

ORDINANCE NO. _____

AN ORDINANCE PROVIDING FOR INCREASED PRIOR AND CURRENT SERVICE ANNUITIES UNDER THE ACT GOVERNING THE TEXAS MUNICIPAL RETIREMENT SYSTEM FOR RETIREES AND BENEFICIARIES OF DECEASED RETIREES OF THE CITY OF ADDISON; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City Council considered and approved the increased service annuities under the act governing the Texas Municipal Retirement System for retirees and beneficiaries of deceased retirees of the City at its regular meeting held on September 13, 2022; and

WHEREAS, the meeting packet for the September 13, 2022 City Council meeting inadvertently included an incorrect version of the ordinance for approval and execution, which was numbered Ordinance No. 22-33 and executed by the Mayor following approval of the item; and

WHEREAS, the City Council hereby desires to repeal Ordinance No. 22- 33 in its entirety.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. The Town of Addison, Texas (“City”) hereby approves the increased service annuities under the act governing the Texas Municipal Retirement System for retirees and beneficiaries of deceased retirees of the City, as follows:

- (a) On the terms and conditions set out in Sections 854.203 and 853.404 of Subtitle G of Title 8, Government Code, as amended (hereinafter referred to as the "TMRS Act"), the City hereby elects to allow and to provide for payment of the increases below stated in monthly benefits payable by the System to retired employees and to beneficiaries of deceased employees of the City under current service annuities and prior service annuities arising from service by such employees to the City. An annuity increased under this section replaces any annuity or increased annuity previously granted to the same person.
- (b) The amount of the annuity increase under this section is computed as the sum of the prior service and current service annuities on the effective date of retirement of the person on whose service the annuities are based, multiplied by **30%** of the percentage change in Consumer Price Index for All Urban Consumers, from December of the year immediately preceding the effective date of the person's retirement to the December that is 13 months before the effective date of the increase under this Section.
- (c) An increase in an annuity that was reduced because of an option selection is reducible in the same proportion and in the same manner that the original annuity was reduced.

- (d) If a computation hereunder does not result in an increase in the amount of an annuity, the amount of the annuity will not be changed hereunder.
- (e) The amount by which an increase under this Section exceeds all previously granted increases to an annuitant is an obligation of the City and of its account in the Benefit Accumulation Fund of the System.

SECTION 2. The initial increase in retirement annuities hereunder shall be effective on **January 1, 2023**, subject to approval by the Board of Trustees of the System. An increase in retirement annuities shall be made hereunder on January 1 of each subsequent year until this ordinance ceases to be in effect under subsection (e) of Section 853.404 of the TMRS Act, provided that, as to such subsequent year, the actuary for the System has made the determination set forth in subsection (d) of Section 853.404 of the TMRS Act, and provided further that, as to such subsequent year, the City has an ordinance in effect that provides for a simultaneous increase in updated service credits as that term is used in the TMRS Act.

SECTION 3. Ordinance No. 22- 33 is hereby repealed in its entirety and replaced with this ordinance, which shall be deemed effective as of September 13, 2022 upon passage.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas, on this the **11th** day of **OCTOBER**, 2022.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

APPROVED AS TO FORM:

Irma Parker, City Secretary

Whitt Wyatt, City Attorney