

ORDINANCE NO. 800

AN ORDINANCE OF THE CITY OF MANOR, TEXAS, MAKING CHANGES TO THE CITY'S MUNICIPAL RETIREMENT SYSTEM BENEFITS, AUTHORIZING AN INCREASE TO THE EMPLOYEE CONTRIBUTION RATE, AND UPDATED SERVICE CREDITS; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN OPEN MEETINGS AND EFFECTIVE DATE CLAUSE; AND PROVIDING FOR RELATED MATTERS.

Whereas, the City of Manor, Texas (the "City") is a home-rule municipality; and

Whereas, 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, 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, House Bill 3161, 89th Texas Legislature, R.S., 2025, amended TMRS Act §855.401(a) to read that each municipality participating in the System shall designate the rate of Member contributions for Employees and shall elect a rate of five, six, seven, or – effective September 1, 2025 – eight percent of the Employees' compensation; and

Whereas, the City Council finds that it is in the public interest to: (1) increase the Employee contribution rate contributed to TMRS, and (2) in accordance with TMRS Act §§853.401 through 853.403, authorize Updated Service Credits.

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

Section 1. Finding of Fact. That the facts and recitations hereinabove set out are hereby found and declared to be true and correct and are incorporated herein as findings of fact.

Section 2. Increased Employee Contribution Rate.

(a) The rate of Employee contributions to be made by the City to the System shall be 8% the compensation of Employees who are Members, in accordance with TMRS Act §855.401. The City shall submit a monthly payroll report and deposit the amounts deducted from Employees' compensation to the System in accordance with TMRS Act §855.402.

(b) The increased Employee contribution rate under this Section shall be effective on the first day of the month of October 2025.

Section 3. Authorization of Updated Service Credits.

(a) On the terms and conditions set out in TMRS Act §§ 853.401 through 853.403, the City authorizes each Member of the System who on the first day of January of the calendar year immediately preceding the January 1 on which the Updated Service Credits will take effect (i) has current service credit or prior service credit in the System by reason of service to the City, (ii) has at least 36 months of credited service with the System, and (iii) is a TMRS-contributing Employee of the City, to receive "Updated Service Credit," as that term is defined and calculated in accordance with TMRS Act §853.402.

(b) The Updated Service Credit authorized and provided under this Ordinance shall be **100%** of the "base Updated Service Credit" of the TMRS Member calculated as provided in TMRS Act §853.402.

(c) The Updated Service Credit authorized and provided by this Ordinance shall replace any Updated Service Credit, prior service credit, special prior service credit, or antecedent service credit previously authorized for part of the same service.

(d) The Updated Service Credit authorized by this Section shall be effective on January 1 immediately following the year in which this Ordinance is approved, subject to receipt by the System prior to such January 1 and approval by the Board of Trustees of the System.

Section 4. Severability.

If any term, provision, or section of this Ordinance, or the application of any provision to any person or circumstance, is held invalid, the invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end, the provisions of this Ordinance are declared to be severable.

Section 5. Effective Date. This Ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Tex. Loc. Gov't. Code.

Section 6. Open Meetings. It is officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapt. 551, Loc. Gov't. Code.

PASSED AND APPROVED on this the 1st day of October 2025.

CITY OF MANOR, TEXAS

Dr. Christopher Harvey, Mayor

ATTEST:

Lluvia T. Almaraz, City Secretary