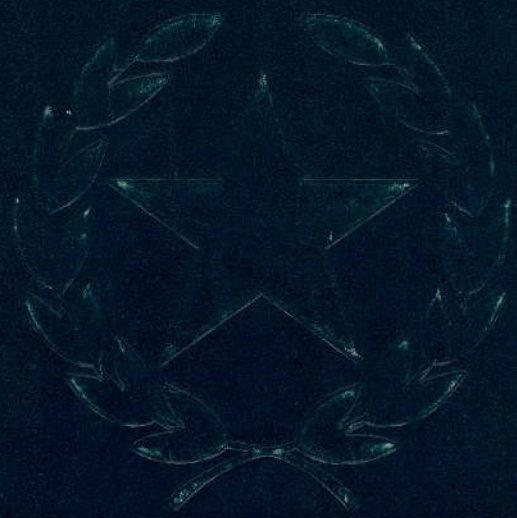


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# TEXAS MUNICIPAL RETIREMENT SYSTEM

THIRTY-THIRD ANNUAL REPORT - 1980







## The Chairman's Message

TO: ALL MEMBERS AND OFFICIALS OF CITIES PARTICIPATING  
IN THE TEXAS MUNICIPAL RETIREMENT SYSTEM

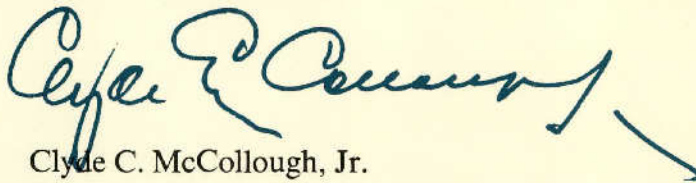
On behalf of the Board of Trustees of the Texas Municipal Retirement System, it is my pleasure to submit to you the Thirty-third Annual Report for the year ended December 31, 1980.

During the year 1980, the System continued to experience rapid growth in all areas. Total assets increased at the rate of 19.8 % to \$446.8 million; total membership increased by 2,852 to 60,667; and the number of participating cities currently stands at 394, an increase of 23 for the year.

The Board was very pleased this year to be able to increase the interest rate on employee and city matching monies to 9% and increase the 1980 distribution of investment earnings to retired members. The distribution to retired members was increased from an amount equal to twice the regular monthly checks to an amount equal to two and one-half times the regular monthly check and was paid on December 31, 1980.

We welcome your continued assistance and cooperation as we strive to improve the System for the benefit of all members.

Respectfully submitted,



Clyde C. McCollough, Jr.  
Chairman, Board of Trustees

Government Documents

JUL 6 1981 ✓

Dallas Public Library



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## Board of Trustees

**Clyde C. McCollough, Jr.**  
Retirement/Insurance Coordinator  
City of San Antonio

**Ernest M. Briones**  
Director, Department of Planning  
and Urban Development  
City of Corpus Christi

**George E. Dibrell**  
City Manager  
City of Port Arthur

**Virgil C. Gray**  
City Manager  
City of Brownwood

**Jerry H. Hodge**  
Mayor  
City of Amarillo

**Leland D. Nelson**  
City Manager  
City of University Park

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**Jimmie L. Mormon**  
Director

**Ray Henry**  
Controller

**Ira Craig Hester**  
Investment Officer

**Gaynor Kendall**  
Legal Counsel

**Robert M. May**  
Consulting Actuary

## Investment Advisor

Duff-Phelps, Inc.

## Medical Board

C. P. Hardwicke, M.D.

H. L. Williams, M.D.

Joe T. Gilbert, M.D.

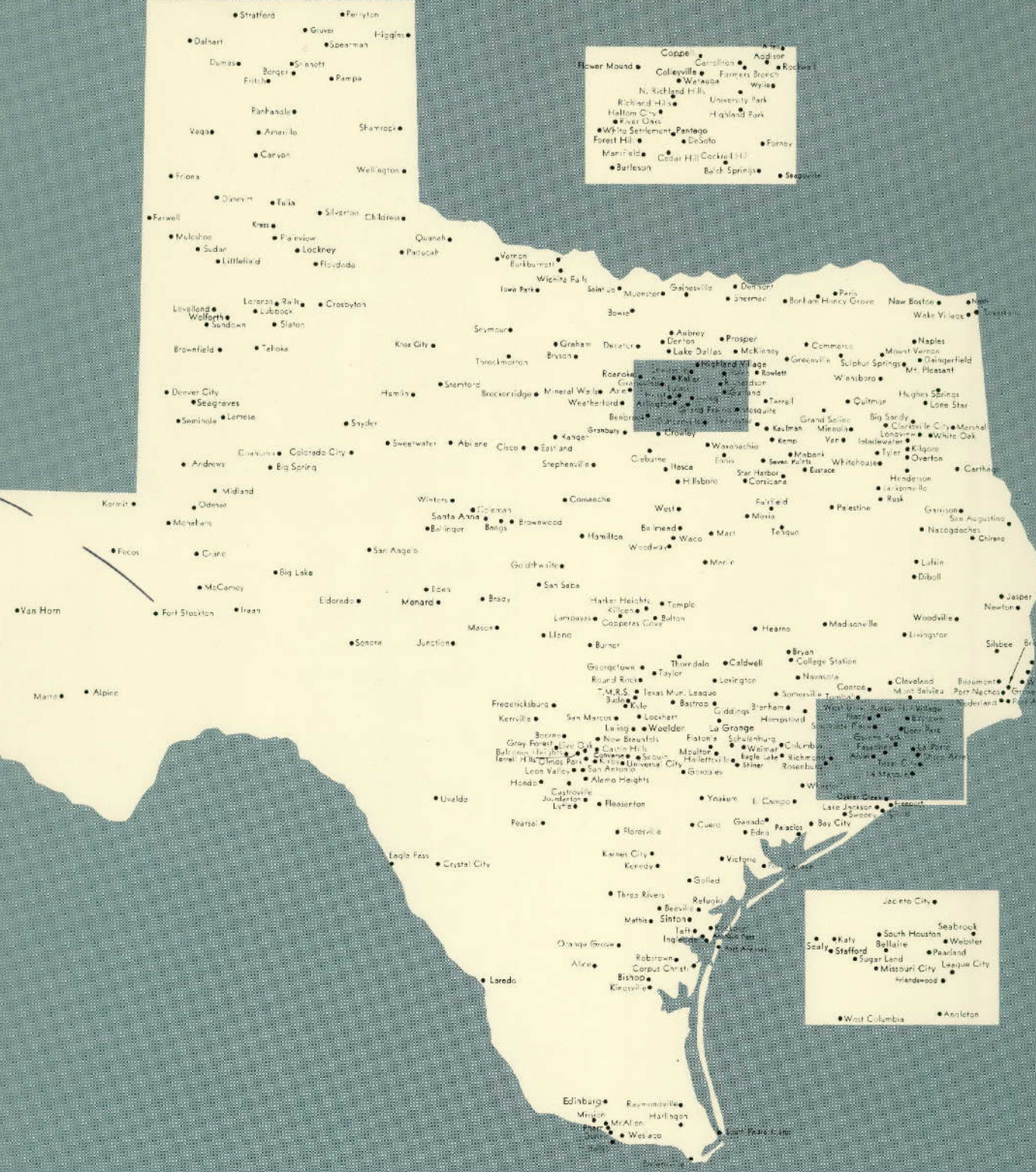
## Consulting Actuaries

Rudd & Wisdom, Inc.

## Auditors

**Harold V. Simpson & Company**  
Certified Public Accountants





# TEXAS MUNICIPAL RETIREMENT SYSTEM

## 1980 Member Cities



## Significant Achievements / 1971-1980

- 1971** • Interest rate was increased to 4.5%.
  - Earnings on investment surpassed \$4 million.
  - Listing of retirement estimates was furnished to cities on all employees.
- 1972** • The System's Twenty-Fifth Anniversary was observed.
  - Total assets surpassed \$100 million.
  - Total membership surpassed 35,000.
  - Investment earnings exceeded \$5 million.
  - Interest rate was raised to 6.0%.
  - Number of retirement annuities being paid exceeded 2,000.
  - Number of cities providing vesting and earlier retirement eligibility exceeded 100.
  - Retirement estimates were added to each member's statement of deposits.
- 1973** • Number of member cities surpassed 250.
  - Interest rate was increased to 6.5%.
  - Total assets surpassed \$125 million.
  - New employee members for the year exceeded 10,000.
  - Earnings in investments exceeded \$6 million.
- 1974** • Total assets surpassed \$150 million.
  - Number of retirement annuities being paid surpassed 2,500.
  - Interest rate was increased to 7.5%.
  - Number of cities providing vesting exceeded 150.
  - Investment earnings exceeded \$8 million.
  - Retirement Options 4A and 4B were added.
- 1975** • Total assets surpassed \$175 million.
  - Total membership surpassed 45,000.
  - Investment earnings surpassed \$10 million.
  - Number of member cities exceeded 300.
  - Updated service credit retirement annuity increases, and "buy-back" of service credit legislation was enacted.
  - Retirement estimates were expanded to include all options except Options No. 1 and No. 2.
  - Over 100 cities adopted updated service credit and/or increases to retirees.
  - Interest rate was increased to 8.0%.
- 1976** • Total assets surpassed \$225 million.
  - Investment earnings surpassed \$15 million.
  - Retirement estimates were expanded to include Options No. 1 and No. 2.
  - Over 100 retirement program improvements were adopted by cities during the year.
  - Number of retirements being paid surpassed 3,000.
  - Over 50% of all retirees have received increases.
- Updated Service Credits have been granted to over 50% of all employee members.
- 1977** • Total assets surpassed \$250 million.
  - Number of retirements being paid surpassed 3,500.
  - Total membership surpassed 50,000.
  - Construction on the TMRS office building began.
  - Regular interest was increased to 4% (interest on employee and city matching funds was maintained at 8%).
  - All retirements on the rolls as of June 30th received annuity increases at no cost to the cities.
  - Supplemental Death Benefits legislation was enacted.
  - Fractional service retirement benefits legislation was enacted.
  - New employee members for the year exceeded 12,000.
  - New retirements for the year exceeded 500.
- 1978** • Total assets surpassed \$300 million.
  - Investment earnings surpassed \$20 million.
  - Updated service credits have been granted to over 75% of all employee members.
  - Number of member cities exceeded 350.
  - The Supplemental Death Benefits Fund began operation.
  - New employee members for the year exceeded 13,000.
- 1979** • TMRS office building occupied.
  - Number of retirements being paid exceeded 4,000.
  - Total assets surpassed \$350 million.
  - Investment earnings surpassed \$25 million.
  - Total membership exceeded 55,000.
  - Legislation was enacted which allows cities to adopt a new Optional Benefits Package (provides for 10 year vesting, retirement at age 60 with 10 years of service, increased maximum entry age of 59, etc.), increases the maximum entry age from 49 to 54 for all cities, eliminates the mandatory retirement provisions, and allows the spouse or estate to elect certain benefit payment options upon the death of a member eligible to retire.
  - Payments to retired members exceed \$10 million.
- 1980** • Interest rate was increased to 9.0%.
  - Total assets surpassed \$400 million.
  - The annual distributive benefit paid to retirees was increased from 200% to 250% of their regular monthly benefit.
  - Total membership surpassed 60,000.
  - Gross receipts for the year exceeded \$100 million.
  - Investment earnings for the year surpassed \$30 million.



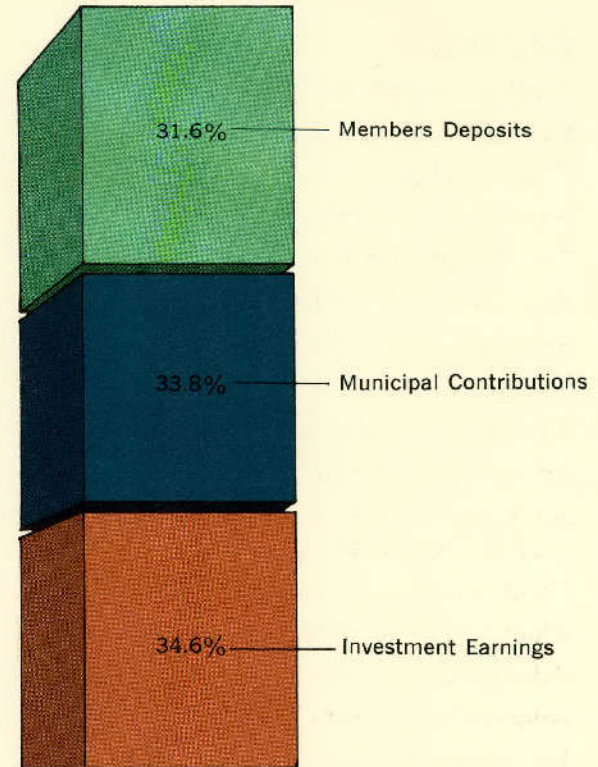
## Highlights

	1976	1977
Total assets .....	\$225.1 million	\$267.5 million
Employee members .....	44,140	46,957
Retired members .....	3,184	3,588
Total members .....	47,324	50,545
New employee members .....	11,023	12,897
Terminated employee members .....	8,871	9,570
Amount paid to terminated members .....	\$ 6.1 million	\$ 7.3 million
New retirements .....	396	510
Average value of new retirement annuities .....	\$ 25,412	\$ 32,367
Total amount paid to retirees .....	\$ 5.1 million	\$ 6.9 million
Interest rate on employee deposits .....	8.0%	8.0%
Additional benefits paid to retirees in the form of an extra check equal to .....	2 checks	2 checks
Member cities .....	321	345
Cities beginning participation .....	15	24
Adopted updated service credit .....	41	21
Adopted increases to retirees .....	35	18
Increased employee contribution rate .....	2	3
Increased maximum earnings limit .....	16	4
Increased city matching ratio (future service) .....	7	7
Adopted 20 year vesting and earlier retirement eligibility .....	20	31
Adopted supplemental disability benefits .....	20	27
Adopted provisions allowing service buy-back .....	9	5
Adopted supplemental death benefits .....		48
Adopted optional benefits package (10 year vesting, 10 years at age 60 retirement, maximum entry age of 59, etc.) .....		

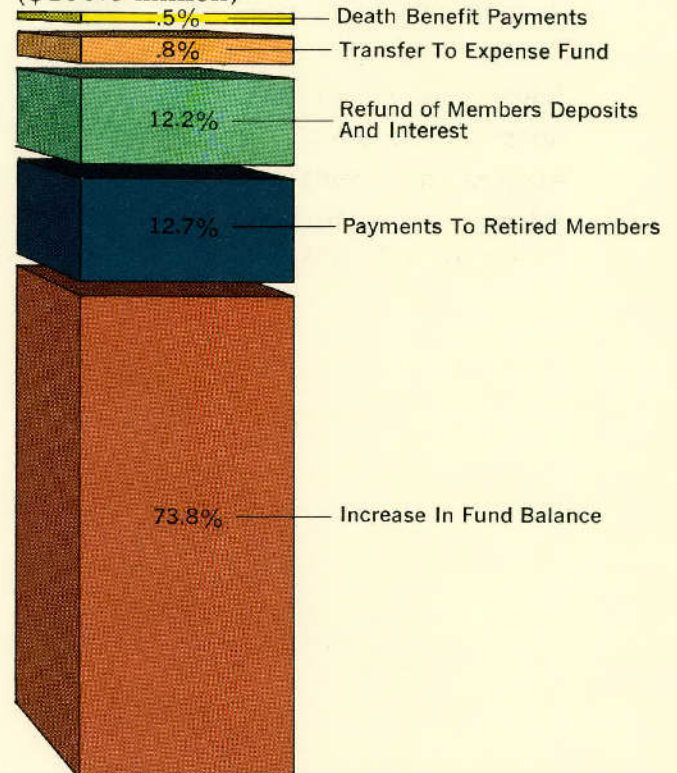


# 1980 Consolidated Trust Fund Changes

## Additions (\$100.6 million)



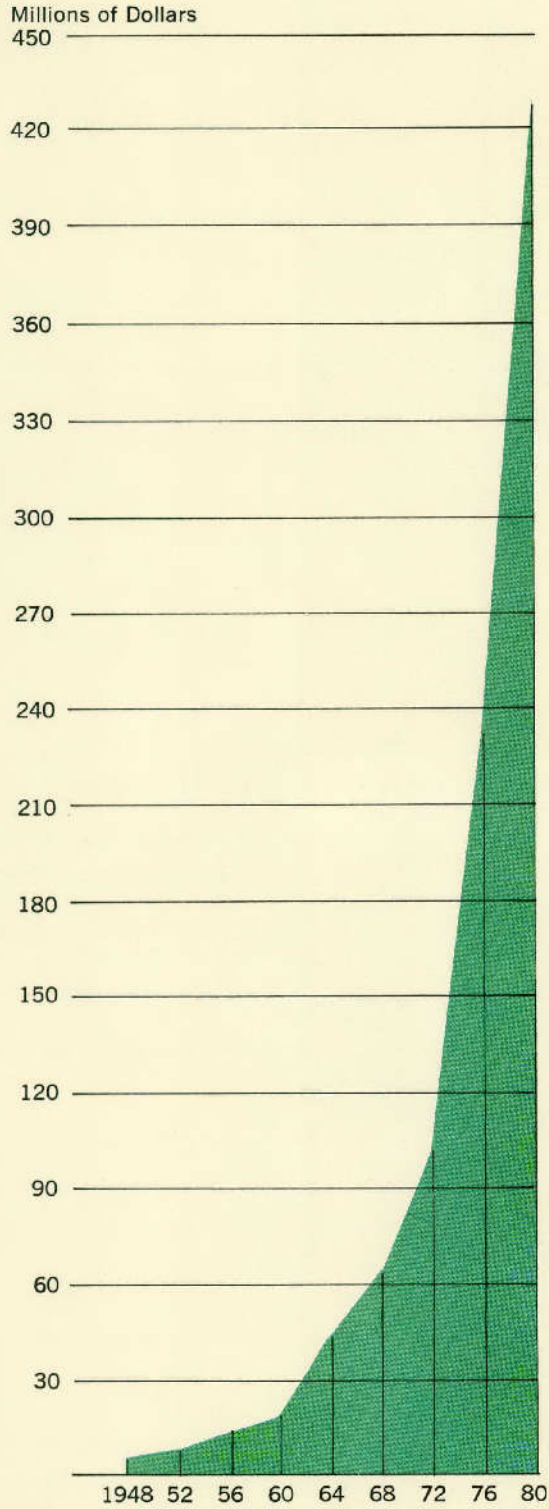
## Deductions and Net Increase (\$100.6 million)



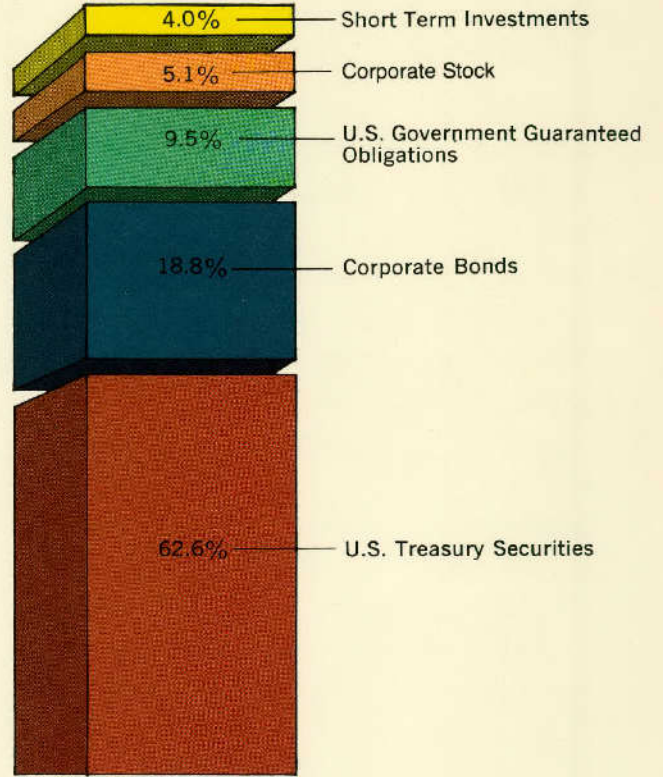
1978	1979	1980
\$314.1 million	\$372.8 million	\$446.8 million
49,415	53,666	56,231
3,845	4,149	4,436
53,260	57,815	60,667
13,916	16,756	16,617
11,048	12,060	13,596
\$ 9.7 million	\$ 11.1 million	\$ 12.3 million
410	445	456
\$ 37,233	\$ 40,913	\$ 47,002
\$ 8.5 million	\$ 10.1 million	\$ 12.8 million
8.0%	8.0%	9.0%
2 checks	2 checks	2½ checks
358	371	394
13	13	23
21	65	61
19	62	61
3	5	3
10	4	6
6	7	26
22	3	3
25	32	34
5	6	7
54	37	46
	77	70



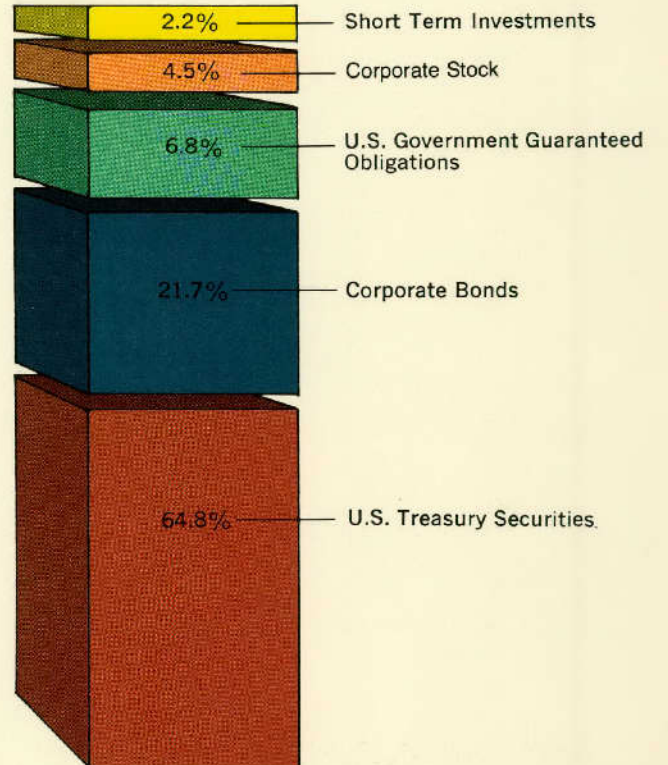
# Investments



# Investment Distribution 1979

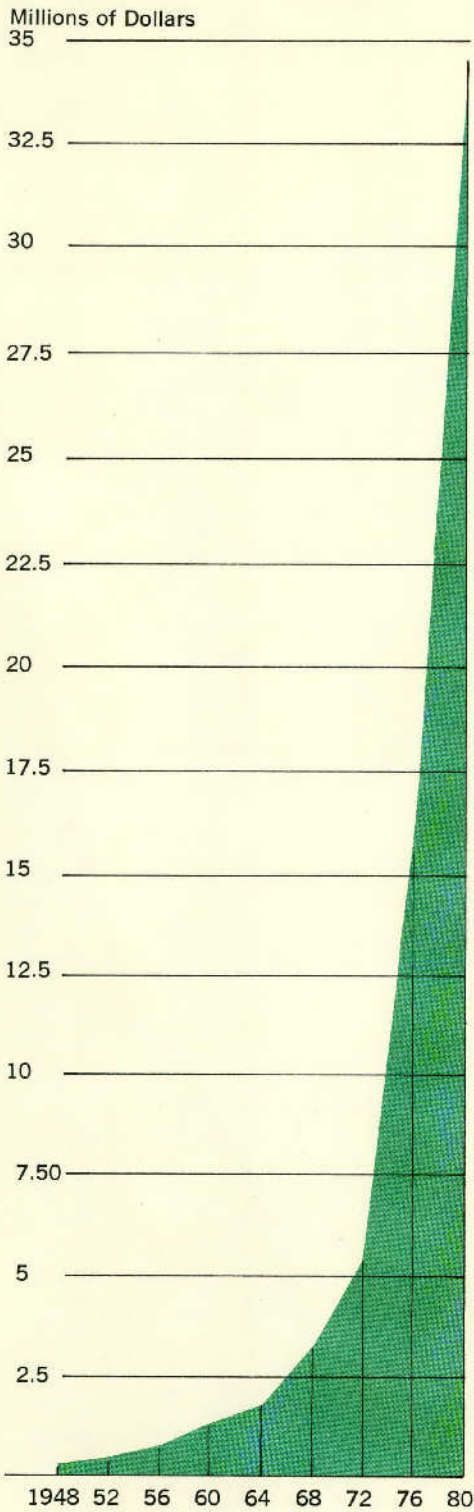


# 1980



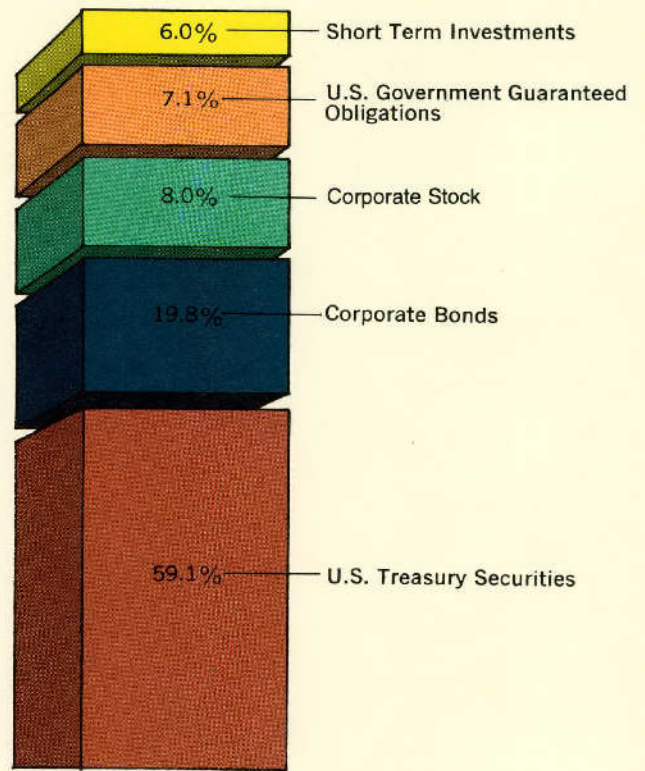


## Earnings on Investments

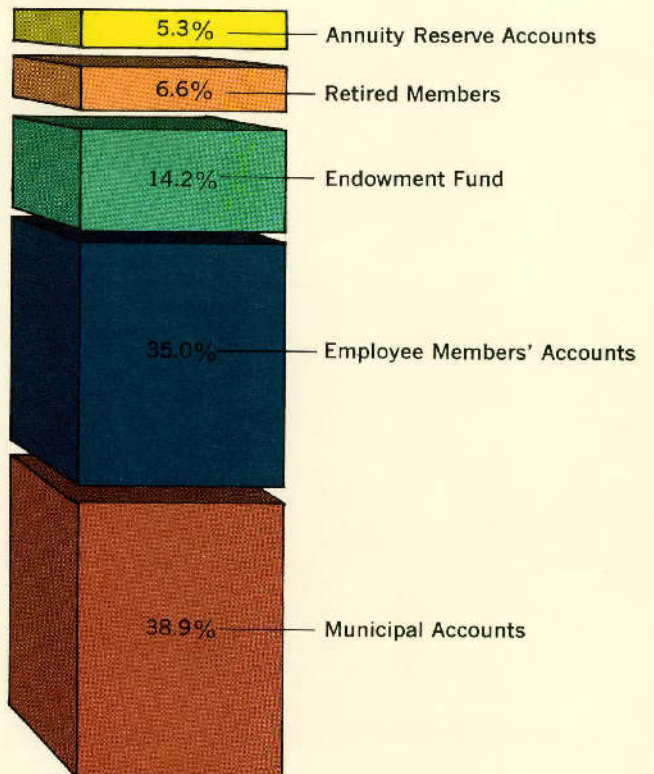


## 1980 Earnings on Investments

### Source

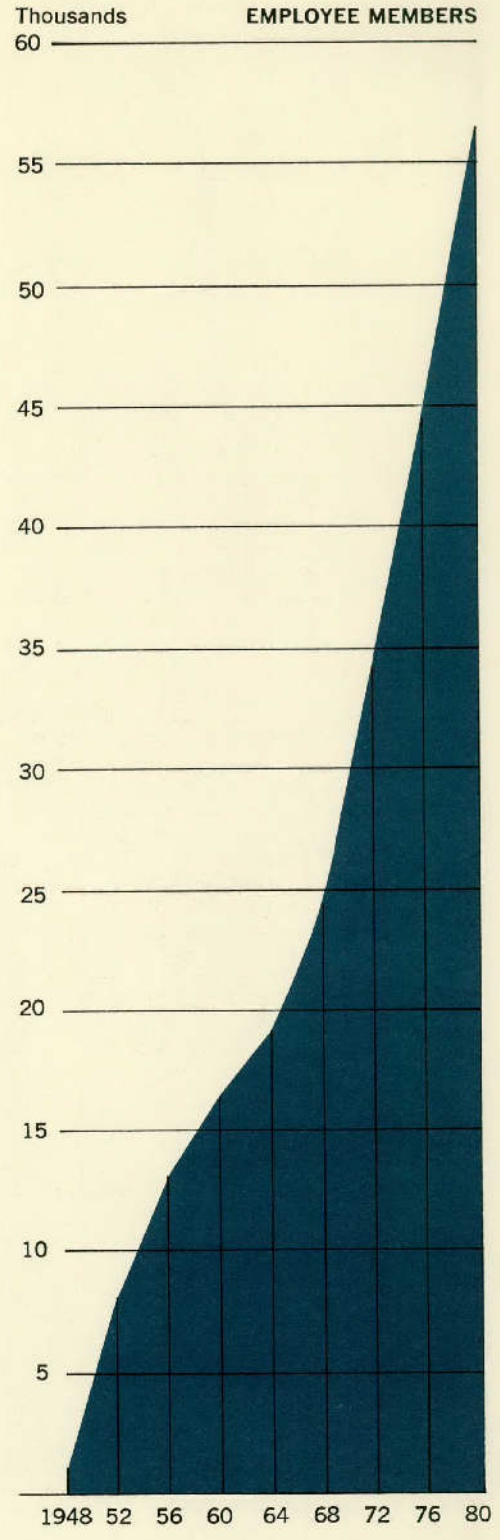
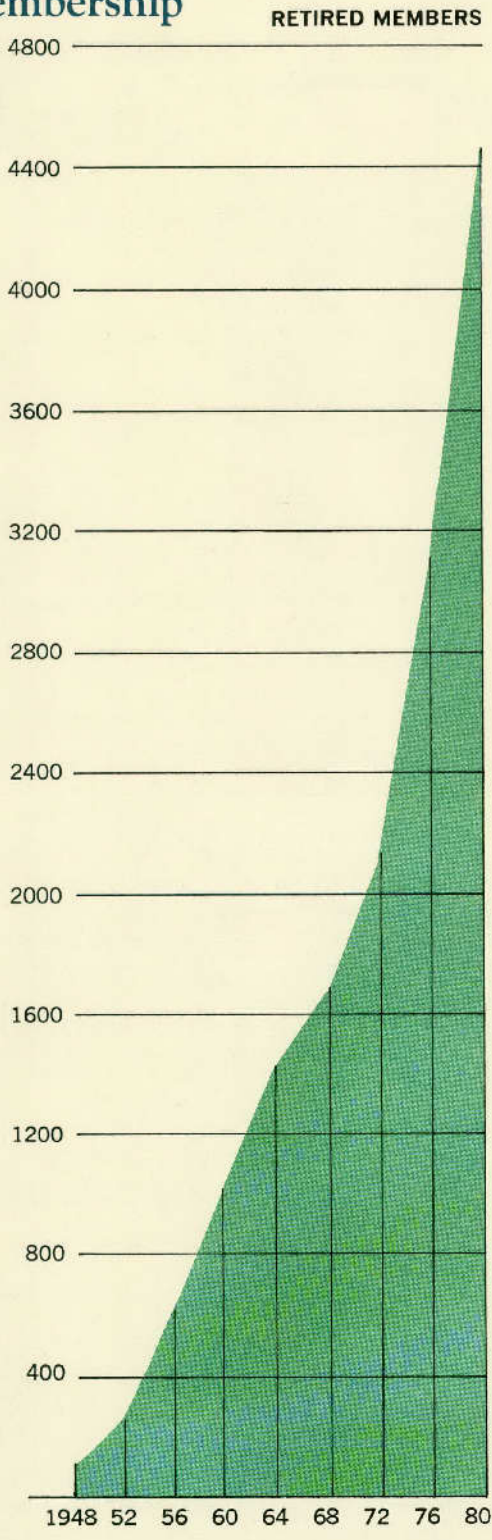


### Allocation





# Membership





# Summary Actuarial Report

## Rudd and Wisdom, Inc.

CONSULTING ACTUARIES

402 PERRY-BROOKS BUILDING  
AUSTIN, TEXAS 78701  
512-477-5721

PHILIP S. DIAL, F.S.A.  
CHARLES V. FAERBER, A.S.A.  
MARK R. FENLAW, F.S.A.  
MARK S. FRANCE, F.S.A.  
DAVID HUFF, F.S.A.  
ROBERT M. MAY, F.S.A.  
MICHAEL J. MUTH, A.S.A.  
RONALD W. TOBLEMAN, F.S.A.  
EUGENE WISDOM, F.S.A.

May 4, 1981

Board of Trustees  
Texas Municipal Retirement System  
Austin, Texas

In accordance with the Texas Municipal Retirement System Act, an actuarial valuation of the Texas Municipal Retirement System has been made as of December 31, 1980. This valuation was made on the basis of actuarial assumptions heretofore adopted by the Board of Trustees that were developed from an actuarial investigation of the experience of the System over the five-year period 1973 to 1977. The results of the actuarial valuation are presented in the attached Summary Valuation Balance Sheet. Items 1a, 1b, 2a, 2b, 4, 5, 9a and 9b in the Summary Valuation Balance Sheet represent a summation of the corresponding items in the actuarial valuations of the retirement plans of the individual participating municipalities. The amounts of assets represent the amounts as reported by the System at the end of 1980, after adjustments for members retiring effective December 31, 1980.

The actuarial cost method used was the unit credit method. Accrued liabilities represent actuarial present values as of the valuation date of benefits expected to be paid thereafter on the basis of the actuarial assumptions employed for the valuation and discounted at 4% interest. Each participating municipality's unfunded or overfunded accrued liabilities for prior service benefits and for current service benefits will be amortized over a period of 25 years or less by contributions which are a level percentage of payroll.

Prior service benefits include all benefits arising from prior service credits, special prior service credits, antecedent service credits, updated service credits and increases, effective January 1, 1978 and later, in monthly benefit payments on account of current service annuities.

The actuarial valuation for each participating municipality was based on the plan of benefits in effect on January 1, 1981.

Respectfully submitted,

*Robert M. May*  
Robert M. May, F.S.A.

*Mark R. Fenlaw*  
Mark R. Fenlaw, F.S.A.

RMM;MRF:nlg



# Summary Actuarial Valuation Balance Sheet

## TEXAS MUNICIPAL RETIREMENT SYSTEM

Summary Valuation Balance Sheet  
as of December 31, 1980

### ASSETS AND UNFUNDED ACCRUED LIABILITIES:

1. Assets held by T.M.R.S. for funding of accrued liabilities for:		
a. Prior service benefits	\$ 31,457,171.69	
b. Current service benefits	343,804,838.08	
c. Current service annuities	47,102,688.93	
d. Supplemental disability benefits	1,133,042.26	
e. Supplemental death benefits	<u>696,178.06</u>	\$427,193,919.02
2. Unfunded accrued liabilities for:		
a. Prior service benefits	\$188,442,903.13	
b. Current service benefits	8,760,917.18	
c. Current service annuities	<u>778,548.07</u>	197,982,368.38
3. Assets held by T.M.R.S. for miscellaneous purposes		<u>19,625,730.09</u>
TOTAL ASSETS AND UNFUNDED ACCRUED LIABILITIES		<u>\$644,802,017.49</u>

### LIABILITIES:

4. Accrued liabilities for prior service benefits for:		
a. Present members*	\$154,061,999.60	
b. Annuitants*	<u>65,750,987.91</u>	\$219,815,987.51
5. Accrued liability for current service benefits		348,861,641.02
6. Accrued liability for current service annuities for persons currently receiving benefits		47,881,237.00
7. Accrued liability for supplemental disability benefits		733,540.00
8. Accrued liability for supplemental death benefits		42,080.63
9. Overfunded accrued liabilities for:		
a. Prior service benefits	\$ 84,087.31	
b. Current service benefits	3,704,114.24	
c. Supplemental disability benefits	3,399,502.26	
d. Supplemental death benefits	<u>654,097.43</u>	7,841,801.24
10. Miscellaneous liabilities:		
a. Payables and other liabilities	\$ 101,445.45	
b. Endowment Fund	17,799,971.34	
c. Expense Fund	<u>1,724,313.30</u>	19,625,730.09
TOTAL LIABILITIES		<u>\$644,802,017.49</u>

\* Limited in the case of some municipalities to amounts fundable within statutory limits of deposits.



# Auditor's Report

## HAROLD V. SIMPSON & COMPANY CERTIFIED PUBLIC ACCOUNTANTS

TOWN LAKE SQUARE, SUITE 100  
512 EAST RIVERSIDE DRIVE  
AUSTIN, TEXAS 78704  
TELEPHONE (512) 447-1700

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DONALD E. LAINE, C.P.A.  
W. PATRICK MCGLEAN, C.P.A.  
MARVIN COFFMAN, C.P.A.

J. ANTHONY SISK, C.P.A.  
CAROLE L. GEBHARD, C.P.A.  
DARY W. DAVIS, C.P.A.  
MARK E. PORTER, C.P.A.  
DUDLEY D. HAWTHORNE, JR., C.P.A.  
SARA ANN RAMSEY, C.P.A.  
KATHLEEN AMY MONAHAN, C.P.A.  
JUDY F. SOSLAU, C.P.A.  
FRANK L. FELDMAN, JR., C.P.A.  
LORI K. YAGER, C.P.A.

MEMBERS  
OF  
AMERICAN INSTITUTE  
OF  
CERTIFIED PUBLIC ACCOUNTANTS  
—  
TEXAS SOCIETY  
OF  
CERTIFIED PUBLIC ACCOUNTANTS

April 10, 1981

The Board of Directors  
Texas Municipal Retirement System

### TRUST FUNDS

We have examined the statements of assets, liabilities and fund balances of the Trust Funds of Texas Municipal Retirement System as of December 31, 1980 and 1979, and the related statements of changes in fund balances and changes in financial position for the years then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of the Trust Funds of Texas Municipal Retirement System at December 31, 1980 and 1979, and the changes in fund balances and changes in financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

### EXPENSE FUND

We have examined the statements of assets, liabilities and fund balances of the Expense Fund of Texas Municipal Retirement System as of December 31, 1980 and 1979, and the related statements of operations and changes in fund balance and changes in financial position for the years then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of the Expense Fund of Texas Municipal Retirement System at December 31, 1980 and 1979, and the results of its operations and the changes in fund balance and changes in financial position of the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.



HAROLD V. SIMPSON & COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS



EXHIBIT A  
 TEXAS MUNICIPAL RETIREMENT SYSTEM  
 TRUST FUNDS  
 STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES  
 DECEMBER 31, 1980 AND 1979

	<u>1980</u>	<u>1979</u>
<u>ASSETS</u>		
Cash on Hand and in Banks	\$ 289,750.43	\$ 553,401.97
Receivables		
Municipal Contributions and Members' Deposits	6,189,576.47	4,631,050.35
Purchased Interest on Investments	489,493.28	583,087.46
Interest Receivable	8,733,701.53	6,309,883.23
Investments (Note 2)		
Short-Term Securities	9,251,000.00	14,274,000.00
U. S. Government Bonds	278,556,840.46	224,569,016.73
U. S. Government Guaranteed or Sponsored Obligations	29,195,230.04	34,228,512.74
Corporate Bonds	93,272,170.01	67,557,773.73
Common Stocks	19,132,116.49	17,834,469.95
Preferred Stocks	241,080.01	506,250.00
	<u>\$445,350,958.72</u>	<u>\$371,047,446.16</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Due to Expense Fund	\$ 322,750.00	\$ 248,700.00
Unclaimed Annuity and Refund Payments	20,531.74	19,395.37
Other Liabilities	13,786.62	5,159.45
	<u>\$ 357,068.36</u>	<u>\$ 273,254.82</u>
Fund Balances (Exhibit B)		
Employees Savings Fund	\$177,432,983.06	\$149,934,410.97
Municipal Current Service Accumulation Fund	168,176,252.34	138,112,245.31
Municipal Prior Service Accumulation Fund	31,457,171.69	26,673,996.81
Current Service Annuity Reserve Fund	45,298,291.61	38,270,131.24
Supplemental Disability Benefits Fund	4,133,042.26	3,799,627.15
Endowment Fund	17,799,971.34	13,664,604.57
Supplemental Death Benefits Fund	696,178.06	319,175.29
	<u>\$444,993,890.36</u>	<u>\$370,774,191.34</u>
	<u>\$445,350,958.72</u>	<u>\$371,047,446.16</u>

The accompanying notes are an integral part of these financial statements.



EXHIBIT B

TEXAS MUNICIPAL RETIREMENT SYSTEM  
TRUST FUNDS  
STATEMENT OF CHANGES IN FUND BALANCES  
YEARS ENDED DECEMBER 31, 1980 AND 1979

	EMPLOYEES SAVINGS FUND	MUNICIPAL CURRENT SERVICE ACCUMULATION FUND	MUNICIPAL PRIOR SERVICE ACCUMULATION FUND	CURRENT SERVICE ANNUITY RESERVE FUND	SUPPLEMENTAL DISABILITY BENEFITS FUND	ENDOWMENT FUND	SUPPLEMENTAL DEATH BENEFITS FUND	TOTAL TRUST FUNDS
<u>FUND BALANCE -</u> January 1, 1979	<u>\$129,081,078.44</u>	<u>\$114,780,388.34</u>	<u>\$23,118,856.93</u>	<u>\$32,268,345.25</u>	<u>\$3,536,706.88</u>	<u>\$ 9,210,190.14</u>	<u>\$155,380.98</u>	<u>\$312,150,946.96</u>
<u>ADDITIONS</u>								
Municipal Contributions		\$ 18,985,018.26	\$ 7,238,027.05		\$ 192,211.88	\$ 37,413.57	\$506,143.26	\$ 26,958,814.02
Members' Deposits	\$ 26,261,396.23							26,261,396.23
Income from Investment Operations	4,643,414.10	4,591,215.50	954,765.39	\$ 1,430,705.63	143,193.51	15,996,503.35	7,274.40	27,767,071.88
Transfers								
Investment Income from Endowment Fund	4,657,410.70	4,591,215.53						9,248,626.23
Members' Deposits				3,627,976.64				3,627,976.64
Municipal Contributions				4,835,592.32				4,835,592.32
Escheated Funds						26,659.93		26,659.93
Checks Written Off						7,651.01		7,651.01
Unclaimed Refund Checks						1,465.86		1,465.86
Other			.64			215.70		216.34
<u>TOTAL ADDITIONS</u>	<u>\$ 35,562,221.03</u>	<u>\$ 28,167,449.29</u>	<u>\$ 8,192,793.08</u>	<u>\$ 9,894,274.59</u>	<u>\$ 335,405.39</u>	<u>\$16,069,909.42</u>	<u>\$513,417.66</u>	<u>\$ 98,735,470.46</u>
<u>DEDUCTIONS</u>								
Service Retirement								
Allowance Payments			\$ 4,268,399.78	\$ 3,356,177.48		\$ 41,630.95		\$ 7,666,208.21
Disability Retirement								
Allowance Payments			369,253.42	536,311.12	\$ 72,485.12			978,049.66
Distributive Benefits						1,494,569.82		1,494,569.82
Refunds for Withdrawals, Death or Ineligibility	\$ 11,054,251.93					667.99		11,054,919.92
Supplemental Death Benefit Payments							\$349,623.35	349,623.35
Transfers								
Members' Deposits to Annuity Fund	3,627,976.64							3,627,976.64
Municipal Contributions to Annuity Fund		\$ 4,835,592.32						4,835,592.32
Escheated Funds to Endowment Fund	26,659.93							26,659.93
Investment Income Allocations						9,248,626.23		9,248,626.23
Appropriation to Expense Fund						830,000.00		830,000.00
<u>TOTAL DEDUCTIONS</u>	<u>\$ 14,708,888.50</u>	<u>\$ 4,835,592.32</u>	<u>\$ 4,637,653.20</u>	<u>\$ 3,892,488.60</u>	<u>\$ 72,485.12</u>	<u>\$11,615,494.99</u>	<u>\$349,623.35</u>	<u>\$ 40,112,226.08</u>
<u>FUND BALANCE -</u> December 31, 1979 (Exhibit A)	<u>\$149,934,410.97</u>	<u>\$138,112,245.31</u>	<u>\$26,673,996.81</u>	<u>\$38,270,131.24</u>	<u>\$3,799,627.15</u>	<u>\$13,664,604.57</u>	<u>\$319,175.29</u>	<u>\$370,774,191.34</u>



EXHIBIT B - CONTINUED

TEXAS MUNICIPAL RETIREMENT SYSTEM  
TRUST FUNDS  
STATEMENT OF CHANGES IN FUND BALANCES  
YEARS ENDED DECEMBER 31, 1980 AND 1979

	EMPLOYEES SAVINGS FUND	MUNICIPAL CURRENT SERVICE ACCUMULATION FUND	MUNICIPAL PRIOR SERVICE ACCUMULATION FUND	CURRENT SERVICE ANNUITY RESERVE FUND	SUPPLEMENTAL DISABILITY BENEFITS FUND	ENDOWMENT FUND	SUPPLEMENTAL DEATH BENEFITS FUND	TOTAL TRUST FUNDS
<b>ADDITIONS</b>								
Municipal Contributions		\$ 23,328,068.97	\$ 9,543,968.38		\$ 255,201.69	\$ 19,959.97	\$853,564.50	\$ 34,000,763.51
Members' Deposits	\$ 31,781,925.45							31,781,925.45
Income from Investment Operations	5,408,850.06	5,522,856.50	1,110,622.18	\$ 1,684,566.90	154,735.15	20,909,844.71	17,712.38	34,809,187.88
Transfers								
Investment Income from Endowment Fund	6,776,885.65	6,905,612.23						13,682,497.88
Members' Deposits				4,158,143.37				4,158,143.37
Municipal Contributions				5,692,530.67				5,692,530.67
Escheated Funds						41,469.03		41,469.03
Checks Written Off						13,276.15		13,276.15
Unclaimed Refund Checks						2,521.55		2,521.55
Other				180.79		2,402.59		2,583.38
<b>TOTAL ADDITIONS</b>	<u>\$ 43,967,661.16</u>	<u>\$ 35,756,537.70</u>	<u>\$10,654,590.56</u>	<u>\$11,535,421.73</u>	<u>\$ 409,936.84</u>	<u>\$20,989,474.00</u>	<u>\$871,276.88</u>	<u>\$124,184,898.87</u>
<b>DEDUCTIONS</b>								
Service Retirement Allowance Payments			\$ 5,394,506.43	\$ 3,897,981.78		\$ 26,381.57		\$ 9,318,869.78
Disability Retirement Allowance Payments			472,645.55	609,279.58	\$ 76,521.73			1,158,446.86
Distributive Benefits						2,283,678.38		2,283,678.38
Refunds for Withdrawals, Death or Ineligibility	\$ 12,267,298.39					11,220.23		12,278,518.62
Supplemental Death Benefit Payments							\$494,274.11	494,274.11
Transfers								
Members' Deposits to Annuity Fund	4,158,143.37							4,158,143.37
Municipal Contributions to Annuity Fund		\$ 5,692,530.67						5,692,530.67
Escheated Funds to Endowment Fund	41,469.03							41,469.03
Investment Income Allocations						13,682,497.88		13,682,497.88
Appropriation to Expense Fund						850,000.00		850,000.00
Other	2,178.28		4,263.70			329.17		6,771.15
<b>TOTAL DEDUCTIONS</b>	<u>\$ 16,469,089.07</u>	<u>\$ 5,692,530.67</u>	<u>\$ 5,871,415.68</u>	<u>\$ 4,507,261.36</u>	<u>\$ 76,521.73</u>	<u>\$16,854,107.23</u>	<u>\$494,274.11</u>	<u>\$ 49,965,199.85</u>
<b>FUND BALANCE -</b>								
December 31, 1980 (Exhibit A)	<u>\$177,432,983.06</u>	<u>\$168,176,252.34</u>	<u>\$31,457,171.69</u>	<u>\$45,298,291.61</u>	<u>\$4,133,042.26</u>	<u>\$17,799,971.34</u>	<u>\$696,178.06</u>	<u>\$444,993,890.36</u>

The accompanying notes are an integral part of these financial statements.



EXHIBIT C

TEXAS MUNICIPAL RETIREMENT SYSTEM  
TRUST FUNDS  
STATEMENT OF CHANGES IN FINANCIAL POSITION  
YEARS ENDED DECEMBER 31, 1980 AND 1979

	1980	1979
Cash on Hand and in Banks - January 1	\$ 553,401.97	\$ 388,438.69
Cash Provided By		
Income from Investment Operations	\$ 34,809,187.88	\$ 27,767,071.88
Less Income Not Providing Cash -		
Net Increase in Interest Receivable	(2,423,818.30)	(515,425.58)
Add Items Providing Cash - Net Decrease		
in Purchased Interest on Investments	93,594.18	-0-
	<u>\$ 32,478,963.76</u>	<u>\$ 27,251,646.30</u>
Other Sources		
Municipal Contributions - Net of Increase or		
Decrease in Municipal Contributions Receivable	33,154,647.91	26,731,292.12
Members' Deposits - Net of Increase in Members'		
Deposits Receivable	31,069,514.93	26,105,041.40
Decrease in Short-Term Securities	5,023,000.00	-0-
Decrease in U. S. Government Guaranteed or		
Sponsored Obligations	5,033,282.70	727,147.18
Decrease in Common Stocks	-0-	1,134,202.69
Decrease in Preferred Stocks	265,169.99	-0-
Increase in Unclaimed Annuity and Refund Payments	1,136.37	4,995.59
Unclaimed Refund Payments	2,521.55	1,465.86
Increase in Other Liabilities	8,627.17	2,804.55
Other Additions	2,583.38	216.34
CASH PROVIDED DURING THE YEAR	<u>\$107,039,447.76</u>	<u>\$ 81,958,812.03</u>
CASH AVAILABLE DURING THE YEAR	<u>\$107,592,849.73</u>	<u>\$ 82,347,250.72</u>
Cash Applied To		
Increase in Purchased Interest on Investments	\$ -0-	\$ 478,254.90
Increase in Short-Term Securities	-0-	7,229,000.00
Increase in U. S. Government Bonds	53,987,823.73	50,006,894.28
Increase in Preferred Stocks	-0-	506,250.00
Increase in Corporate Bonds	25,714,396.28	1,020,829.62
Increase in Common Stocks	1,297,646.54	-0-
Appropriation to Expense Fund - Net of		
Change in Amount Due to Expense Fund	775,950.00	1,016,900.00
Refund of Employees Savings Fund Due to		
Withdrawals, Death or Ineligibility	12,278,518.62	11,054,919.92
Service Retirement Allowance Payments	9,318,869.78	7,666,208.21
Disability Retirement Allowance Payments	1,158,446.86	978,049.66
Payments to Annuitants from Endowment Fund -		
Net of Benefit Checks Written Off	2,270,402.23	1,486,918.81
Supplemental Death Benefit Payments	494,274.11	349,623.35
Other Applications	6,771.15	-0-
CASH APPLIED DURING THE YEAR	<u>\$107,303,099.30</u>	<u>\$ 81,793,848.75</u>
Cash on Hand and in Banks - December 31	\$ 289,750.43	\$ 553,401.97

The accompanying notes are an integral part of these financial statements.



NOTES TO FINANCIAL STATEMENTS  
 TEXAS MUNICIPAL RETIREMENT SYSTEM  
 TRUST FUNDS

DECEMBER 31, 1980

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Texas Municipal Retirement System (The System) was created by law, with all the power and privileges of a corporation, as a retirement and disability pension system to provide for payment of annuities and other benefits to employees (and their beneficiaries) of participating municipalities in Texas. The several funds created under the legislation were placed under the general administration and management of the Board of Trustees.

The System accounts for the Trust Fund assets and liabilities on the full accrual basis. Trust Fund revenue, contributions and investment income are recorded when they become payable to The System. Participant benefits are recorded when payable by law.

Trust Fund revenue and participant payments are treated as direct increases or reductions of the particular fund balances designated by law.

The Trust Funds of The System consist of the following.

EMPLOYEES SAVINGS FUND. The Employees Savings Fund accounts for all contributions made by member employees and the investment income earned on these balances. The Fund is reduced for refunds due to withdrawals, death and ineligibility and transfers of members' deposits to the Annuity Fund.

MUNICIPALITY CURRENT SERVICE ACCUMULATION FUND. The Municipality Current Service Accumulation Fund accounts for all normal contributions made to The System by the participating municipalities for the purpose of providing, upon retirement, each member an amount at least equal to such members' accumulated deposits as the municipality's contribution to the reserves for the member's current service annuity.

MUNICIPALITY PRIOR SERVICE ACCUMULATION FUND. The Municipality Prior Service Accumulation Fund accumulates all prior service contributions made to The System by the participating municipalities for the purpose of providing the amounts required for payment of prior service annuities. All payments under prior service annuities arising from prior service credits, special prior service credits, and antecedent service credits or updated service credits granted by participating municipalities are paid from this Fund.

CURRENT SERVICE ANNUITY RESERVE FUND. The Current Service Annuity Reserve Fund maintains all reserves for current service annuities granted and in force and disburses all payments on current service annuities.

ENDOWMENT FUND. The Endowment Fund consists of gifts, awards, funds and assets accruing to The System which are not specifically required by the other funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

SUPPLEMENTAL DEATH BENEFITS FUND. The Supplemental Death Benefits Fund accumulates all contributions made by municipalities electing to provide additional death benefits for their current and retired employees. Lump sum payments are made from this Fund to designated beneficiaries upon the death of any covered member or annuitant.

SUPPLEMENTAL DISABILITY BENEFITS FUND. The Supplemental Disability Benefits Fund accumulates contributions made by municipalities electing to participate in the occupational disability benefits program. Covered annuitants qualifying as occupational disabilities are paid an additional annuity from this Fund as a supplement to their regular annuity.

The law also provides that the Board of Trustees shall designate an actuary who shall, among other things, make an annual valuation of the assets and liabilities of The System created by the Retirement Act. The most recent actuarial valuation was as of December 31, 1979. This valuation reported the following unfunded accrued liabilities.

	<u>1979</u>	<u>1978</u>
Unfunded Accrued Liabilities		
Prior Service Benefits	\$160,779,406.67	\$125,984,133.85
Current Service Benefits	8,254,044.60	3,175,083.35
Current Service Annuities	501,213.47	389,020.09
TOTAL	<u>\$169,534,664.74</u>	<u>\$129,548,237.29</u>

The actuarial reports as of December 31, 1979 and 1978, indicate that as of the respective valuation dates, the assets of The System, together with the present value of prospective contributions by participants, are sufficient to meet liabilities for future annuity benefits.

NOTE 2 - INVESTMENTS

The par value of long-term investments (U. S. Government Bonds, U. S. Government Guaranteed or Sponsored Obligations, and Corporate Bonds) exceeded the amortized cost of these investments by \$7,387,877.59 at December 31, 1980, and \$2,018,547.55 at December 31, 1979. All U. S. Government Guaranteed or Sponsored Obligations owned by The System are guaranteed by the full faith and credit of the United States Government.

The quoted market value of short-term investments, preferred and common stocks exceeded the recorded costs by approximately \$6,857,262 at December 31, 1980, and \$2,997,253 at December 31, 1979.



EXHIBIT D

TEXAS MUNICIPAL RETIREMENT SYSTEM  
EXPENSE FUND  
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE

DECEMBER 31, 1980 AND 1979

	<u>1980</u>	<u>1979</u>
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash on Hand and in Banks	\$ 200.00	\$ 1,916.25
Receivables		
Due from Endowment Trust Fund	322,750.00	248,700.00
Other	82.67	3.90
Prepaid Insurance and Other Expenses	2,628.31	5,256.66
	<u>\$ 325,660.98</u>	<u>\$ 255,876.81</u>
 <u>PROPERTY AND EQUIPMENT, AT COST (Note 1)</u>		
Land (Note 2)	\$ 254,387.50	\$ 254,387.50
Furniture and Equipment	351,833.76	355,423.19
Building and Improvements	1,064,954.93	1,064,954.93
Less Accumulated Depreciation	(205,396.78)	(148,204.29)
	<u>\$1,465,779.41</u>	<u>\$1,526,561.33</u>
 TOTAL ASSETS	 <u>\$1,791,440.39</u>	 <u>\$1,782,438.14</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
<u>CURRENT LIABILITIES</u>		
Bank Overdraft	\$ 1,835.37	\$ -0-
Accounts Payable	20,383.48	23,804.78
Accrued Payroll Deductions	69.00	141.03
Current Portion of Long-Term Note Payable (Note 2)	3,200.00	3,200.00
	<u>\$ 25,487.85</u>	<u>\$ 27,145.81</u>
 <u>LONG-TERM DEBT</u>		
Note Payable (Note 2)	\$ 41,600.00	\$ 44,800.00
Less Current Portion (Due Within One Year)	(3,200.00)	(3,200.00)
	<u>\$ 38,400.00</u>	<u>\$ 41,600.00</u>
 TOTAL LIABILITIES	 <u>\$ 63,887.85</u>	 <u>\$ 68,745.81</u>
 <u>DEFERRED REVENUE</u>	 3,239.24	 691.60
 <u>FUND BALANCE (Exhibit E)</u>	 <u>1,724,313.30</u>	 <u>1,713,000.73</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$1,791,440.39</u>	 <u>\$1,782,438.14</u>

The accompanying notes are an integral part of these financial statements.



EXHIBIT E

TEXAS MUNICIPAL RETIREMENT SYSTEM  
EXPENSE FUND  
STATEMENT OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 1980 AND 1979

	<u>1980</u>	<u>1979</u>
<u>REVENUE</u>		
Appropriation from Endowment Trust Fund	\$ 850,000.00	\$ 830,000.00
Gain (Loss) on Disposition of Fixed Assets	(345.37)	3,104.22
Other	-0-	172.78
	<u>\$ 849,654.63</u>	<u>\$ 833,277.00</u>
<u>EXPENDITURES</u>		
Salaries	\$ 386,601.43	\$ 339,675.22
Social Security Taxes	20,495.62	17,093.77
Texas Municipal Retirement System		
Contributions (Note 3)	48,223.51	37,895.39
State Unemployment Tax	-0-	2,390.36
Employee Insurance	9,949.24	8,632.58
Actuarial Services	68,161.50	60,993.90
Audit Services	9,500.00	7,500.00
Investment Services	10,000.00	11,412.00
Legal Services	32,792.17	27,797.87
Medical Services	9,069.60	8,304.51
Information Services	-0-	9,666.98
EDP Equipment Rental - Maintenance	17,440.00	16,450.80
Office Supplies	19,754.06	19,169.78
Postage	17,987.92	16,331.15
Telephone and Telegraph	4,494.50	17,071.60
Printing and Microfilming	22,094.92	26,070.28
Dues, Reference Books and Subscriptions	4,072.80	3,940.60
Travel	12,363.13	6,648.85
Office Equipment Service and Repairs	748.63	917.52
Office Equipment Rental	10,922.57	11,176.15
Bonds and Insurance	3,932.35	4,419.34
Office Rental and Utilities	20,260.16	23,885.61
Data Processing	6,738.48	1,650.00
Depreciation Expense (Note 1)	66,544.68	66,255.98
Board Expense	22,081.89	17,637.74
Interest Expense	2,688.00	2,880.00
Miscellaneous Administrative Expense	5,197.24	16,595.22
Building and Grounds		
Maintenance	7,503.21	4,844.62
Materials and Supplies	1,114.41	1,308.32
	<u>\$ 840,732.02</u>	<u>\$ 788,616.14</u>
NET REVENUE OVER EXPENDITURES	<u>\$ 8,922.61</u>	<u>\$ 44,660.86</u>
<u>FUND BALANCE - January 1</u>	\$1,713,000.73	\$1,676,444.63
Net Revenue Over Expenditures	8,922.61	44,660.86
Correction of Prior Year's Expenditures	2,389.96	(8,104.76)
<u>FUND BALANCE - December 31</u>	<u>\$1,724,313.30</u>	<u>\$1,713,000.73</u>

The accompanying notes are an integral part of these financial statements.



EXHIBIT F

TEXAS MUNICIPAL RETIREMENT SYSTEM  
EXPENSE FUND  
STATEMENT OF CHANGES IN FINANCIAL POSITION

YEARS ENDED DECEMBER 31, 1980 AND 1979

	<u>1980</u>	<u>1979</u>
Cash on Hand and in Banks - January 1	\$ 1,916.25	\$ 221.95
Cash Provided By		
Net Revenue Over Expenditures	\$ 8,922.61	\$ 44,660.86
Add Items Not Requiring Cash - Depreciation Expense	66,544.68	66,255.98
Other Sources		
Decrease in Prepaid Insurance and Other Expenditures	2,628.35	-0-
Increase in Accrued Payroll Deductions	-0-	141.03
Sale of Fixed Assets - Book Value	7,191.07	5,486.78
Increase in Bank Overdraft	1,835.37	-0-
Decrease in Other Accounts Receivable	-0-	454.24
Decrease in Prior Year's Expenditures	2,389.96	-0-
Decrease in Accounts Receivable - Due from Endowment Trust Fund	-0-	186,900.00
Increase in Accumulated Depreciation Resulting from Prior Period Adjustment	-0-	8,083.24
Increase in Deferred Revenue	2,547.64	691.60
TOTAL CASH PROVIDED DURING THE YEAR	<u>\$ 92,059.68</u>	<u>\$312,673.73</u>
TOTAL CASH AVAILABLE DURING THE YEAR	<u>\$ 93,975.93</u>	<u>\$312,895.68</u>
Cash Applied To		
Purchase of Furniture and Equipment	\$ 12,953.83	\$ 45,850.92
Purchase of Land Improvements	-0-	89,508.51
Decrease in Construction Contract Retainage	-0-	90,063.00
Reduction in Note Payable	3,200.00	3,200.00
Decrease in Accounts Payable	3,421.30	68,995.58
Increase in Prior Year's Expenditures	-0-	8,104.76
Increase in Accounts Receivable - Due from Endowment Trust Fund	74,050.00	-0-
Decrease in Accrued Payroll Deductions	72.03	-0-
Increase in Prepaid Insurance and Other Expenditures	-0-	5,256.66
Increase in Other Accounts Receivable	78.77	-0-
TOTAL CASH APPLIED DURING THE YEAR	<u>\$ 93,775.93</u>	<u>\$310,979.43</u>
Cash on Hand and in Banks - December 31	<u>\$ 200.00</u>	<u>\$ 1,916.25</u>

The accompanying notes are an integral part of these financial statements.



EXHIBIT G

TEXAS MUNICIPAL RETIREMENT SYSTEM  
EXPENSE FUND  
COMPARISON OF ACTUAL REVENUE AND EXPENDITURES TO BUDGET

YEARS ENDED DECEMBER 31, 1980 AND 1979

	<u>ACTUAL</u>	<u>BUDGET</u>	OVER (UNDER) <u>BUDGET</u>
<u>REVENUE</u>			
Appropriation from Endowment Trust Fund (Schedule 6)	\$850,000.00	\$850,000.00	\$ -0-
Gain (Loss) on Disposition of Fixed Assets	(345.37)	-0-	(345.37)
	<u>\$849,654.63</u>	<u>\$850,000.00</u>	<u>\$ (345.37)</u>
<u>EXPENDITURES</u>			
Salaries	\$386,601.43	\$397,533.00	\$ 10,931.57
Social Security Taxes	20,495.62	22,050.00	1,554.38
Texas Municipal Retirement System Contributions	48,223.51	50,920.00	2,696.49
State Unemployment Tax	-0-	160.00	160.00
Employee Insurance	9,949.24	10,790.00	840.76
Actuarial Services	68,161.50	75,000.00	6,838.50
Audit Services	9,500.00	9,500.00	-0-
Investment Services	10,000.00	10,000.00	-0-
Legal Services	32,792.17	32,000.00	(792.17)
Medical Services	9,069.60	10,000.00	930.40
Information Services	-0-	12,000.00	12,000.00
EDP Equipment Rental - Maintenance	17,440.00	18,320.00	880.00
Office Supplies	19,754.06	19,950.00	195.94
Postage	17,987.92	18,000.00	12.08
Telephone and Telegraph	4,494.50	5,880.00	1,385.50
Printing and Microfilming	22,094.92	31,350.00	9,255.08
Dues, Reference Books and Subscriptions	4,072.80	3,880.00	(192.80)
Travel	12,363.13	13,850.00	1,486.87
Office Equipment Service and Repairs	748.63	1,400.00	651.37
Office Equipment Rental	10,922.57	11,400.00	477.43
Bonds and Insurance	3,932.35	5,100.00	1,167.65
Office Rental and Utilities	20,260.16	27,420.00	7,159.84
Data Processing	6,738.48	1,650.00	(5,088.48)
Depreciation Expense (Note 1)	66,544.68	59,650.00	(6,894.68)
Board Expense	22,081.89	20,000.00	(2,081.89)
Interest Expense	2,688.00	2,700.00	12.00
Miscellaneous Administrative Expense	5,197.24	4,500.00	(697.24)
Building and Grounds Maintenance	7,503.21	7,700.00	196.79
Materials and Supplies	1,114.41	2,000.00	885.59
	<u>\$840,732.02</u>	<u>\$884,703.00</u>	<u>\$ 43,970.98</u>
NET REVENUE OVER (UNDER) EXPENDITURES	<u>\$ 8,922.61</u>	<u>\$(34,703.00)</u>	<u>\$ 43,625.61</u>

The accompanying notes are an integral part of these financial statements.



NOTES TO FINANCIAL STATEMENTS

TEXAS MUNICIPAL RETIREMENT SYSTEM  
EXPENSE FUND

DECEMBER 31, 1980

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The expenditures of administration and maintenance of the Texas Municipal Retirement System (The System) are paid out of the Expense Fund. The amount estimated to be required to meet the expenses of The System shall be paid from the interest reserve account of the Endowment Fund to the extent available. The Board, as evidenced by a resolution of the Board recorded in its minutes, may transfer to the Expense Fund the amount required to cover the expenditures as estimated for the year.

The Expense Fund is maintained on the accrual basis. Revenue from the Endowment Fund is recognized upon the Board's approval. Expenditures are recognized when the goods and services are received and/or benefits derived.

Fixed assets consisting of building and improvements, furniture, equipment, and land are recorded at cost. Depreciation on building and improvements, furniture and equipment is calculated on a straight-line basis over their estimated useful lives which range from three (3) to twelve (12) years for furniture and equipment and forty (40) years for building and improvements.

	<u>1980</u>	<u>1979</u>
Furniture and Other Equipment	\$ 351,833.76	\$ 355,423.19
Building and Improvements	1,064,954.93	1,064,954.93
	<u>\$1,416,788.64</u>	<u>\$1,420,378.12</u>
Accumulated Depreciation	(205,396.78)	(148,204.29)
	<u>\$1,211,391.91</u>	<u>\$1,272,173.83</u>

The System's current home office building was completed and ready for occupancy January 8, 1979.

NOTE 2 - PURCHASES OF LAND

During 1973, The System purchased a tract of land as the site for the home office building. Total purchase price was \$165,000 of which \$95,000 was paid in cash. The remainder of \$70,000 was issued in a note at the seller's request. The note bears interest at six percent and is payable in annual installments of principal and interest. The first principal payment of \$6,000 was paid, with interest, January 2, 1974. Principal payments of \$3,200 each are due over the next thirteen (13) years.

Additional land was purchased in April, 1977, at a cost of \$88,815. This land is part of the site of the home office building.

NOTE 3 - PENSION PLAN

The System is a participating member of the Retirement System itself with all permanent full-time employees covered by the plan. The total pension expense for the year ended December 31, 1980, amounted to \$48,223.51 and \$37,895.39 for the year ended December 31, 1979. Prior service costs are amortized over a twenty-five (25) year period beginning January 1, 1976. The unfunded accrued liability for prior service benefits amounted to \$260,511.81 at December 31, 1979, and \$133,120.19 at December 31, 1978. Unfunded accrued current service liabilities amounted to \$19,541.51 at December 31, 1979 and \$11,406.67 at December 31, 1978. These amounts are to be liquidated by a five (5) year amortization adjustment included in the normal contribution rates.







**Employee Retirement Programs  
for Participating Municipalities**

AS OF JANUARY 1, 1981





Participating Municipality	Employee Deposit Rate	Maximum Earnings	Municipal Current Matching Ratio	Updated Service Credit		Increased Benefits To Retirees		Antecedent Service Basis
				Rate (%)	Year Effective	Rate (%)	Year Effective	
Abilene	.05	Full Salary	2-1	100	1980	20	1980	
Addison	.05	Full Salary	2-1	100	1978			
Alamo Heights	.05	3,600	2-1					2-1
Alice	.05	Full Salary	1-1					
Allen	.05	Full Salary	1½-1	100	1981			
Alpine	.05	Full Salary	1-1	100	1976	50	1976	
Alvin	.05	Full Salary	2-1	100	1977	50	1977	
Amarillo	.05	Full Salary	2-1	100	1978	50	1978	
Andrews	.05	Full Salary	2-1					
Angleton	.05	Full Salary	1½-1	100	1981	50	1981	
Aransas Pass	.05	Full Salary	1-1	100	1981			
Arlington	.05	Full Salary	2-1	100	1978	50	1978	
Aubrey	.05	Full Salary	1-1	100	1978			
Azle	.05	Full Salary	2-1	100	1979			
Balch Springs	.05	Full Salary	1-1	100	1979			
Balcones Heights	.05	Full Salary	1½-1	100	1981	50	1981	
Ballinger	.05	Full Salary	1-1	80	1976	20	1976	
Bangs	.05	Full Salary	1-1	100	1979			
Bastrop	.05	Full Salary	1-1	100	1980	30	1980	
Bay City	.05	Full Salary	2-1	100	1980	30	1980	
Baytown	.05	Full Salary	2-1	100	1979	50	1979	
Beaumont	** .05	Full Salary	1½-1	70	1981	20	1981	
Beeville	.05	3,600	1-1					
Bellaire	.05	Full Salary	1-1	100	1980	30	1980	
Bellmead	.05	Full Salary	2-1	100	1980	20	1980	
Belton	.05	Full Salary	2-1	100	1980	10	1980	
Benbrook	.05	Full Salary	1½-1	100	1981	50	1981	
Big Lake	.05	Full Salary	1-1	100	1979	50	1979	
Big Spring	.05	Full Salary	2-1	100	1981	50	1981	
Bishop	.05	Full Salary	1-1					
Boerne	.05	Full Salary	1-1	100	1981	30	1981	
Bonham	.05	Full Salary	1-1	100	1976	50	1976	
Borger	.07	Full Salary	2-1	100	1981	50	1981	
Bowie	.05	Full Salary	2-1	100	1980	10	1980	
Brady	.05	Full Salary	1-1	100	1976	20	1976	
Breckenridge	.03	Full Salary	1-1					
Brenham	.05	Full Salary	1-1	100	1977	50	1977	
Bridge City	.05	Full Salary	1-1					
Brownfield	.05	Full Salary	2-1	90	1980	10	1980	



Special Prior Service Basis	Buy-Back Effective Date	(Optional Benefits Package)		Supplemental Death Benefits Effective Date	Supplemental Disability Benefits	Participating Municipality		
		10 Yr. Vesting & Retirement at Age 60 with 10 Yrs. Service	20 Yr. Vesting & Retirement at Age 50 with 25 Yrs. Service				Employees	Retirees
			X	X	10-79	X	X	Abilene
		X	10-79	X			X	Addison
2-1				X				Alamo Heights
			X					Alice
		X	10-80	X	X	10-80	X	Allen
				X				Alpine
			X				X	Amarillo
			X					Andrews
			X	X	1-78	X	X	Angleton
		X	10-80	X	X	10-80	X	Aransas Pass
		X	1-81	X	X	1-81	X	Arlington
		X	10-79	X			X	Aubrey
			X	X	1-79	X	X	Azle
		X	10-79	X	X	1-78	X	Balch Springs
		X	1-80	X			X	Balcones Heights
			X				X	Ballinger
			X	X	7-78	X	X	Bangs
		X	1-80	X	X	1-78/9-79	X	Bastrop
		X	11-79	X	X	1-78	X	Bay City
	3-13-80	X	12-80	X			X	Baytown
	2-15-77			X			X	Beaumont
								Beeville
			X				X	Bellaire
			X					Bellmead
				X	10-78	X	X	Belton
		X	1-81	X	X	1-81	X	Benbrook
		X	1-80	X	X	10-78	X	Big Lake
			X	X	1-81	X	X	Big Spring
			X				X	Bishop
			X				X	Boerne
	9-13-76		X				X	Bonham
		X	1-81	X	X	1-81	X	Borger
		X	10-79	X	X	6-78	X	Bowie
								Brady
			X					Breckenridge
		X	1-80	X				Brenham
			X				X	Bridge City
		X	12-79	X			X	Brownfield



Participating Municipality	Employee Deposit Rate	Maximum Earnings	Municipal Current Matching Ratio	Updated Service Credit		Increased Benefits To Retirees		Antecedent Service Basis
				Rate (%)	Year Effective	Rate (%)	Year Effective	
Brownsville #1	.07	Full Salary	1-1	100	1976	50	1976	
Brownsville #2	.07	Full Salary	1-1	100	1978	50	1978	
Brownwood	***.05	4,800	2-1			50	1977	2-1
Bryan	.05	Full Salary	1½-1	70	1978	30	1978	
Bryson	.05	Full Salary	1½-1					1½-1
Buda	.07	Full Salary	1-1	100	1979			
Bunker Hill Village	.05	Full Salary	2-1	100	1980	10	1980	
Burkburnett	.05	Full Salary	1-1	100	1980	50	1980	
Burleson	.05	Full Salary	1-1	100	1980	50	1980	
Burnet	.05	Full Salary	2-1	100	1976	50	1976	
Caldwell	.05	Full Salary	1-1	100	1978			
Canyon	.05	Full Salary	2-1	100	1977	50	1977	
Carrollton	.05	Full Salary	2-1	100	1976	50	1976	
Carthage	.05	Full Salary	2-1	100	1980	30	1980	
Castle Hills	.05	Full Salary	1-1	100	1976	50	1976	
Castroville	.05	Full Salary	1-1					
Cedar Hill	.05	Full Salary	2-1	100	1981	50	1981	
Childress	.05	Full Salary	2-1	100	1976	50	1976	
Chireno	.05	Full Salary	1-1	100	1981			
Cisco	.05	3,600	1-1					
Clarksville City	.05	Full Salary	1-1					
Cleburne	.03	Full Salary	2-1	100	1977	50	1977	
Cleveland	.03	Full Salary	1-1	100	1978			
Clute	.07	Full Salary	2-1	100	1981	50	1981	
Coahoma	.05	Full Salary	1-1					
Cockrell Hill	.05	Full Salary	2-1					2-1
Coleman	.05	Full Salary	1-1	100	1979	30	1979	
College Station	.05	Full Salary	2-1	100	1977	50	1977	
Colleyville	.05	Full Salary	1½-1	100	1980			
Colorado City	.05	Full Salary	2-1	100	1981	20	1981	
Columbus	.05	Full Salary	1-1	100	1976	40	1976	
Comanche	.05	Full Salary	1-1	50	1978			
Commerce	.05	Full Salary	1½-1	100	1980	50	1980	
Conroe	.05	Full Salary	1-1	100	1978	50	1978	
Converse	.05	Full Salary	2-1	100	1981			
Coppell	.05	Full Salary	2-1	100	1980	50	1980	
Copperas Cove	.05	Full Salary	2-1	100	1979			
Corpus Christi	.05	Full Salary	2-1	100	1976	50	1976	
Corsicana	.05	Full Salary	1-1	100	1976	50	1976	



(Optional Benefits Package)

Special Prior Service Basis	Buy-Back Effective Date	(Optional Benefits Package)		20 Yr. Vesting & Retirement at Age 50 with 25 Yrs. Service	Supplemental Death Benefits		Supplemental Disability Benefits	Participating Municipality
		10 Yr. Vesting & Retirement at Age 60 with 10 Yrs. Service			Effective Date	Retirees		
				X			X	Brownsville #1
				X	X	1-78	X	Brownsville #2
2-1							X	Brownwood
		X	11-80	X			X	Bryan
							X	Bryson
		X	5-80	X				Buda
					X	8-79	X	Bunker Hill Village
				X				Burkburnett
				X	X	4-78	X	Burleson
				X			X	Burnet
				X			X	Caldwell
	3-06-80	X	10-79	X	X	10-79	X	Canyon
				X	X	1-78	X	Carrollton
	4-28-80	X	12-79	X				Carthage
				X			X	Castle Hills
								Castroville
		X	10-79	X	X	3-80	X	Cedar Hill
					X	1-78	X	Childress
		X	6-80	X	X	6-80	X	Chireno
								Cisco
				X			X	Clarksville City
	12-01-76	X	9-79	X				Cleburne
				X	X	1-78	X	Cleveland
		X	1-81	X	X	1-81	X	Clute
				X			X	Coahoma
2-1								Cockrell Hill
								Coleman
		X	2-80	X			X	College Station
		X	10-79	X	X	10-79	X	Colleyville
					X	1-81	X	Colorado City
				X			X	Columbus
				X	X	1-78	X	Comanche
		X	1-80	X				Commerce
		X	9-80	X	X	9-80	X	Conroe
		X	6-80	X	X	6-80	X	Converse
		X	1-80	X	X	9-78	X	Coppell
	6-06-78	X	11-79	X	X	3-78	X	Copperas Cove
				X				Corpus Christi
							X	Corsicana



Participating Municipality	Employee Deposit Rate	Maximum Earnings	Municipal Current Matching Ratio	Updated Service Credit		Increased Benefits To Retirees		Antecedent Service Basis
				Rate (%)	Year Effective	Rate (%)	Year Effective	
Crane	.05	Full Salary	2-1	80	1980	20	1980	
Crosbyton	.05	Full Salary	1-1	70	1976	50	1976	
Crowley	.05	Full Salary	1-1	100	1980			
Crystal City	.05	Full Salary	2-1					2-1
Cuero	.05	Full Salary	1-1	90	1976	20	1976	
Daingerfield	.05	Full Salary	1-1	100	1976	30	1976	
Dalhart	.05	Full Salary	2-1					2-1
Decatur	.05	Full Salary	1½-1	100	1981	50	1981	
Deer Park	.07	Full Salary	2-1	100	1979	50	1979	
Denison	.05	Full Salary	2-1	100	1977	50	1977	
Denton	.05	Full Salary	1½-1					1½-1
Denver City	.05	3,600	1-1					
De Soto	.05	Full Salary	1-1	100	1977			
Diboll	.05	Full Salary	1-1	100	1977			
Dimmitt	.05	Full Salary	2-1	100	1977	50	1977	
Donna	.05	Full Salary	1-1					
Dumas	.05	Full Salary	1-1					
Duncanville	.05	Full Salary	2-1	70	1976	50	1976	
Eagle Lake	.05	Full Salary	1½-1	100	1981			
Eagle Pass	.05	Full Salary	2-1					2-1
Eastland	.05	Full Salary	1-1	90	1981	10	1981	
Eden	.05	Full Salary	1-1	100	1980	20	1980	
Edinburg	.07	Full Salary	1-1	100	1978	50	1978	
Edna	.05	Full Salary	1-1	100	1980	50	1980	
El Campo	.05	Full Salary	1-1	100	1980	20	1980	
Eldorado	.05	Full Salary	1-1	100	1981	30	1981	
Ennis	.05	Full Salary	2-1	80	1977	30	1977	
Eules	.05	Full Salary	2-1	100	1980	20	1980	
Eustace	.05	Full Salary	1½-1	100	1981			
Fairfield	.05	Full Salary	1-1	100	1979			
Farmers Branch	.07	Full Salary	2-1	100	1981	50	1981	
Farwell	.05	Full Salary	1-1	60	1977	10	1977	
Flatonia	.05	Full Salary	1-1	100	1978	50	1978	
Floresville #1	.05	6,000	1-1					
Floresville #2	.05	Full Salary	1-1					
Flower Mound	.05	Full Salary	1-1	100	1981			
Floydada	.05	Full Salary	1-1	70	1980	50	1980	
Forest Hill	.05	Full Salary	1-1	100	1978			
Forney	.05	Full Salary	1-1	100	1977			



(Optional Benefits Package)

Special Prior Buy-Back 10 Yr. Vesting & Retirement at 20 Yr. Vesting & Retirement at Supplemental Death Benefits Supplemental Disability Participating  
Service Buy-Back Effective Retirement at Retirement at Supplemental Effective Disability Participating  
Basis Date Age 60 with Age 50 with Employees Date Retirees Benefits Municipality  
10 Yrs. Service 25 Yrs. Service

Special Service Basis	Prior Buy-Back Effective Date	10 Yr. Vesting & Retirement at Age 60 with 10 Yrs. Service	20 Yr. Vesting & Retirement at Age 50 with 25 Yrs. Service	Supplemental Employees	Death Benefits Effective Date	Retirees	Supplemental Disability Benefits	Participating Municipality
		X 11-79	X					Crane
								Crosbyton
		X 11-79	X	X	11-79	X	X	Crowley
2-1			X				X	Crystal City
		X 11-79	X					Cuero
			X				X	Daingerfield
2-1							X	Dalhart
			X				X	Decatur
		X 5-80	X	X	1-79	X	X	Deer Park
			X				X	Denison
1½-1			X				X	Denton
								Denver City
			X				X	De Soto
			X	X	1-78	X	X	Diboll
		X 3-80	X					Dimmitt
			X				X	Donna
								Dumas
							X	Duncanville
		X 9-80	X	X	9-80	X	X	Eagle Lake
2-1							X	Eagle Pass
		X 1-80	X				X	Eastland
		X 5-80	X				X	Eden
			X				X	Edinburg
							X	Edna
	11-07-77			X	1-78	X	X	El Campo
			X				X	Eldorado
		X 2-80	X				X	Ennis
	11-22-77	X 10-79	X	X	1-78	X	X	Eules
		X 8-80	X	X	8-80	X	X	Eustace
		X 2-80	X	X	2-78	X	X	Fairfield
	7-07-80	X 1-81	X	X	8-80	X	X	Farmers Branch
			X				X	Farwell
			X	X	3-78	X	X	Flatonia
							X	Floresville #1
			X				X	Floresville #2
		X 2-80	X					Flower Mound
		X 11-80	X	X	1-80	X	X	Floydada
			X					Forest Hill
			X				X	Forney



Participating Municipality	Employee Deposit Rate	Maximum Earnings	Municipal Current Matching Ratio	Updated Service Credit		Increased Benefits To Retirees		Antecedent Service Basis
				Rate (%)	Year Effective	Rate (%)	Year Effective	
Fort Stockton	.05	Full Salary	1-1	100	1976	50	1976	
Fredericksburg	.05	Full Salary	2-1	70	1979	50	1979	
Freeport	.05	Full Salary	1-1	100	1978			
Friendswood	.05	Full Salary	1-1	100	1978			
Friona	.05	Full Salary	1-1	100	1980	10	1980	
Fritch	.07	Full Salary	1-1	100	1981	10	1981	
Gainesville	.05	Full Salary	1-1	100	1980	10	1980	
Galena Park	.05	Full Salary	2-1	100	1980	50	1980	
Ganado	.07	Full Salary	2-1	100	1979	50	1979	
Garland	.05	Full Salary	2-1	100	1981	50	1981	
Garrison	.05	Full Salary	1-1					
Georgetown	.05	Full Salary	2-1	100	1981			
Giddings	.05	Full Salary	1-1	100	1981	50	1981	
Gladewater	.05	Full Salary	1-1	100	1979			
Goldthwaite	.05	Full Salary	2-1	100	1980	20	1980	
Goliad	.05	Full Salary	2-1	100	1977	50	1977	
Gonzales	.05	Full Salary	1-1	100	1979	50	1979	
Graham #1	.05	Full Salary	1½-1	100	1980	30	1980	
Graham #2	.05	Full Salary	1½-1	100	1978	50	1978	
Granbury	.05	Full Salary	1-1	100	1981			
Grand Prairie	.05	Full Salary	2-1	100	1981	10	1981	
Grand Saline	.03	3,600	1-1					
Grapevine	.05	Full Salary	2-1	100	1981	50	1981	
Greenville	.05	Full Salary	2-1	70	1977	40	1977	
Grey Forest	.05	Full Salary	1-1	100	1979			
Groves	.05	Full Salary	1-1	100	1979	50	1979	
Gruver	.05	Full Salary	1-1	100	1981			
Hallettsville	.05	Full Salary	1-1	100	1976	50	1976	
Haltom City	.07	Full Salary	2-1	100	1980	10	1980	
Hamilton	.05	Full Salary	1-1	100	1980			
Hamlin	.05	Full Salary	2-1	100	1981	30	1981	
Harker Heights	.05	Full Salary	1-1					
Harlingen #1	.05	Full Salary	1½-1	100	1981	50	1981	
Harlingen #2	.05	Full Salary	1-1	100	1979			
Hearne	.05	3,600	1-1					
Hempstead	.05	Full Salary	2-1	100	1980	20	1980	
Henderson	.05	Full Salary	2-1	100	1978	50	1978	
Hidalgo	.07	Full Salary	1-1					
Higgins	.05	Full Salary	1-1	40	1979			



(Optional Benefits Package)

Special Prior Service Basis	Buy-Back Effective Date	(Optional Benefits Package)		20 Yr. Vesting & Retirement at Age 50 with 25 Yrs. Service	Supplemental Death Benefits		Supplemental Disability Benefits	Participating Municipality
		10 Yr. Vesting & Retirement at Age 60 with 10 Yrs. Service			Effective Date	Retirees		
				X				Fort Stockton
		X	2-80	X			X	Fredericksburg
	11-17-80			X	X	1-78	X	Freeport
				X			X	Friendswood
				X	X	9-79	X	Friona
		X	10-79	X			X	Fritch
		X	3-80	X	X	1-80	X	Gainesville
		X	1-80	X	X	1-80	X	Galena Park
		X	10-79	X	X	3-78	X	Ganado
	11-06-79			X			X	Garland
				X			X	Garrison
	7-27-76	X	1-81	X	X	2-78		Georgetown
				X	X	4-79	X	Giddings
				X			X	Gladewater
		X	10-79	X	X	1-78/10-79	X	Goldthwaite
					X	7-78	X	Goliad
	8-17-78			X	X	1-80	X	Gonzales
				X	X	2-78	X	Graham #1
		X	7-80	X	X	7-80	X	Graham #2
	9-21-76	X	11-79	X	X	1-78	X	Granbury
								Grand Prairie
								Grand Saline
				X			X	Grapevine
				X				Greenville
				X	X	9-78	X	Grey Forest
				X				Groves
		X	11-80	X			X	Gruver
		X	2-80	X			X	Hallettsville
				X	X	1-78	X	Haltom City
				X	X	2-79	X	Hamilton
		X	3-80	X	X	7-78/1-81	X	Hamlin
				X				Harker Heights
				X	X	1-78	X	Harlingen #1
				X	X	2-78	X	Harlingen #2
								Hearne
				X	X	9-78	X	Hempstead
							X	Henderson
				X				Hidalgo
				X			X	Higgins



Participating Municipality	Employee Deposit Rate	Maximum Earnings	Municipal Current Matching Ratio	Updated Service Credit		Increased Benefits To Retirees		Antecedent Service Basis
				Rate (%)	Year Effective	Rate (%)	Year Effective	
Highland Park	.05	Full Salary	2-1			30	1981	2-1
Highland Village	.05	Full Salary	1-1	100	1980			
Hillsboro	.05	Full Salary	1-1	100	1978			
Hondo	.05	Full Salary	1-1	100	1980	20	1980	
Honey Grove	.05	Full Salary	1-1					
Hughes Springs	.07	Full Salary	1-1	100	1981	50	1981	
Hurst	.05	Full Salary	2-1					2-1
Ingleside	.05	Full Salary	2-1	100	1980			
Iowa Park	.05	Full Salary	1-1	100	1981			
Iraan	.07	Full Salary	1-1					
Irving	.05	Full Salary	2-1					
Itasca	.05	Full Salary	1-1	100	1980			
Jacinto City	.05	Full Salary	1 ½-1	100	1981	50	1981	
Jacksonville	.05	Full Salary	2-1	60	1980	30	1980	
Jasper	.05	Full Salary	2-1	100	1978	50	1978	
Jourdanton	.05	Full Salary	1-1	100	1982			
Junction	.05	Full Salary	1 ½-1	100	1981	50	1981	
Karnes City	.05	Full Salary	1-1	100	1980	10	1980	
Katy	.05	Full Salary	1-1	100	1980			
Kaufman	.05	Full Salary	2-1	100	1982			
Keller	.05	Full Salary	1-1	100	1980			
Kemp	.05	Full Salary	1-1	100	1978			
Kenedy	.05	3,600	1-1					
Kermit	.05	Full Salary	2-1	100	1976	50	1976	
Kerrville	.05	Full Salary	2-1	100	1980	30	1980	
Kilgore #1	.05	Full Salary	2-1	60	1981	30	1981	
Kilgore #2	.05	Full Salary	1-1	100	1978			
Killeen	.05	Full Salary	2-1	100	1976	50	1976	
Kingsville	.07	Full Salary	1-1					
Kirby	.05	Full Salary	1-1	100	1976	50	1976	
Knox City	.05	Full Salary	1-1	100	1982			
Kress	.05	Full Salary	1-1	100	1982			
Kyle	.05	Full Salary	1 ½-1	100	1977			
La Grange	.07	Full Salary	1-1	100	1976			
Lake Dallas	.07	Full Salary	1-1	100	1980	50	1980	
Lake Jackson	.05	Full Salary	2-1	100	1981	30	1981	
La Marque	.05	Full Salary	1-1					
Lamesa	.07	Full Salary	2-1	100	1980	30	1980	
Lampasas	.05	Full Salary	2-1					2-1



(Optional Benefits Package)

Special Prior Service Basis	Buy-Back Effective Date	(Optional Benefits Package)		Supplemental Death Benefits			Supplemental Disability Benefits	Participating Municipality
		10 Yr. Vesting & Retirement at Age 60 with 10 Yrs. Service	20 Yr. Vesting & Retirement at Age 50 with 25 Yrs. Service	Effective Date	Employees	Retirees		
2-1								Highland Park
			X	X	2-79	X	X	Highland Village
	X	10-79	X				X	Hillsboro
				X	1-80	X	X	Hondo
			X				X	Honey Grove
			X				X	Hughes Springs
2-1			X	X	1-78	X	X	Hurst
	X	10-79	X	X	10-79	X	X	Ingleside
	X	10-80	X	X	10-80	X	X	Iowa Park
								Iraan
			X	X	10-80	X	X	Irving
	X	1-80	X				X	Itasca
			X	X	1-78	X	X	Jacinto City
			X	X	10-78	X		Jacksonville
			X	X	11-80	X	X	Jasper
	X	1-81	X	X	1-81	X	X	Jourdanton
	X	10-79	X	X	6-78	X	X	Junction
			X	X	1-78	X	X	Karnes City
	X	9-80	X	X	1-78	X	X	Katy
	X	1-81	X	X	1-81	X	X	Kaufman
	X	10-79	X	X	10-79	X	X	Keller
			X				X	Kemp
								Kenedy
							X	Kermit
	X	10-79	X	X	2-78	X	X	Kerrville
				X	1-81	X	X	Kilgore #1
	X	11-79	X				X	Kilgore #2
			X				X	Killeen
							X	Kingsville
			X				X	Kirby
	X	1-81	X				X	Knox City
	X	1-81	X					Kress
			X				X	Kyle
			X				X	La Grange
			X	X	2-78	X	X	Lake Dallas
			X	X	1-78	X	X	Lake Jackson
			X	X	3-78	X	X	La Marque
	X	6-80	X				X	Lamesa
2-1			X				X	Lampasas



Participating Municipality	Employee Deposit Rate	Maximum Earnings	Municipal Current Matching Ratio	Updated Service Credit		Increased Benefits To Retirees		Antecedent Service Basis
				Rate (%)	Year Effective	Rate (%)	Year Effective	
Lancaster	.05	Full Salary	1-1					
La Porte	.07	Full Salary	2-1	100	1981	50	1981	
Laredo	.03	Full Salary	1-1	100	1980			
League City	.05	Full Salary	1-1	100	1978			
Leon Valley	.05	Full Salary	2-1					2-1
Levelland	.05	Full Salary	1½-1	100	1981	50	1981	
Lewisville	.05	Full Salary	1½-1	100	1976	50	1976	
Lexington	.05	Full Salary	1-1	100	1977			
Littlefield	.05	Full Salary	2-1	70	1979	30	1979	
Live Oak	.07	Full Salary	1-1					
Livingston	.05	Full Salary	1½-1	100	1981	50	1981	
Llano	.07	Full Salary	1-1					
Lockhart	.05	Full Salary	2-1	100	1981	50	1981	
Lockney	.05	Full Salary	1-1	100	1981	50	1981	
Lone Star	.05	Full Salary	1-1	100	1978			
Longview	.05	Full Salary	1½-1	100	1978	50	1978	
Lorenzo	.05	Full Salary	1-1	100	1977			
Lubbock	.05	Full Salary	2-1	100	1980	20	1980	
Lufkin	.05	Full Salary	1-1	50	1976	30	1976	
Luling	.05	Full Salary	1-1	100	1980	20	1980	
Lytle	.05	Full Salary	1½-1	100	1978	50	1978	
Mabank	.05	3,600	1-1					
Madisonville	.05	Full Salary	1-1	100	1981	40	1981	
Mansfield	.05	Full Salary	1½-1	100	1981	50	1981	
Marfa	.05	Full Salary	2-1					2-1
Marlin	.05	Full Salary	2-1	50	1976	20	1976	
Marshall	** .05	Full Salary	1½-1	100	1978	50	1978	
Mart	.05	Full Salary	1-1					
Mason	.05	Full Salary	1-1	100	1980	50	1980	
Mathis	.05	Full Salary	1-1	100	1981			
McAllen	.05	Full Salary	2-1					2-1
McCamey	.05	Full Salary	1-1	40	1980			
McKinney	.05	Full Salary	2-1	100	1976	50	1976	
Menard	.05	Full Salary	1-1					
Mesquite	.05	Full Salary	2-1	100	1981	20	1981	
Mexia	.05	Full Salary	2-1	100	1979	50	1979	
Midland	.07	Full Salary	2-1	100	1980	40	1980	
Mineola	.05	Full Salary	1-1	100	1980	20	1980	
Mineral Wells	.05	Full Salary	2-1	100	1980	50	1976	



Special Prior Service Basis	Buy-Back Effective Date	(Optional Benefits Package)		20 Yr. Vesting & Retirement at Age 50 with 25 Yrs. Service	Supplemental Death Benefits			Supplemental Disability Benefits	Participating Municipality
		10 Yr. Vesting & Retirement at Age 60 with 10 Yrs. Service			Effective Date	Employees	Retirees		
					X	1-78	X	X	Lancaster
	11-05-80	X	1-81	X	X	1-81	X	X	La Porte
		X	1-80	X	X	1-80/4-81	X	X	Laredo
				X	X	1-78	X	X	League City
2-1				X				X	Leon Valley
				X					Levelland
				X	X	4-79	X	X	Lewisville
				X				X	Lexington
									Littlefield
				X				X	Live Oak
		X	1-81	X					Livingston
				X				X	Llano
					X	12-80	X	X	Lockhart
				X	X	11-80	X	X	Lockney
		X	10-79	X	X	2-78	X	X	Lone Star
				X	X	1-78	X	X	Longview
		X	2-80	X				X	Lorenzo
				X				X	Lubbock
									Lufkin
				X					Luling
		X	2-80	X	X	1-78	X	X	Lytle
									Mabank
				X	X	1-78	X	X	Madisonville
		X	11-79	X	X	2-78	X	X	Mansfield
2-1								X	Marfa
		X	10-79	X				X	Marlin
		X	1-80	X	X	1-78	X	X	Marshall
								X	Mart
				X	X	1-80	X	X	Mason
		X	11-80	X	X	11-80	X	X	Mathis
2-1								X	McAllen
		X	1-80	X				X	McCamey
				X	X	1-80		X	McKinney
				X				X	Menard
	11-22-76			X				X	Mesquite
					X	10-78		X	Mexia
		X	1-81	X				X	Midland
				X	X	1-78	X	X	Mineola
				X	X	1-79	X	X	Mineral Wells



Participating Municipality	Employee Deposit Rate	Maximum Earnings	Municipal Current Matching Ratio	Updated Service Credit		Increased Benefits To Retirees		Antecedent Service Basis
				Rate (%)	Year Effective	Rate (%)	Year Effective	
Mission	.05	Full Salary	1-1	100	1979	50	1979	
Missouri City	.05	Full Salary	2-1	100	1977			
Monahans	.07	Full Salary	1-1	100	1981	50	1981	
Mont Belvieu	.05	Full Salary	1-1					
Moulton	.05	Full Salary	1-1	100	1978			
Mount Pleasant	.05	Full Salary	1-1	100	1981	50	1981	
Mount Vernon	.05	Full Salary	2-1	100	1981	20	1981	
Muenster	.05	Full Salary	2-1	100	1981	20	1981	
Muleshoe	.05	Full Salary	2-1					2-1
Nacogdoches #1	.05	Full Salary	2-1	100	1976	50	1976	
Nacogdoches #2	.05	3,600	1-1					
Naples	.05	Full Salary	1-1					
Nash	.05	Full Salary	1-1	100	1982			
Navasota	.05	Full Salary	1-1	100	1977			
Nederland	.07	Full Salary	2-1	100	1979	50	1979	
New Boston	.05	Full Salary	1-1	100	1978			
New Braunfels	.05	Full Salary	1-1	100	1978	50	1978	
North Richland Hills	.05	Full Salary	1-1	100	1977			
Odessa	.07	Full Salary	2-1	100	1977	50	1977	
Olmos Park	.05	Full Salary	2-1	100	1979			
Orange	.05	Full Salary	2-1			50	1979	2-1
Orange Grove	.03	Full Salary	1-1	80	1981	50	1981	
Overton	.05	Full Salary	1-1	100	1979			
Oyster Creek	.05	Full Salary	1-1	100	1981			
Paducah	.05	Full Salary	1-1	70	1978			
Palacios	.05	Full Salary	1-1	100	1978			
Palestine	.05	Full Salary	1-1	100	1981	20	1981	
Pampa	.05	Full Salary	1½-1	100	1979	50	1979	
Panhandle	.05	Full Salary	1-1	100	1977			
Pantego	.05	Full Salary	2-1	100	1980			
Paris	.05	Full Salary	1½-1	100	1980	20	1980	
Pasadena	.05	Full Salary	2-1	100	1979	50	1979	
Pearland	.05	Full Salary	2-1	100	1981	50	1981	
Pearsall	.03	7,200	1-1					
Pecos City	.05	Full Salary	2-1	100	1980	10	1980	
Perryton	.05	Full Salary	1½-1	100	1980	40	1980	
Pharr	.05	Full Salary	1-1	100	1979			
Pinehurst	.05	Full Salary	1-1					
Pittsburg	.05	Full Salary	2-1	100	1977			



(Optional Benefits Package)

Special Prior Service Basis	Buy-Back Effective Date	(Optional Benefits Package)		Supplemental Death Benefits			Supplemental Disability Benefits	Participating Municipality
		10 Yr. Vesting & Retirement at Age 60 with 10 Yrs. Service	20 Yr. Vesting & Retirement at Age 50 with 25 Yrs. Service	Effective Date	Employees	Retirees		
		X	10-79	X	X	1-79	X	Mission
				X			X	Missouri City
				X	X	1-78	X	Monahans
	5-29-79			X	X	3-78	X	Mont Belvieu
				X	X	4-78	X	Moulton
		X	1-81	X	X	4-80	X	Mount Pleasant
					X	1-81	X	Mount Vernon
		X	1-81	X				Muenster
2-1								Muleshoe
					X	1-78	X	Nacogdoches #1
							X	Nacogdoches #2
				X	X	2-78	X	Naples
		X	1-81	X			X	Nash
	11-30-76			X	X	1-78	X	Navasota
				X				Nederland
				X	X	1-78	X	New Boston
		X	10-79	X	X	1-78	X	New Braunfels
		X	2-80	X			X	North Richland Hills
		X	2-80	X	X	1-78	X	Odessa
				X			X	Olmos Park
2-1				X			X	Orange
				X			X	Orange Grove
				X	X	12-78	X	Overton
		X	8-80	X			X	Oyster Creek
				X			X	Paducah
				X			X	Palacios
	6-27-78	X	1-81	X	X	1-81	X	Palestine
								Pampa
				X			X	Panhandle
		X	10-79	X	X	10-79	X	Pantego
		X	1-81	X	X	1-81	X	Paris
	9-16-80	X	10-79	X	X	10-79	X	Pasadena
				X	X	1-81	X	Pearland
				X			X	Pearsall
		X	11-79	X	X	10-79	X	Pecos City
				X			X	Perryton
				X	X	1-79	X	Pharr
				X				Pinehurst
		X	10-79	X	X	10-79	X	Pittsburg



Participating Municipality	Employee Deposit Rate	Maximum Earnings	Municipal Current Matching Ratio	Updated Service Credit		Increased Benefits To Retirees		Antecedent Service Basis
				Rate (%)	Year Effective	Rate (%)	Year Effective	
Plainview	.05	Full Salary	2-1	100	1981	50	1981	
Plano	.05	Full Salary	2-1	100	1979	50	1979	
Pleasanton	.05	Full Salary	1-1	100	1980			
Port Aransas	.05	Full Salary	1-1	100	1981			
Port Arthur	.05	Full Salary	1½-1	100	1980	20	1980	
Port Lavaca	.05	Full Salary	1-1	100	1978	50	1978	
Port Neches	.05	Full Salary	2-1	100	1977	50	1977	
Prosper	.05	Full Salary	1-1					
Quanah	*.03	Full Salary	1½-1					1½-1
Quitman	.05	Full Salary	1-1	100	1978			
Ralls	.05	Full Salary	1-1	80	1978			
Ranger	.05	Full Salary	1-1	100	1977	50	1977	
Raymondville	.05	Full Salary	1-1	100	1980	20	1980	
Refugio	.05	Full Salary	1-1	100	1978			
Richardson	.05	Full Salary	2-1	60	1977	40	1977	
Richland Hills	.07	Full Salary	2-1	100	1980	10	1980	
Richmond	.05	Full Salary	2-1	100	1981	50	1981	
River Oaks	.05	Full Salary	2-1	80	1980	50	1980	
Roanoke	.05	Full Salary	2-1	100	1978			
Robstown #1	.05	Full Salary	1-1	100	1978	50	1978	
Robstown #2	.05	Full Salary	1-1	100	1978	50	1978	
Rockport	.07	Full Salary	2-1	100	1980	20	1980	
Rockwall	.03	Full Salary	1-1	100	1978			
Rosenberg	.05	Full Salary	1-1	70	1976	30	1976	
Round Rock	.05	Full Salary	1-1					
Rowlett	.05	Full Salary	1-1	100	1981			
Rusk	.05	Full Salary	1-1	80	1978			
Saint Jo	.05	Full Salary	1½-1	100	1981			
San Angelo	** .05	Full Salary	2-1	100	1980	30	1980	
San Antonio #1	.03	Full Salary	1-1	100	1980	50	1980	
San Antonio #2	.05	Full Salary	1½-1	100	1976	50	1976	
San Augustine	.05	Full Salary	1-1	100	1976	50	1976	
San Marcos	.05	Full Salary	1½-1	100	1981	40	1981	
San Saba	.05	Full Salary	1-1	100	1981	20	1981	
Santa Anna	.05	Full Salary	1-1					
Schulenburg	.05	Full Salary	1-1	100	1976	30	1976	
Seabrook	.05	Full Salary	1½-1	100	1981	50	1981	
Seagoville	.05	Full Salary	1-1	100	1978			
Seagraves	.05	Full Salary	1½-1	100	1981	50	1981	



(Optional Benefits Package)

Special Prior Service Basis	Buy-Back Effective Date	(Optional Benefits Package)		Supplemental Death Benefits			Supplemental Disability Benefits	Participating Municipality
		10 Yr. Vesting & Retirement at Age 60 with 10 Yrs. Service	20 Yr. Vesting & Retirement at Age 50 with 25 Yrs. Service	Effective Date	Employees	Retirees		
	12-13-77	X	1-81	X			X	Plainview
				X			X	Plano
		X	11-79	X	X	11-79	X	Pleasanton
		X	10-80	X	X	10-80	X	Port Aransas
	9-27-79			X				Port Arthur
		X	10-79	X				Port Lavaca
		X	10-79	X			X	Port Neches
				X				Prosper
1½-1							X	Quannah
					X	1-78	X	Quitman
		X	10-79	X	X	5-78	X	Ralls
								Ranger
		X	10-79	X	X	1-78	X	Raymondville
				X				Refugio
		X	11-79	X			X	Richardson
		X	12-79	X	X	1-81	X	Richland Hills
				X	X	1-81	X	Richmond
		X	1-80	X			X	River Oaks
		X	12-79	X			X	Roanoke
		X	4-80	X	X	1-78	X	Robstown #1
				X	X	1-78	X	Robstown #2
		X	9-80	X	X	1-79	X	Rockport
		X	10-79	X	X	1-78	X	Rockwall
				X			X	Rosenberg
				X			X	Round Rock
		X	11-80	X	X	11-80	X	Rowlett
	12-12-78	X	1-81	X	X	1-81	X	Rusk
		X	10-80	X	X	10-80	X	Saint Jo
	11-13-79			X			X	San Angelo
		X	1-80	X				San Antonio #1
	6-24-76	X	9-79	X				San Antonio #2
				X	X	3-81	X	San Augustine
	1-26-81	X	1-81	X			X	San Marcos
					X	1-81	X	San Saba
				X	X	4-79	X	Santa Anna
	1-04-77						X	Schulenburg
		X	1-80	X	X	11-79	X	Seabrook
				X			X	Seagoville
				X			X	Seagraves



Participating Municipality	Employee Deposit Rate	Maximum Earnings	Municipal Current Matching Ratio	Updated Service Credit		Increased Benefits To Retirees		Antecedent Service Basis
				Rate (%)	Year Effective	Rate (%)	Year Effective	
Sealy	.05	Full Salary	1-1	100	1979			
Seguin	.05	Full Salary	2-1	80	1981	20	1981	
Seminole	.05	Full Salary	2-1	100	1981	10	1981	
Seven Points	.05	Full Salary	2-1	100	1979			
Seymour	.05	Full Salary	1-1					
Shamrock	.05	6,000	1-1					
Sherman	.05	Full Salary	2-1	100	1980	50	1980	
Shiner	.05	Full Salary	1-1	60	1981			
Shoreacres	.05	Full Salary	1-1	80	1978	50	1978	
Silsbee	.05	Full Salary	1-1	100	1976	50	1976	
Silverton	.05	Full Salary	1-1	100	1981	50	1981	
Sinton	.05	Full Salary	1-1					
Slaton	.05	Full Salary	2-1					2-1
Snyder	.07	Full Salary	2-1	100	1981	20	1981	
Somerville	.05	3,600	1-1					
Sonora	.03	Full Salary	1-1	100	1979	40	1979	
South Houston	.05	Full Salary	1½-1	100	1980			
South Padre Island	.05	Full Salary	2-1	100	1979			
Southside Place	.05	Full Salary	1-1	100	1979			
Spearman	.05	Full Salary	2-1	100	1981	50	1981	
Stafford	.05	Full Salary	2-1	100	1980			
Stamford	.05	Full Salary	1-1	100	1981			
Star Harbor	.05	Full Salary	2-1	100	1981			
Stephenville	.05	Full Salary	1-1	100	1977			
Stinnett	.05	Full Salary	1-1	100	1980	50	1980	
Stratford	.05	Full Salary	1-1	50	1978			
Sudan	.05	Full Salary	1-1					
Sugar Land	.05	Full Salary	1-1	100	1976	50	1976	
Sulphur Springs	.05	Full Salary	2-1	100	1980	10	1980	
Sundown	.05	Full Salary	1-1	90	1978			
Sweeny	.05	Full Salary	1½-1	100	1980	30	1980	
Sweetwater	.05	Full Salary	2-1	100	1977	50	1977	
Taft	.05	Full Salary	1-1	100	1980	20	1980	
Tahoka	.05	Full Salary	2-1	100	1976	50	1976	
Taylor	.05	Full Salary	1-1	100	1976	50	1976	
Teague	.05	Full Salary	1-1					
Temple	.07	Full Salary	2-1	50	1981	20	1981	
Terrell	.05	Full Salary	2-1	100	1976	50	1976	
Terrell Hills	.03	Full Salary	1-1	100	1982			



Special Prior Service Basis	Buy-Back Effective Date	(Optional Benefits Package)		Supplemental Death Benefits Effective Date	Supplemental Disability Benefits	Participating Municipality
		10 Yr. Vesting & Retirement at Age 60 with 10 Yrs. Service	20 Yr. Vesting & Retirement at Age 50 with 25 Yrs. Service			
		X	10-79	X	X	Sealy
				X		Seguin
		X	2-80	X	X	Seminole
				X	X	Seven Points
				X		Seymour
					X	Shamrock
	1-14-80			X	X	Sherman
		X	4-80	X	X	Shiner
				X	X	Shoreacres
				X		Silsbee
				X	X	Silverton
				X		Sinton
2-1					X	Slaton
		X	1-81	X		Snyder
						Somerville
		X	11-79	X	X	Sonora
		X	10-79	X	X	South Houston
	7-01-78	X	10-79	X	X	South Padre Island
		X	1-80	X	X	Southside Place
				X	X	Spearman
		X	3-80	X	X	Stafford
						Stamford
		X	9-80	X	X	Star Harbor
		X	10-79	X		Stephenville
				X	X	Stinnett
				X		Stratford
				X		Sudan
				X		Sugar Land
				X	X	Sulphur Springs
				X		Sundown
		X	11-80	X	X	Sweeny
	7-13-76			X	X	Sweetwater
		X	3-80	X	X	Taft
				X	X	Tahoka
		X	10-79	X		Taylor
				X		Teague
				X	X	Temple
				X		Terrell
		X	1-81	X	X	Terrell Hills



Participating Municipality	Employee Deposit Rate	Maximum Earnings	Municipal Current Matching Ratio	Updated Service Credit		Increased Benefits To Retirees		Antecedent Service Basis
				Rate (%)	Year Effective	Rate (%)	Year Effective	
Texarkana #1	.07	Full Salary	1½-1	100	1980	20	1980	
Texarkana #2	.05	Full Salary	1½-1	100	1980	20	1980	
Texarkana #3	.05	Full Salary	1½-1	100	1980	20	1980	
Texas City	.07	Full Salary	2-1	100	1977	50	1977	
Texas Municipal League	.05	Full Salary	2-1					2-1
T.M.R.S.	.07	Full Salary	2-1	100	1980	20	1980	
Thorndale	.05	Full Salary	1-1	100	1978			
Three Rivers	.05	3,600	1-1					
Throckmorton	.05	Full Salary	1-1					
Tomball	.05	Full Salary	1-1	100	1976	50	1976	
Tulia	.05	Full Salary	1-1					
Tyler	.05	Full Salary	1½-1	100	1976	50	1976	
Universal City	.05	Full Salary	1-1	100	1978			
University Park	.05	Full Salary	2-1	60	1980	50	1980	
Uvalde	.05	4,800	1-1					
Van	.05	Full Salary	1½-1	100	1981	50	1981	
Van Horn	.05	Full Salary	1½-1	100	1981	50	1981	
Vega	.07	Full Salary	1-1	100	1981	10	1981	
Vernon	.05	Full Salary	1½-1	100	1980	50	1980	
Victoria	.05	Full Salary	1½-1	100	1976	50	1976	
Waco	.05	Full Salary	1½-1	100	1976	10	1980	
Waelder	.05	Full Salary	1-1					
Wake Village	.05	Full Salary	1-1					
Watauga	.07	Full Salary	1-1	100	1978			
Waxahachie	.05	Full Salary	1-1	100	1977	50	1977	
Weatherford	.05	Full Salary	2-1					2-1
Webster	.05	Full Salary	1-1					
Weimar	.05	Full Salary	2-1	80	1980	40	1976	
Wellington	.05	Full Salary	2-1	100	1979	50	1979	
Weslaco	.05	Full Salary	2-1					2-1
West	.03	Full Salary	2-1	100	1981	50	1981	
West Columbia	.05	Full Salary	1-1	100	1976	50	1976	
West Orange	.05	Full Salary	1-1					
West University Place	.05	Full Salary	2-1	100	1980	30	1980	
Wharton	.05	Full Salary	1-1					
Whitehouse	.05	Full Salary	1-1					
White Oak	.05	Full Salary	1-1	100	1980	50	1980	
White Settlement	.05	Full Salary	1½-1	100	1981	50	1981	
Wichita Falls	** .05	Full Salary	2-1	30	1977	10	1977	



(Optional Benefits Package)

Special Prior Service Basis	Buy-Back Effective Date	(Optional Benefits Package)		Supplemental Death Benefits			Supplemental Disability Benefits	Participating Municipality
		10 Yr. Vesting & Retirement at Age 60 with 10 Yrs. Service	20 Yr. Vesting & Retirement at Age 50 with 25 Yrs. Service	Effective Date	Employees	Retirees		
		X	11-79	X			X	Texarkana #1
		X	11-79	X			X	Texarkana #2
		X	11-79	X			X	Texarkana #3
		X	12-79	X			X	Texas City
				X			X	Texas Municipal League
				X	X	1-78	X	T.M.R.S.
				X	X	3-78	X	Thorndale
								Three Rivers
				X			X	Throckmorton
				X			X	Tomball
				X				Tulia
	12-18-79	X	1-80	X	X	1-78/1-80	X	Tyler
				X			X	Universal City
				X				University Park
								Uvalde
				X	X	1-81	X	Van
				X	X	1-78	X	Van Horn
				X	X	1-81	X	Vega
		X	11-79	X	X	2-78	X	Vernon
		X	12-79	X	X	10-78	X	Victoria
	9-07-76	X	1-80	X			X	Waco
				X	X	2-78	X	Waelder
				X	X	1-78	X	Wake Village
				X	X	1-78	X	Watauga
								Waxahachie
2-1							X	Weatherford
				X			X	Webster
				X	X	10-79	X	Weimar
		X	10-79	X	X	11-78	X	Wellington
2-1				X				Weslaco
							X	West
				X			X	West Columbia
				X			X	West Orange
					X	1-78	X	West University Place
				X				Wharton
				X				Whitehouse
		X	7-80	X	X	9-78	X	White Oak
					X	10-80	X	White Settlement
							X	Wichita Falls



Participating Municipality	Employee Deposit Rate	Maximum Earnings	Municipal Current Matching Ratio	Updated Service Credit		Increased Benefits To Retirees		Antecedent Service Basis
				Rate (%)	Year Effective	Rate (%)	Year Effective	
Winnsboro	.05	Full Salary	2-1	100	1981	50	1981	
Winters	.05	Full Salary	1-1	50	1979	20	1979	
Wolfforth	.05	Full Salary	1-1	100	1980			
Woodville	.05	Full Salary	1-1	100	1976	50	1976	
Woodway	.07	Full Salary	2-1	100	1977			
Wylie	.05	Full Salary	1½-1	100	1981			
Yoakum	.05	Full Salary	2-1	100	1981	30	1981	

\*Policemen and Firemen-.05

\*\*Policemen-.07

\*\*\*Policemen and Other Dept.-.07



(Optional Benefits Package)

Special Prior Service Basis	Buy-Back Effective Date	(Optional Benefits Package)		Supplemental Death Benefits			Supplemental Disability Benefits	Participating Municipality
		10 Yr. Vesting & Retirement at Age 60 with 10 Yrs. Service	20 Yr. Vesting & Retirement at Age 50 with 25 Yrs. Service	Effective Date	Employees	Retirees		
			X	X	1-81	X	X	Winnsboro
			X	X	1-79	X	X	Winters
		X 4-81	X				X	Wolfforth
		X 1-80	X				X	Woodville
			X	X	1-79	X	X	Woodway
		X 10-80	X	X	10-80	X	X	Wylie
							X	Yoakum













**TEXAS MUNICIPAL RETIREMENT SYSTEM**

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