

ORDINANCE 03-2024

AN ORDINANCE TO: (1) DISCONTINUE PARTICIPATION IN THE TEXAS MUNICIPAL RETIREMENT SYSTEM FOR PERSONS EMPLOYED OR RE-EMPLOYED ON OR AFTER MAY 1, 2024, AND (2) CONTINUE PARTICIPATION IN THE SYSTEM'S SUPPLEMENTAL DEATH BENEFITS FUND FOR EXISTING EMPLOYEES AND RETIREES

Whereas, the City of Smiley, Texas (the "City"), elected to participate in the Texas Municipal Retirement System (the "System" or "TMRS") pursuant to Subtitle G of Title 8, Texas Government Code, as amended (which subtitle is referred to as the "TMRS Act"); and

Whereas, the City has also elected to participate in the supplemental death benefits fund ("SDB Fund") pursuant to the TMRS Act; and

Whereas, under the TMRS Act, each person who is or becomes an employee of the City on or after the effective date of the City's participation in the System in a position that normally requires services of 1,000 hours or more per year ("Employee") shall be a member of the System ("Member") as a condition of their employment; and

Whereas, TMRS Act §852.006 provides that a municipality may not terminate participation in the System if the municipality has Employees who are Members of the System, but the municipality may discontinue participation in the System of persons employed or re-employed after the date of an election to discontinue; and

Whereas, the City wants to maintain its coverage under, and continue its participation in, the SDB Fund for its existing Employees who are Members of the System and its existing retirees; and

Whereas, the City Council deems it in the public interest of the City to (i) discontinue participation in the TMRS retirement system for all City Employees employed or re-employed on or after May 1, 2024, and (2) continue its participation in the TMRS SDB Fund as described below, now, therefore:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SMILEY, TEXAS:

(a) The City Council elects to discontinue participation in the TMRS retirement system of any person employed or re-employed by the City on or after May 1, 2024.

(b) Each person who is an Employee of the City on April 30, 2024, or who has accrued or received benefits under the TMRS benefit plan in effect for the City on April 30, 2024, shall continue to participate in TMRS, in accordance with the TMRS Act and the terms and conditions in ordinances previously adopted by the City, and all TMRS benefits and obligations for such persons are accepted by the City.

(c) Each person who is an existing Employee or TMRS retiree of the City on April 30, 2024, shall continue to participate in the TMRS supplemental death benefits fund during such time as the City continues to maintain its coverage under and its participation in such SDB Fund, in accordance with the TMRS Act and the terms and conditions in ordinances previously adopted

by the City, and all TMRS supplemental death benefits and obligations for such persons are accepted by the City.

(d) This Section shall become effective on May 1, 2024, provided that the City adopts this Ordinance and delivers it to the System prior to that date.

(e) The City Manager, or their designee, is hereby directed to (i) notify the System that the City has elected to discontinue participation in accordance with the terms of this Ordinance; and (ii) provide the System with a copy of this Ordinance on or before April 30, 2024.

Passed and approved April 17, 2024, 2024.

ATTEST:

APPROVED:



Scott Jewett
City Secretary



Lisa Benavidez
Mayor

