



PENSION • PRESS

The Newsletter of the Houston Municipal Employees Pension System

www.hmeps.org

Letter from the Chairman

I want to take this opportunity to ask you to join me in recognizing the talented and devoted staff at HMEPS, who are committed to providing the highest quality service to the over 24,000



Sherry Mose
Chairman

participants in the pension plan. I am always impressed by the hard work and dedication of our 30 employees, especially during this very challenging year where rough economic conditions have touched the lives of so many of our participants.

Even in this tough year, our investment staff has guided us through the economic downturn to limit the losses that almost all public pension funds have experienced, and delivered investment returns that place HMEPS in the top quartile of an established universe of public funds.

Our Benefits staff plays a vital role in providing excellent service to participants. Every day, they are processing applications

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Make Plans Now to Attend the Fourth Annual Financial Fitness Expo Oct. 20, 21, 22

Do you want to learn more about your pension, deferred compensation and social security benefits? If so, you should make plans to attend the

Fourth Annual Financial Fitness Expo, being held October 20, 21 and 22, 2009.

Turn to page 3 for more information about the Expo as well as how to pre-register. Now is the time to get financially fit. We hope to see you there!



e-Records—The New Resource for Payroll and HR Representatives

HMEPS is pleased to announce it has improved the system for City Payroll and Human Resources representatives to complete and file forms related to a participant's application for HMEPS benefits, making the process easier and less time-consuming. The new system is proving to be a great success.

Previously, City of Houston payroll and HR representatives had to complete a number of forms for retirement applications and survivor benefits on a typewriter, an often cumbersome and time-consuming process.

“The typewriter forms were driving me to distraction,” said Jackie Lara, an administrative aide in the Director's Division of the Public Works Department. “If I made a mistake, I had to start all over.”

HMEPS updated the system by designing a secure online network that would contain a library of up-to-date forms that could

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Carole Snyder (left), Benefits Manager, talks with Payroll Representatives Rosalie Davis, Kathryn Morgan and Tonia White.

The Chairman's Letter (Continued from Page 1)

for retirement, DROP, disability, survivor benefits, refunds, lump sum payments, and service purchases, handling calls and questions about the plan, assisting members in completing required documents, and performing the work needed to ensure that over 8,444 participants and their families timely receive the benefits they have earned.

HMEPS representatives also visit City departments upon request to give formal and informal presentations on benefits and financial counseling. If you haven't attended a field presentation, ask your departmental supervisor to request HMEPS to schedule a visit.

Currently, every other Monday at 611 Walker, HMEPS staff members host orientation sessions on benefits for newly hired employees in the Public Works Department. They do the same orientation sessions on a monthly basis at the E.B. Cape Center for newly hired employees in all other City departments.

Behind the scenes at HMEPS, our Information Technology and Records staff work diligently to develop and maintain the infrastructure that brings increased protection and efficiencies to the benefits administration and other key areas of the organization. These and our other quality employees are at the core of HMEPS and its mission to provide outstanding service to our valued membership.

Service to our members, that's what it's all about. My thanks again to all the valued employees at HMEPS and to all municipal employees that dedicate themselves to their work and confidence in this Board.

Your Chairman,



Sherry Mose

HMEPS INVESTMENTS
Market Value by Asset Class

	June 30, 2009	May 31, 2009
US Equity	\$398,709,149	\$398,399,916
Non-US Equity	391,757,111	395,540,487
Fixed Income	416,399,771	409,392,029
Real Estate	182,694,104	189,759,928
Alternative/Private Equity	301,872,330	311,861,065
Cash	49,672,142	59,017,130
Total Fund	1,741,104,607	\$1,763,970,555

Getting Divorced and Have Questions About How It Will Affect Your Pension?

No matter what transition you're facing in life, HMEPS can help you understand how your benefits are affected by the changes taking place.

If you are divorced or going through a divorce and have questions and how it will affect your HMEPS pension, call the office at 713-595-0100 and talk with Angie Calenda. She will go through your questions and help you get answers.

Member Question to the HMEPS Financial Counselor Steve Waas

Q: I would like to learn more about my pension and also get access to the financial counseling services. But your downtown location is very inconvenient for me, as well as my co-workers. Any chance you could visit us?

A: Absolutely. We have held several group meetings around the city. Senior Benefits Counselor Terri Murray is the coordinator of these meetings. You (or your supervisor) can reach her at 713-595-0100 to make arrangements for a meeting with you and others in your department. We'd be happy to do a presentation covering important aspects of your pension as well as other financial issues. In some cases, we may be able to stay afterwards for detailed one-on-one counseling.

Get Financially Fit at the Fourth Annual Financial Fitness Expo!

The Board and staff of HMEPS would like to encourage all City of Houston employees to attend the Fourth Annual Financial Fitness Expo, scheduled to take place October 20, 21, and 22, 2009. This important event was designed to help all City of Houston employees prepare for their financial future by giving them an opportunity to learn more about their pension, deferred compensation and social security benefits.

National Save For Retirement Week

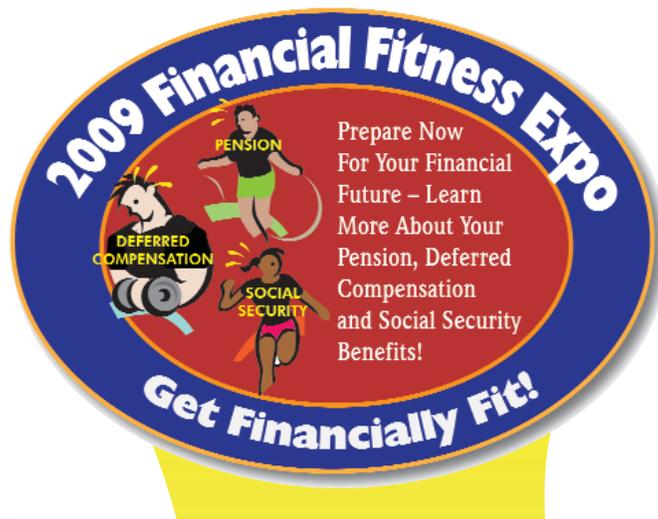
“The Expo is held in conjunction with ‘National Save for Retirement Week,’ a congressionally endorsed, national event formally calling on employers to promote the benefits of saving for retirement, and to encourage their employees to take full advantage of employer-sponsored plans,” said Sherry Mose, Chairman of the HMEPS Board of Trustees. “Four years ago we decided the City of Houston needed to offer its employees a similar event, and it has grown exponentially each year.”



Get Financially Fit Now

HMEPS and the City of Houston Deferred Compensation Plan encourage newly hired employees, as well as seasoned employees, to attend at least one day of the three-day Expo. As in past years, there will be speakers giving presentations and an area for vendors. “The event is free to all City of Houston employees. Attendees are assured that they walk away with an increased knowledge and appreciation of their retirement benefits,” said Mose.

The Expo takes place from 11:00 am to 2:00 pm over three days (Tuesday, October 20 through Thursday, October 22) at three separate locations to help employees find the time and location that suits their busy schedules. If employees need assistance in explaining the event details to their supervisors they are encouraged to call the HMEPS office at 713-595-0100.



Fourth Annual Financial Fitness Expo Details At a Glance

Dates: October 20, 21, 22, 2009

Times: 11:00 am - 2:00 pm each day

Locations:

Tuesday, Oct. 20, 2009

900 Bagby, City Hall Annex (Public Level)

Wednesday, Oct. 21, 2009

611 Walker, Garden Level

Thursday, Oct. 22, 2009

4501 Leeland, E.B. Cape Center

Cost: FREE for ALL City of Houston Employees

Features: This Expo provides information and meaningful discussions on pensions, deferred compensation, social security, cash-flow management, money and credit, handling inflation during retirement, and more.

Pre-Register at:

www.houstonfinancialfitness.eventbrite.com

Presented by: The Houston Municipal Employees Pension System and the City of Houston Deferred Compensation Plan.

Pre-register at: www.houstonfinancialfitness.eventbrite.com.

(Note: Pre-registration is not necessary. We are asking attendees to pre-register to provide support staff with a better estimate of the number of attendees. Thank you!)

For more information regarding the Expo call Peter Koops at HMEPS at 713-595-0123

Tax Season Dangers *by Steve Waas*

In the Summer edition of the Pension Press, Steve Waas, HMEPS' Financial Counselor, discussed Social Security. Steve, who is a Certified Financial Planner, is available for individual meetings with participants, and also will be discussing financial topics in our newsletters to help participants better understand these important issues. This time the topic is Tax Season Dangers.



Steve Waas
Financial Counselor

One of the basic rules of personal finances that people too often ignore is: If it seems too good to be true, maybe it is.

Keep that in mind if you come across any so-called “amazing” tax savings ideas and techniques some people are trying to sell right now, even though tax season is months away.

Above all, remember that according to the IRS: “Taxpayers are responsible for the accuracy of all entries made on their tax returns, which include related schedules, forms and supporting documentation. This remains true whether the return is prepared by the taxpayer or by a return preparer. Be careful in selecting the tax professional who will prepare your return.”

Someone may try to convince you of some great new way of avoiding taxes. This person collects a fee for his services. But where is that “professional” going to be if the IRS thinks this is an attempt to defraud the agency? Pointing a finger at your tax preparer may not keep you out of trouble.

How can you tell the difference between a good tax idea and one that is “too good” to be true? There is no simple answer, but asking lots of questions will help you make the right decision. Make absolutely sure you understand what is going on with your tax return and the justifications for any tax reductions.

Pay attention to certain “red flags” indicating that something might be amiss: Are you being asked to underreport or omit items of income? Overstate deductions? Claim personal expenses as business expenses? Hide assets? Get involved in a “charity” that you suspect isn’t a true charity?

Another thing you can do is spend some time on the www.irs.gov web site. Look through examples of tax scams that are posted there. Are any of them similar to the ones someone is trying to sell to you?

Also, beware of other types of scams that may come your way under the guise of tax issues. For example, there have been many internet “phishing” scams involving emails purportedly from the IRS asking you for personal information. Unsuspecting recipients of these mass emails sometimes send back information that can then result in identity theft. According to the IRS, “the IRS never uses email to contact taxpayers about their tax issues.”

Finally, check out the Financial Counseling section on the www.hmeps.org web site. The section called “Watch Out For These Scams” highlights popular scams of all types, including tax-related ones. We try to keep this updated as various government agencies release new warnings. Staying informed is essential to protecting yourself.

Financial counseling is available at the HMEPS office. Call 713-595-0100 to make an appointment. You can also email Steve Waas at swaas@hmeps.org to set up an appointment.

Borrowing Money at 1000% Interest? *by Steve Waas*

Why would anyone borrow money at 1000%? Believe it or not, sometimes they don’t even know they’re doing it. It happens to people who rely too much on “overdraft protection” at their bank or credit union. Every time a check draws on the overdraft protection - even if it’s a check for just a few dollars - the account gets hit with a \$20 or \$30 fee. Sometimes additional fees apply for each day the account is “underwater.”

This kind of service can be helpful as a way to protect against rare, accidental “bouncing” of checks. But some people find themselves relying on this service so much that it essentially becomes a way to borrow money. When all the fees are added

up and expressed in the form of annualized interest rates, it becomes clear that the interest rate on these “loans” can be 500%, 1000% and even higher.

This is a growing source of revenue for some financial institutions. In some cases they are even adding these services to debit cards. This is particularly ironic since many people use debit cards specifically to avoid paying high credit card interest rates.

For more information, go to <http://www.federalreserve.gov/pubs/bounce/>

Dedication to His Customers, Co-Workers and Family Define Van Bang Doan's Life

Van Bang Doan smiles as he recites the motto he lives by: "Work 14 hours each day and someday you will be rich - because you will have no free time to spend your earnings!" And to those who know him best, they say it is a motto Doan truly lives by, both by choice as well as the unique circumstances in which life has put him.

Doan left his beloved country of Vietnam in 1975 to escape the war. With only the shirt on his back, Doan was "lucky enough to find a boat that sailed to safety, first to Singapore and then on to Indonesia." His journey continued for another 23 days until he reached the Philippines and Wake Island. Next, Doan sailed across the Pacific to the U.S., ultimately arriving in Arkansas, where he was placed in a refugee camp (with other Vietnamese refugees). During his time at the camp, he was singled out to receive a scholarship from Ohio State University, which he regretfully had to turn down to take care of his family.

In 1977, Doan's luck changed when a family in Texas sponsored him, meaning he could leave the camp. He left Arkansas and moved to Houston, where he started working for the City of Houston's Public Works & Engineering Department. He began work as a meter reader for \$4.25 an hour. "I worked extremely hard during the late 70s - splitting my time between working for the City and helping relatives who were arriving from Vietnam," Doan said.

During the 1980s, Doan chased his version of the American dream, heading west to California where he pursued a real estate career and, as he puts it, "earned more money than I ever had, and after the economy tumbled, I lost most of it!" He returned to Texas and started a restaurant located near the Astrodome. "The restaurant business was tough, some days we would have five customers and others we would have 100," said Doan.

In 1993, Doan returned to the city's Public Works & Engineering Department. He worked his way up the ranks and currently holds the title of Water Service Inspector II for Water Customer Service. It is a position he has found to be rewarding and is well-suited to his background.

His responsibilities include Effluent, Remediation and Well Account inspections, as well as the Evaporation Credit Program. His customers include business entities that utilize water cooling towers, from downtown skyscrapers to the Houston Airport System. His daily tasks have him in the field most of the day, followed by several hours in his office at the Leeland Public Works location.

Rebeca Savory, Customer Service Supervisor for Water Customer Service, and Doan's supervisor said, "We have big responsibilities to the City and our customers and we succeed because I have a sharp, efficient team. Doan is a key member of that team - the perfect example of a hard-working, diligent and dedicated employee."

Doan's job is a mix of detective work and technical know-how. He spends a lot of time inspecting water cooling towers and



Public Works & Engineering Department Water Customer Service employees Rebeca Savory, Customer Service Supervisor, and Van Bang Doan, Water Service Inspector II.

other technical structures to ensure they are using the correct amount of water. This way, the customer knows the exact amount they should be paying. His inspections can result in a savings of thousands of dollars for a customer.

In his free time, Doan volunteers teaching English at his church, enjoys educating others about growing bonsai and fruit trees, and is a member of a photography club.

Ask Doan about his future retirement (he has not set a date) and he will give you a solemn but content look. "I have worked hard my whole life but I feel very blessed for everything I have. I plan on taking my life's earnings and building schools for hand-capped children in Vietnam," said Doan. "I have my pension from the Houston Municipal Employees Pension System, which I can rely on but my remaining wealth will go to children in need."

Retirements – June to August 2009

Administration & Regulatory Affairs

Howard, Bobbie*
Seunson, Thavorn*
Webb, David
White, Robert

Affirmative Action

Yelder, Phillip*

Aviation

Baroomand, Abba*
Eldridge, Robbie
Guese, John
Horelica, Henry
Loas, Kenney
Mason, Helen*
Motta, Johnny*
Vacar, Richard

City Council

Ellis, Mark*
Lee, Alice*

Controller

Hale, Terry*

Convention & Entertainment

Ayers, Judy

Fire

Cutbirth, Richard
Krzywicki, Mary

Matthews, Kathy*
McDonald, Paula*
Polk, Debra*

General Services

Pete, Ella

Health & Human Services

Agee, Geynille
Alvarez, Ana*
Benjamin, Audrey
Collins, Gloria*
Johnson, Emma
Rivera, Maria
Waas, Benita

Housing

Fickes Jr., Kenton*

Houston Emergency Center (HEC)

Allen, Erma*
Arceneaux, Sarah*
Bellow, Martrice*
Keery, Gilbert
Mahavier II, Clyde*
Williams, Ida*
Wong, Mollie*

Human Resources

Carroll, Ruth
Heatherly, Robin*

Information Technology

Acker, Susan
Sanchez, Johnny
Van Nostrand, Kenneth

Legal

Acosta, Constance
Alexander, Dennis
Beauchamp, Emmette
Mitchell, Wanita
Shelton, Harold

Library

Beal, Betty
Borgman, Stephanie*
Chacon, Leticia*
Lin, Shiou
Lopez, Jacquelyn*
Snyder, Gregory*
Tensae, Andeberhan*

Municipal Courts

Cato, Rhoda*
Easterling, Janice*
Kirkland, Steven*
Mendiola, Alma*
Wells, Blanca*

Parks & Recreation

Coachman, Joyce*
Davis, Brian*
Gomez, Jesse*
Jefferson, Ronnie
Simmons, Stanley

Swafford, Ray
Thomassee, Beverly

Planning

Escovy, Warren*
Nguyen, Thang
Stanton, Harold*

Police

Alanis, Marisa*
Anderson, Rocky*
Baines, Joyce
Crabb, Alton
Dang, Kayla*
Degenhardt, Jan*
Deleon, Irma*
Dillard, Cassandra*
Eqwuwu, Anthony*
Freeman, Darryl*
Gallegos, Emma
Garcia, Carmen*
Gayton, Juan
Goree, Wanda
Gumatay, Rogaciano
Harland, Lynette*
Head, Sharon
Hilleman, Reidun*
Hoang, Khang
Johnson, Essie*
Limbrick, Donna*
Luna, Christine
Martin, Freddie*
Mims, Earlean
Mitchell, Barbara*
Roesch, Cindy*

Saenz, Antonio
Talton, Thomas
Tovar, Alicia*
Webb, Debra*
Yochum, Melanie*

Public Works & Engineering

Bucklin, Roger
Cao, Thanh
Deleon, Mario
Gallagher, Emery
Graham, Larry
Holt, John*
Irish, Sherman*
Jackson, Jimmy
Jones, Dave*
Kersey, Michael*
King, John
Ledezma, Maria*
Lemmings, Cheryl*
Luycx, Susan
Mata, Francisca*
May, Kenneth
Mehta, Yogesh
Rodgers, Donald*
Walker, Guilla*

Solid Waste

Collier, Michael*
Craft, Laverne
James, Jimmy*
Morris III, Isaac
Williams Sr., Samuel

*Deferred Retirement

In Remembrance

Active Employee and Retiree Deaths – June to August 2009

HMEPS received notification of the following participants' deaths. We wish to remember these individuals and their dedication and service to the City of Houston.

Aldridge, John
Arriaga, Armon
Bartkowiak, Carolyn
Black, Richard
Britt, Henry
Brock, Marvin
Chelette, Paris*
Collins, Dave
Crenshaw, Joe
Dotson, Bobby**
Dye, Archie
Ford, Mary**

Ford, Samuel
Harvey, Freeman
Ho, Michael
Hogan, Geneva**
Hollis, James
Houston, Guindola**
Hunter, Stayton
Jackson Sr., Clifton*
Johnican, Douglas
Johnson, Adelia
Johnson, Charles
Jones, Bobbie

Jones, Delores
Jones, Jack
Kearney, Mary
Knepshield, Billie
Leonard, Luther
Letwin, David
Living, Francis
McGee, Michael
McLemore, Ensley**
Medina, Daniel*
Mullens, Vlasta**
Ortiz, Jose

Peavy, Stanley
Richards, Alice
Rowe, Brenda
Sellers, Owen
Shaw, Clarence
Silva, Fernando
Simmons, James
Smith, Dorothy**
Smith, Harvey
Taylor, Faye**
Thigpen, Mary**
Thompson, William

Venegas, Robert*
Villarreal, Ruben*
Washington, Ola**
Wolbrecht, William
Woods, Gustavia**
Zapp Albers, Ruby**

*Active Employee Death

**Surviving Spouse

New eRecords System Improving Efficiency of Payroll Reps (Continued from Page 1)

be completed on the computer and then electronically sent to HMEPS. Individual payroll and HR representatives are able to access the system on the secure HMEPS web site at their convenience. No more typewriters!

“This is much easier,” said Carole Snyder, HMEPS’ Benefits Manager, who was instrumental in implementing the new system. “Now, the representatives can enter the information directly into the form, greatly facilitating the process for submitting forms to HMEPS.”

The standardized templates include a section where payroll and HR representatives can add any extra comments needed to complete an application. The new system also has an online library that provides a standardized checklist to help payroll and HR representatives make sure they are gathering all the right information for each retirement application. When necessary, HMEPS can electronically send out informational bulletins to representatives via the system.

After development of the new system was completed, each city payroll and HR representative was invited to the HMEPS office to learn how to use it, and now each city department has a payroll or HR representative responsible for completing applications on the e-Records system.



Carole Snyder, Benefits Manager (standing), gives an overview of the new eRecords System to Payroll Representatives with the City of Houston.

“It was great to personally meet with all of the wonderful representatives we talk with every day, and they had the opportunity to meet the HMEPS Benefits Counselors who work with their departments,” Carole said. “Some of the representatives have decades of experience and they shared very helpful tips during each class.”

HMEPS held the classes in June and the new system went online the same month.

“The feedback on the e-Records system has been great,” Carole said.

Jackie Lara said the new system marks a major step forward.

“It’s been very helpful. It’s a lot easier than what we had before,”

Jackie said. “It’s so much better now and not as time-consuming. It has cut the work in half.”

HMEPS wants to give special thanks to the following representatives who helped make the new e-Records system a success by submitting sample documents, proofing new forms, and testing the system before it was launched: Jackie Lara with the Public Works Department, Carolyn Chaney with the Legal Department and Anita Sowell with Municipal Courts.

Pension Payment Schedules: October to December 2009

The following are the dates pension benefit checks will be mailed in the months ahead. The schedule will be strictly adhered to.

- **Wednesday, October 28, 2009**
- **Wednesday, November 25, 2009**
- **Tuesday, December 29, 2009**

Direct deposits (ACH) will be deposited on the last business day of each month, as follows:

- **Friday, October 30, 2009**
- **Monday, November 30, 2009**
- **Thursday, December 31, 2009**

If you are interested in direct deposit of your pension benefit, please call our office at 713-595-0100.

Do You Have Questions About Health Insurance or Insurance-Related Matters?

All questions related to health insurance should be directed to the City of Houston, Dept. of Human Resources – Benefits Division staff. They are responsible for all decisions regarding health insurance and act as the liaison with the insurance providers for retirees and survivors. The HR staff can answer your insurance-related questions for active and retired employees and survivors, process the open enrollment forms for the Group Medical, Dental and Life Insurance Plans and more.

City of Houston

Dept. of Human Resources – Benefits Division

611 Walker Street, 4th Floor Annex

Houston, TX 77002

ph: 713-837-9400 or 888-205-9266

Pension Press

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Thanks to the HMEPS staff for their contributions
to the ongoing success of the *Pension Press*.

NEWSLETTER CONTENT

The material contained in this newsletter is intended to provide you with important information about your pension participation. The content cannot be taken as the basis of any contractual rights between HMEPS and its participants. If there is a question of interpretation, retirement laws are the final authority.

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