

TEXAS PENSION PLANS

Pension checks delayed for hundreds of recently retired Texas teachers

October 12, 2018, By Julie Chang

One-third of recently retired Texas teachers were delayed in receiving their first pension checks after the state transitioned to a new pension processing system.

In previous years, the Teacher Retirement System of Texas would have sent out almost all checks by Sept. 1 to teachers who had retired over the summer — about 20,000 annually. This year, the system had sent out checks to two-thirds of recent retirees by Sept. 1, forcing some who were skipped to dip into savings or take cost-cutting measures.

Pension spokeswoman Rhonda Price said some of the delays were due to the learning curve for employers — school districts and some colleges — to navigate the new processing system and to complete required reports on their retirees.

As of Thursday, 873 retirees still hadn't received their checks because of the wait for more information from retirees and their employers, said pension officials, who insisted that the new processing system was not to blame.

Retirees and their advocates fear the delays were due to tighter agency policies on the kinds of information it required, but pension officials said it's not out of the ordinary to see this many retirees without their pension checks yet.

The average delay was up to 10 days after the 31-day waiting period from when the pension system received all required documents from retirees and employers, agency officials said.

[Austin American-Statesman](#)

Dallas Police and Fire Pension System leader says city needs more cops to help 'fragile' fund

October 16, 2018, By Corbett Smith

If City Hall doesn't do more to grow its ranks of police and firefighters, the Dallas Police and Fire Pension System won't be able to stay on its already perilous path to solvency, the fund's top official said Monday.

Kelly Gottschalk, the system's executive director, delivered that warning to members of the City Council's Government Performance & Financial Management Committee. The \$2.1 billion retirement fund is trying to work its way back from years of underperforming investments and lucrative benefits.

A year after implementing a series of changes aimed at fixing the fund, Gottschalk called the fund's current position "fragile" and dependent upon factors outside her control.

"Our path to solvency is narrow and it's risky," Gottschalk told the committee. "So, things like the hiring plan and the investment return really matter."

The system's leaders made similar warnings after city officials, state lawmakers, police and firefighter associations and the pension board in 2017 agreed to a compromise that put the fund on a sounder financial path.

The changes cut billions of dollars in future liabilities. The city and members pony up more every year. Police and firefighters also took benefit cuts. But the path back to full funding was long — and based on projections and a series of assumptions that might not materialize.

[Dallas Morning News](#)

Pension change could help recruit, retain public safety dispatchers, city staff says

October 16, 2018, By Peggy Heinkel-Wolfe

Deputy City Manager Bryan Langley told council members that Denton has had trouble recruiting and retaining dispatchers. To address the problem, the city added more staff and significantly increased dispatcher pay. But, Langley said, one barrier remains: New and potential employees do not like the city's pension plan for dispatchers.

Denton employees have two different pension plans. Most employees participate in the statewide pension plan, the Texas Municipal Retirement System. The firefighters have a separate pension plan through their union. A dispute arose over whether the public safety dispatchers would be covered by the firefighter pension plan, leading to a lawsuit in 2006. The city settled the lawsuit by agreeing to fund pension for dispatchers through the firefighters' plan.

Disparities have grown since then, Langley said, in part because of employee and city contributions needed to fully fund the pensions. In addition, employees must work for the city for 10 years before fully vesting in the firefighters pension, while employees in TMRS are fully vested in five years.

Moreover, a dispatch employee cannot transfer their pension investment to another city. The most they can expect is to get back their contributions, without interest, or earnings, or the city's matching contributions, Langley said.

Council members agreed to allow current employees to choose between the two plans and offer only the TMRS plan to future employees, if the firefighters union approves.

[Denton Record-Chronicle](#)

TEXAS ECONOMIC INDICATORS

Turner Warns of Deep Cuts to Houston Fire Department If Pay Parity Passes

October 10, 2018, By Andrew Schneider

The Houston Fire Department is in for a major restructuring. Mayor Sylvester Turner said Wednesday that's going forward whether or not voters approve a ballot initiative granting firefighters pay parity with police.

Many of the changes will focus on emergency medical services, which account for more than 80 percent of department calls. "In some cases we may look at utilizing more civilians," Mayor Turner said. "It doesn't necessarily require a classified firefighter."

Turner said a lot more firefighters will lose their jobs if Proposition B passes. Fire Chief Samuel Peña is already reviewing the lists to implement a "step down."

"You know, a captain today with the fire department, under step down, depending on how many captains [Chief Peña] thinks he needs, if he doesn't need as many as exist today, then some are demoted to the next level, and you keep going down until you get to the rank and file, and then that's where your layoffs will occur," Turner said.

[Houston Public Media](#)

Texas A&M scientists win approval to feed the world - with cotton

October 17, 2018, By Sue Necessary

The U.S. Department of Agriculture on Tuesday gave its blessing to Texas A&M AgriLife Research to move toward commercialization of a new strain of cotton that has the potential to help feed half a billion hungry people across the globe while also doubling the income of cotton farmers.

It is only the fourth time ever that a university has successfully petitioned the USDA for deregulation – and the first time in Texas, according to a press release from the university.

Dr. Keerti Rathore and his team at Texas A&M AgriLife Research have figured out a way to remove a naturally occurring toxin from cottonseeds that made them inedible to people and most animals. The breakthrough by Rathore and his team at Texas A&M AgriLife Research will allow farmers now to grow cotton for both fiber and food.

The new seeds can be eaten, ground into flour or made into a peanut butter-like spread. They also can provide an excellent source of protein for animals that were unable to consume cottonseeds before Rathore's discovery.

The next step after move by the USDA's Animal and Plant Health Inspection Service is approval from the Food and Drug Administration, which is expected in the coming months. Then, it is onto commercialization, which would require involvement from philanthropies, investors or corporations.

[East Texas Matters](#)

NATIONAL PENSION, INVESTMENTS & LEGAL

The New American Dream: Retirement Security

October 16, 2018, By Kara M. Stein

Unfortunately, for many Americans, the ability to achieve financial security in retirement is increasingly tenuous. Since World War II, Americans have planned their retirements around the expectation of combining a pension, Social Security benefits, and personal savings to provide sufficient income for their golden years. The combination of these three sources is commonly referred to as the three-legged stool of retirement. It is based on the understanding that any one of these legs has historically been insufficient standing alone, but that together, the three legs create a strong foundation.

In recent years each of these legs has become wobbly. Due to a number of factors, the financial health of the Social Security trust fund has been declining. According to the 2018 Trustees Report on Social Security, the fund will be depleted by 2034. That is only 16 years away. At the same time, the availability of employer-provided pension plans has also been declining. Few private sector workers today have access to a pension, and many public sector pension plans are facing severe financial problems.

We've moved from a collective retirement system to one in which each person is expected to go it alone. About three out of every four adults in the United States live in a household with at least one type of investment account. And, an overwhelming number of those investment accounts are retirement accounts. But, unfortunately, most Americans are not, and may never be, prepared. A 65-year-old worker, planning for a possible 30-year retirement, will need savings of around \$1.8 million to generate \$75,000 a year in income. However, according to the National Institute on Retirement Security, the median retirement savings of Americans between the ages of 55 and 64 is currently zero. Indeed, even for those who do have retirement accounts, the average balance is only \$88,000, which would provide a mere \$3,600 per year in retirement.

[U.S. Securities and Exchange Commission](#)

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