

TMHRA

Texas Municipal Human Resources Association

Eric W. David
Chief Service Officer
TMRS
P.O. Box 149153
Austin, TX 78714-9153

VIA E-MAIL: edavis@tmrs.com

Dear Eric:

This letter is to express support from the Texas Municipal Human Resources Association (TMHRA) for the legislative changes TMRS plans to present during the 87th Texas Legislature.

As communicated to TMHRA, TMRS plans to present two (2) benefit design changes that TMHRA believe will enhance the plan for annuitants and provided needed flexibility for cities. These design changes include:

1. A change to the Cost of Living Adjustment (COLA, or “Annuity Increase”) which would allow cities to make the retroactive “catch-up” feature optional for a COLA adoption or increase for annually repeating or ad hoc adoptions. TMHRA agrees that for many cities, this will make the adoption or increase of COLA more affordable and possibly increase the number of annuitants that would benefit from such a plan change from their city.
2. The addition of a Return-to-Work option would allow a retiree the ability to return to work for the same city from which they retired after one-year without suspension of their TMRS retirement annuity. As Human Resources professionals, TMHRA members have often faced situations when the retiree would like to return to the city from which they retired, and the city would like the employee back who has both experience and knowledge about the city and its operations. However, there is currently a disincentive for a retiree to return since their annuity will be suspended.

The TMHRA Board voted Tuesday, October 20, 2020 to support TMRS’ proposed benefit design changes and agree these changes will improve the TMRS retirement benefits. Please feel free to contact me if you have any questions.

Sincerely,



Paula J. Kutchka
TMHRA President 2020-2021
Director of Human Resources
City of Sugar Land