

A RESOLUTION OF THE TEXAS MUNICIPAL HUMAN RESOURCE ASSOCIATION SUPPORTING LEGISLATION PROPOSED BY THE TEXAS MUNICIPAL RETIREMENT SYSTEM TO IMPROVE THE PENSION PROGRAM.

WHEREAS, the Texas Municipal Human Resources Association consists of personnel and human resource directors and professionals representing Texas cities; and,

WHEREAS, one function of the Association is to seek improvements in the benefits cities may offer municipal employees, including retirement plans, in order to better assure a sound and competitive public workforce; and

WHEREAS, during the past year, the Texas Municipal Retirement System (TMRS), which serves Texas cities, conducted a comprehensive review of its policies, programs, and the corresponding economic impact on the ability of cities to afford a viable retirement pension plan; and,

WHEREAS TMRS has or will seek introduction and passage of a bill during the 81st Texas Legislature (2009) that will improve and preserve the strength of the TMRS pension program by:

(i) Guarantee interest credits to employee accounts and the annuity purchase rate for retirement calculations to be no less than 5% ; (ii) Seek authority for TMRS to credit unrealized gains and losses and establish that the employer accounts will bear the risk of TMRS investment performance and will receive a variable rate of interest each year ; and (iii) Use excess earnings to establish an adequate reserve account to stabilize contribution rates during years when returns are low.

WHEREAS, the Texas Municipal Human Resources Association has reviewed this proposal and finds that it protects both retirees and current municipal employees, and better assures that cities may be able to afford contributions to the TMRS plan;

NOW, THEREFORE, BE IT RESOLVED BY THE TEXAS MUNICIPAL HUMAN

RESOURCES ASSOCIATION:

SECTION 1. That the Texas Municipal Human Resource Association endorses and strongly supports the Legislation sought by the Texas Municipal Retirement System described above.

SECTION 2. That this resolution shall be effective on and after its adoption.

INTRODUCED AND PASSED by the Executive Board of the Texas Municipal Human Resource Association in a regular meeting on this 3rd day of December, 2008.

Bonita J Hall
_____, President