



June 2, 2016

City #00294

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

Subject: 2017 Municipal Contribution Rate

Dear City Official:

Presented below are your city’s contribution requirements to the Texas Municipal Retirement System (TMRS) for Plan Year 2017 (Calendar Year 2017, PY2017) as determined by the December 31, 2015 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, 2016 and the actuarial assumptions and methods adopted by the TMRS Board. Effective January 1, 2017, your city’s monthly contribution rates will be:

Normal Cost	9.87%
Prior Service	<u>6.48%</u>
Total Retirement Rate	16.35%
Supplemental Death Benefit	<u>0.00%</u>
Total Combined Contribution	16.35%

The Total Retirement Rate shown above represents the Actuarially Determined Employer Contribution (ADEC) for PY2017 based on current TMRS funding policy. The actuarial liabilities and contribution rates determined as part of the December 31, 2015 actuarial valuation reflect a change in actuarial assumptions based on the results of the 2015 experience study for the period ending December 31, 2014. Please see the “Actuarial Changes” section for more detailed information. Full information on your contribution rate, including an explanation of changes, is contained in the attached report.

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 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