



July 25, 2018

Via E-Mail

Ms. Lisa Norris  
Human Resources Director  
City of Grand Prairie  
P.O. Box 534045  
Grand Prairie, TX 75053-4045

Dear Lisa:

We are pleased to enclose a model ordinance for your city to adopt:

***"20-year any age" service retirement***

The actuaries have completed a study and have determined the additional cost to your city for adopting this benefit is 0.96%. Therefore, if your city elects to adopt the "20-year any age" service retirement eligibility provision, your full contribution rate for 2019 will be **17.05%**.

Prior to adoption of the "20-year any age" service retirement eligibility provision, TMRS statute requires that the adopting city hold a public hearing on the question of adoption pursuant to the notice provisions of the Texas Open Meetings Act, Chapter 551 of the Texas Government Code.

We would appreciate receiving a copy of this ordinance as soon as possible after its adoption.

If you have any questions or concerns, please do not hesitate to contact me at 1-800-924-8677.

Sincerely,

A handwritten signature in cursive script that reads "Eric W. Davis".

Eric W. Davis  
Deputy Executive Director

## Plan Change Study

00540 Grand Prairie

Proposed Plans

GRID 2019

*For Informational Purposes Only*  
Effective Date - January 1, 2019  
Report Date - July 25, 2018

<u>Plan Provisions</u>		<u>Current</u>	<u>1</u>
Deposit Rate		7.00%	7.00%
Matching Ratio		2 to 1	2 to 1
Updated Service Credit		100% (Repeating)	100% (Repeating)
Transfer USC **		Yes	Yes
Annuity Increase		70% (Repeating)	70% (Repeating)
20 Year/Any Age Ret.		No	Yes ✓
Vesting		5 years	5 years
<u>Contribution Rates</u>		<u>2019</u>	<u>2019</u>
Normal Cost Rate		10.06%	10.71%
Prior Service Rate		<u>5.85%</u>	<u>6.16%</u>
Retirement Rate		<b>15.91%</b>	<b>16.87%</b>
Supplemental Death Rate		<u>0.18%</u> (A & R)	<u>0.18%</u> (A & R)
Total Rate		<b>16.09%</b>	<b>17.05%</b> ✓
Unfunded Actuarial Liability		\$71,464,755	\$76,226,533
Amortization Period		25 years	25 years
Funded Ratio		87.1%	86.4%
Phase-In Total Rate		N/A	N/A

\*\*This is the addition to the Initial Prior Service Rate for USC for transfers. There were 120 eligible transfer employees on the valuation date.