2019 Annual Seminar

Presentations Available at www.tmrs.com/ats.php
What Do Cities Need to Know?

Presenters:
Eric Davis, Deputy Executive Director
Debbie Muñoz, Member Services Director
David Rodriguez, Senior Regional Manager
City Services
TMRS Participating Cities

888 cities currently participate

Range in size from:
  • 13 cities with 1 employee
  • San Antonio with approximately 7,000 employees
  • Median city = 28 employees
  • 676 Cities with less than 100 employees

Geographically cover:
  Top (?) to Bottom (?), and
  Right (?) to Left (?)
Average Plan of TMRS Benefits

• 7% Employee Deposit Rate (47% of cities / 75% of members)
• 2 to 1 Matching Ratio (64% of cities / 92% of members)
• 5-Year Vesting (94% of cities / 93% of members)
• 20-Year Retirement Eligibility (71% of Cities / 92% of members)
• USC (598 cities adopted / 92% of all members potentially eligible)
• COLA (471 cities adopted / 80% of all retirees potentially eligible)

*all data as of February 1, 2019
June 4, 2019

City Official

TMRSS
P.O. Box 149453
Austin, TX 78761-4713

Subject: 2020 Municipal Contribution Rate

Dear City Official:

Potential below are your city’s contribution requirements to the Texas Municipal Retirement System (TMRSS) for Plan Year 2020 (Calendar Year 2020, FY 2020), as calculated by the December 31, 2019 actuarial valuation. The actuarially determined contribution rates for retirement benefits and Supplemental Death Benefits (SDB), if any, are based on your city’s plan provisions as of April 1, 2019 and the account assumptions and methods adopted by the TMRSS Board. Effective January 1, 2020, your city’s monthly contribution rates will be:

- Normal Cost: 11.175% of Pay Service
- FTE Service: 4.525% of Pay Service
- Total Rate: 15.70% of Pay Service
- Supplemental Death Benefit: 0.40% of Total Combined Contribution
- Total Combined Contribution: 16.10%

Full information on your contribution rate, including an explanation of changes and available rate stabilization techniques, is contained in the attached report. The Total Retirement Rate shown above represents the Actuarially Determined Employer Contribution (ADEC) for FY 2020 based on current TMRSS funding policy.

IMPORTANT NOTE: The pension disclosure and financial statement information necessary to assist your city with the financial reporting requirements of the Governmental Accounting Standards Board (GASB) will be provided in a separate document available later this summer.

If you have any questions about your rate or if you wish to evaluate potential changes in your TMRSS plan, contact TMRSS at (512) 463-8677.

Sincerely,

Erik W. Davis
Deputy Executive Director

Available at: tmrs.com | Cities | City Rate Letters
GASB 68 Information for Auditors

June 28, 2019

Finance Director
TMRS
P.O. Box 140153
Austin, TX 78714

Subject: 2019—Governmental Accounting Standards Board (GASB) Employer Reporting Package For Pensions (GASB Statement No. 68—Accounting and Financial Reporting for Pensions) Based on the Actuarial Valuation dated December 31, 2018

Dear Mayor: Director,

This reporting package contains data specific to your city (TMRS city or employer), to assist your city in complying with the reporting requirements of Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27. As a participating municipality with the Texas Municipal Retirement System (TMRS), your city should comply with provisions for an agent multiple-employer defined benefit pension plan.

Please also refer to the “Eye on GASB” section of the TMRS website for additional information related to the GASB pension standards. The reporting and disclosures are the responsibility of the city employer and the city’s independent public accountant.

If you have questions or require additional assistance, please contact TMRS at 800-924-8677 or email to pensionaccounting@tmrs.com.

Sincerely,

Rhonda H. Courmihan
Director of Finance

Available at: tmrs.com | Cities | Eye on GASB
TMRS Website...the Place to Go!

Main page:
www.tmrs.com
Adopting TMRS Plan Changes:

City Plan Changes Table

**Actions / Plan Option** | **How are plan options added or changed?**
--- | ---
Join TMRS | City Council, by ordinance
Increase employee contribution rate (up to 7%) | City Council, by ordinance; employee consent required
Reduce employee contribution rate | By reducing the rate by a certain percentage, than City Council or by ordinance
Change city matching ratio (either increase or decrease) | City Council, by ordinance; employee consent required
Reduce vesting requirement (from 12 years to 8) | City Council, by ordinance; employee consent required
Reduce retirement age/pension requirement to 20 years, with the option to increase | City Council, by ordinance; public hearing; employee consent required
Adopt USC | City Council, by ordinance; USC can be adopted as a whole or in phases
Delink existing USC calculations | City Council, by ordinance; USC can be delinked at any time
Delink existing USC | City Council, by ordinance
Delink COLA (30%, 70%, or 100% of USC calculation) | City Council, by ordinance; USC calculation can be delinked at any time
Delink existing USC calculation | City Council, by ordinance
Delink existing Supplemental Death Benefit | City Council, by ordinance
Military Service Credit | City Council, by ordinance
Restricted Prior Service Credit (also known as Prior Service Service) | City Council, by ordinance
Outlook of retired TMRS service | City Council, by ordinance; employees must have previously retired TMRS service, but not required for the purpose of the plan
Stop adding new employees* | City Council, by ordinance

*Due to the plan's design, TMRS will allow cities to exclude new employees if certain conditions are met.

| City Plan Changes Table |

**Basic Plan Options for New Cities**
- Employee contribution rate (6%, 9%, or 15%)
- City matching ratio: 5.1 to 1, 6.1 to 1, or 7.1 to 1
- Supplemental Death Benefit
- Retirement Eligibility (5 years of service and age 60, or 20 years of service at any age)

<table>
<thead>
<tr>
<th>When do changes take effect**</th>
<th>Outcome of changes</th>
</tr>
</thead>
</table>
| First of the month the ordinance is adopted | Installsopt-out retirement plan for new employees
| First of the month after the 90th day from adoption | Retrospective benefit for employees
| First of the month after adoption | Retrospective benefit for employees
| First of the month after 10 years | Retrospective benefit for employees
| First of the month after 20 years | Retrospective benefit for employees
| First of the month after 30 years | Retrospective benefit for employees
| First of the month after 40 years | Retrospective benefit for employees
| First of the month after 50 years | Retrospective benefit for employees
| First of the month after 60 years | Retrospective benefit for employees
| First of the month after 70 years | Retrospective benefit for employees
| First of the month after 80 years | Retrospective benefit for employees
| First of the month after 90 years | Retrospective benefit for employees
| First of the month after 100 years | Retrospective benefit for employees

Flyer posted at: tmrs.com | Cities | Resources for City Officials | Information for Cities
Contemplating a Plan Change?

1. Call TMRS and ask for a Plan Change Study
2. Also ask for Projection Report(s)
3. Call Veronica or Eric for a model ordinance — please call in advance of your need!
4. Once adopted, send a copy of the signed ordinance to TMRS
5. Look for the confirmation letter to make certain that we received the ordinance

Comparative info available at: tmrs.com | City Plan Provisions

From this page, you can view and print copies of your City Plan
City Services and Actuarial Services

For information about Ordinances and Plan Changes

Eric Davis
Deputy Executive Director

Veronica Escobedo
City Services Analyst

Leslee Hardy
Actuarial Services Director

Kenneth Oliver
Actuarial Analyst
Plan Change studies, from the TMRS Actuarial Grid, available from:

- City Services
- Actuarial Services
- Your Regional Manager

**This is the addition to the Initial Prior Service Rate for USC for transfers. There were 51 eligible transfer employees on the valuation date.**
Plan Change Study Projection Reports

### Summary of Proposed Benefit Provisions

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Pension Only</td>
</tr>
<tr>
<td>80% Normalized Service Rate</td>
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<td>Eduction: Multi-Phase</td>
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<td>Deaths: 25-29</td>
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### Projection Results - Pension Only

#### Projected Full Rates

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<tr>
<td>Annuity</td>
<td>4.4%</td>
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TMRS City Portal Log in

User Name

Forgot user name?

Password

Forgot password?

Log in

If your city is not using the City Portal, sign up now!

More information about the City Portal

Provide comments and ask questions about the City Portal

P.O. Box 149153 • Austin, Texas 78714-9153 • Tel: 512.476.7377 • Fax: 512.476.3570

City Portal Terms of Service

This Website is an informal presentation of the TMRS act and related law. If any specific questions of fact or law should arise, the statutes will govern. TMRS and TMRS City Portal are registered trademarks. The TMRS logo is a trademark of the Texas Municipal Retirement System.

©2019 Texas Municipal Retirement System.
More Information about the City Portal

City Portal Information

The City Portal gives city-designated users online access to their city and employee data. Through the City Portal (accessed through a secure web URL), users are able to generate reports, download confidential documents, run estimates for members, enroll new members, and submit payroll data via TMRS’s FTP site. Authorized Users can also view member account balances and service credit totals.

The City Portal may be accessed by Authorized Users designated by each city, and each city must choose one City Portal Administrator. Before cities may use the system, City Portal Administrators must review the Training Manual to ensure that the city’s other Users understand how to navigate the Portal, what information may be accessed, and the importance of safeguarding member confidentiality.

Online City Portal Training

The City Portal Administrator should follow these steps:

1. Download and print the City Portal Training Manual, which explains the purpose and use of the City Portal. Read this document first, and keep to serve as your user manual.
2. Download and read the “City Portal Use Agreement.” Obtain the proper signatures for your city and e-mail or fax the agreement to TMRS. This document requires the signature of someone authorized to sign legal documents for your city, such as your City Manager, Mayor, or Finance Director. Send a scanned PDF to CityPortal@tmrs.com or fax it to 512.476.5576.
3. After we receive the signed User Agreement, you will receive an email from “City Portal Administrator” that contains the URL to enable you to register to use the City Portal. In this step, you will choose your username and password for Portal access. NOTE: If you have not received your email within a week, check your spam filter, or if you cannot locate it, send an email to CityPortal@tmrs.com.

See also: City Portal • Terms and Conditions

If you have problems accessing any of these links, please send a note to the TMRS webmaster.
Member Services
Member Services Highlights

• Important to establish relationships between Cities and Member Services staff

• New cities — we can answer questions about how to submit payroll, other administrative details

• Ongoing Member Services relationship — frequently asked questions

• Being on the City Portal is IMPORTANT

• Keeping contacts up-to-date

• Phone Center — Who to call with questions
Member Services – Managers

Membership, Retirement, Support, and Phone Center teams

Debbie Muñoz
Member Services Director

Chad Nichols
Member Services Manager

Vikki Vasquez
Member Services Manager

Tricia Solis
Member Services Business Process Analyst

Jennifer Andrews
Member Services Manager
Member Services at Your Service!

Membership Team
(contributions, enrollments, account adjustments)

Retirement Team
(retirement, refunds, deaths, pay issues)

Support Services
(divorces, estate issues, HELPS)

Call Center
(one-stop shop, live operators, online real-time support)
Membership Team

Ongoing Challenges

• Data clean-up (missing dates of birth/gender)
• Late/missing payrolls
• Transitioning to electronic processing
  • New Member Enrollment
  • Electronic Payroll Submission

Future initiatives

• Continued effort to convert cities to electronic payroll submission
• Continued effort to reduce paper
• Modernize the City Contribution Reporting System
Retirement Team

Ongoing Challenges
• Managing large volumes of benefit applications and deaths in January/February
• Managing various paper forms per retirement application and the timely delivery of same
• Pay issues / lost paper checks / closed bank accounts

Future Initiatives
• Converting paper retirement application process to an electronic workflow
• Expanding MyTMRS to include
  • Direct deposit
  • Refunds
  • New retirements
Ongoing challenges

• HELPS insurance premium changes (over 2000 annually — mostly all in January)
• Manual COLA adjustments
• Increased number of deaths and divorces around holidays

Future initiatives

• Expansion of MyTMRS — HELPS Payments
• Continued effort to transition paper-driven workflows to electronic workflows
Ongoing Challenges

• Increased call volume December — March
• 1099 / COLA calls in January
• Statement calls in March
• 1099 calls again in April (tax time!)

Future initiatives

• Continued effort to maintain and improve call metrics
  • Answered 91% of all calls in 2018
  • Average talk time: 2.5 minutes
  • Average answer time: 29 seconds
• Continued effort to improve identity and access management
Future Initiatives ...

- Pension Administration System Modernization Program
- New phone system
- Member/City surveys
- Real-time statistics and analysis

- Online Security Enhancements
- Expanded Online Services
  - Refunds
  - Retirement
  - Direct Deposit
  - HELP payments
Communications Travel Team
Information for Cities – www.tmrs.com

• General information on all TMRS subjects is found on the website.
• Cities have a specific menu and announcement page.
Publications

For Cities
• *Main Street* newsletter
• Financial reports
• Payroll guide, City Portal Training Manual
• City-specific flyers

For Members and Retirees
• *INSIGHT* newsletter
• *RetirementWise* magazine
• Member Benefits Guide, other guides (also in Spanish)
• Flyers on benefits (also in Spanish)
E-News and Targeted Emails

Attend a free conference May 14 in Abilene

TMRS experts and a Social Security representative will answer your TMRS account questions. Welcome to bring a guest.

TMRS Direct

Read the latest issue of Retirement Wise

TMRS in the News

TMRS Board Member Profile: Delores Belcher at Victoria Next City Manager

Pension News - Texas

The Texas Senate passed TMRS legislation in SB18, SB31, on April 17. Track TMRS SB and other pension-related bills from the 86th Legislature on TMRS Legislative News page.

Board of Trustees Meeting

The Board of Trustees met on March 30 and April 12 in Austin. The Board received a presentation from consulting actuaries on the 2021 interest rate assumption and the impact on the TMRS Benefit Accumulation Fund and the interest rate on the fund. The Board also heard a presentation from ORBA on an actuarial statement of funds and a presentation from the 86th Legislative Session, including the TMRS reserve adjustments and the impact on the TMRS Benefit Accumulation Fund and the interest rate on the fund. The Board also approved a resolution to amend and approve the TMRS Investment Policy with enhancements for financial governance and internal controls.

Board of Trustees Email

TMRS E-bulletin

Your monthly summary from TMRS
COMMUNICATIONS DEPT – Travel Team

Face-to-face training for individuals and groups

Anthony Mills  
Senior Regional Manager

David Rodriguez  
Senior Regional Manager

Shannon Lucero  
Regional Manager

Sean Thompson  
Regional Manager

Lorraine Moreno  
Regional Manager

Colin Davidson  
Regional Manager
Events for Cities

• Annual Seminars – we’re glad you’re here!
• Executive Workshops
• City Correspondent Certification Courses

• Upon City’s request:
  • City Council briefings
  • Member Benefit fairs
  • Employee orientations
  • Other meetings
Events for Members – (Coordinated with Cities)

- Regional Pre-Retirement Conferences
- Mid-Career Meetings
Social Media

Follow us on

• Facebook
• Instagram
• Linked In
• YouTube (video hosting)
The Best Way to Learn How to Administer Your City’s TMRS Plan...

City Correspondent Certification Course!

To better serve cities, two types are offered:

• One-day overview course (contact your Regional Manager)

• Two-day formal course (TMRS provides meals, plans and advertises on the Events calendar; attendees register on Eventbrite)

Starting in 2020, both types are FREE!
REMEMBER...

Whatever your needs, whatever your questions, TMRS is always just a phone call away!

800-924-8677
Questions?

Presentations Available at www.tmrs.com/ats.php