



**CITY OF MCALLEN
EMPLOYEE BENEFITS
MEMORANDUM**

To: Department Heads and Employees

From: Rebecca Ramirez, Benefits Coordinator

Date: June 1, 2006

Subject: Interest to Double for State Service Buybacks

EMPLOYEES: If you once worked with the State of Texas (former state employees) and refunded your service with ERS (the state retirement system), you may be eligible to repurchase this service credit and receive a pension from ERS as well as TMRS when you retire. Effective September 1, 2006, the penalty interest on repurchasing service credit from ERS will increase from 5% to 10% and if you wish buy back your State service, the best time to make the purchase is now.

There are two ways to inquire about the cost of your purchase:

- (1) submit an online service purchase request
- (2) Call ERS at 1-877-275-4377

For more information please contact ERS at 1-877-275-4377 and ask for the cost of purchasing refunded service. ERS will tell you the amount of credit you may re-establish and how much it will cost you. You may check out the ERS website at <http://www.ers.state.tx.us/Retirement/RefundedServiceCreditFAQ.htm>

If you have any questions, please do not hesitate to call me.