



May 30, 2014

City #00294

City Official  
City of Conroe  
P.O. Box 3066  
Conroe, TX 77305-3066

**Subject: 2015 Municipal Contribution Rate**

Dear City Official:

Presented below are your city’s contribution requirements to the Texas Municipal Retirement System (TMRS) for Plan Year 2015 (Calendar Year 2015, PY2015) as determined by the December 31, 2013 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 in effect as of April 1, 2014 and the actuarial assumptions and methods adopted by the TMRS Board. Effective January 1, 2015, your city’s monthly contribution rates will be as follows:

Normal Cost	9.27%
Prior Service	<u>7.18%</u>
Total Retirement Rate	16.45%
Supplemental Death Benefit	<u>0.00%</u>
Total Combined Contribution	16.45%

Due to the favorable plan experience, your city’s Full Retirement Rate has decreased below the Phase-in Rate. Therefore, the phase-in base is no longer applicable and the Full Retirement Rate is the minimum required contribution.

The actuarial liabilities and contribution rates determined as part of the December 31, 2013 actuarial valuation reflect a change in post-retirement mortality assumptions, actuarial cost method, and amortization policy. Please see the “Actuarial Changes” section for more detailed information. Full information on your rate, including an explanation of changes, and the pension disclosure data to assist your city with the reporting requirements of the Governmental Accounting Standards Board (GASB) are also contained in the attached report.

The Total Retirement Rate shown in the Full Rate column above represents the Annual Required Contribution (ARC) under GASB Statement No. 27 for PY2015.

If you have questions about your rate or if you wish to evaluate potential changes in your TMRS plan, contact TMRS at 800-924-8677.

Sincerely,

Eric W. Davis  
Deputy Executive Director