



Pension Press

The Newsletter of the Houston Municipal Employees Pension System

Volume 28, Spring 2006



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Executive Director

LETTER FROM THE CHAIRMAN

Dear Plan Participants,

In this space I usually write about the latest HMEPS investment numbers, including our assets, which incidentally are closing in on \$2 billion. While our bottom line is of utmost importance, I would like to use this space available to me to write about another one of our assets – you.

By our latest count, we now have approximately 23,400 participants in the system. Our participants range from newly hired employees to retirees long gone from the City. While many of us do not know each other personally, we all share a similar tie to the City of Houston and this family called HMEPS. One of the cornerstones of a strong family is communication. That is why the staff of HMEPS decided to make 2006 a year in which we make a concentrated effort to explore new methods of communicating with you. As a result, we will be evaluating all the current methods of communication we now

employ. We will also test other methods we do not currently use, all in an effort to better communicate with you.

While the details will emerge over the course of the next several months, I can tell you they will focus on increasing participants' experience with the website (www.hmeps.org), increasing the number and types of HMEPS' print communications, and utilizing different forms of technology when communicating with our participants.

I welcome your input on the discoveries of the year ahead and thank you for your continued support.

Sincerely,

Fred Holmes
Chairman

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Annual Statements - Mailing Dates

The HMEPS office will be mailing participants annual statements and Reports to Participants in the near future. Please make note of the following schedules:

- | <u>Mailing</u> | <u>Date</u> |
|---|-------------|
| • Pension Statements (Active employees) | Early April |
| • DROP statements (Participants with a DROP balance as of 12/31/05) | Early May |

If you have not received either of the above statements, call the HMEPS office at (713) 595-0100.

Coming to a Department Near You – HMEPS Staff

HMEPS staff have started making field visits to various city locations and departments, starting with 611 Walker. HMEPS is providing pension information, giving handouts, and are available to answer questions. Look for HMEPS staff in your department.



Retirees – Want to Join Other Retirees for Lunch?

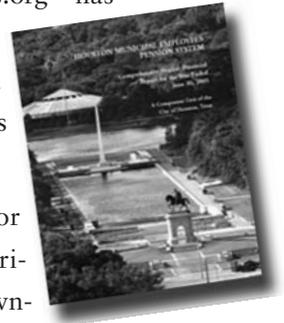
All HMEPS retirees are welcome to join the Lunch Bunch - a group of fellow retirees who meet for lunch the first Saturday of every month. The group meets at the Luby’s restaurant on Waugh drive at 11:30 for fun and conversation. HMEPS representatives also attend to answer questions. Please call Nancy Bertrand for more information at (281) 353-7915 for more information on joining in on the fun.



Did You Know? HMEPS Publications Can Be Found at www.hmeps.org

The HMEPS website – at www.hmeps.org – has an entire page dedicated to current and past publications. You can find newsletters, Annual Reports, Reports to Participants and more for free!

You will need Adobe™ Acrobat or Acrobat Reader to download the various publications (instructions for downloading and installing the program are provided).



Health Insurance – How Do I Get More Information?

HMEPS does not administer the retiree health insurance program and cannot answer questions related to health insurance. All questions related to health insurance should be directed to the City of Houston, Dept. of Human Resources - Benefits Division staff. They can answer all 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 act as the liaison with the insurance providers for retirees and survivors.

City of Houston
Dept. of Human Resources – Benefits Division
611 Walker Street, the 4th Floor Annex
Houston, TX 77002

Important Phone Numbers:

General Group Insurance questions, ph: 713-837-9400 or 888-205-9266

Spectera DHMO or Indemnity Insurance, ph: 713-861-8721

HMO Blue Texas, representatives in the City Benefits office may be reached at any of the following numbers:

- 713-837-9376
- 713-837-9377
- 713-837-9448

HMO Blue Texas, customer service, ph: 866-757-6875

CompBenefits (dental insurance) member services (800) 633-1262 ext. 7803, Fax (770) 998-6871 or written requests to P.O. Box 769729, Roswell, GA 30076

HMEPS Mailing Address Requirements

Following these rules is necessary for HMEPS' mail to find you!

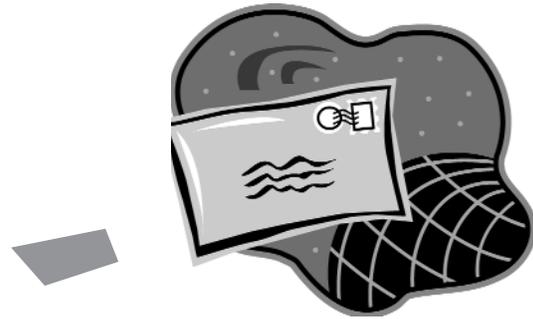
HMEPS mails information and pension-related materials directly to active employees and retirees. For active employees, HMEPS obtains addresses from the City of Houston employee database, and for retirees HMEPS uses the addresses in the HMEPS retiree database. In order for you, as an active employee or a current retiree, to receive information and materials from HMEPS, your address of record must be current and correct in the applicable database.

Active employees: HMEPS uses the address in the City of Houston employee database.

HMEPS mails to your address of record, which is the address you have on file in the City of Houston employee database. If your mailing address is different from the address in the City of Houston database, you must take immediate steps to change your address in the City of Houston database in order to receive mailings from HMEPS. Please contact your department payroll representative for more information on changing your mailing address with the City of Houston.

HMEPS cannot accept change of address information from current employees. Therefore, the only way for an active employee to receive information or materials from HMEPS is for your address to be correct in the City's employ-

ee database. Even if you provide a different address on an HMEPS form, HMEPS will send all correspondence to your address of record. HMEPS will not waive deadlines where mail has been sent to your address of record.



Retirees and survivors: HMEPS uses the address in the HMEPS retiree database.

If you are a retiree or survivor, it is your responsibility to maintain your current mailing address with HMEPS. If you have moved or if you plan to move in the future, you must complete and submit a change of address form to HMEPS. The Change of Address form is available on the HMEPS website at www.hmeps.org under "Forms," or by calling the HMEPS office.

If you have sent a change form to the post office, your address will not be automatically changed in the HMEPS database. Instead, you must submit a signed change of address form to HMEPS in order for the change to be made.

Even if you are having your pension benefit paid by direct deposit (ACH) to a bank or other account, you still must submit a signed change of address form in order for the change to be made in the HMEPS database. Failure to keep HMEPS informed of your current mailing address means that you will likely not receive information, 1099-R forms, and other materials from HMEPS.

If you have authorized another person to act as your agent or attorney-in-fact under a power of attorney, or if someone has guardianship over your estate, HMEPS must receive and accept the power of attorney or guardianship papers in order for the person to complete a change of address for you.

Important DROP Beneficiary Designation Information

Ensure that your beneficiary objectives are carried out correctly!

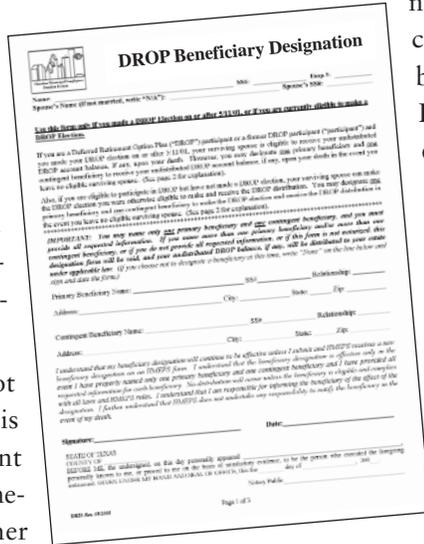
A participant who has a DROP balance can submit to HMEPS a Deferred Retirement Option Plan (“DROP”) Beneficiary Designation Form to direct HMEPS to pay any remaining DROP balance to an eligible person or entity if the participant dies. HMEPS has reviewed many DROP Beneficiary Designation Forms submitted by participants, and has determined that several of the forms do not meet the requirements for HMEPS to recognize one or both designated beneficiary(ies). (See below and pages 5-6 for requirements and samples of correct and incorrect designation formats).

If a beneficiary designation does not meet the requirements, the designation is void. If it is void, any DROP payment will be paid to the other designated beneficiary on the form so long as the other beneficiary designation meets the requirements. If neither of the beneficiary designations meets the requirements, any DROP payments will be paid to the DROP participant’s estate under applicable law.

If you have submitted a DROP Beneficiary Designation Form to HMEPS, read the DROP Beneficiary Designation requirements carefully to determine whether your beneficiary designations meet the requirements. If they do not, and you want to be sure that your beneficiary choices are accepted, or if you have a change of beneficiary, you must complete a new DROP Beneficiary Designation Form, sign it in the presence of a notary public, and return it to HMEPS.

Please note that for all DROP Elections after May 11, 2001, the pension statute requires HMEPS to pay any remaining DROP balance to the participant's surviving spouse. If there is no surviving spouse, then HMEPS will pay any remaining DROP balance as directed in the participant's DROP Beneficiary Designation Form, as long as there is at least one beneficiary designation that meets the requirements.

If you did not keep a copy of your DROP Beneficiary Designation Form and would like to review the form, or if you would like assistance in completing the form, please call the HMEPS office at (713) 595-0100 to make an office appointment with your benefit counselor.



DROP Beneficiary Designation Requirements

DROP Beneficiary Designation: In order for HMEPS to recognize a DROP beneficiary designation, the designation must be made on a HMEPS DROP beneficiary designation form, must comply with the designation rules established by HMEPS, and the form must be properly signed, dated and notarized, and received by HMEPS prior to the death of the DROP participant.

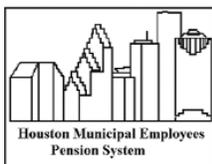
- a. A DROP beneficiary designation form that is timely received by HMEPS will supersede any previous DROP beneficiary designation form submitted with respect to the DROP account, regardless of whether the most recent DROP beneficiary designation form is void or otherwise noncompliant.
- b. A DROP beneficiary designation form may designate only one primary beneficiary and only one contingent beneficiary. If a person designates more than one primary beneficiary and/or one contingent beneficiary, then the non-complying designation will be void. Similarly, the DROP beneficiary designation may not name a “co-primary” and/or “co-contingent” beneficiary or similar notation, may not specify a percentage or other division or fraction for one or more beneficiaries, may not include any additional information elsewhere on the form or on any attachment, and may not otherwise alter the form in any manner. Any such non-complying designation is void. If there is no complying designation, the undistributed DROP account balance, if any, will be distributed to the person's estate under applicable law.
- c. A DROP beneficiary designation must provide both the name and social security number (or employer identification number (EIN) or trust number) of the designated individual or entity, or else the designation is void. If the individual or entity does not have a social security number, EIN or trust number, the designation must include for the individual or entity a passport num-



ber or other identification number issued by the government of which the individual is a citizen or under which the entity was officially formed. An entity must be in existence at the time of the designation.

- d. A DROP beneficiary designation form may not name as beneficiary, either primary or contingent, any employee or trustee of HMEPS or any individual related to an employee or trustee of HMEPS within the third degree of consanguinity or affinity, as described in Chapter 573 of the Texas Government Code (hereinafter, "ineligible beneficiary"). The foregoing restriction does not apply if the named individual is related to the DROP participant within the third degree of consanguinity or affinity, as described in Chapter 573 of the Texas Government Code. Any designation of an ineligible beneficiary on a DROP beneficiary designation form is void for all purposes as to such ineligible beneficiary.
- e. HMEPS may recognize for DROP distribution purposes the compliant designation of an individual or entity that is clearly named and for which the participant has provided the correct social security number or employer identification number/official identification number, regardless of a change in the relationship or address. Consistent with the foregoing, if a DROP participant designates his or her spouse as a beneficiary and they later divorce, the designation of the individual is valid (provided the designation otherwise meets all requirements) regardless of the divorce unless HMEPS receives a new qualifying DROP beneficiary designation form that supersedes the previous form.

Examples of the Correct and Incorrect Way of Filling Out DROP Beneficiary Designation Forms



DROP Beneficiary Designation (For DROP Elections on or after 5/11/01)

Name: _____ SS#: _____ Emp.#: _____
 Spouse's Name (if not married, write "N/A"): _____ Spouse's SS#: _____

Use this form only if you made a DROP Election on or after 5/11/01, or if you are currently eligible to make a DROP Election.

If you are a Deferred Retirement Option Plan ("DROP") participant or a former DROP participant ("participant") and you made your DROP election on or after 5/11/01, your surviving spouse is eligible to receive your undistributed DROP account balance, if any, upon your death. However, you may designate one primary beneficiary and one contingent beneficiary to receive your undistributed DROP account balance, if any, upon your death in the event you

Example I: The Correct Way!

Contingent beneficiary, or no beneficiary designation form is not needed, the designation form will be void, and your undistributed DROP balance, if any, will be distributed to your estate under applicable law. (If you choose not to designate a beneficiary at this time, write "None" on the line below and sign and date the form.)

Primary Beneficiary Name: Elle Jones SS# 234-56-7890 Relationship: Daughter

Address: 123 Merriweather Way City: Happy State: TX Zip: 77777

Contingent Beneficiary Name: Bob Jones SS# 345-67-8901 Relationship: Son

Address: 123 Merriweather Way City: Happy State: TX Zip: 77777

I understand that my beneficiary designation will continue to be effective unless I submit and HMEPS receives a new beneficiary designation on an HMEPS form. I understand that the beneficiary designation is effective only in the event I have properly named only one primary beneficiary and one contingent beneficiary and I have provided all

Cont. - Examples of the Incorrect Way to Fill Out DROP Beneficiary Designation Forms

Example 2: Incorrect - Why? No Social Security Number

designated beneficiary designation form will be void, and your undistributed DROP balance, if any, will be distributed to your estate under applicable law. (If you choose not to designate a beneficiary at this time, write "None" on the line below and sign and date the form.)

Primary Beneficiary Name: Elle Jones SS# _____ Relationship: Daughter

Address: 123 Merriweather Way City: Happy State: TX Zip: 77777

Example 3: Incorrect - Why? Entity not in existence; no tax number

designated beneficiary designation form will be void, and your undistributed DROP balance, if any, will be distributed to your estate under applicable law. (If you choose not to designate a beneficiary at this time, write "None" on the line below and sign and date the form.)

Primary Beneficiary Name: My Testamentary Trust SS# _____ Relationship: _____

Address: _____ City: _____ State: _____ Zip: _____

Example 4: Incorrect - Why? Entity not in existence; no tax number

Contingent Beneficiary Name: My Estate SS# _____ Relationship: _____

Address: _____ City: _____ State: _____ Zip: _____

I understand that my beneficiary designation will continue to be effective unless I submit and HMEPS receives a new beneficiary designation on an HMEPS form. I understand that the beneficiary designation is effective only in the

Example 5: Incorrect - Why? Multiple primary beneficiaries; no name; no Social Security Number

designated beneficiary designation form will be void, and your undistributed DROP balance, if any, will be distributed to your estate under applicable law. (If you choose not to designate a beneficiary at this time, write "None" on the line below and sign and date the form.)

Primary Beneficiary Name: Equally to my children SS# _____ Relationship: _____

Address: _____ City: _____ State: _____ Zip: _____

Con't. on next page

Example 6: Incorrect - Why? no name; no Social Security Number; information not in designated spaces

Contingent Beneficiary Name: _____ See attached _____ SS# _____ Relationship: _____

Address: _____ City: _____ State: _____ Zip: _____

I understand that my beneficiary designation will continue to be effective unless I submit and HMEPS receives a new beneficiary designation on an HMEPS form. I understand that the beneficiary designation is effective only in the

Example 7: Incorrect - Why? Multiple primary beneficiaries

designation form will be void, and your undistributed DROP balance, if any, will be distributed to your estate under applicable law. (If you choose not to designate a beneficiary at this time, write "None" on the line below and sign and date the form.)

Primary Beneficiary Name: 1. Elle Jones 1. 234-56-7890 1. Daughter
2. Bob Jones 2. 345-67-8901 2. Son

Address: 123 Merriweather Way Happy TX 77777

Example 8: Incorrect - Why? Multiple primary beneficiaries; alteration of form

designation form will be void, and your undistributed DROP balance, if any, will be distributed to your estate under applicable law. (If you choose not to designate a beneficiary at this time, write "None" on the line below and sign and date the form.)

Co-Primary Beneficiary Name: Elle Jones 234-56-7890 Daughter

Address: 123 Merriweather Way Happy TX 77777

Co-Primary ~~Contingent~~ Beneficiary Name: Bob Jones 345-67-8901 Son

Address: 123 Merriweather Way Happy TX 77777

I understand that my beneficiary designation will continue to be effective unless I submit and HMEPS receives a new

Example 9: Incorrect - Why? Multiple primary beneficiaries; alteration of form; percentages

designation form will be void, and your undistributed DROP balance, if any, will be distributed to your estate under applicable law. (If you choose not to designate a beneficiary at this time, write "None" on the line below and sign and date the form.)

50% ~~Primary~~ Beneficiary Name: Elle Jones 234-56-7890 Daughter

Address: 123 Merriweather Way Happy TX 77777

50% ~~Contingent~~ Beneficiary Name: Bob Jones 345-67-8901 Son

Address: 123 Merriweather Way Happy TX 77777



Are You In DROP?

Are You Thinking of DROP?

You Need to Read This!

The Deferred Retirement Option Plan (DROP) is an alternative method of accumulating a pension benefit that is available to members who are eligible to retire but who wish to continue working. Prior to January 1, 2005, a member could make an election any time after becoming eligible to retire and elect to enter DROP as of the date the

member was first eligible to retire. This was called “Back DROP.” Under the 2004 Meet and Confer Agreement, “Back DROP” was eliminated.

Now, all new DROP elections are for “Front DROP” only. Under Front DROP, an eligible member can enter DROP no earlier than the first day of the month following the month in which HMEPS receives from the member a completed and signed Deferred Retirement Option Plan (DROP) Request Form (Form DR34). The Form DR34 is available on the HMEPS website at www.hmeps.org, under “Forms,” or by contacting the HMEPS office.

The DROP Request (Form DR34)

Therefore, if you are eligible to retire (and participate in DROP) and you would like to participate in DROP as soon as possible, you must submit your Form DR34 to HMEPS. Your first eligible DROP entry date will be the first day of the month following the month in which HMEPS receives your request.

If you are not yet eligible to retire, you may submit your Form DR34 to HMEPS no earlier than sixty (60) days prior to your retirement eligibility date in order for HMEPS to process your DROP entry for that date.

DROP Processing

1. Application

When HMEPS receives your Form DR34, HMEPS will send you a DROP Application and other materials (if you're eligible) to start the DROP process. **NOTE: The DROP Application is not a DROP Election, and does not establish your participation in DROP. DROP participation is established only upon the HMEPS Board's approval of a completed, signed and notarized DROP Election.**

2. Missing Documents and/or Information

Because DROP participation is available only to members who are eligible for an immediate normal retirement, HMEPS must establish your age and credited service. Therefore, you must submit a birth certificate or other qualifying document as proof of age (see HMEPS Benefits Handbook for other qualifying documents), and HMEPS must receive information from the City of Houston to establish your credited service. In addition, if your name is different in your birth records, City records and/or social security records, HMEPS will require additional documents that establish the name change(s).

3. DROP Election

When the completed DROP Application and other requested documents are received by HMEPS, your benefit counselor will prepare information for you that illustrates your proposed DROP entry date, the estimated amounts that will be credited to your notional DROP account during your DROP participation, and a DROP Election form. HMEPS will send the materials to you at your address of record (the address you have on file in the City of Houston employee database). **You must complete the DROP Election form and sign the form in the presence of a notary public, and you must return the DROP Election form so that HMEPS receives it by the deadline date.** Upon timely receipt of your DROP Election form, HMEPS will present your

election to the HMEPS Board at a regular board meeting for approval. Upon approval, your DROP participation is established and is irrevocable except under extremely limited circumstances.

DROP Termination

Upon your termination of employment, your DROP participation will simultaneously terminate. In conjunction with the retirement process, HMEPS will send you a DROP termination set, which includes required notices and forms, explanation of DROP benefit payment options, and other related forms. All required forms and documents must be received by HMEPS before a DROP benefit distribution election can be presented to the HMEPS Board for approval. HMEPS must receive a DROP benefit distribution election from you before you can receive a DROP benefit or a retirement benefit.

Avoiding Problems

1. Deadlines

For each of the steps in the DROP process after receipt of your Form DR 34 (Application, Missing Documents and/or Information (if applicable), and DROP Election) after receiving your DROP Request Form (DR 34), HMEPS has established a thirty (30) calendar day deadline for submission of the documents and/or information. If a requested document and/or information is not received by HMEPS by the deadline, your file will be closed and the DROP process terminated. If the DROP process is terminated, you will have to submit a new Form 34 to enter DROP, and your earliest DROP entry date will be the first day of the month following HMEPS' receipt of the "new" Form 34, provided you are eligible for DROP at that time. Therefore, you should take all necessary actions to ensure that your documents/information are timely received by HMEPS.

2. Mail and Address Issues

HMEPS mails to your address of record, which is the address you have on file in the City of Houston employee database. If your mailing address is different from the address in the City of Houston database, you must take immediate steps to change your address in the City of Houston database in order to receive mailings from HMEPS. Please contact your department payroll representative for more information on changing your mailing address with the City of Houston. HMEPS cannot accept change of address information from current employees. (See page 3 for more information on address requirements.)

If you would prefer not to submit documents or information to HMEPS by mail, you can make an appointment with your benefit counselor to complete and submit documents and information in the HMEPS office. In addition, HMEPS holds periodic DROP meetings where you can obtain information and answers to your questions about DROP. If you are interested in submitting materials in person or attending a DROP meeting, call HMEPS to schedule an appointment. However, you must ensure that your appointment falls within the time period before the deadline for submission. Also, HMEPS will still mail information to you unless it has been provided to you in person, and will not waive deadlines where the mail has been sent to your address of record.

3. Incomplete Documents

HMEPS has tried to streamline the DROP process and limit the documentation to what is necessary to implement your pension objectives within the requirements of the pension laws. The process currently requires a one-page DROP Request Form (DR34), a three-page DROP Application, and a one-page DROP Election, along with any other information requested to establish your eligibility to DROP. Submission of incomplete or inaccurate documentation results in delay and possibly termination of the DROP process.

Therefore, read all documents and information thoroughly and take all necessary action to ensure that you submit complete and accurate documents and/or information to HMEPS.

This "DROP Update" provides a brief highlight of portions of the DROP program. It is not intended as a legal interpretation of the applicable laws, nor is it intended to be a summary plan description of the DROP. Each prospective DROP participant is advised to consult his or her personal tax advisor and financial advisor prior to electing to participate in the DROP. Nothing contained herein shall be construed to convey any right or benefit not otherwise provided by the Statute, as amended.

Normal and Deferred Retirements – September 2005 to January 2006

Aviation

Becica, Miroslav
 Bhatia, Amar
 Flores, Tonie*
 Gaston, Linda
 Guidry, Dennis*
 Joe, Sandy*
 Land, Kenneth
 Lu, Nay*
 McKinley, Charles
 Pouliaxis, Joseph*
 Silva-Watthuber, Gloria*
 Tea, Daniel*
 Ukegbu, Godwin*
 Valadez, Ruben

Building Services

Allen, Harry
 Cox, David
 Mittelsteadt, Rhonda
 Rocha, Jesus*

City Council

Sosa, Hortensia*

Controller's Office

Teer, Kenneth

Convention & Entertainment

Mendieta, Anita

Finance & Administration

Harris, Lathenia*
 Ricard, Vanessa*
 Smith, Lace
 Thompson, Lizzie

Fire

Dhingra, Atul*

Health

Aguirre, Graciela
 Andrus, Sholliett
 Bertman, Mary*
 Breazeale, Milburn
 Cline, Dennis

Colbert, Carol
 Dixon, Jose
 Hawley, John
 Johnson, Deborah
 Langot, Phebe
 Lanham, Pamela*
 Lucik, Ronald
 Nguyen, Bich
 Rideau, Sharon
 Salinas, Alicia
 Sharretts, Kenneth Jr.
 Watkins, Viola
 Woodard, Keith
 Young, Joyce

Housing

Valius, Mary

Houston Emergency Center (HEC)

McCann, Betty
 Simpson, Gloria

Houston Municipal Employees Pension System (HMEPS)

Conson, Tamara*
 Frazier, Betty
 McAfee, Bernard*

Human Resources

Foster, Kay
 Mosqueda, Victor

Information Technology

Bechtold, Chris*
 Watley, Cynthia*

Legal

Hogan, Maria

Library

Bhatia, Kamaljeet

Municipal Courts

Blackmon, W.E.B.*
 Goodwin, Tonie
 Plata, Elvira

Parks & Recreation

Almaguer, Francisco
 Baker, Hubert
 Bell, Willie
 Cadena, Homero
 Carranza, Joe
 Crouch III, John
 Davis, Johnny
 Graves, Calvin*
 Johnson, Gail*
 Kriegel, Carol
 Lopez, Gil
 Mitchell, Louis
 Thomas, Delta
 Turner, Alvin
 Vercher, Donald*
 Walters, Gary

Planning

Alaniz, Talia*
 Litke, Robert
 McDowell, Robert

Police

Allen, Tommie
 Bonner, Charlotte
 Butera, Patricia
 Collins, Lois
 Fitzgerald, Susan*
 Frederick, Sheena*
 Harris, Keith*
 Haydon, Bonnie*
 Holman, Nathan*
 Igbani, Daralyon*
 Kay, Daniel
 Lastee, Edward
 Lewis, Douglas*
 Lloyd, Melva
 Maiden, Arthur*
 McMenemy, Debra
 Merritt, Hazel
 Patterson, John*
 Perez, Abdon
 Requena, Enrique
 Roper, Helen
 Smith, Gail
 Spade, Ella*
 Starnes, Betty

Stenger, Gordon*
 Tarver, Sheila*
 Williams, Mary
 Wroblewski, Gregg*

Public Works

Amos, Booker*
 Anderson, Eddie*
 Araiza, Robert*
 Arriaga, Jesse
 Bailey, Thelma*
 Bauer, Terry
 Blunt, Kedegra*
 Byrd, Pearl
 Chavira, Abraham
 Cordova, Gloria
 Creeks, Glinda
 Curry, Roy
 Daniel, Loretta
 Dean, Hope*
 Delao, Louis
 Delgado, Juan
 Dinh, Duc Cong
 Foster, Jimmy
 Garcia, Fernando*
 Gauthier, Leon
 Gutierrez, Rudolph*
 Hagan, Gladys
 Harris, Jerome
 Haywood, Sharon*
 Hensley, Patsy
 Hunter, Willie
 Jameeluddin, Mohammed*
 Jiles, Donald*
 Johnson, Larry
 King, Wilbert
 Lockings, Virgie
 Mallery, Theresa*
 Mallett, Walter*
 Martin, James
 Martinez, Rudy
 McClure, Danny
 McCutcheon, Elmo
 McDaniel, Stephen
 Mergele, Edwin
 Miller, Samuel
 Molett, Kenneth
 Moreno, Juan*
 Ngo, Ann

Nguyen, Phuc
 Nguyen, Phuong
 Perez, Maria
 Perry, Gerald
 Peterson, Morgan
 Phillips, Keith*
 Pichon, Percy*
 Pickens, Arthur
 Pitts, Shirley*
 Pleasant, E.L.
 Powers, Robert
 Price, Velma
 Rawlinson, David
 Richardson, Thomas
 Roman, Cecilia V. Fougera 'T
 Shepard, Gregory*
 Shepard, Jerry
 Srivastava, Brij
 Standfield, Lee
 Stewart, Christopher*
 Stolle, Earl
 Thierry, Frederick
 Tran, Luat Ngoc*
 Valdez, Ruben*
 Vasquez, Hector
 Vela, Cruz
 Washington, Billy
 Wilson, Lloyd*
 Windmeyer, Albert
 Winkler, Danny*

Solid Waste

Flemon, Stanley
 Johnson, Larry
 Johnson, Valerie
 Julian, Darrell*
 Lyons, Wade
 Paley, Gracie (Peavy)

*Deferred Retirement

In Remembrance

Active Employee and Retiree Deaths – September 8, 2005 to February 23, 2006

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

Adams, Quincy	Carter, Donnie	Garcia, Lilia**	Johnson, Nathan	Nauls, Lawrence	Suarez, Celso
Albanese, Josephine**	Carvalho, Tommie	Gaudin, Paul	Johnson, Pauline**	Nelson, Gale	Taylor, Willie
Allee, John	Chambers, Margaret	Gearner, Joyce	Johnson, Sammie	Norris, Roscoe	Tennison, Oscar
Allen, Nathaniel	Coffman, Clarence**	George, Henrietta	Jones, Johnny	Nunez, Santos**	Tews, Jeannette
Alvarez, Cecilio	Cole, Louis	Gould, Gordon	Key, Freddie	Patterson, Phillip	Thomas, Ocie
Anthis, Isaac	Collins, Annabelle**	Grothe, Ronald*	Knowles, Alvin	Peavy, Odessa**	Thompson, Rosie
Archer, Bobbye	Derry, Lucinda	Gunn, Stephen*	Landin, Diana*	Pena, Genevieve**	Thorne, Edmond
Ashby, David	Dorhauer, F.	Gutowsky, Theodora	Landry, James	Plumlee, Lovie**	Tredway, Anita
Bacile, Joe	Doxaras, W.R.	Guzman, Rosie**	Ledesma, Isabel**	Ramirez, Tony	Tredway, James
Battles, Frankie**	Doyle, Casesar	Haines, Bruce*	Lee, Charles	Rector, Leonard	Turnock, Marian**
Beard, Vesta**	Duncan, Guy	Handy, Arthur	Lee, Jerald	Richard, David	Ulmer, Clarence**
Bell, Belinda*	Dworsky, Albert	Harbeson, Mary**	Lyon, W.C.	Richards, L.W.	Valdez, Trinidad
Bell, James	East, Minnie**	Hathaway, Thomas*	Malbrough, Joseph	Rivera, Arthur	Wade, Margaret
Berry, Mary**	Ellis, Frank	Hayes, Ernestine**	Malcom, Frances	Roofner, Harold	Walker, Alfred*
Besser, Joyce	Elrod, Hubert	Haynes, Frank	Massey, Lucille**	Ruffino, Tony	Walker, James
Bishop, Raymond	Enriquez, Alejandro	Hencey, Dorothy	Matelski, Louis	Sanders, A.V.	Weaver, John**
Black-Spence, Ruby	Ernst, Robert	Hermes, Gerald	Mays, Ethel**	Santapolo, J.A.**	Williams, Doris
Bogany, Rosie**	Evans, Nadine**	Hernandez, Refugio	McKown, Jon	Saxon, Eddie	Wilson, Gladys**
Bray, Hazel	Fiesler, Charlotte**	Hines, Dorothy	McMillan, Olga**	Siddiqui, Muhammad*	Wingo, Glenn
Brien, Molly**	Fisher, John	Hood, Jimmy	Mejia, Alejo	Smith, Bernice**	Winkler, Lucie
Brown, Eva**	Flores, Deborah	Huff, Mary	Miller, Theo	Smith, Joel	Wolfe, Robert
Burton, Elvira	Flores, Jose	Janczak, Martha**	Mitchell, Freeman	Smith, Larry	Wright, Ida**
Carlisle, Robert	Fowler, Frank	Jefferson, Ruby	Moore, James	Smith, Ruby	Zapata, Ramon
Carnes, Michael	Fulkerson, Raymond	Johnson, Charlie	Morgan, William	Spain, Paul*	
Carnley, W.W.	Furlow, Edgar	Johnson, Clyde	Moss, E.B.	Stephens, Ewart	*Active Employee Death
Carter, Anna**	Galentine, Ester**	Johnson, Lillian**	Muir, Ann	Strickland, Robert	**Widow(er)

Pension Check Schedules

The following are the dates pension benefit checks will be mailed in the months ahead. The schedule will be strictly adhered to. Keep this schedule handy so you will know when your benefit check will be mailed.

- April 26, 2006
- May 26, 2006
- June 28, 2006
- July 27, 2006

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

- April 28, 2006
- May 31, 2006
- June 30, 2006
- July 31, 2006

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

HMEPS Investments

Market Values, as of 12/31/05

Domestic Equity	\$	466,416,571
International Equity		364,823,337
Fixed Income		267,372,176
Real Assets		254,241,167
Alternative Investments		254,989,987
Cash Equivalents		13,879,742
City of Houston Hotel Note		323,432,428
Total Fund	\$	1,945,155,408

- For calendar year 2005, the Fund's investment return was 13.63%.
- For the the first six months of fiscal year 2006 ending December 31, 2005 the Fund's investment return was 9.52%.

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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