



So, You're Thinking About a Plan Change!

Presented by
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September 13, 2022

Things You Need to Know

- What can be changed?
- How much will it cost?
- What's the process for implementation?

What Can You Change?

- Basic plan provisions
 - Employees' contribution rate (5%, 6%, or 7%)
 - City matching rate (1:1, 1.5:1, 1:2)
- Optional plan provisions
 - Updated Service Credit (50%, 75%, 100%)
 - COLA (30%, 50%, 70%)
 - Supplemental Death Benefit (Active employees / retirees)

Additional Changes You Can Make

- Reduce vesting requirement from 10 year to 5 year
- Reduce retirement eligibility from 25 year to 20 year
- Restricted Prior Service Credit
- Military Service Credit
- Buyback

How Much Will It Cost?



Comparison of Alternate Benefit Design(s)

FOR CITIES

2023 Rates

Plan Provisions	Current	Option 1	Option 2
Deposit Rate	5.00%	6.00%	7.00%
Matching Ratio	1 to 1	1 to 1	1 to 1
Updated Service Credit	100% (Repeating)	100% (Repeating)	100% (Repeating)
Transfer USC *	Yes	Yes	Yes
Annuity Increase	30% (Repeating)	30% (Repeating)	30% (Repeating)
20 Year/Any Age Ret.	Yes	Yes	Yes
Vesting	5 years	5 years	5 years
Supplemental Death Benefit	A & R	A & R	A & R
Contribution Rates	2023	2023	2023
Normal Cost Rate	2.70%	3.27%	3.84%
Prior Service Rate	1.01%	1.76%	2.52%
Retirement Rate	3.71%	5.03%	6.36%
Supplemental Death Rate	0.53%	0.53%	0.53%
Total Rate	4.24%	5.56%	6.89%
Unfunded Actuarial Liability	\$96,400	\$170,961	\$246,182
Amortization Period	20 years	20 years	20 years
Funded Ratio	94.0%	89.9%	86.1%
Stat Max	7.50%	8.50%	9.50%
Study Exceeds Stat Max	No	No	No

Are You Ready?

- Call TMRS and let us do the work for you!
- TMRS provides:
 - City Council presentations
 - Ordinance preparation
 - Employee education





Have questions? Please contact:

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