



Pension Press

The Newsletter of the Houston Municipal Employees Pension System



Update from the Chairman

Sherry Mose
Chairman

Dear Participants,

After a long and very hot summer, Fall has finally arrived. While the last several months saw challenging conditions, our dedicated City employees continued their outstanding service to the people of Houston.

I want to begin by acknowledging Barbara Chelette, who served as a Board Trustee for 35 years and decided to leave the Board at the end of her term in July. Barbara was instrumental in moving HMEPS forward over more than three decades on the Board. I urge you to read more about her remarkable service on page 3. I am enormously grateful to Barbara and wish her the very best.

I am pleased to announce that long-time City of Houston employee, HMEPS employee and now retiree Carole Snyder is the Board's new elected Trustees' appointee. She will serve a three-year term. Welcome, Carole!

The Board's City appointees were all reappointed effective July 2023, for three-year terms. I look forward to their continued service. More information on the City appointees can be found on page 5.

I am proud to report that HMEPS has consistently had excellent investment performance. As reported by a widely recognized public fund database, as of June 30, 2023, HMEPS ranks in the top 1% for the past 3-, 5-, 15- and 25- year periods, and has a 10-year annualized return of 9.51%. Along with the system's historic 38.7% return in fiscal year 2021, HMEPS is on strong footing and participants should be confident that their benefits and pensions are secure.

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2023
F.R.E.E.

FINANCIAL RETIREMENT
EDUCATIONAL EVENT

Registration Now Closed

The Fall 2023 Financial Retirement Educational Event (F.R.E.E.) will be held on on

Thursday, October 12, 2023
from 9:00 am to 3:00 pm

Register to attend to learn more about your pension, deferred compensation and Social Security benefits!

See page 6 for more information.

Update From the Chairman cont.

(Cont. from Page 1)

At the end of May, the Texas Legislature concluded its 88th Session in Austin. No significant pension-related legislation was passed.

The Fall Financial Retirement Educational Event (F.R.E.E.) for City of Houston employees and retirees is coming right up on October 12, 2023! This annual event includes speakers from HMEPS, the City of Houston Deferred Compensation 457(b) Plan, and information on social security and Medicare. I am excited to announce that Mayor Sylvester Turner will be the keynote speaker. Reserved spots fill up quickly, so if you are not able to register this year, plan to attend next year. More information is located on page 6.

Lastly, I want to remind you that City of Houston elections for Mayor and City Council are just a few weeks away. Early voting begins October 23rd and continues through November 3rd. Election Day is Tuesday, November 7th.

Thank you for your continued trust in me and in the Board of Trustees.

Your Chairman,



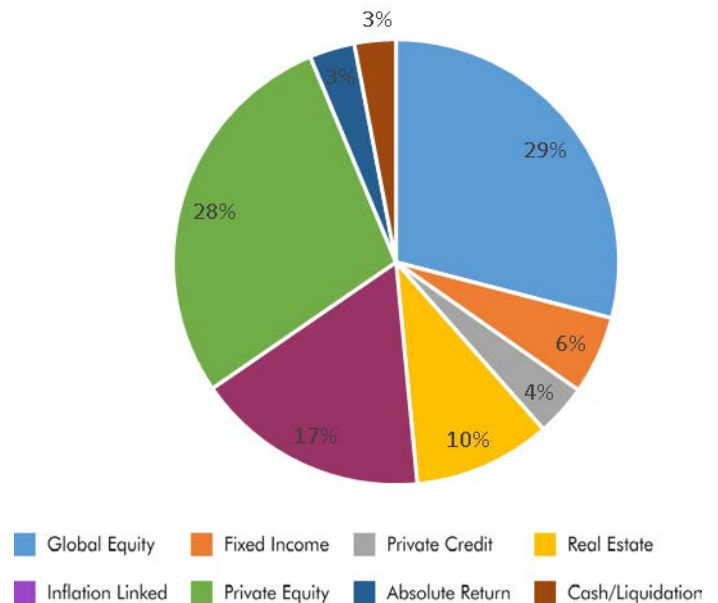
Sherry Mose

HMEPS Investment Update

Market Value by Asset Class

	March 31, 2023	June 30, 2023
Global Equity	\$ 1,136,134,574	\$ 1,178,106,264
Fixed Income	246,406,812	231,056,647
Private Credit	153,682,907	152,323,591
Real Estate	400,845,417	404,924,133
Inflation Linked	673,270,965	687,073,822
Private Equity	1,137,185,743	1,147,622,457
Absolute Return	132,815,472	133,288,468
Cash/Liquidation	130,290,410	133,741,226
Total	\$ 4,010,632,300	\$ 4,068,136,608

Asset Allocation as of June 30, 2023



HMEPS THANKS BARBARA CHELETTE FOR 35 YEARS OF OUTSTANDING BOARD SERVICE



Barbara Chelette, HMEPS' longest-serving Board Trustee, decided to conclude her 35 years of dedicated Board service when her term ended in July 2023.

Over more than three decades, Barbara served as both an elected employee Trustee and the elected Trustees' appointee on the HMEPS Board. She was an Officer of the Board in the position of Secretary for eleven years, served on all Board committees during her tenure, and chaired the Budget & Oversight Committee.

Barbara played a key role in several major changes at the System during her tenure. She was instrumental in the System hiring professional staff for benefit administration, accounting, and investments. These changes greatly upgraded the

System's internal operations, in particular, the hiring of in-house investment staff brought the System both increased returns and lower overall cost of investments by decreasing its reliance on outside contractors.

Barbara first joined the Board in 1989, and her commitment, knowledge, experience and insight helped to strengthen the pension system over many years. Barbara diligently represented the interests of tens of thousands of active and retired HMEPS participants throughout her Board service, through her leadership on committees and as Board Secretary. Barbara has been a role model, colleague and friend to the System's many Trustees, staff and participants.

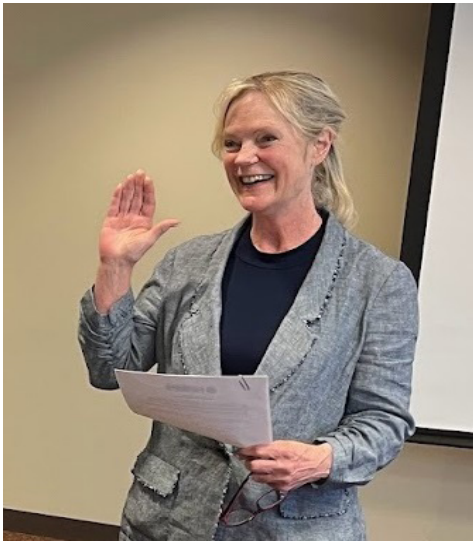
Barbara's dedication to public service extended beyond HMEPS. She was elected by representatives from municipal pension systems across the State of Texas as a Director on the Board of the Texas Association of Public Employee Retirement Systems (TEXPERS), and served as TEXPERS Second Vice President. In addition, she served on the Supervisory Committee of the Board of Directors of the Houston Firefighters Federal Credit Union.

Barbara was a highly experienced and knowledgeable Board member who also understood firsthand the participant perspective as a long-time City of Houston employee. She retired as a Deputy Director from the Houston Fire Department after thirty-three years of service. As a Deputy Director, Barbara was responsible for the Finance and Administration Command, and directed the fiscal management of the department's \$200M+ annual budget, as well as its human resources functions. Her duties included procurement of all firefighter equipment and gear and overseeing the recruitment and hiring of all firefighters, the classified testing processes, eligibility lists, and all training in administrative procedures, affirmative action and human resources issues. For twenty years prior to her service as a Deputy Director, Barbara managed the Fire Department personnel budget, which constituted approximately 95% of the department's annual budget.

Barbara also was appointed by Mayor Bob Lanier to the Affirmative Action Advisory Committee, on which she served for several years. She holds the distinction as the first non-classified civilian, and the first woman in the history of the Houston Fire Department, to hold a position equivalent to that of Assistant Fire Chief on the Department's Executive Command Staff.

Join us in thanking Barbara for her long and illustrious service on the Board and for her leadership, guidance and dedication to HMEPS and its thousands of active participants, retirees and beneficiaries.

CAROLE SNYDER JOINS THE HMEPS BOARD AS THE ELECTED TRUSTEES' APPOINTEE



The elected Trustees on the HMEPS Board recently appointed Carole Snyder to serve in the Trustee position previously held by long-time Board member Barbara Chelette, who departed the Board in July 2023. (See article on Barbara Chelette on page 3). As the elected Trustees' appointee, Carole will serve a 3-year term on the Board.

Carole retired several years ago following a 24-year public service career with the City of Houston and HMEPS. Carole was HMEPS' Benefits Manager for over 12 years, where she delivered excellent service to active participants, retirees and beneficiaries across the entire range of pension plan transactions. As Benefits Manager, Carole displayed a strong enthusiasm for people and an unwavering commitment to making sure that participants received the benefits they earned.

Before she joined the HMEPS team, Carole was an Assistant City Attorney with the Houston Fire Department and with the City of Houston Legal Department's Labor Division. Carole received a Bachelor of Arts with Honors from the University of Wyoming, and her law degree from the South Texas College of Law, where she was a Langdell Scholar and a recipient of the Joe M. Green Merit Scholarship and the Order of the Lytae.

Please join us in welcoming Carole Snyder to the HMEPS Board of Trustees!

LONG-TIME HMEPS EMPLOYEE JOAN JYAKHWA RETIRES



After 18 years of dedicated and excellent service to HMEPS, Senior Administrative Assistant Joan Jyakhwa enters retirement and begins her next adventure.

Joan consistently demonstrated excellent performance and dedication to her work over nearly two decades at the System. She started at HMEPS as a temporary employee and was asked to join the legal team full-time, where her performance was critical to the success of the System's legal and executive operations.

Smart, organized, professional, and with a great sense of humor, Joan has pursued many varied and diverse interests outside of her work at HMEPS. She is a published author with 5-star reviews (pen name Amani Jesu), a script writer, and a highly-skilled editor.

Joan has an adventurous spirit and worldview, and has traveled to many places around the globe. She met her husband, Ranjan, during a trip to Nepal. Joan is now embarking on a new chapter in her life as she and Ranjan plan to continue enjoying their shared love of travel. Please join us in congratulating Joan on her retirement and exciting future!

2023 HMEPS BOARD OF TRUSTEES APPOINTMENTS

HMEPS has five appointed Trustees on the Board: Mayor Appointee, Controller Appointee, two City Council Appointees, and a Trustee appointed by the elected Trustees. Carole Snyder was recently appointed by the elected Trustees, David Donnelly was reappointed by the Mayor, Edward J. Hamb II was reappointed by the Controller, Adrian Patterson was reappointed by City Council, and Denise Castillo-Rhodes was reappointed by City Council, each for 3-year terms. They all join Chairman Sherry Mose, Vice-Chairman Lenard Polk, Secretary Rhonda Smith, Roderick J. Newman, Roy W. Sanchez and Lonnie Vara on the HMEPS Board. Their profiles are presented here, and you can also find out more about the Board at www.hmeps.org/hmeps-board.html.



Carole Snyder,
Appointee of Elected Trustees

Carole Snyder was appointed to the Board by the elected Trustees in August 2023.

Ms. Snyder retired following a 24-year career of public service with the City and HMEPS. At HMEPS, Ms. Snyder was the Benefits Manager for over 12 years, where she worked to help deliver excellent service for City employees, retirees and beneficiaries in the entire range of pension plan transactions. As Benefits Manager, she displayed a strong enthusiasm for people and an unwavering commitment to making sure that participants received the benefits they earned.

Before joining the HMEPS team, Ms. Snyder was an Assistant City Attorney with the Houston Fire Department and in the City of Houston Legal Department, where she served in the Labor Division.

Ms. Snyder received a Bachelor of Arts with Honors from the University of Wyoming, and her law degree from the South Texas College of Law, where she was a Langdell Scholar and a recipient of the Joe M. Green Merit Scholarship and the Order of the Lytae.



David Donnelly,
Mayoral Appointee

David Donnelly was first appointed to the Board in October 2016 as the Mayoral Appointee. He serves on the Audit and Investment Committees. Mr. Donnelly is the Tax Director for the Carr, Riggs & Ingram LLC Houston Office. He has more than 37 years of experience providing tax planning services for clients with an emphasis in real estate and individual tax planning in the greater Houston, Texas area. His industries of focus encompass professional service firms, commodity traders, and real estate investors, developers, and brokers. Mr. Donnelly

has previously been named one of the “Nation’s Top Most Influential Practitioners” in CPA Magazine and NPA Magazine.

Mr. Donnelly is a Certified Public Accountant (CPA), and a member of the American Institute of Certified Public Accountants (AICPA) and the Texas Society of Certified Public Accountants (TSCPA). He serves on the Federal Tax Policy Committee for the TSCPA, and the TSCPA and Houston CPA Society Board of Directors. Mr. Donnelly received his Bachelor’s degree from the University of Texas.



Edward J. Hamb II,
Controller Appointee

Ed Hamb was first appointed to the Board in March 2013. He serves on the Budget and Oversight and Investment Committees. Mr. Hamb has over 22 years of experience in establishing and executing the strategies necessary to transform go-to-market initiatives in organizations from startups to multi-billion dollar global enterprises. His practice focuses on managing inside turnarounds and translating conceptual models into specific growth strategies.

He has worked in various senior capacities at Noble Commodities, Transalta and Enron. Mr. Hamb has generated over \$1.5B in contract value while in these roles.

Mr. Hamb is married to Dr. Joslyn Campbell-Hamb and he has two sons: Edge and Ethan.



Adrian Patterson,
Council Appointee

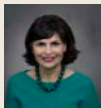
Mr. Patterson was first appointed to the Board in February 2013 as a City Council appointee. He serves on the Investment and Personnel and Procedures Committees. Mr. Patterson’s practice focuses on public finance, acting as bond counsel, underwriters counsel and disclosure counsel for bonds for cities, counties, school districts, state agencies, university systems, hospitals, special districts, municipal water and sewer systems and airports.

Mr. Patterson also has experience acting as counsel to banks providing credit and liquidity support for tax-exempt financings for municipal, healthcare and school district borrowers.

In addition, Mr. Patterson represents political subdivisions with respect to numerous public law issues, including compliance reviews, elections, the Open Meetings Act and the Public Information Act.

(Cont. on Page 6)

2023 HMEPS Board of Trustees Appointments cont.



Denise Castillo-Rhodes,
Council Appointee

Denise Castillo-Rhodes is the Chief Financial Officer of Texas Medical Center, where she oversees accounting, finance, revenue cycle, risk management, tax compliance, debt management, and the investment fund. Additionally, as a member of the executive leadership team, she is involved in the formation of the long-term strategic initiatives and planning, which includes the development of the collaborative bio-life science ecosystem. Ms. Castillo-Rhodes has served Texas Medical Center in this capacity since 2004.

Outside of her work, Ms. Castillo-Rhodes serves in leadership roles, including as the University of St. Thomas Vice-Chairman of the board of directors. In 2016, Ms. Castillo-Rhodes was

named Businesswoman of the Year and “Top 100 Women to Watch in America”. In 2017, she was honored as an “Outstanding Woman in Banking and Finance”, was named the University of St. Thomas Cameron School of Business Distinguished Alumnus and was a University of Texas at El Paso College of Business Gold Nugget Award recipient. In 2018, Ms. Castillo-Rhodes was among the women honored as the 2018 ABC 13 Women of Distinction. Additionally, in 2022, Ms. Castillo-Rhodes was appointed by Governor Abbott to serve on the Governor’s Commission for Women.

Ms. Castillo-Rhodes holds a Bachelor of Business Administration from the University of Texas at El Paso and a Master of Business Administration from the University of St. Thomas. She is a certified public accountant and is a member of the Texas Society of Certified Public Accountants and the American Institute of Public Accountants.

RMD Notice to Retirees with a DROP Balance

If you are a retiree with a DROP balance who is subject to the Required Minimum Distribution (RMD) rules (see Spring 2023 Pension Press at <http://www.hmeps.org/publications.html>), an HMEPS check in the amount of your RMD will be mailed to your mailing address of record by the end of October. Even if your monthly HMEPS benefit is paid by direct deposit, your RMD payment is paid by check sent to your mailing address on file at HMEPS.

Remember that you are responsible for ensuring that the correct RMD amount is distributed each year. Failing to take your RMD each year may result in significant IRS penalties being assessed against you. Failing to cash your RMD check may result in forfeiture of the payment amount. For the treatment of uncashed checks, see page 45 of the HMEPS Benefits Handbook (as of July 2017), available on the HMEPS website at <http://www.hmeps.org/assets/2017-benefits-handbook.pdf>.

Fall F.R.E.E. Event “My Financial Path Forward”

On Thursday, October 12, 2023, the Fall F.R.E.E. Event will be in full swing! The line-up includes highly informative sessions on Social Security, Medicare, the 457 deferred compensation plan, pensions and retirement. There is no charge for the event, and a lite lunch and refreshments will be served.

Financial Retirement Educational Event (F.R.E.E.)

Thursday, October 12, 2023

9:00 am to 3:00 pm

Harris County Department of Education, 6100 Irvington Blvd, Houston, TX 77022

The F.R.E.E. event is presented annually and is co-sponsored by HMEPS, the City of Houston, and Empower Retirement to help employees and retirees better plan for their financial futures. Plan to attend for more information and insights into reaching financial milestones and preparing for retirement.

To learn more about the event, visit the “News and Updates” section of the HMEPS website at www.hmeps.org.

Retirements: 2023 First and Second Quarter Retirements

<u>Admin & Regulatory Affairs</u> Laura E. Flores Jacqueline Howard Isaiah Monroe Sandra Odizor	<u>Fleet</u> Robert Collins Ismael Hernandez	<u>Library Department</u> Gary Lackey	Mygonne Gabriel Bobby Green Norma Hernandez Earline House Alicia Jones Parmjit Kang Rory Lister Holly Martin Kenneth McCorkle Calvin Norris Debra O'Briant Godwin Okoro Anthony Pate Maritza Pedroza-Hurtado Mark Pekar Delton Randolph Keith Roberts Ed Skinner Linh Tan Jeffry Taylor Marene Thomas Simon Tung Scott Turney Shelder Wilburn Susan Williams-Rodgers Mohammad Zaheri
<u>Aviation</u> Kathy Acosta Willie Collins Debra Dirden Manuel Flores Peter Fress John Gomez Ronald Guillory John Lewandowski Steven Modisette Kenneth Roy Juan Torres	<u>General Services</u> John Limone Timothy Mansell Clifford Perry	<u>Municipal Courts #5</u> Cynthia Hall Kenneth Kim Bridget McQueen	
<u>Controller</u> Diane Edison Lillie Hallman	<u>Health & Human Services</u> Charlene Amboree Henry Ansah Rosalind Augustine Atoinette Brisco Deborah Garcia Jennifer Graves Linda Mortier	<u>Parks & Recreation</u> William Chesser Patricia Fisette Abel Gonzales Carolyn Jenkins Jo Johnson Donna Kadirifu Eduardo Posada Jose Rangel Mieche Walker Elizabeth Zermeno	
<u>Convention & Entertainment</u> Linda Rodriguez Roland E. Sipes	<u>Housing & Comm. Development</u> Douglas Prater	<u>Planning & Development</u> Truscenia Garrett	
<u>Department of Neighborhoods</u> Wanda Paige	<u>Houston Municipal Employees Pension System</u> Lovie Coutee	<u>Police Department</u> Irma Hunter Jacquelyn Jones Jacqueline Lane	
<u>Fire Department</u> Mary Mirelez Tanga Presley	<u>Human Resources Department</u> Belen Garza Everett Hays Grace Kilgore	<u>Public Works & Engineering</u> Michael Alfred Benjamin Aquino Paulino Barrera Ramon Contreras Michael Edmond Danilo Esguerra	<u>Solid Waste Management</u> Alyce Coffey-Scott Aaron Crump Hiram Nimmons Juan Rodriguez Rex Walker Jeffrey Williams

The Retirements section lists names and departments of those retiring participants who have indicated on their retirement applications that they wished to have an announcement of their retirement included.

2023-2024 Pension Payment Schedule:

October - March

The schedule below indicates the dates set for payment of benefits. Direct Deposits (ACH) will be deposited on the last business day of each month. If you receive your pension benefit by mail it is typically mailed 3-4 days before the last business day of the month. To enroll in direct deposit, please call the HMEPS office at 713-595-0100.

October							November							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7				1	2	3	4						1	2
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
29	30	31					26	27	28	29	30			24	25	26	27	28	29	30
														31						
January							February							March						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6				1	1	2	3						1	2
7	8	9	10	11	12	13	4	5	6	7	8	9	10	3	4	5	6	7	8	9
14	15	16	17	18	19	20	11	12	13	14	15	16	17	10	11	12	13	14	15	16
21	22	23	24	25	26	27	18	19	20	21	22	23	24	17	18	19	20	21	22	23
28	29	30	31				25	26	27	28	29			24	25	26	27	28	29	30
														31						

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ELECTED AND APPOINTED TRUSTEES

Sherry Mose, Chairman
Lenard Polk, Vice Chairman
Rhonda Smith, Secretary
Roderick J. Newman
Roy W. Sanchez
Lonnie Vara
Carole Snyder, Appointed

CITY APPOINTED TRUSTEES

Denise Castillo-Rhodes
David Donnelly
Edward J. Hamb II
Adrian Patterson

Pension Press

David L. Long,
Executive Director

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



HMEPS

HOUSTON MUNICIPAL EMPLOYEES PENSION SYSTEM

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.