



CITY OF  
**FARMERS BRANCH**  
TEXAS

# TMRS: Restricted Prior Service Credit

CITY COUNCIL MEETING | JANUARY 21, 2025



## **Purpose**

To request City Council approval of an ordinance authorizing the addition of Restricted Prior Service Credit to the City's offerings under the Texas Municipal Retirement System (TMRS)

## **What is Restricted Prior Service Credit?**

Provides time credit for active-duty military service or previous full-time employment with any U.S. public employer, including federal, state, county or city

There is no limit on the amount of time credit that can be granted

An employee must apply with TMRS to receive prior public service time credit

# TMRS City Plan: Farmers Branch

## Farmers Branch

- Employee Deposit Rate:** 7%
- City Match:** 2:1
- Vested Requirement:** 5 years
- Eligible for Retirement:** 20 years
- USC Rate %:** 100%
- USC Transfer:** Yes
- COLA %:** 70%
- COLA Type:** Retroactive
- Military Service Credit:** Yes
- Restricted Prior Service Credit:** No
- SBD Employees:** Yes
- SDB Retirees:** No



# TMRS City Plan: Surrounding Cities

	Restricted Prior Service Credit
<b>Farmers Branch</b>	No
<b>Carrollton</b>	Yes
<b>Addison</b>	Yes
<b>Coppell</b>	Yes

\*An additional 27 surrounding cities also offer Restricted Prior Service Credit

<https://www.tmrs.com/city-plans>



# Restricted Prior Service Credit

## Key Points

- Promotes employee retention and recruitment
- Cost neutral
- Compliance with TMRS guidelines

## Things to Consider

- Eligibility restrictions
- No monetary value



# Requested Action

Request City Council approval of an ordinance authorizing the addition of Restricted Prior Service Credit to the City's offerings under the Texas Municipal Retirement System (TMRS)

## Next Steps (if approved)

1. Upon City Council approval, staff will submit the ordinance to TMRS for implementation
2. TMRS will update the city's plan documents to reflect the adoptions of restricted prior service credit
3. Employees will be notified of the new benefit and application process

