


# MEMORANDUM

**DATE:** 8/2/2018  
**TO:** Mayor Keil  
City Council  
**THRU:** Douglas Faseler, City Manager  
**FROM:** Tammy Garcia, Director of Human Resources   
**SUBJECT:** Ordinance adopting 2019 TMRS plan

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In 2014 City Council approved a resolution directing staff to financially prepare for the adoption of the annually repeating provision for both the annual annuity increase and updated service credit, by no later than fiscal year 2019. The annually repeating provision for the updated service credits was adopted in 2014 and the ordinance proposed tonight will adopt the annually repeating provision for increased prior and current service annuities.

The actuarially established contribution rate for 2019 (provided the annually repeating provision is adopted) will be 22.42% which is a 1.54% increase over the 20.88% rate budgeted for FY 2018. Staff recommends approval of the attached ordinance adopting the annual annuity increase on an annually repeating basis. Staff also recommends that the City adopt a contribution rate of 22.42% effective January 1, 2019 as provided for in the FY 2019 proposed budget.

I would be happy to respond to any questions you have regarding this item.