

# MEMORANDUM

**TO:** MAYOR AND CITY COUNCILMEMBERS  
**FROM:** TAMMY GARCIA, DIRECTOR OF HUMAN RESOURCES  
**SUBJECT:** TMRS FUNDING  
**DATE:** JULY 15, 2014



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In 2008, action was taken by City Council to remove the annually repeating provision that automatically updated service credits and increased retirement annuities. This recommendation came on the eve of major revisions to the finance and accounting methods utilized by TMRS.

Since 2009 staff has been working with City Council to finance the phase in of the full contribution rate associated with the annually repeating provision. Maintaining the City's retirement plan and remaining competitive with other municipalities is an important factor in the City's ability to recruit and retain qualified employees.

As part of the budgeting process for FY 2015 I am presenting an update regarding the current structure and funding of the retirement program as well as options for continuing the effort to phase in the annually repeating provisions. Following the presentation Leslee Hardy, Decision Support Actuary/Director, for TMRS, and I, will be available to answer your questions regarding the retirement plan.