

All Together Now

Telling TMRS' Good Story

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Challenge:

To convey complicated information to a wide variety of audiences in a way that makes the information useful to each audience.

Audiences

Each audience brings a different perspective to the information, and each has a key focus of interest.

Audiences for TMRS Information

- Cities — want to understand benefits and rates
- Members and Retirees — want assurance that benefits are soundly funded
- Employee Associations — want accurate information to provide their members

Audiences, cont.

- Elected Officials — want information to help protect the public's interest
- Taxpayers — expect government accountability
- The press — want to get the story right

TMRS Communication Principles

To achieve a consistent message across all audiences, TMRS applies these principles to all our communications

TMRS Communication Principles

- Build a strong foundation for understanding
- Be more than transparent
- Listen to our stakeholders

TMRS Communication Principles

- Be accurate and consistent, no matter who you are talking to
- Layer the information
- Engage your critics as well as your supporters

TMRS' Good Story

Plan Design and Funding

- TMRS is a *hybrid plan* with defined contribution and defined benefit features
- All TMRS benefits are *fully advance funded* over 25 or 30 years – TMRS is not “unfunded” or “underfunded”
- SB 350 increased the TMRS Funded Ratio from 75.8% to **82.9%** and reduced the System-wide UAAL by \$1.8 billion

Reasonable Benefits, Flexibility

- TMRS members *contribute* to their own retirement — 5%, 6%, or 7% of pay
- TMRS provides *flexibility* for cities to choose the level of benefits that best serves cities' and members' needs
- TMRS benefits are not “excessive” — the average TMRS monthly benefit in 2010 for an employee with 20-25 years of service was **\$1,414**

Economics

- The majority of a retiree's benefit is *funded by investment earnings* on member and city contributions over the member's career
- TMRS' administrative costs are low — approximately *0.13%* of assets in 2010
- TMRS' actuarial investment return assumption is *7%*

Economics

- TMRS invests *\$18.8 billion* providing capital for the national economy
- TMRS retiree benefits provide economic stimulus to local economies — a 2006 study by the Perryman Group showed that TMRS benefits resulted in *\$1.32 billion* in annual spending, most of it in the communities from which members had retired

Tales from the Field

Tales from the Field

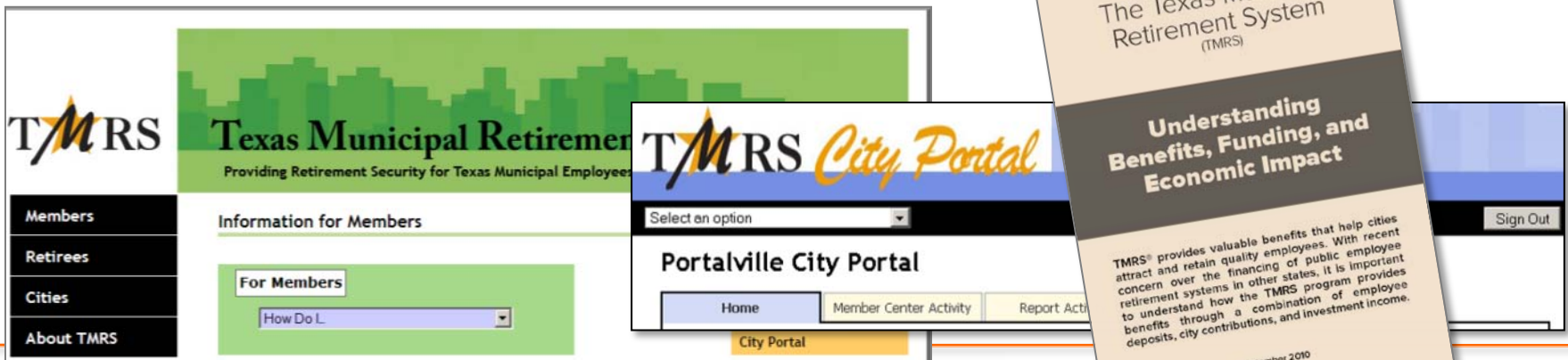
- Communicating with TMRS' audiences
 - Staying objective and somewhat detached
- Dialogue is good
 - Philosophical discussions go round and round
- Transparency is good policy

Tales from the Field, cont.

- Healthy plan indicators distinguish TMRS
 - Funding ratios, rate stabilization, UAAL projections
- Flexible plan design features
 - Employee deposit rate, matching ratio, SDB, Update Service Credit, and COLAs
- Historically responsive administration since 1948
- TMRS stands ready to assist as a resource

Continuing the Story

- Travel Team
- Publications
- “Press Page”
- Website and City Portal
- Online videos



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Questions?