



# TMRS Plan Update

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Adopting Texas Municipal Retirement System (TMRS) non-retroactive repeating COLAs and annual accrual updated service credits.



Council Presentation  
August 29, 2023



# Summary



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Ordinance authorizing updates to the City of Corpus Christi's Texas Municipal Retirement System.

- Adopting non-retroactive repeating COLAs for retirees and their beneficiaries under Texas Municipal Retirement System Act
- Authorizing annually accruing updated service credits



# Highlights



- Texas Legislature amended the TMRS Act to provide participating cities with a new non-retroactive COLA option effective January 1, 2024.
- The Legislation eliminates the retroactive calculation.
- The annuities of TMRS retirees will increase by 30% of the 2022 Consumer Price Index (CPI).
- Adopting the non-retroactive COLA will decrease the City's TMRS contribution rate from 16.57% to 16.29% creating an approximate savings of \$435,000 for FY24 and similar savings for future years.



# Corpus Christi's Current TMRS Plan



Contributing Members: 2867 employees

<b>Plan Provisions</b>	<b>Current</b>
Deposit Rate	7.00%
Matching Ratio	2 to 1
Updated Service Credit	100% (Repeating)
Transfer USC *	No
COLA	30% (Repeating)
Retroactive COLA	Yes
20 year/ Any Age Retirement	Yes
Vesting	5 years
Supplemental Death Benefit	None



# Proposed TMRS Plan



<b>Plan Provisions</b>	<b>Current</b>
Deposit Rate	7.00%
Matching Ratio	2 to 1
Updated Service Credit	100% (Repeating)
Transfer USC *	No
COLA	30% (Repeating)
Retroactive COLA	<b>No</b>
20 year/ Any Age Retirement	Yes
Vesting	5 years
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