

**Ordinance 21-00410**

**AN ORDINANCE PROVIDING FOR THE PARTICIPATION IN THE TEXAS MUNICIPAL RETIREMENT SYSTEM AND THE SUPPLEMENTAL DEATH BENEFITS FUND BY THE CITY OF MUSTANG RIDGE, TEXAS; AND TO MAKE CURRENT SERVICE AND PRIOR SERVICE CONTRIBUTIONS TO THE CITY'S ACCOUNT IN THE BENEFIT ACCUMULATION FUND OF THE TEXAS MUNICIPAL RETIREMENT SYSTEM AT THE ACTUARIALLY DETERMINED RATE OF TOTAL EMPLOYEE COMPENSATION.**

**WHEREAS**, Subtitle G of Title 8 of the Texas Government Code, as amended (herein after referred to as the "TMRS Act"), relating to the Texas Municipal Retirement System (the "System"), authorizes the governing body of each city or town to elect, at its option, to have one or more of the city departments participate in such System; and

**WHEREAS**, before joining the System the City of Mustang Ridge, Texas ("City"), provided retirement benefits to its employees that were funded partly or wholly by the City; and

**WHEREAS**, the City Council of the City of Mustang Ridge, Texas, now finds that it will be in the public interest for the City to have its employees participate in the System as hereinafter provided; now, therefore,

**BE IT ORDAINED BY THE CITY COUNCIL OF MUSTANG RIDGE, TEXAS:**

**Section 1.** The City Council of the City of Mustang Ridge, Texas, on behalf of said City, hereby exercises its option and elects to have this City and all of the employees of all departments now existing and those hereafter created participate in the System as provided in the TMRS Act.

**Section 2.** The Mayor is hereby directed to notify the Board of Trustees of the System that this City has elected to participate and have the employees of this City participate in said System.

**Section 3.** To qualify for participation in the System, each person who becomes an employee of this City on or after the effective date of this Ordinance must serve the City in a position that normally requires 1,000 hours or more per year, and if they qualify, they shall become a member of the System as a condition of their employment.

**Section 4.** Each employee of this City who is a member of the System is eligible to retire and receive a service retirement annuity if the member has at least 20 years of credited service in the System performed for one or more municipalities that have adopted a like provision under Section 854.202(g) of the TMRS Act.

**Section 5.** In accordance with the provisions of the TMRS Act, the deposits to be made to the System on account of current service of the employees of the several participating departments are hereby fixed at the rate of 5% percent (5%,6% or 7%) of the full earnings of each employee of said departments.

**Section 6.** Pursuant to Sections 853.105(d-1) and 853.303(a) and (a-1) of the TMRS Act, a zero percent (0%) prior service credit is hereby adopted and each employee who qualifies for such credit shall be allowed "excluded prior service credit" as defined in Section 851.001(8-a) of the TMRS Act. Excluded prior service credit: has no monetary value; may only be used to satisfy length of service requirements for vesting and retirement eligibility; and, may not be used to determine eligibility for or computation of updated service credits under the TMRS Act.



**Section 7.** For each month of current service rendered to this City by each of its employees who are members of the System, the City elects to provide for each such member at the time of his or her retirement, a sum that is 100% percent (100%, 150%, or 200%) of such member's accumulated deposits for such month of employment; and said sum shall be a liability of the City's account in the benefit accumulation fund.

**Section 8.** The City Administrator, or their assignee, is hereby directed to remit to the Board of Trustees of the System, at its office in Austin, Texas, the city contributions to the System and the amounts which shall be deducted from the compensation or payroll of employees, all as required by said Board under the provisions of the TMRS Act, and the said official is hereby authorized and directed to ascertain and certify officially on behalf of this City the number of months of prior service rendered to the City by each of the employees of the participating departments and make and execute all current and prior service or excluded prior service certifications and all other reports and certifications which may be required of the City under the provisions of the TMRS Act, or in compliance with the rules and regulations of the Board of Trustees of the System.

**Section 9.** The City hereby elects to participate in the Supplemental Death Benefits Fund of the System for the purpose of providing in-service death benefits for each of this City's employees who are members of said System, and for the purpose of providing post-retirement death benefits for retirees whose last covered employment was as an employee of this City, in the amounts and on the terms provided for in Sections 852.004, 854.601 through 854.605, 855.314, 855.408, and 855.502 of the TMRS Act, as amended.

**Section 10.** The City is hereby authorized and directed to notify the Executive Director of the System of adoption of this ordinance, and of the participation of this City in said Supplemental Death Benefits Fund.

**Section 11.** Pursuant to Section 855.407(g) of the TMRS Act, the City hereby elects to make future normal and prior service contributions to its account in the benefit accumulation fund of the System at such combined rate of the total compensation paid by this City to employees who are members of the System, as the System's actuary shall annually determine as the rate necessary to fund, within the amortization period determined as applicable to this City under the TMRS Act, the costs of all benefits which are or may become chargeable to or are to be paid out of this City's account in said benefit accumulation fund, regardless of other provisions of the TMRS Act limiting the combined rate of City contributions.

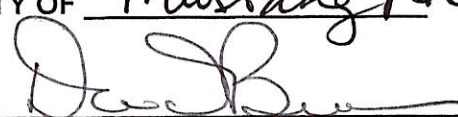
**Section 12.** The provisions of this ordinance shall become effective on the 1st day of January, 2022.

Passed and approved on this the 13<sup>th</sup> day of December, 2021.

ATTEST:

  
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Christina Gomez, City Secretary

APPROVED:

CITY OF Mustang Ridge, TX  
  
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Mayor David Bunn

