TEXAS PENSION REVIEW BOARD

Investment Returns and Assumptions Report

Section 802.108. REPORT OF INVESTMENT RETURNS AND ASSUMPTIONS. (a) A public retirement system shall, before the 211th day after the last day of its fiscal year, submit to the board an investment returns and actuarial assumptions report that includes:

(1) gross investment returns and net investment returns for each of the most recent 10 fiscal years;

(2) the rolling gross and rolling net investment returns for the most recent 1-year, 3-year, and 10-year periods;

(3) the rolling gross and rolling net investment return for the most recent 30-year period or the gross and net investment return since inception of the system, whichever period is shorter;

(4) the assumed rate of return used in the most recent actuarial valuation; and

(5) the assumed rate of return used in each of the most recent 10 actuarial valuations.

(b) For purposes of this section, "net investment return" means the gross investment return minus investment expenses. The net investment return may be calculated as the money-weighted rate of return as required by generally accepted accounting principles. The period basis for each report of investment returns under this section must be the fiscal year of the public retirement system submitting the report.

(c) If any information required to be reported by a public retirement system under Subsection (a) is unavailable, the governing body of the public retirement system shall, before the 211th day after the last day of the public retirement system's fiscal year, submit to the board a letter certifying that the information is unavailable, providing a reason for the unavailability of the information, and agreeing to timely submit the information to the board if it becomes available.

TEXAS PENSION REVIEW BOARD

Instructions for completing form PRB-1000

Please complete all information in the attached form as available for the retirement system for which this information is being provided.

1. **General Guidance:** For all return percentages presented, please include the percent rounded to the nearest two decimal places.
2. **Actual Rate of Return**: The actual rate of return should be calculated based on the market value of assets and may be based on methodologies assumed to be reasonable by the retirement system for which this report is being prepared.
   a. **Gross Return Information -** For the purposes of this report, the "Gross Return" may be calculated as either net of administrative expenses, or not net of administrative expenses.
   b. **Net Return Information -** For the purposes of this report, "Net Return" equals the gross return net of investment expenses. The net investment return may be calculated as the money-weighted rate of return as required by generally accepted accounting principles.
3. **Administrative and Investment Expense Allocation**: In calculating the Actual Rates of Return, retirement system personnel should use professional judgment in determining the proper allocation of expenses between administrative and investment related activities.
   a. **Administrative Expenses** - Are incurred through the general administration of the fund. Examples include salaries or consultant costs for administrative, accounting, actuarial, or trustee services.
   b. **Investment Expenses** - Are incurred through the management and investment of fund assets. Examples include internal and external investment manager costs, investment consultant costs, investment training and related travel, and trading fees.
4. **Actuarial Assumed Rate of Return**: Provide assumed rate of return of the retirement system from the most recent ten actuarial valuations. If ten actuarial valuations are not available for the retirement system, please provide the assumed rate of return on all available actuarial valuations.
5. **Annualized Rolling Rates of Return**: Please provide the annualized rolling 1, 3, 10, and 30 year rates of return if available. If the retirement system's inception date is less than 30 years from the date for which data is being provided, please enter the since inception rate of return, and enter the system's inception date, or earliest date for which return information is available, in the Date of Inception table. If 30 year data is available, please leave the Date of Inception table blank. The date of inception is the date the fund began.
6. **Unavailable Information**: If any of the information requested is unavailable, please indicate so by entering "NA". Additionally, please complete the return and assumptions unavailable information section. If all information requested is provided, it is not necessary to complete this section of the form.
7. **Authorizer Certification:** This form requires authorization by individuals that are knowledgeable about the return performance of the retirement system for which this information is being provided. At least one of the individuals authorizing this form must be employed by, or a Board member, of the reporting entity. Each signing authorizer, representing the retirement System for which this report is being presented, shall review and authorize the information presented. Each authorized signatory is requested to provide contact information, including current phone number and email address.

Information provided in the document may be based on methodologies assumed to be reasonable by the reporting entity. The information provided may be unaudited and is considered the best approximation of the plan at the time of submission.