

**Texas Municipal Retirement System
Annual Training Seminar**

August 14 – 16, 2011 • Hyatt Regency Austin

TMRS



**All
Together
Now**

All Together Now

These continue to be challenging times for public retirement systems. The strength of TMRS lies in our partnership with our cities and members to ensure that benefits continue to be soundly funded. This past legislative session was, once again, an important one for TMRS, with the passage of SB 350 by Williams (House sponsor Truitt). SB 350 restructured TMRS' internal accounts to provide a more efficient funding structure for the program. This restructuring reduced potential volatility in city contribution rates and, for many cities, resulted in lower contribution requirements without reducing benefits.

System-wide, TMRS' funded ratio improved from 75.8% at December 31, 2009 to 82.9% at December 31, 2010 under the new structure; our unfunded actuarial liabilities decreased from approximately \$5.2 billion to \$3.5 billion during the same time period.

This year's programs offer insight into legislation, TMRS' ongoing asset diversification, and national trends, as well as training in the fundamental elements of TMRS plan administration. We hope you get a lot out of our seminar. **Welcome to Austin! We're glad you are here.**



Dear Seminar Attendees,

We are all here in Austin for the 2011 TMRS Annual Training Seminar, "All Together Now," to learn about the positive outcome of the recent Legislative session. The theme also emphasizes the spirit of teamwork between TMRS and its member cities. This seminar unites what were two different seminars the past few years. Instead of offering a separate seminar for Administrators and Finance personnel, we are incorporating the dual tracks into one conference.

We hope you get valuable information from our seminar speakers, including leading economists A. Gary Shilling and Dean Baker. In addition we are glad to welcome Representative Vicki Truitt, Chair of the House Pensions, Investments, and Financial Services Committee, sponsor of our restructuring bill, and a strong supporter of TMRS and Texas public pension systems in general.

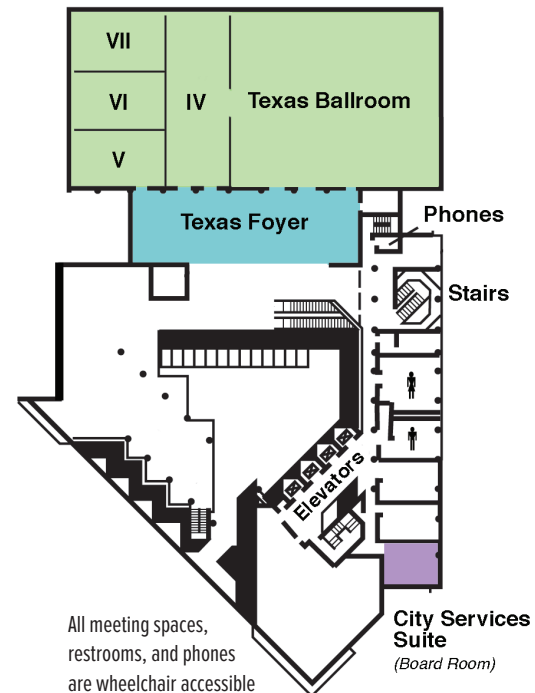
I hope you enjoy the reception at the Bob Bullock Museum, where we can all celebrate our Texas heritage. While you're here, don't forget to visit the City Services Suite in the Padre Island room, just down the hall from the main seminar classrooms. TMRS staff there will be happy to answer any questions you may have about your city's benefits or plan design.

Sincerely,

David Gavia,
Executive Director



Hyatt Floorplan



Texas Municipal Retirement System Board of Trustees

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McKinney

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Assistant City Manager /
MPU General Manager
McAllen

GUEST SPEAKERS

Dr. A. Gary Shilling

President

A. Gary Shilling & Co., Inc.



Dr. Shilling, TMRS' economic advisor, is a well-respected and accurate economic forecaster. He is a regular columnist for *Forbes* magazine, and his articles appear in the *Wall Street Journal* and the *New York Times*, among others.

He is a member of the Nihon Keizai Shimbun (Japan Economic Journal) Board of Economists. He appears frequently on radio and television business shows.

Before establishing his own firm in 1978, Shilling was Senior Vice President and Chief Economist of White, Weld & Co., Inc.; he set up the Economics Department at Merrill Lynch, Pierce, Fenner & Smith at age 29 and served as the firm's first chief economist; and he was with Standard Oil Co. (N.J.) (now Exxon), where he was in charge of U.S. and Canadian economic analysis and forecasting.

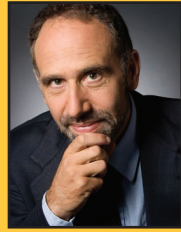
Shilling received his bachelor's degree in physics, magna cum laude, from Amherst College, where he was also elected to Phi Beta Kappa and Sigma Xi. He earned his master's degree and doctorate in economics at Stanford University. He served on the staffs of the Federal Reserve Bank of San Francisco and the Bank of America.

Shilling also was an informal economic advisor to former President George H. W. Bush and an Executive-in-Residence at the Amos Tuck School of Business Administration, Dartmouth College. Shilling has testified before various Congressional committees, including the Joint Economic Committee and the House Committee on Banking.

Dean Baker

Co-Director

Center for Economic and Policy Research



As co-director of CEPR in Washington, DC, Baker is frequently cited in economics reporting in major media outlets, including the *New York Times*, *Washington Post*, CNN, CNBC, and National Public Radio. He writes a weekly column

for the *Guardian Unlimited* (UK), the *Huffington Post*, *TruthOut*, and his blog, *Beat the Press*, features commentary on economic reporting. His analyses have appeared in many major publications, including the *Atlantic Monthly*, the *Washington Post*, the *London Financial Times*, and the *New York Daily News*.

Baker has written several books, including *Taking Economics Seriously* (MIT Press), *False Profits: Recovering from the Bubble Economy* (PoliPoint Press, 2010); and *Plunder and Blunder: The Rise and Fall of the Bubble Economy* (PoliPoint Press). His book *Getting Prices Right: The Debate Over the Consumer Price Index* (editor, M.E. Sharpe, 1997) was a winner of a Choice Book Award as one of the outstanding academic books of the year.

Baker previously worked as a senior economist at the Economic Policy Institute and an assistant professor at Bucknell University. He has also worked as a consultant for the World Bank, the Joint Economic Committee of the U.S. Congress, and the OECD's Trade Union Advisory Council. He was the author of the weekly online commentary on economic reporting, the *Economic Reporting Review* (ERR), from 1996 – 2006. He received his PhD in economics from the University of Michigan.

Mark Randall

Actuary

Gabriel, Roeder, Smith & Company (GRS)

Mark Randall serves as Executive Vice President at GRS and has been a member of the company's Board of Directors since 2001. Randall has more than 27 years of employee benefits consulting experience with an emphasis on public pension retirement systems. He is involved in all aspects of general employee benefits consulting, including design, implementation, financing, and qualification issues, as well as actuarial audits, employee communications, and strategic analysis. GRS' client base includes more than 800 public sector agencies, including TMRS.

Randall is a Member of the American Academy of Actuaries (MAAA), a Fellow of the Conference of Consulting Actuaries (FCA), and an Enrolled Actuary (EA) under ERISA. He has been a frequent guest speaker at national conferences such as the National Conference on Public Employee Retirement Systems (NCPERS), the Government Finance Officers Association (GFOA), the National Association of State Retirement Administrators (NASRA), the National Society of Institutional Investment Professionals (NSIIP), and also at regional conferences such as the Texas Association of Public Employee Retirement Systems (TEXPERS) and the Oklahoma Association of Public Fund Employees.

Marcia P. Beard

Senior Consultant / Principal

Russell V. Kuhns and Associates (RVK)

Marcia P. Beard is a Senior Consultant with R.V. Kuhns & Associates, Inc. and is located in the firm's Portland office. She joined RVK in 1996 and has more than 30 years of experience in investment consulting and the asset management industry. In addition to her consulting responsibilities, Beard serves as chair of the firm's monthly consultant meetings. As a consultant, she has extensive experience working with corporations, government entities, and endowments and foundations. Her experience includes developing investment policy statements, formulating asset allocations, developing and implementing asset class manager structure, conducting manager searches, performance attribution and monitoring, and ongoing investment manager due diligence. Prior to joining RVK, Beard was a Vice President and Team Leader for U.S. Bank of Oregon's Corporate Asset Management Team. Earlier in her career, she was an Assistant Vice President at Oregon Bank and worked for U.S. National Bank of Danville, Illinois.

Beard graduated cum laude from the University of Illinois receiving a Bachelor of Science in Agriculture Economics. She is a shareholder of the firm and also serves on the company's Board of Directors and its Executive Committee.

TMRS PRESENTERS

- David Gavia, Executive Director
- Nancy Goerdel, Chief Investment Officer
- Eric Davis, Deputy Executive Director
- Dan Wattles, Government Relations Director
- Bill Wallace, Communications Director
- Leslee Hardy, Decision Support Actuary/Director
- David Rodriguez, Regional Manager, North Texas
- Anthony Mills, Regional Manager, East Texas
- Lorraine Moreno, Regional Manager, South Texas
- Colin Davidson, Regional Representative
- Shannon Lucero, Regional Representative
- Sean Thompson, Regional Representative

All Together Now

Sunday

3 – 5 pm

Early Registration

6 – 7:30 pm

Reception (food and cash bar) • Foothills Ballroom, 17th Floor

Monday

7 – 8:30

Continental Breakfast • Texas Foyer West

7:30 – 8:30 am

Registration

8:30 – 9

Welcome
April Nixon, TMRS Board Chair
David Gavia, TMRS Executive Director

Throughout the seminar (beginning at 9:10 am both days), The City Information Suite (Padre Island) will be open for estimates, plan change questions, etc.

9 – 10

Silver Linings in the Clouds?
Economist A. Gary Shilling

10 – 10:15

Break

10:15 – 11:10

TMRS in 2011 (System / Legislative Update)
David Gavia & Dan Wattles, TMRS

■ Texas Ballrooms IV-VII ■ Texas Ballrooms II-III ■ Texas Ballroom I

11:10 – 12 pm

TMRS Membership
TMRS Staff

All Together Now — The Actuarial Perspective
Mark Randall, GRS

12 – 1

Lunch

1 – 2

Retirement
TMRS Staff

City Rate Letters and Plan Changes
Eric Davis & Leslee Hardy, TMRS

2 – 2:15

Break

2:15 – 3:15

Death, Divorce, and Taxes
TMRS Staff

Continuing Diversification
Nancy Goerdel, TMRS, & Marcia Beard, RVK

3:15 – 3:30

Break

3:30 – 4:30

TMRS City Portal Training • **TMRS Staff**

Telling TMRS' Good Story • **TMRS Staff**

6 – 9:00

Dinner/Entertainment at the Bob Bullock Museum

Tuesday

7 – 9 am

Breakfast • Texas Foyer West

8 – 8:30

Remarks by Rep. Vicki Truitt

9 – 10

TMRS — The Whole Picture
TMRS Staff

Updated Service Credit and COLAs
TMRS Staff

10 – 10:15

Break

10:15 – 11:15

Common Sense About Public Pensions
Economist Dean Baker, CEPR