

AGENDA DECEMBER 19, 2019 LAVON CITY COUNCIL CITY HALL, 120 SCHOOL ROAD, LAVON, TEXAS SPECIAL MEETING 6:45 PM

- 1. PRESIDING OFFICER TO CALL THE MEETING TO ORDER AND ANNOUNCE THAT A QUORUM IS PRESENT
- 2. PLEDGE OF ALLEGIANCE AND INVOCATION
- 3. ITEMS FOR CONSIDERATION
 - **A.** Discussion action regarding Ordinance No. <u>2019-12-02</u> to increase the rate of deposits to the Texas Municipal Retirement System by the employees of the City of Lavon.
- 4. PRESIDING OFFICER TO ADJOURN THE CITY COUNCIL MEETING
 - 1. Notice is hereby given that members of the Lavon Economic Development Corporation Board, Lavon Planning and Zoning Commission, Parks and Recreation Board, and Reinvestment Zone #1 (TIF) Board of Directors may be in attendance at the Lavon City Council Meeting.
 - 2. The Council may vote and/or act upon each of the items listed in this Agenda except for discussion items.
 - 3. The Council reserves the right to meet in Executive Session closed to the public at any time in the course of this meeting to discuss matters listed on the agenda, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551, including §551.071 (private consultation with the attorney for the City); §551.072 (discussing purchase, exchange, lease or value of real property); §551.074 (discussing personnel or to hear complaints against personnel); and §551.087 (discussing economic development negotiations). Any decision held on such matters will be taken or conducted in Open Session following the conclusion of the Executive Session.

This is to certify that this Agenda was duly posted on the City's website at www.cityoflavon.com and at City Hall on or before 5:00 PM on December 16, 2019.

Kim Dobbs, City Administrator/City Secretary



Item:

Discussion action regarding Ordinance No. <u>2019-12-02</u> to increase the rate of deposits to the Texas Municipal Retirement System by the employees of the City of Lavon

Background:

The City of Lavon is a member of the Texas Municipal Retirement System (TMRS). Currently full-time employees are required to deposit 6% of their earnings into the system and the City matches at a rate of 2:1.

In TMRS, an employee contribution of 5% is the entry and lowest level of employee participation and 1:1 is the minimum City match. The maximum level of participation is a 7% employee contribution and 2:1 match.

In an effort to improve the levels of competitive compensation and benefits for the employees, the City Council voted to increase the contribution rate from 6% to 7%. An ordinance is required to adjust the contribution rate.

Of seventeen North Texas peer cities surveyed twelve cities (71%) were at 7%, four cities (33%) were at 6% (including Lavon) and one city (<1%) was at 5%. The City of Lavon does not participate in additional TMRS benefits that are listed on the attached survey sheet. Common benefits among peer cities include Updated Service Credits, Cost of Living Annuity and Military Service Credit.

Financial Consideration:

Funding was appropriated in the adopted budget.

Staff Notes:

Approval is recommended.

Attachments:

- 1) TMRS Ordinance
- 2) Survey of area cities

CITY OF LAVON, TEXAS ORDINANCE NO. 2019-12-02

TMRS Contribution Rate



TMRS-Dep

TEXAS MUNICIPAL RETIREMENT SYSTEM

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS TO INCREASE THE RATE OF DEPOSITS TO THE TEXAS MUNICIPAL RETIREMENT SYSTEM BY THE EMPLOYEES OF THE CITY OF LAVON.

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

Section 1. That all employees of the City of Lavon, who are members of the Texas Municipal Retirement System, shall make deposits to the System at the rate of **7%** of their individual earnings.

Section 2. This ordinance shall become effective on the 1st day of January, 2020.

DULY PASSED and APPROVED by the City Council of the City of Lavon, Texas, on the 19th day of December 2019.

	Vicki Sanson Mayor	
ATTEST:		
Kim Dobbs City Administrator/City Secretary		

TMRS Comparison Aug-19

		Municipal									
	Employee Deposit	Current Matching	Contributing		Vesting	Updated Updated Service Credit Annuity	Updated Service Credit		Annuity Increase Year	Military	Buv Back
City	Rate	Ratio	Members	Population	Requirements	Rate (%)	Year Effective	Increase (%)		Service Credit	Effective Date
Caddo Mills	%9	2-1	15	1,350	5 Yrs						
Fairview	7%	2-1	74	9,100	5 Yrs	100 T	2011R				
Farmersville	2%	2-1	35	3,542	5 Yrs	100 T	2005R	70	70 2005R		7/14/1992
Fate	7%	2-1	57	8,600	5 Yrs	100 T	2010R				
Garland	7%	2-1	2,094	231,517	5 Yrs	100 T	1999R	70	70 2008	Jan-90	1/16/1990
Greenville	2%	2-1	337	27,200	5 Yrs	100 T	1995R	70	70 2009	Jan-88	2/10/2004
Josephine	%9	1.5-1	11	1,000	5 Yrs	100 T	2007R				
Lavon	%9	2-1	18	3220	5 Yrs						
Lucas	7%	2-1	40	5,450	5 Yrs	100 T	2006R	70	70 2015R		
McKinney	7%	2-1	1,171	136,500	5 Yrs	100 T	1996R	70	70 2003R		
Murphy	7%	2-1	123	18,387	5 Yrs	100 T	2002R	70	70 2002R		
Parker	%9	2-1	25	3,958	5 Yrs	100 T	1998R				
Princeton	7%	2-1	66	2,069	5 Yrs	100 T	1992R	70	70 1992R	Jan-90	
Rockwall	7%	2-1	292	39,028	5 Yrs	100 T	2001R	70	70 2001R	93-Inl	8/2/1983
Royse City	7%	2-1	75	10,349	5 Yrs	100 T	2009R	30	30 2012R		
Sachse	2%	2-1	156	20,860	5 Yrs	100 T	1998R	70	70 1998R		
Wylie	7%	2-1	336	43,001	5 Yrs	100 T	1995R	70	70 1995R	Feb-89	12/12/2000