grande**
Birds, insects, frogs, and water provide a symphony for the nature lover at Estero Llano Grande State Park near Weslaco. This South Texas site is a “World Birding Center,” so bring your binoculars and enjoy the views. Many of the trails and sites are wheelchair accessible.

**Enchanted Rock**
Superb views of the Hill Country are found after you’ve climbed the pink granite dome at Enchanted Rock State Natural Area. This protected area allows hiking, camping, picnicking, birding, and other low-impact activities (pets are only allowed in the picnic and campground areas).
We are in what appears to be an unprecedented time of market volatility. The markets will inevitably bounce back, but the timeline on when they will recover is unclear. When the financial markets experience downturns, it is important to remember that TMRS is a long-term, diversified investor. Market volatility is expected, but TMRS’ investment philosophy is designed to achieve our goals through asset diversification and prudent strategies.

It is important for TMRS members and retirees to know that their benefits are not tied to short-term investment returns and that a market correction does not affect their TMRS accounts or their monthly benefits. By law, member accounts are guaranteed a 5% interest credit annually, and retirement annuities cannot be reduced.

Diversification Mitigates Investment Risk

The TMRS Board of Trustees establishes the System’s investment policies and provides oversight to ensure that those policies are implemented. TMRS’ Investment Department oversees the System’s investment portfolio and its management. The Board approves the Investment Policy Statement (IPS), which governs the investment and management of assets for TMRS.

As an institutional, long-term investor, TMRS invests the System’s assets with a total return posture, given appropriate consideration for portfolio volatility (risk) and liquidity. Total return includes dividends, interest, and realized and unrealized capital appreciation.

At its meeting on September 26, 2019, the TMRS Board approved a new portfolio target allocation effective January 1, 2020: 30% Global Equities, 10% Core Fixed Income, 20% Non-Core Fixed Income, 10% Real Return, 10% Real Estate, 10% Absolute Return, and 10% Private Equity. The current allocation (chart at left) shows the progress TMRS has made in each asset class. Review of the March 31, 2020 allocation is scheduled for the May Board meeting.

Go to the TMRS website for information on the investment program. Asset allocation charts, the latest Investment Policy Statement (February 15, 2020), and other materials are posted under About | Investments, with separate tabs containing information about Policy, Reports, Asset Allocations, Advisors, and Contacts.
The deadline for filing your 2019 income taxes has been extended to July 15, 2020. Since the TMRS monthly benefit you receive is subject to federal income tax, information about your annuity is reported to the IRS on the 1099-R form. TMRS mailed 1099-R forms for 2019 on January 22, 2020. You may also view and print your 1099-R form through MyTMRS. (TMRS cannot give tax guidance; please consult a tax professional for additional information.)

**Withholding Notes**

You have the right to elect to change the amount withheld or to not have any withholding from your annuity, either of which may change the net amount of your annuity payment. You may change your withholding at any time of the year, and any election you make remains effective until you change it. You may change or revoke your withholding elections online through your account on MyTMRS or by filing a new IRS Form W-4P (available on the TMRS website) with TMRS. If you are happy with your withholding selection, you do not need to make any changes.

Please note that if you file a Form W-4P, it must be submitted to TMRS, not the IRS. If you do not provide TMRS with specific withholding instructions, the IRS requires us to withhold as if you were married and claiming three allowances. You may incur penalties under the IRS’ estimated tax payment rules if your payments of estimated tax are not adequate and sufficient tax is not withheld from your annuity payment.

**HELPS Insurance Premiums**

If you are an eligible retired or disabled public safety officer and you have filed the Application for Insurance Premium Deductions (TMRS_HLPS) form to have TMRS deduct and pay accident, health, or long-term care insurance premiums from your TMRS annuity, you received a letter from TMRS in January 2020 stating the amount TMRS deducted and remitted toward your 2019 insurance premium payments. In accordance with IRS instructions, the exclusion from income is not reflected in box 2a of the 2019 Form 1099-R. More information about this exclusion and how to report it can be found in the instructions to the 2019 Form 1040, 1040A, or IRS Publication 575: Pension and Annuity Income, which can be viewed or downloaded from the IRS website. •

**Use MyTMRS® for 24/7 Access!**

During stay-at-home times, the best access and control you have over your TMRS information is MyTMRS. There you can see or update contact information, email address, and in cases not requiring spousal consent, beneficiary information. Beneficiary designations are important. A key part of estate planning is making sure your last wishes are clear in the event of your death.

For tax purposes, use MyTMRS to update your withholding instructions for 2020 instantly. Save the hassle of downloading, printing, and mailing a new Form W-4P to TMRS by logging in to your MyTMRS account and applying your changes. You will receive a confirmation email that a change was made. If you haven’t created your account on MyTMRS, register now! Go to tmrs.com and click the MyTMRS button on the home page of the website to get started.
Email is a common way we communicate with family, friends, and businesses. Due to its widespread use, email is also one of the primary attack methods used by cybercriminals to gain access to your personal information. In the current coronavirus emergency, scammers will try to take advantage of the crisis with fraudulent come-ons and other cyberattacks.

One technique used by scammers is called phishing. Phishing is a type of cyber-attack that manipulates you into taking an action.

How Do I Identify Phishing?

As an email recipient, you can prevent yourself from being a target. There are ways to spot “phishy” emails to prevent criminals from getting your information. Here are five red flags to look for:

■ Urgent requests to take immediate action (e.g., “Your account has been suspended”; “You have emails that could not be delivered”; “Act NOW for COVID-19 benefits”)

■ Piquing your curiosity or appealing to your emotions (e.g., “Donate for hurricane relief”; “Fill out this survey for a $25 gift card” “Want your $1000 coronavirus check early?”)

■ Generic greetings (e.g., “Hi There”; “Greetings”)

■ Poor grammar and spelling errors

■ Requests to confirm or provide personal, sensitive, or confidential information

If an email seems too good to be true, it’s probably a scam. If you receive an email from a TMRS contact (other than a standard TMRS email newsletter) that does not seem to be legitimate or makes an unusual request, do not hesitate to contact TMRS by phone to validate its authenticity. Do not click on any links in a suspect email.

It’s always a good idea to keep your antivirus software updated. But software is only one piece of an in-depth defense. User awareness and skepticism are extremely important. When you receive unsolicited emails, do not be lured into clicking something that could compromise your computer or personal information. Staying informed is your best defense.▼

Source: TMRS Information Resources Department • see FTC information on coronavirus scams at www.consumer.ftc.gov/blog.
Defend Yourself from Viruses

We’re currently in the throes of a coronavirus (COVID-19) pandemic. You’ve no doubt heard about hand washing, avoiding crowds, and cutting back on travel. As the threat gets more severe, it is important to keep in mind that coronavirus protections are the same as the protections we turn to every year to defend against the flu and other airborne illnesses.

People ages 60 and up are at higher risk of COVID-19 infection. Symptoms include fever, dry cough, and difficulty breathing, and it’s primarily spread between people. Note: Recommendations for COVID-19 may change as officials learn more, so monitor your local health department and CDC.gov for updates.

By now you may have taken precautions like canceling non-essential appointments, stock up on groceries and supplies for a prolonged period of time, and possibly ordering prescriptions by mail. Most importantly, you should continue to follow the directives of the state, your county, and your city to stay safe.

If you think you’re sick:

■ Do not visit a nursing home
■ Call your doctor before going in for a test
■ Don’t use public transportation, and stay at home as much as possible
■ Call your local coronavirus hotline for more information

SOURCES: CDC.gov, CNN Health.

Fraud Schemes Grow During Pandemic

The Food and Drug Administration is warning consumers about fraudulent COVID-19 test kits. For more information, see this link on the FDA website:


According to the FDA website, since the signing of the COVID-19 Emergency Relief Bill, “the FDA has been providing unprecedented flexibility to labs and manufacturers to develop and offer COVID-19 tests across the U.S. Every action the FDA has taken during this public health emergency to address the COVID-19 pandemic has balanced the urgent need to make diagnostic tests available with providing a level of oversight that ensures accurate tests are being deployed.”

If you believe you have contracted COVID-19, contact your physician. Beware of scams offering tests and treatment drugs directly to consumers.

Get Involved with TMRS’ Social Networks

Connect with TMRS on social media, where we provide regular postings on benefits, retirement processes, plan design, and TMRS events. We are committed to educating and engaging with our members, retirees, and cities, and are employing more ways to reach you.

On Facebook, you can stay up-to-date on TMRS news and benefit information. On Instagram, you can join us on a pictorial journey through Texas. On LinkedIn, you’ll get updates on executive, System, and investment news.

Our Communications Department will answer any nonconfidential questions you have about TMRS through social media, whereas confidential questions about your personal benefits can be directed to TMRS by phone or through the contact form on our website.

Be a part of the conversation! Like, Follow, and Connect with us @TexasMunicipalRetirementSystem. ▼
## Calendar 2020

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<th>Month</th>
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<tr>
<td>April</td>
<td>29</td>
<td>Annuity checks mailed</td>
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<td></td>
<td>30</td>
<td>Direct deposit of annuity payments</td>
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<td>May</td>
<td>25</td>
<td>Holiday – Memorial Day</td>
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<td>28</td>
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<td>29</td>
<td>Direct deposit of annuity payments</td>
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<td>28-29</td>
<td>Board of Trustees Meeting – Austin</td>
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