

ORDINANCE NO. 55-2011

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 ABILENE, AND ESTABLISHING AN EFFECTIVE DATE FOR THE ORDINANCE.

WHEREAS, the City Council of the City of Abilene has heretofore adopted an ordinance under Section 853.404 of Subtitle G of Title 8, Government Code, as amended (hereinafter referred to as the "TMRS ACT"), which terminated automatically repeating increases in prior and current service annuities to retirees and beneficiaries of deceased members and instead allowed a determination on increases on an ad hoc basis as part of the annual budget process; and

WHEREAS, the City Council desires to adopt an ordinance that provides for increased prior and current service annuities to retirees and beneficiaries of deceased members;

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

- PART 1:** That by the terms and conditions set out in Sections 854.203 and 853.404 of 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.
- PART 2:** That 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 50% 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.
- PART 3:** That 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.

PART 4: That 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.

PART 5: That 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 Municipality accumulation fund of the System.

PART 6: Subject to approval by the Board of Trustees of the System, this ordinance shall be and become effective on the 1st day of January 2012.

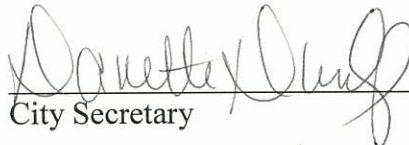
Passed and approved on first reading this 1st day of December, 2011.

A notice of the time and place, where and when said ordinance would be given a public hearing and considered for final passage was published in the Abilene Reporter-News, a daily newspaper of general circulation in the City of Abilene, said publication being on 11TH day of DECEMBER, 2011, the same being more than 24 hours prior to a public hearing being held in the Council Chamber of City Hall in Abilene, Texas, at 8:30 a.m. on the 15th day of December, 2011, to permit the public to be heard.

Passed and approved on final reading this 15th day of December, 2011

ATTEST:

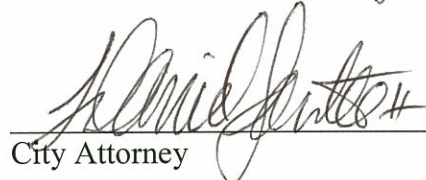
APPROVED:



City Secretary



Mayor



City Attorney