



November 14, 2024

Ms. Jennifer Nateros
Director of Human Resources
City of Everman
212 Race St.
Everman, TX 76140

Dear Ms. Nateros:

We are pleased to enclose a model ordinance for your town to adopt:

**6% Employee Contribution Rate
&
100% Updated Service Credit with Transfers
70% Cost of Living Adjustment Increase to Annuitants
Both Annually Repeating
&
Removal of the Statutory Maximum Contribution Rate Limit
All Effective January 1, 2025**

By statute, when a town changes its employee contribution rate and the town currently offers Updated Service Credits (USC) and Cost of Living Adjustments (COLA) on an annually repeating basis, the town must readopt these annually repeating provisions. These re-adoptions are necessary because there are new USC/COLA costs associated with the new provisions. Therefore, the enclosed ordinance includes the town's re-adoptions of these benefits.

By adopting this ordinance, your town is agreeing to fully fund the costs of the pension benefits included in the town's plan. This ordinance will allow the town to impose its own "limit" on the contribution rate by using its discretion in determining which potential plan improvements to adopt, or not to adopt, based on the calculated contribution rate. The TMRS actuary will perform a valuation of the town's plan of benefits each year and forward this rate to your town.

As reflected in the Plan Change Study, beginning January 1, 2025, the town's contribution rate will be **12.55%**.

Please make sure the ordinance is adopted and signed before the effective date. When the ordinance is adopted, please send a copy to City Services at cityservices@tmrs.com.

If you have any questions about the model ordinance or anything else, please call me at 512-225-3742.

Sincerely,

A handwritten signature in blue ink, appearing to read "Colin Davidson".

Colin Davidson
Director of City and Member Services