

Ordinance providing for 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 Corpus Christi; and establishing an effective date for the ordinance.

Whereas, Ordinance #031602 provides for updated service credits on January 1 of each subsequent year until the ordinance ceases to be in effect (repeating), meeting the requirements of Texas Government Code §854.203; and

Whereas, the agreement between the City of Corpus Christi and the City of Corpus Christi Police Officers' Association, effective October 1, 2019 to September 30, 2023, provides for Updated Service Credits (100% repeating) and Annuity Increase 30% of CPI (repeating).

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:

Section 1. Increase in Retirement Annuities.

- (a) On the terms and conditions set out in Sections 854.203 and 853.404 of Subtitle G of Title 8, Government Code, as amended (hereinafter referred to as 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.
- (b) 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 **30%** 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.
- (c) 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.
- (d) 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.
- (e) 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 Benefit Accumulation Fund of the System.

Section 2. Dates of Increases. The initial increase in retirement annuities hereunder shall be effective on **January 1, 2020**, subject to approval by the Board of Trustees of the System. An increase in retirement annuities 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, and provided further that, as to such subsequent year, the City has an ordinance in effect that provides for a simultaneous increase in updated service credits as that term is used in the TMRS Act.

Section 3. 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 2020**.

That the foregoing ordinance was read for the first time and passed to its second reading on this the _____ day of _____, 2019, by the following vote:

Joe McComb _____

Michael Hunter _____

Roland Barrera _____

Ben Molina _____

Rudy Garza _____

Everett Roy _____

Paulette M. Guajardo _____

Greg Smith _____

Gil Hernandez _____

That the foregoing ordinance was read for the second time and passed finally on this the _____ day of _____ 2019, by the following vote:

Joe McComb _____

Michael Hunter _____

Roland Barrera _____

Ben Molina _____

Rudy Garza _____

Everett Roy _____

Paulette M. Guajardo _____

Greg Smith _____

Gil Hernandez _____

PASSED AND APPROVED on this the _____ day of _____, 2019.

ATTEST:

Rebecca Huerta
City Secretary

Joe McComb
Mayor