

Pension Review Board

P.O. Box 13498, Austin, TX 78711 • FAX: (512) 463-1882 • (800) 213-9425 or (512) 463-1736

INVESTMENT RETURNS AND ASSUMPTIONS REPORT

PRB-1000

Retirement System Profile

Houston Municipal Employees Pension System
713-595-0100

System Name

Phone Number: (xxx) xxx-xxxx

Peter Koops
pkoops@hmeps.org

Report Contact Name (Please Print)

E-mail Address

Actual Rate of Return

(Most Recent 10 Fiscal Years)

Fiscal Year End (MM/DD/YYYY)	Net Return (Percent)	Gross Return (Percent)	Gross Return Methodology	
			Not Net of Admin Expenses	Net of Admin Expenses
6/30/2017	12.420%	12.730%	<input checked="" type="radio"/>	<input type="radio"/>
6/30/2016	1.370%	1.650%	<input checked="" type="radio"/>	<input type="radio"/>
6/30/2015	3.120%	3.380%	<input checked="" type="radio"/>	<input type="radio"/>
06/30/2014	15.970%	16.390%	<input checked="" type="radio"/>	<input type="radio"/>
06/30/2013	13.170%	13.580%	<input checked="" type="radio"/>	<input type="radio"/>
06/30/2012	-5.10%	-1.40%	<input checked="" type="radio"/>	<input type="radio"/>
06/30/2011	21.80%	22.170%	<input checked="" type="radio"/>	<input type="radio"/>
06/30/2010	11.890%	12.240%	<input checked="" type="radio"/>	<input type="radio"/>
06/30/2009	-16.250%	-16.020%	<input checked="" type="radio"/>	<input type="radio"/>
06/30/2008	.190%	.470%	<input checked="" type="radio"/>	<input type="radio"/>

Gross Return Methodology - In the last column, please indicate the methodology used to calculate each gross return presented as either: The Gross Return is not net of administrative expenses or the Gross Return is net of administrative expenses.

Actuarial Assumed Rate of Return

(Most Recent 10 Actuarial Valuations)

Valuation Date (MM/DD/YYYY)	Assumed Return (Percent)	Assumed Return Methodology		
		Net All Expenses	Net Investment Fees Only	Other
07/01/2017	7.0%	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
07/01/2016	7.0%	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
07/01/2015	8.0%	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
07/01/2014	8.50%	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
07/01/2013	8.50%	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
07/01/2012	8.50%	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
07/01/2011	8.50%	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
07/01/2010	8.50%	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
07/01/2009	8.50%	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
07/01/2008	8.50%	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Assumed Return Methodology - In the last column, please indicate the methodology underlying each assumed rate of return as either: The return is net of all expenses; the return is net of investment fees; or, "Other". If "Other", please describe methodology used in **Additional Comments** section.

Information provided in this document may be based on methodologies assumed to be reasonable by the reporting entity. The information provided herein may be unaudited and is considered the best approximation of the plan at the time of submission. Additionally, the information provided in this document must be based on the fiscal year of the public retirement system submitting the report.

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LONG-TERM RATES OF RETURN

PRB-1000

Annualized Rolling Rate of Return Information

Please check the appropriate box for the methodology used to calculate the rates of return requested in the following section:

Arithmetic Mean Geometric Mean (Time-Weighted Return) Internal Rate of Return

Most Recent	1-Year Period	3-Year Period	10-Year Period	30-Year or Since Inception Period
Rolling Gross	12.730%	5.810%	6.110%	8.70%
Rolling Net	12.420%	5.530%	5.780%	8.240%

*If the system's inception date is less than 30 years from the report date, please enter the inception date:

Date of Inception (MM/DD/YYYY)	
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RETURNS AND ASSUMPTIONS – ADDITIONAL COMMENTS

Please use this text box to provide any additional information or commentary that may help clarify information provided in the previous form.

In February 2016, the HMEPS Board approved an assumed rate of return of 8.0% based on recommendations made by Gabriel, Roeder, Smith & Co., HMEPS' retained actuary, in a regularly scheduled experience study dated February 25, 2016. However, in the 85th session of the Texas Legislature, SB 2190 was enacted and established the investment return assumption as 7.0%, beginning July 1, 2016.

