

HMEPS Plan Snapshot

HMEPS is a defined benefit pension plan covering all municipal employees (except police officers and firefighters) employed full-time by the City of Houston, elected City officials, and the full-time employees of HMEPS. The System includes three groups – A, B and D – and provides service, disability and death benefits for eligible participants. Participants newly hired on or after January 1, 2008 automatically become members of Group D under the Meet and Confer Agreement with the City dated June 27, 2007. For Groups A and B, retirement eligibility is calculated on a points system based on age and years of service.

Member Benefits by Group (A, B and D)

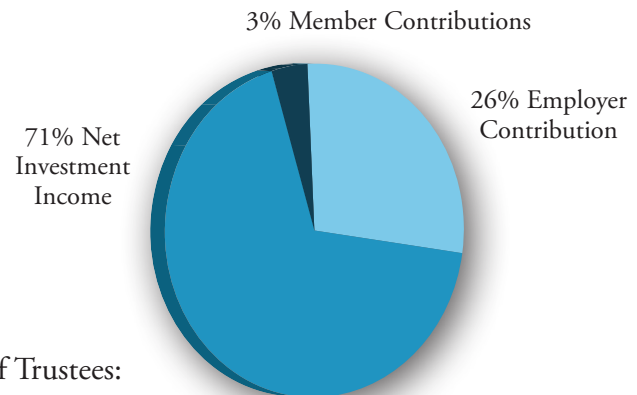
Group	Years for 50% Benefit	Employee Contribution	Retirement Eligibility	COLA	DROP
A 6,777 members	20 years	5% of Salary	75 Points (age + years of credited service)	2-3%	Yes
B 1,666 members	25 years	None	75 Points (age + years of credited service)	2-3%	Yes
D 3,338 members	30 years	None	Age 62 (Also early retirement w/reduced benefit)	None	No

Who Pays for Benefits

For FY2014, HMEPS revenues came from:

- 26% - City
- 3% - Members
- 71% - Investment Returns

Sources of Revenue - FY 2014



Who Governs the HMEPS Plan?

HMEPS is administered by an 11-member Board of Trustees:

- 4 Trustees appointed by the City: 1 Mayoral appointee, 1 Controller appointee, and 2 City Council appointees
- 4 Trustees elected by the active employees
- 2 Trustees elected by the retired employees
- 1 Trustee appointed by the elected Trustees