

ORDINANCE NO. 2025-O-007

AN ORDINANCE REGARDING THE CITY OF BLANCO'S TEXAS MUNICIPAL RETIREMENT SYSTEM BENEFITS AUTHORIZING AN INCREASE TO THE EMPLOYEE CONTRIBUTION RATE AND REMOVAL OF THE STATUTORY MAXIMUM CONTRIBUTION RATE LIMIT.

Whereas, the City of Blanco, Texas (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) authorize actuarially determined city contribution rate payments and remove the statutory maximum contribution rate limit ("StatMax"); now:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLANCO, TEXAS:

Section 1. Increased Employee Contribution Rate.

(a) The rate of Employee contributions to be made by the City to the System shall be **8%** of the compensation of City 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 2. Removal of Maximum Contribution Rate Limit.

(a) Pursuant to TMRS Act §855.407, the City elects to make normal service and prior service contributions to the City's account in the benefit accumulation fund of the System (the "City's BAF") at the combined rate of the total compensation paid to its Employees who are Members as the System's actuary annually determines is necessary to fund all obligations chargeable to the City's BAF, within the amortization period determined as applicable to the City under the TMRS Act and regardless of other TMRS Act provisions limiting the combined rate of City contributions.

(b) The removal of the maximum contribution rate limit under this Section shall be effective on the first day of the month of October, 2025.

Passed and approved September 9th, 2025.

ATTEST:

APPROVED:

Haylee Hartman
Deputy City Secretary

Gudy Caragea
Mayor

