

Resolution

Whereas, the Texas Municipal Retirement System (TMRS) has provided Texas cities, municipal employees, and retirees a soundly funded, hybrid (“cash-balance”) retirement program for over 65 years that provides superior retirement security when compared to defined contribution plan alternatives; and

Whereas, the design of TMRS provides local control of retirement benefits so that cities may choose the level of benefits appropriate for their employees and their communities; and

Whereas, the design of the TMRS program requires each city to pay the annual required contribution to ensure that benefits remain soundly funded; and

Whereas, the TMRS Board of Trustees is committed to operating under the highest ethical standards and incorporating best practices for its actuarial and investment policies; and

Whereas, in recent years, TMRS has worked with constituent groups, including elected officials, employee associations, and representatives of city management, to craft important changes to the System that ensure its continued soundness; and

Whereas, the Board of Trustees studied the need for potential plan design changes during the most recent legislative interim period and after due consideration chose not to propose any changes to the current plan design at this time; and

Whereas, the Legislature of the State of Texas has historically been supportive of TMRS, the local control it provides to cities, and the high standards of its operations; and

Whereas, legislation may be proposed in the next session of the Texas Legislature to affect TMRS without regard to its actuarial condition, plan design, or potential impact on the sponsoring cities; therefore

Be It Resolved by the Board of Trustees of TMRS, that the Board strongly supports the continuation of the current hybrid (“cash-balance”) plan design, high operational standards, local control for cities, and commitment to actuarially sound funding policies that have characterized TMRS since its inception, and furthermore

Be it Resolved by the Board of Trustees of TMRS, that the Board encourages the Texas Legislature to continue their support of TMRS and not support any legislative proposals that would negatively impact TMRS.

Adopted by the TMRS Board on October 23, 2014