

**CITY OF SANGER, TEXAS**

**ORDINANCE 10-30-22**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANGER, DENTON COUNTY, TEXAS, REPEALING ORDINANCE 09-17-06; AND AUTHORIZING AND ALLOWING, UNDER THE ACT GOVERNING THE TEXAS MUNICIPAL RETIREMENT SYSTEM, "UPDATED SERVICE CREDITS" IN SAID SYSTEM ON AN ANNUAL BASIS FOR SERVICE PERFORMED BY QUALIFYING MEMBERS OF SUCH SYSTEM WHO AT THE EFFECTIVE DATE OF THE ALLOWANCE ARE IN THE EMPLOYMENT OF THE CITY OF SANGER; TO INCREASE THE RATE OF DEPOSITS TO THE TEXAS MUNICIPAL RETIREMENT SYSTEM BY THE EMPLOYEES OF THE CITY ESTABLISHING AN EFFECTIVE DATE FOR THE ORDINANCE; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A CUMULATIVE CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING A SAVINGS CLAUSE, AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Sanger (the "City") is a home rule municipality regulated by state law and Charter; and

**WHEREAS**, the City Council approved Ordinance 09-17-06 approving the TMRS Retirement contribution rate to 6% on September 18, 2006; and

**WHEREAS**, the City Council approved Ordinance 09-17-06 approving the 2006-2007 Fiscal Year Budget on September 28, 2006; and

**WHEREAS**, the City Council discussed the funding of the TMRS Retirement contribution increase for City of Sanger employees during a budget work session on July 18, 2022; and

**WHEREAS**, the City Council approved Ordinance 09-23-22 approving the 2022-2023 Fiscal Year Budget on September 19, 2022 funding the TMRS Retirement contribution increase for employees; and

**WHEREAS**, the City Council finds that the passage of this Ordinance is in the best interest of the citizens of Sanger.

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

**SECTION 1. Authorization of Updated Service Credits.**

(a) On the terms and conditions set out in Sections 853.401 through 853.404 of Subtitle G of Title 8, Government Code, as amended, (hereinafter referred to as the "TMRS Act"), each member of the Texas Municipal Retirement System (hereinafter referred to as the "System") who

has current service credit or prior service credit in the System in force and effect on the 1st day of January of the calendar year preceding such allowance, by reason of service in the employment of the City (hereinafter called the "City"), and on such date had at least 36 months of credited service with the System, shall be and is hereby allowed" Updated Service Credit" (as that term is defined in subsection (d) of Section 853.402 of the TMRS Act).

(b) The Updated Service Credit hereby allowed and provided for shall be 100% of the "base Updated Service Credit" of the member (calculated as provided in subsection (c) of Section 853.402 of the TMRS Act). If the City has previously adopted, or if it hereafter adopts an ordinance authorizing Updated Service Credit for unforfeited credit for prior service or current service with any other participating municipality, the calculations and adjustments set forth in Section 853.601 of the TMRS Act shall apply to any such transferred service.

(c) Each Updated Service Credit allowed hereunder 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 initial allowance of Updated Service Credit hereunder shall be effective on January 1, 2023, subject to approval by the Board of Trustees of the System. An allowance 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.

(e) In accordance with the provisions of subsection (d) of Section 853.401 of the TMRS Act, the deposits required to be made to the System by employees of the several participating departments on account of current service shall be calculated from and after the effective date of this ordinance on the full amount of such person's compensation as an employee of the City.

**SECTION 2. Increase Deposit Rate:** All employees of the City, who are members of the Texas Municipal Retirement System, shall make deposits to the System at the rate of 7% of their individual earnings effective the first day of January 2023.

**SECTION 3.** That all matters stated in the preamble are found to be true and correct and are incorporated herein as if copied in their entirety.

**SECTION 4.** It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, phrases and words of this Ordinance are severable and, if any word, phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining portions of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional word, phrase, clause, sentence, paragraph, or section.

**SECTION 5.** That this Ordinance shall be cumulative of all other City Ordinances and all other provisions of other Ordinances adopted by the City which are inconsistent with the terms or provisions of this Ordinance are hereby repealed.

**SECTION 6. Effective Date.** Subject to approval by the Board of Trustees of the System, this ordinance shall be and become effective on the 1st day of January 2023.

**PASSED AND APPROVED** by the City Council of the City of Sanger, Texas, on this 3<sup>rd</sup> day of October 2022.

**APPROVED:**

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**Thomas E. Muir, Mayor**

**ATTEST:**

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**Kelly Edwards, City Secretary**

**APPROVED TO FORM:**

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**Hugh Coleman, City Attorney**