

RESOLUTION ELECTING PARTICIPATION IN TCDRS (District) - Revised 2007

The Texas Legislature established the Texas County and District Retirement System ("TCDRS") under Section 67 of Article XVI of the Texas Constitution.

Election to Participate – Membership of Employees

The District elects to participate in and have its employees participate in the TCDRS in accordance with Subtitle F of Title 8 of the Texas Government Code (the TCDRS ACT). The effective participation date of the District is the date approved by the TCDRS Board of Trustees. Employees of the District on date of participation shall become members of TCDRS and shall be credited with service for prior service. Each person who becomes an employee of the District on or after the effective date of participation will become a participant through the employer on the date of employment. The District elects to begin participation in TCDRS effective the 1st day of January, 2009.

Basic Plan Selections

The District hereby adopts the following plan selections at participation:

A. Basic Plan Retirement Eligibility

The District adopts the 10-year/Age 60/Rule of 80 Retirement Eligibility/30 years of service any age. Members shall have a 10-year service eligibility requirement for vesting and retirement at age 60. A vested 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 eighty (80). A member shall have the right to retire and receive a service retirement annuity when the years of such credited service equals or exceeds thirty (30).

B. Employee Deposit Rate

For each payroll period from and after the effective date of participation, mandatory employee contributions required of each eligible District employee shall be paid to TCDRS by the District at the rate of 5%¹ of compensation; and such contributions shall be certified by the District and transmitted to TCDRS for deposit to the individual employee account. As a participating employer whose participation in TCDRS is subject to Section 845.403(i), and in conformance with IRS Revenue Ruling 2006-43, for federal income tax purposes these mandatory contributions designated as employee contributions of the member shall be 'picked up' by the District and paid to TCDRS for treatment as employer contributions under IRC Section 414(h)(2) with a corresponding reduction in the cash salary of the member.

C. Service Credit Percentage

Service performed by each member for the District on and after the participation date will receive multiple matching credit, which when added to the rate used to determine the current service credit, will total 100%² of the member's deposits.

D. Prior Service Credit Percentage

Prior service (Special) credits given shall be computed at 0%³ of the maximum prior service credit.

Selection and Adoption of Optional Credits and Benefits

The District adopts the following additional rights, credits and benefits, effective as of the date of participation. The presiding officer of the District must sign in the space preceding each option selected.

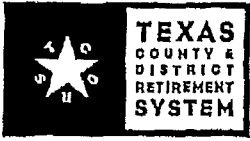
Optional 8-year/Age 60 Retirement Eligibility

Members shall have an 8-year service eligibility requirement for vesting at age 60.

¹ Must be 4%, 5%, 6% or 7%.

² Must be a multiple of 5%, not less than 100%, and not more than 250%.

³ Must be a multiple of 5%, and subject to the maximum dependent on current service credit percentage.



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Selection and Adoption of Optional Credits and Benefits (continued)

Optional Rule of 75 Retirement Eligibility

A vested 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).

Optional 20-Year/Any Age Retirement Eligibility

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).

Credited Service for Qualified Military Service

A vested member shall receive up to 60 months of credit for qualified Military Service.

Partial Lump-Sum Distribution - Service Retirement

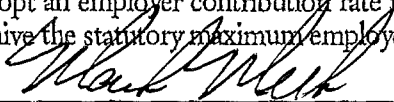
This allows your current members who are eligible for service retirement to receive in addition to a lifetime monthly annuity, a portion of the retirement benefit in the form of a partial lump sum distribution that cannot exceed 100 % of their account balance, with the remaining of the benefit payable as a lifetime annuity.

Employer Contribution Rate

The District agrees to make monthly contributions to the System at a rate that equals or exceeds the required rate as annually determined by the System actuary. The District's initial monthly contribution rate will be 4.10%.

Election to Waive the Statutory Maximum Employer Contribution Rate Limit

If the District is adopting optional rights, credits or benefits that produce an employer contribution rate in excess of 11% or if the District is electing to adopt an employer contribution rate in excess of 11%, then as of the participation date, the District elects to waive the statutory maximum employer contribution rate.


Presiding Officer Signature (Only if applicable)

Certification

I certify that the foregoing authorization concerning the District's participation in TCDRS truly and accurately reflects the official action taken during a properly posted and noticed meeting on the above date by our Governing Board and such action is recorded in the official minutes.


Board Secretary Signature

November 21, 2008
Date