

TMRS E-Bulletin for Cities – Vol. 11
April 29, 2008

THIS ISSUE: TMRS Board Actions

The TMRS Board of Trustees met in Austin on April 24 and 25. On the 25th, they were joined by the TMRS Advisory Committee to hear a presentation on the December 31, 2007, actuarial valuation.

Items of note from the meeting included:

- The Board accepted the results of the actuarial valuation and approved city contribution rates for 2009. The valuation is the first performed for TMRS that is based on the Projected Unit Credit Actuarial Cost Method, as discussed extensively in previous TMRS communications. Cities that see a contribution rate increase of more than 0.5% based on the change in cost method and actuarial assumptions will be allowed to phase in the higher contribution rates over an 8-year period or they may choose to contribute at a higher rate. The valuation has been posted on the TMRS Website linked to the Publications page.
- The Board chose the investment firm BlackRock to provide fixed income advisory services for TMRS, and is specifically charged with shortening the duration of the fund's bond portfolio. This strategy is part of the diversification of the system's assets from an all-bond portfolio into a bond/equity mix.
- The Board and Advisory Committee received a report on the first meeting of the Legislative Stakeholders Group, held on April 17. Please see E-Bulletin #10 for a full account of the meeting.
- The Board interviewed three firms to provide actuarial services for TMRS and chose Gabriel Roeder Smith and Company for a five-year contract to begin no later than January 1, 2009.

City Rate Letters, containing your city's 2009 contribution rate and other information, will be mailed the week of May 5. The "Grid," the rate projection tool used by the TMRS staff to assist cities in determining benefit costs under various plan provisions, is also being updated and should be ready the same week.

Please call TMRS or send e-mail to communications@tmrs.com if we can help you or provide further information.

NOTE - Previously issued e-bulletins and correspondence are posted in the "Breaking News for Cities" section on the TMRS Website.