



**ORDER AMENDING THE ANNUALLY  
DETERMINED CONTRIBUTION RATE PLAN  
(Variable-Rate County) - Revised 2002**

Subdivision # 345

**PART ONE: Form of Minutes for Adoption of Order**

THE STATE OF TEXAS

COUNTY OF Williamson

On this the 10th day of September, 2002, the Commissioners Court of  
Williamson County, Texas ("the County") was convened in Special  
session with the following members present:

<u>John C. Doerfler</u>	County Judge
<u>Michael Heiligenstein</u>	Commissioner, Precinct #1
<u>Gregory Boatright</u>	Commissioner, Precinct #2
<u>David Hays</u>	Commissioner, Precinct #3
<u>Frankie Limmer</u>	Commissioner, Precinct #4
<u>Nancy E. Rister</u>	County Clerk

Mr./Ms. Judge Doerfler moved that the order, (**Exhibit One of these minutes**), be adopted by the County. The motion was seconded by Mr./Ms. Commissioner Limmer, and was adopted with the following members — voting **AYE**: Judge Doerfler, Commissioner Heiligenstein, Commissioner Boatright, Commissioner Hays, and Commissioner Limmer; and the following members voting **NO**: \_\_\_\_\_, and \_\_\_\_\_.



**ORDER AMENDING THE ANNUALLY  
DETERMINED CONTRIBUTION RATE PLAN  
(Variable-Rate County) - Revised 2002**

**PART TWO: Form of Order to be Adopted and Included in Minutes**

**Exhibit One**

**Commissioners Court Order Amending the Annually Determined Contribution Rate Plan  
and Making Plan Selections Thereunder  
(Subchapter H, Chapter 844)**

**WHEREAS**, the County is a participating subdivision in the Texas County and District Retirement System (hereafter "System") under Subtitle F, Title 8, Government Code (hereafter "TCDRS Act"); and

**WHEREAS**, the County previously adopted the Annually Determined Contribution Rate Plan under Subchapter H, Chapter 844 of the TCDRS Act and made certain elections and selections authorized by said Act; and

**WHEREAS**, the Commissioners Court finds it to be in the public interest to amend or add to the selections previously made by the County; now, therefore, be it **ORDERED**, That:

**I. Employee Deposit Rate**

For each payroll period from and after January 1, 2003, member deposits of each eligible County employee shall be made to the System at the rate of 7 %<sup>1</sup> of compensation; and such deposits shall be certified by the subdivision correspondent and transmitted to the System for deposit to the individual employee account.

**II. Current Service Credit Percentage**

For county service performed on and after January 1, 2003, each member shall receive *multiple matching credit*, which, when added to the rate used to determine the *current service credit* allowable under Section 843.403, will total 250 %<sup>2</sup> of the member's deposits. Current service credit for periods ending prior to January 1, 2003, shall be the greater of the rate in effect on December 31, 2002, or the rate to take effect January 1, 2003.

**III. Prior Service Credit Percentage**

Allocated (special) prior service credits granted to any member by the County and in effect on December 31, 2002, shall be recomputed at 175 %<sup>3</sup> of the maximum (special) prior service credit of each member affected.

<sup>1</sup> 4%, 5%, 6% or 7%, unless a lower percentage is required under Section 844.703(h) of the TCDRS Act.

<sup>2</sup> The percentage may be 100%, 125%, 150%, 175%, 200%, 225% or 250% or the percentage currently in effect.

<sup>3</sup> Must be a multiple of 5%; may be the same as, but not less than the percentage previously adopted



**ORDER AMENDING THE ANNUALLY  
DETERMINED CONTRIBUTION RATE PLAN  
(Variable-Rate County) - Revised 2002**

**IV. Selection and Adoption of Other Optional Credits and Benefits**

Effective January 1, 2003, in accordance with Section 844.704 of the TCDRS Act, the County adopts the following additional rights, credits and benefits (see footnote <sup>4</sup>):

☒ **Increase in Existing Annuities (CPI-Based Increase) under Sec. 844.208 at the rate of 60 %**  
The percentage rate may be 30%, 40%, 50%, 60%, 70%, or 80% of the change in the Consumer Price Index (CPI).

☐ **Increase in Existing Annuities (Flat-Rate Increase) under Sec. 844.209 at the rate of \_\_\_\_\_ %**  
The percentage rate must be an integer (e.g., 1%, 2%, 3%, etc.).

**NOTE: ONLY ONE OF THE ABOVE OPTIONAL INCREASES IN EXISTING ANNUITIES MAY BE SELECTED UNDER THIS ORDER**

☐ **Optional Benefit Eligibility Plan Two (8-year/Age 60 Retirement Eligibility) under Sec. 844.210**  
8-year service eligibility requirement for vesting, service and disability retirement. Please do not initial if your county has previously authorized this option.

☐ **Optional Benefit Eligibility Plan Three (Rule of 75 Retirement Eligibility) under Sec. 844.211**  
A member shall have the right to retire and receive a service retirement annuity when the years of such credited service added to his or her years of attained age equals or exceeds seventy-five (75). Please do not initial if your county has previously authorized this option.

☐ **Optional Benefit Eligibility Plan Four (20-Year/Any Age Retirement Eligibility) under Sec. 844.212**  
A member shall have the right to retire and receive a service retirement annuity when the years of such credited service equals or exceeds twenty (20). Please do not initial if your county has previously authorized this option.

☐ **Reinstatement (Buyback) of Previously Forfeited Service Credit under Sec. 843.003**  
You must have received an actuarial study describing the potential employer costs for granting this credit. If you have not obtained such a study as a prerequisite to selecting this option, please contact TCDRS before October 1.

☐ **Credited Service for Qualified Military Service (10-Year Requirement) under Sec. 843.601(c)**  
Please do not initial this option if your county has previously authorized this credit.

☐ **Credited Service for Qualified Military Service (8-Year Requirement) under Sec. 843.601(g)**  
Please do not initial this option if your county has previously authorized this credit.

☐ **Pre-Membership Service Credit under Sec. 843.204**  
You must have received an actuarial study and supplemental Exhibit A describing the additional employer rates for granting this credit. If you have not obtained such a study as a prerequisite to selecting this option, please contact TCDRS before Sept 1.

☐ **Partial Lump-Sum Payment on Service Retirement under Sec. 844.009**  
At service retirement, this option allows members to receive a portion of their retirement benefit in the form of a partial lump sum distribution that cannot exceed 100% of their account balance. Please do not initial if your county has previously authorized this option.

<sup>4</sup> An explanation of all plan options can be found in the attached instructions or by contacting TCDRS. In order to adopt any of the optional rights, credits and benefits described in this section, the County Judge must initial in the space preceding each option selected. Please refer to the Exhibit A for Year 2003 to determine the additional employer contribution rate associated with adopting a particular optional right, credit and benefit described in this section.



**ORDER AMENDING THE ANNUALLY  
DETERMINED CONTRIBUTION RATE PLAN  
(Variable-Rate County) - Revised 2002**

**V. Employer Contribution Rate**

The County hereby undertakes to make monthly normal contributions and prior service contributions to the System at an employer contribution rate that equals or exceeds the total calculated employer contribution rate (*i.e.*, the calculated employer contribution rate plus the rates for any optional rights, benefits and credits elected in Section IV) determined from year to year by the actuary of the System, and approved by the Board of Trustees of the System as provided by Subchapter H of Chapter 844. Such employer contribution rate, which does not include the rate for "picked-up" contributions under Section 845.403(i) and the rate, if any, for contributions to the Supplemental Death Benefits Fund under Section 845.406, shall not exceed the statutory maximum employer contribution rate prescribed by Section 844.703(c) (*currently 11 percent*) unless this Commissioners Court elects to waive that statutory limit. Any waiver of the statutory maximum rate made in accordance with Section 844.703(c) shall remain in effect until January 1 of the year following the year in which the Commissioners Court repeals the waiver. An employer contribution rate adopted by the Commissioners Court that exceeds the total calculated employer contribution rate shall remain in effect for each subsequent year until rescinded by the Commissioners Court. **For the 2003 year, the County shall make subdivision contributions to the System at the total employer contribution rate of 10.26 %<sup>5</sup>.**

<sup>5</sup> The employer contribution rate should equal either (a) or (b):

- (a) the Total Rate shown on the Exhibit A for Year 2003, plus the sum of:
  - 1) the rate for the cost-of-living annuity increase under Section 844.208 (CPI-Based Benefit Increase) or under Section 844.209 (Flat-Rate Benefit Increase), if authorized; plus
  - 2) the rate for 8-year vesting and retirement eligibility at age 60, if authorized; plus
  - 3) the rate for Rule of 75 early retirement eligibility, if authorized; plus
  - 4) the rate for 20-year retirement eligibility at any age, if authorized; plus
  - 5) the rate for Partial Lump-Sum Distribution option, if authorized; plus
  - 6) the rate for Pre-Membership credit, if authorized (refer to the *Supplemental Exhibit A*)

**OR**

- (b) any percentage rate (e.g., 4%, 4.50%, 7%, 8%, 8.75%, 9.90%, 10%, 11%) that is equal to or greater than the rate computed in accordance with the instructions set out in (a) immediately above. The County may elect to contribute at a total calculated employer contribution rate in excess of 11% or at an elected rate in excess of 11% only if the County waives the statutory maximum employer contribution rate limit in accordance with section 844.703(c). The waiver of the statutory maximum employer contribution rate remains in effect until revoked by the Commissioners Court. If the County elects to contribute at a rate above the required rate, that elected rate will remain in effect unless changed by subsequent Commissioners Court order. However, if the total calculated employer contribution rate exceeds the elected rate in a subsequent year, the County must pay at the higher calculated employer contribution rate.



**ORDER AMENDING THE ANNUALLY  
DETERMINED CONTRIBUTION RATE PLAN  
(Variable-Rate County) - Revised 2002**

---

**V. Employer Contribution Rate (continued)**

**Election to Waive the Statutory Maximum Employer Contribution Rate Limit**

Please note that the County Judge **MUST** sign the following election, but **ONLY IF**:

1. The Commissioners Court is adopting optional rights, credits or benefits that produce an employer contribution rate in excess of 11 %; or
2. The Commissioners Court is adopting an elected employer contribution rate in excess of 11% (refer to footnote 5 on the previous page).

Effective January 1, 2003, the Commissioners Court elects to waive the statutory maximum employer contribution rate limit as prescribed by Section 844.703(c).<sup>6</sup>

\_\_\_\_\_  
Signature, County Judge

**VI. Other Participation Provisions Continued**

Except as modified by this order, the orders previously adopted by the Commissioners Court relating to participation in the System and in effect on December 31, 2002, are continued in effect.

---

<sup>6</sup> Information regarding the waiver of the statutory maximum employer contribution rate can be found in the instructions or by contacting TCDRS.



**ORDER AMENDING THE ANNUALLY  
DETERMINED CONTRIBUTION RATE PLAN  
(Variable-Rate County) - Revised 2002**

---

**PART THREE: Clerk's Certification**

I, Nancy E. Rister, Clerk of Williamson County and  
ex-officio Clerk of the Commissioners Court, do hereby certify that the foregoing is a full, true and correct  
copy of: *Commissioners Court Order Amending the Annually Determined Contribution Rate Plan and  
Making Plan Selections Thereunder*, and of the official minutes pertaining to its adoption, as the same  
appear of record in the official minutes of the Commissioners Court of the County.

SEAL



Given under my hand and seal of office this 17<sup>th</sup> day  
of October, 2002.

Nancy E. Rister

County Clerk and Ex-Officio Clerk of the Commissioners Court



**EXHIBIT A - Present Plan and Sample Plans for Year 2003**  
**Williamson County — TCDRS Employer # 345**

	Present Plan	Plan 1	Plan 2	Plan 3	Plan 4
<b>BASIC PLAN</b>	Plan Type	Variable Rate	Variable Rate		
	Employee Deposit Rate	7%	7%		
	Matching Rate	250% (\$2.50/\$1)	225% (\$2.25/\$1)		
	Prior Service Credit	175%	175%		
	Vesting Provision	8 Yrs	8 Yrs		
	Rule of Provision	Rule of 75	Rule of 75		
<b>RATES</b>	Normal Cost Rate	7.88%	7.14%		
	UAAL Rate	2.36%	2.18%		
	<b>Total Rate<sup>(2)</sup></b>	<b>10.24%</b>	<b>9.32%</b>		
<b>ASSETS &amp; LIABILITIES</b>	Actuarial Assets	\$ 47,668,267	\$ 47,668,267		
	Actuarial Liabilities	\$ 59,547,027	\$ 58,687,042		
	Funding Ratio	80%	81%		
	UAAL (Unfunded Amount)	\$ 11,878,760	\$ 11,018,775		
	Years to Finance	20.0 Years	20.0 Years		
<b>OPTIONAL BENEFITS</b>	8-year Vesting <sup>(2)</sup>	adopted	adopted		
	Rule of 75 <sup>(2)</sup>	adopted	adopted		
	20-year Retirement <sup>(2)</sup>	.14%	.13%		
	Partial Lump-Sum <sup>(2)</sup>	.27%	.23%		

Only one of the two types of Optional Benefit Increases may be elected in any given year. The increase will begin January 2003. Future increases must be adopted in future years.

<b>Optional Benefit Increase for Current Retirees and Beneficiaries</b>			
<b>CPI-Based Benefit Increase</b>		<b>Flat-Rate Benefit Increase<sup>(3)</sup></b>	
<b>Increase Basis<sup>(4)</sup></b>	<b>Additional Rate</b>	<b>Increase Basis</b>	<b>Additional Rate</b>
30% of CPI	.00%	1%	.02%
40% of CPI	.00%	2%	.05%
50% of CPI	.00%	3%	.07%
60% of CPI	.02%	4%	.10%
70% of CPI	.06%	5%	.12%
80% of CPI	.10%	6%	.15%

**Notes**

- (1) For comparison, the calculated employer contribution rate for 2002 under the Present Plan is 9.97%.
- (2) Calculated employer contribution rates must be increased by the additional contribution rate applicable to any of the optional benefits (8-year vesting, rule of 75, 20-year retirement eligibility, partial lump-sum option, benefit increases for annuitants) being adopted for 2003. Benefits that produce total calculated employer contribution rate greater than 11% cannot be adopted unless you continue your waiver of the maximum contribution rate of 11%.
- (3) The Flat Rate Benefit Increase may be any whole number increase, including increases above the 6% shown on this Exhibit A. Contact TCDRS for additional rates.
- (4) The actual increase under the CPI-Based Benefit Increase may be less if previous increases have been awarded.
- (5) The most recent adoption of the CPI-Based Benefit Increase was 60% in 2002; the Flat Rate Benefit Increase has never been adopted.

If you would like rate information on benefit plans not shown on this statement, please contact TCDRS at 800-823-7782 and ask for Plan Administration.

May 06, 2002 2:44 PM

**RECORDERS MEMORANDUM**

All or parts of the text on this page was not clearly legible for satisfactory recordation.