

**AGENDA ITEM 38**

Discuss and take appropriate action on year 2002 plan for TCDRS retirement plan.

Moved: **Judge Doerfler**

Motion: To adopt the same retirement plan as last year, to include increased retirement benefits.

*Judge Doerfler withdrew his motion.*

This item was tabled until the September 11, 2001 meeting.

< Attachment >



Post Office Box 2034  
Austin, Texas 78768-2034

901 MoPac South  
Barton Oaks IV, Suite 500  
Austin, Texas 78746-5789

tel: 800-823-7782  
512-328-8889

Fax 512-328-8887  
www.tcdrs.org

**BOARD OF TRUSTEES**

**Bill Melton, Chairman**  
County Treasurer  
Dallas County

**Martha Gustavsen,**  
**Vice-Chairman**  
County Treasurer  
Montgomery County

**Charlotte A. Carey**  
County Auditor  
Pecos County

**Mitch Liles**  
Director  
Denton County  
Adult Probation

**John Marshall**  
Chief Appraiser  
Tarrant County  
Appraisal District

**Steve Radack**  
County Commissioner  
Harris County

**Kathy Reeves**  
Tax Assessor-Collector  
Midland County

**Amador E. Reyna**  
Chief Appraiser  
Hardin County  
Appraisal District

**John G. Willy**  
County Judge  
Brazoria County

**STAFF**

**Joseph Cannon Froh**  
Director

**Paul J. Williams**  
Investment Officer

August 21, 2001

To: Subdivision Correspondents, County Judges and  
Presiding Officers of District Governing Boards

From: Plan Administration

Re: **Year 2002 Plan Change Documents – FIRST NOTICE**

Our most recent records indicate that we have not received the required Year 2002 plan change documents for your TCDRS retirement plan. All TCDRS subdivisions must submit at least one of the following by **December 31, 2001**:

- 1) the *No Plan Change Notice* signed by your subdivision correspondent, county judge, or presiding officer of the district governing board if your subdivision is making **no** plan changes for Year 2002;
- 2) the *Order/Resolution Adopting the Annually Determined Contribution Rate (ADCR or Variable-Rate) Plan For the First Time* if your Fixed-Rate subdivision plan is adopting the Variable-Rate plan for the first time;
- 3) the *Order/Resolution Amending the Annually Determined Contribution Rate plan* if your Variable-Rate subdivision plan is adopting different benefit levels, credits<sup>1</sup> or options<sup>2</sup> for Year 2002, or is adopting an optional higher employer contribution rate (elected rate)

The effective date of all plan changes will be January 1, 2002, provided a **certified copy** of the properly completed order or resolution is received at TCDRS offices by **December 31, 2001**. However, to ensure that there is adequate time to review, process, or make proper corrections to your order or resolution, we strongly recommend that you submit it before **December 1, 2001**.

Plan changes submitted after December 31, 2001 cannot be implemented. Failure to submit the necessary order or resolution by the December 31, 2001 deadline will result in your subdivision plan deemed to have made no plan changes for Year 2002. Variable-Rate plans will default to the calculated required employer contribution rate for Year 2002 (line 7 of *Exhibit A for Year 2002*), unless a higher optional contribution rate was elected in a previous year and that elected rate exceeds the Year 2002 calculated required contribution rate shown on line 7 of the *Exhibit A for Year 2002*.

If your subdivision would like other benefit level plans presently not shown on the *Exhibit A for Year 2002*, please contact TCDRS and request a *Supplemental Exhibit A for Year 2002*.

If you have questions, please call Plan Administration at (800) 823-7782.

<sup>1</sup> Please contact TCDRS no later than October 1, 2001 if your subdivision wishes to inquire about potential buyback costs.

<sup>2</sup> Contact TCDRS to request supplemental rate information regarding the new 20-Year Retirement Eligibility option.

**AGENDA ITEM 39**

**Consider awarding contract for Outside Audit Services.**

Julie Kiley of the Auditor's office addressed the court regarding proposals for outside audit services.

Proposals were received from the following:

Padgett, Stratemann & Company  
Patillo, Brown & Hill, LLP  
Sanderson, Knox & Belt, LLP

Todd Brooks of Patillo, Brown & Hill, LLP addressed the court concerning the outside auditing process and answered questions.

Judge Doerfler requested that the preliminary audit report be presented to the Commissioners' Court.

Moved: **Commissioner Heiligenstein**

Seconded: **Commissioner Limmer**

Motion: To award the contract for outside audit services to Patillo, Brown & Hill, LLP, and to form an audit committee to interact with Patillo, Brown & Hill regarding the audit, consisting of Commissioner Heiligenstein, Commissioner Limmer and County Auditor David Flores.

Vote: **4 – 1** with Commissioner Boatright voting against the motion.

< Attachment >