



2024-2025 Annual Report

Building for the Future:
The Next 50 Years

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WHO WE SERVE

The TML Risk Pool is an intergovernmental, risk-sharing partnership, formed in 1974 by the Members of the Texas Municipal League for the purpose of offering workers' compensation, liability, property, and – more recently – cybersecurity protection to Texas municipalities and other eligible local governments.

GOVERNANCE

The Pool's mission, membership philosophy, core values, objectives, and overall policy governance are set by the Board of Trustees, which consists of elected and appointed officials who represent the Membership.

MISSION STATEMENT

The Mission of the Texas Municipal League Intergovernmental Risk Pool is to facilitate and empower a partnership amongst Texas municipalities (and other eligible local governments) by providing a stable and economical source of risk financing and loss prevention services.

MEMBERSHIP PHILOSOPHY

- **Shared Purpose:** The Pool is a partnership with a collective commitment to providing stability, security, and financial protection for municipalities and municipal interests. Membership in the Pool is not merely transactional; it is a collaborative relationship founded on mutual trust, resource pooling, and the shared goal of safeguarding public services.
- **Collective Resilience:** Members enhance their capacity to manage risks and recover from setbacks, ensuring the continuity of vital services for the communities they serve. Each Member has an obligation to act responsibly and in alignment with the Pool's Mission, contributing to the partnership's overall strength and effectiveness.
- **Equitable Responsibility:** The Pool ensures that contributions, benefits, and costs are shared fairly among Members. Governance, eligibility criteria, and rating adjustments (including rates, deductibles, and limits) are applied thoughtfully to address exposures or actions that do not align with the Pool's standards or the spirit of partnership, maintaining fairness and accountability.
- **Long-Term Sustainability:** By adapting to evolving risks and maintaining financial stability, the Pool ensures enduring value and support for its Members, securing the ability to serve municipal interests effectively over time.



CORE VALUES

- **Public Service:** Serving the public good for the benefit of local governments and their tax-paying citizens.
- **Fiscal Responsibility:** Responsibly managing our Members' pooled funds for the protection of their financial stability.
- **Operational Excellence:** Delivering excellent member service in all components of our risk financing and loss prevention services.
- **Integrity:** Serving with honesty, integrity, and professionalism.

OBJECTIVES

- Educate Members about avoiding and reducing risks.
- Control losses with effective legal defense and claims handling.
- Anticipate emerging risks.
- Be aware of and anticipate emerging state and national trends.
- Provide appropriate coverages that meet the needs of the Pool's members.
- Serve as an expert source of information on risk management for cities, other units of local government, and the Texas Municipal League.
- Develop, train, and retain highly qualified staff.

FINANCIAL & OPERATIONAL HIGHLIGHTS

REVENUES OVER (UNDER) EXPENSES

FISCAL YEARS ENDING SEPTEMBER 30, 2025 & 2024

(In Thousands)	2025	2024
Revenues Over (Under) Expenses BEFORE Unrealized Gains/(Losses)	\$50,709	\$31,941
Unrealized Investment Gains/(Losses)	11,561	75,488
Revenues Over (Under) Expenses AFTER Unrealized Gains/(Losses)	\$62,270	\$107,429

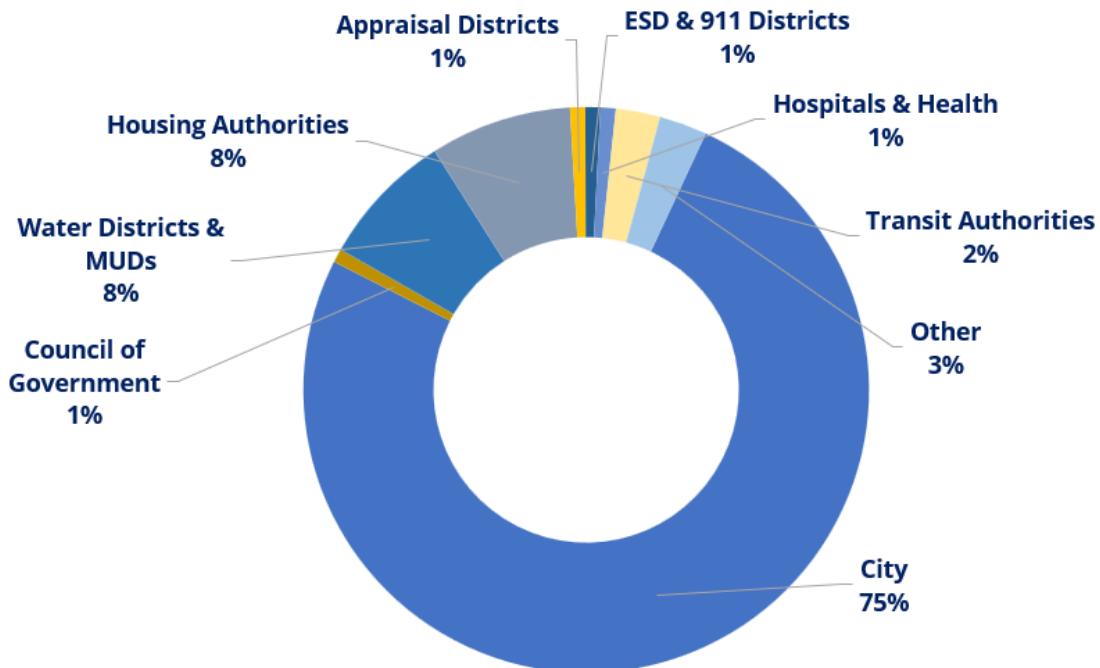
NET POSITION

AS OF SEPTEMBER 30, 2025 & 2024

(In Thousands)	2025	2024
Net Position BEFORE Cumulative Unrealized Gains/(Losses)	\$438,579	\$390,226
Cumulative Unrealized Investment Gains/(Losses)	(5,003)	(16,564)
Net Position AFTER Cumulative Unrealized Gains/(Losses)	\$433,576	\$373,662

Total Contributions - \$365,966,859

At September 30, 2025



BOARD OF TRUSTEES



Bert Lumberras, Chair
Appointed Citizen Member
Place 5



Austin Bleess, Vice Chair
Jersey Village
Place 4



**J.W. (Buzz) Fullen
Henderson**
Place 1



Emily Crawford
Brownwood
Place 2



David Rutledge
Bridge City
Place 3



Kimberly Meismer
Kerrville
Place 6



Mary M. Dennis
Live Oak
Place 7



Chris Coffman
Granbury
Place 8



Opal Mauldin-Jones
Lancaster
Place 9



Mike Alexander
Appointed Citizen Member
Place 10



Randy Criswell
Wolfforth
Place 11



Allison Heyward
Schertz
Place 12



Harlan Jefferson
Burleson
Place 13



Mike Land
Coppell
Place 14



Rickey Childers
Appointed Citizen Member
Place 15



Bennett Sandlin
Austin
TML Representative



Holly Gray
Roanoke
TML Representative
Ex-Officio

Letter from the Chair

BUILDING ON 50 YEARS OF STRENGTH, FOCUSED ON THE FUTURE

Dear Fellow Members:

On behalf of the Texas Municipal League Intergovernmental Risk Pool Board of Trustees, I am honored to present the Pool's 2024-25 Annual Report. Strong financial results this year supported our commitment to serving Members while maintaining long-term strength and stability. Having recently celebrated our 50th anniversary, we continue a new era of clarity, momentum, and purpose. The milestone year reinforced the enduring value of our partnership, and it strengthened our resolve to continue delivering unmatched coverage, stability in costs and loss prevention services to the cities and other local governments we serve.

Our efforts are always guided by the Pool's Core Values: fiscal responsibility, public service, integrity, and operational excellence, and the Pool's Mission Statement was updated in 2025 to more clearly encapsulate what we do. Our mission is now *"to facilitate and empower a partnership among Texas municipalities by providing a stable and economical source of risk financing and loss prevention services."*

"Stable" and "economical" aren't flashy words, but in our world, they're sacred ones. They mean cities can plan budgets confidently. They mean first responders have facilities and equipment that keep them safe. And they mean that, when disaster strikes, there's a dependable partner ready to help rebuild – not just reimburse.

The Board also adopted a formal Membership Philosophy in 2025, which describes the character of the partnership:

1. Shared Purpose – We exist to protect municipal interests so you can serve your citizens.
2. Collective Resilience – When one city faces hardship, it benefits from the strength of the partnership among all Member cities.
3. Equitable Responsibility – Every member contributes fairly and according to its risk and reaps the benefits of shared protection.
4. Long-Term Sustainability – We make decisions today that are aimed at safeguarding your tomorrows.

This philosophy gives us a common language for explaining what makes the Pool different from the commercial market – and why this model endures when others fail. Together, our guiding statements form a coherent whole:

- The Mission tells us *what we do*.
- Our previously-developed "Why" statement – *to partner with local governments so Texas communities are stronger, together* – reminds us *why* we do it.
- The Core Values define *how we do it*.
- And the new *Membership Philosophy* is the final piece that defines *who we are*.

This framework ensures that every operational decision – whether it's pricing property coverage or offering a cyber grant – aligns with our shared purpose.

The Pool also advanced significant initiatives to enhance the member experience and strengthen operational excellence. One of the most meaningful efforts this year has been the continued planning for the future Texas Municipal Center. Following foundational work completed in 2024, the Board advanced into critical next phases across 2025, including selecting a site in Georgetown. More work lies ahead, and this work represents a shared vision between the Pool and TML to create a flexible, accessible, and modern facility that expands educational and meeting space, supports future growth, and enhances service to the municipal community we proudly support.

Over the past year, we implemented several additional initiatives that enhance Member experience. The following are just a few examples:

- We continued to refine and expand our cyber coverage and security resources, including enhanced grant support and access to advanced analytics services, enabling members to better prepare for and respond to evolving cyber risks.
- We intensified loss-prevention outreach and training efforts, particularly focused on law enforcement excellence and roadway safety.
- We continued modernizing member service tools through technology roadmap progress and process improvements.
- We updated the Pool's compensation and classification plan for Pool employees.
- We developed artificial intelligence guidelines.

These investments demonstrate our commitment to operational excellence across all areas of service.

Thank you for your continued trust and collaboration. The strength of the Pool is rooted in the partnership among our Members, and it is our privilege to serve you with integrity, accountability, and an unwavering commitment to excellence. Together, we will continue building on over 50 years of progress — shaping a stable and innovative future for the next generation of Texas communities.

Sincerely,



Bert Lumbrajas
Chair, Board of Trustees
Texas Municipal League Intergovernmental Risk Pool





INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Texas Municipal League Intergovernmental Risk Pool

Opinion

We have audited the accompanying financial statements of each major fund of the Texas Municipal League Intergovernmental Risk Pool (the "Pool"), which comprise the statements of net position as of September 30, 2025 and 2024, and the related statements of operations and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements of each of the major funds referred to above present fairly, in all material respects, the financial position of Texas Municipal League Intergovernmental Risk Pool as of September 30, 2025 and 2024, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Texas Municipal League Intergovernmental Risk Pool and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As described in Note 2 to the financial statements, the Pool has adopted GASB Statement 101, Compensated Absences. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Texas Municipal League Intergovernmental Risk Pool's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Texas Municipal League Intergovernmental Risk Pool's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Texas Municipal League Intergovernmental Risk Pool's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, ten-year claims development information, schedule of changes in net pension liability and related ratios, schedule of employer pension contributions, schedule of changes in OPEB liability and related ratios, and schedule of employer OPEB contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Armanino LLP

Austin, Texas

December 12, 2025



Management's Discussion & Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) of the Texas Municipal League Intergovernmental Risk Pool (Pool) provides a narrative overview and analysis of the financial activities of the Pool for the fiscal year ended September 30, 2025. The information presented herein should be considered in conjunction with the detailed information provided in the basic financial statements, notes to financial statements, and required supplementary information.

OVERVIEW OF FINANCIAL STATEMENTS

FUND ACCOUNTING AND FINANCIAL STATEMENTS

The Pool has six operating funds that are accounted for as self-sustaining business-like activities or enterprise funds. The Pool's six funds are the Workers' Compensation, Liability, Property, Cyber, Reinsurance, and Stability Funds that by policy are classified as major funds.

The Statement of Net Position presents the Pool's assets, liabilities, and net position at the end of the two most recent fiscal years. The Statement of Operations and Changes in Net Position shows how the Pool's Net Position has changed during the two fiscal years. All interrelated balances and transactions have been eliminated and are presented in a separate column. The Statement of Cash Flows shows cash received and used by the Pool during the year and presents a reconciliation of revenues over expenses to net cash provided by operating activities.

UNREALIZED INVESTMENT GAINS (LOSSES)

Governmental Accounting Standards Board (GASB) Statement 31 requires the Pool to include unrealized investment gains and losses as a component of investment income. Unrealized investment gains (losses) occur when the market value of investment holdings fluctuates. Due to the volatility of market conditions and the resulting unrealized gains (losses), as well as the Pool's intent to hold most investments until maturity (in the case of bonds), the Pool makes many key financial decisions, including rate setting, without considering unrealized gains (losses). Some of the financial information and analysis in the MD&A separates unrealized gains (losses) to provide a clearer picture of the financial results of the Pool.

FINANCIAL HIGHLIGHTS AND ANALYSIS

The financial results in 2025 (Fiscal Year 2024 - 25) were strong as higher contributions and investment income offset higher losses for some of the coverages provided by the Pool; and the Property Fund continued on its planned recovery trajectory, reflecting steady progress towards stabilization after some major losses over the past few years. Additionally, the Cyber Fund was established in 2025 with a Board-approved equity transfer of \$10 million from the Liability Fund. The Cyber Fund provides coverage against cyber threats and data breaches.

Members' contributions rose to support claim losses, investment income was the strongest in over 10 years, and Members' Equity (Net Position) continued a path of recovery and stability. Member contributions to the Pool help pay for claim losses and are based on each Member's risk profile and claim loss experience. Catastrophic or shock losses are generally funded by the Pool's Members' equity. To assure that the Pool can withstand catastrophic losses, a capital adequacy assessment is performed to determine a target range for Member's equity to not only

withstand shock losses, but to continue as a financially strong risk pool after such losses. Finally, the Pool's investment return-risk profile supported by diversification of investments, policy provisions and benchmarks designed to match liabilities with investments, and favorable financial markets for bonds and stocks led to another strong investment year.

CONDENSED STATEMENTS OF OPERATIONS AND CHANGES IN NET POSITION

AS OF SEPTEMBER 30, 2025, 2024 & 2023

(\$ In Thousands)		2025	2024	2023
REVENUES	Earned Contributions	\$365,967	\$331,329	\$282,155
	Reinsurance Expense	(44,888)	(37,793)	(26,514)
	Investment Income (w/Unrealized Gains/(Losses))	48,607	107,533	22,637
	Other Revenues	1,308	1,156	1,030
	TOTAL REVENUES	370,994	402,225	279,308
EXPENSES	Net Losses and Loss Adjustment Expenses	246,830	236,425	220,863
	G&A, Pension and Contract Service Fees	61,894	58,371	54,079
	TOTAL EXPENSES	308,724	294,796	274,942
	Cumulative Effect of Change in Accounting Principle	(2,285)	-	(6)
	Return of Net Position (Equity)	(71)	(2)	(38)
	CHANGE IN NET POSITION	59,914	107,427	4,322
	Net Position – Beginning	373,662	266,235	261,913
	NET POSITION – ENDING	\$433,576	\$373,662	\$266,235

As mentioned, unrealized investment gains (losses) occur when the market value of investments changes due to market conditions. Due to the volatility of the market and changes in market value, the chart below removes unrealized gains (losses) for a better view of financial results and conditions of the Pool.

REVENUES OVER (UNDER) EXPENSES

FISCAL YEARS ENDING SEPTEMBER 30, 2025, 2024 & 2023

(\$ In Thousands)	2025	2024	2023
Revenues Over (Under) Expenses BEFORE Unrealized Gains/(Losses)	\$50,709	\$31,941	\$9,645
Unrealized Investment Gains/(Losses)	11,561	75,488	(5,279)
Revenues Over (Under) Expenses AFTER Unrealized Gains/(Losses)	\$62,270	\$107,429	\$4,366

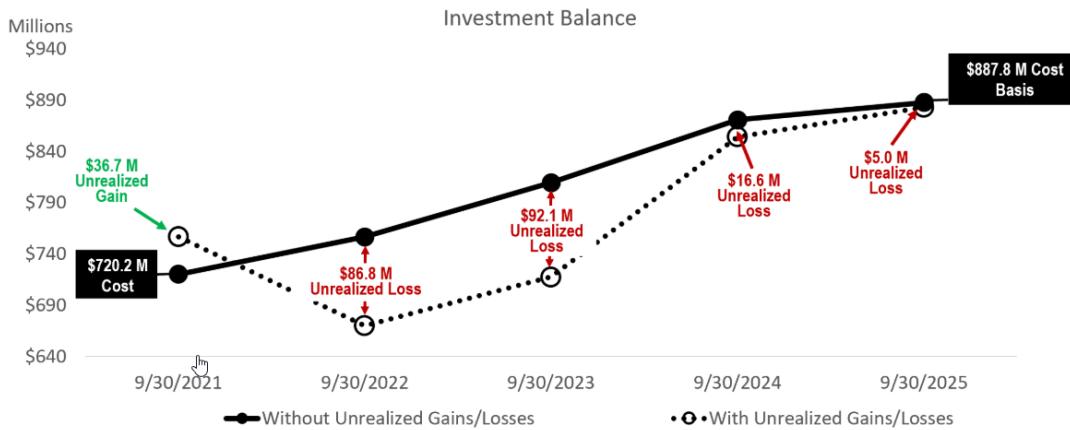
NET POSITION

AS OF SEPTEMBER 30, 2025, 2024 & 2023

(\$ In Thousands)	2025	2024	2023
Net Position BEFORE Cumulative Unrealized Gains/(Losses)	\$438,579	\$390,226	\$358,288
Cumulative Unrealized Investment Gains/(Losses)	(5,003)	(16,564)	(92,053)
Net Position AFTER Cumulative Unrealized Gains/(Losses)	\$433,576	\$373,662	\$266,235

Key Notes on Financial Results

- Revenues over (under) expenses before unrealized gains (losses) increased to \$50.7 million in 2025 after revenues exceeded expenses by \$31.9 million in 2024. The growth was the result of favorable workers' compensation and property underwriting margins offset with significant auto liability losses.
- As an example of how the volatility of unrealized investment gains (losses) impacts financial results, the Pool began the 2025 fiscal year with cumulative unrealized investment losses of \$16.6 million and ended the year with unrealized investment losses of \$5.0 million. Per accounting standards, the \$11.6 million favorable swing is included in the financial statements. The investment balance without unrealized investment gains (losses) grew by \$80.2 million.



MEMBER CONTRIBUTIONS

Combined earned contributions rose \$34.6 million in 2025 to \$366.0 million. Contributions were \$331.3 million and \$282.2 million in 2024 and 2023, respectively. Contributions rose due to rate increases from higher claim losses and exposure growth. Contributions by fund were as follows:

EARNED CONTRIBUTIONS		
AS OF SEPTEMBER 30, 2025 & 2024		
(\$ In thousands)	2025	2024
Workers' Compensation	\$100,746	\$104,014
Liability	82,224	76,609
Property	180,774	150,706
Cyber	2,223	0
Total	\$365,967	\$331,329

Key Member Contributions Notes

- Combined contributions were \$34.6 million or 10.4% higher than last year due to higher claim losses.
- Workers' Compensation contributions were comparable to last year. Rate decreases across several class codes were offset by higher 2025 member payrolls and by \$8.4 million in payroll audit adjustments for the 2023/24 contracts.
- Liability contributions were \$5.6 million or 7.3% higher than last year as auto liability claims losses drove a 7% rate increase to this line of coverage. Additional increases were due to experience modifier adjustments and exposure increases across all liability lines of coverage.
- Property contributions were \$30.0 million or 20.0% higher than last year as claim losses drove an overall 9% increase in rates and a 3% inflationary factor to all scheduled building values and contents. Additional

rate increases were implemented for Housing Authorities along with adjustments to minimum contributions and deductibles for all members.

INVESTMENT INCOME

Total investment income (including unrealized gains (losses) was \$48.6 million and \$107.5 million in 2025 and 2024, respectively. Investment income before unrealized gains (losses) was \$37.0 million compared to \$32.0 million last year due to higher interest and dividend income and lower amortization expense. The strong investment results were supported by enhanced portfolio diversification, stable economic growth, lower inflation, and a more favorable monetary policy (lower interest rates). Unrealized investment gains were \$11.6 million and \$75.5 million, at 2025 and 2024, respectively, as the financial markets yielded strong returns for both bonds and stocks.

INVESTMENT INCOME		
12 MONTHS ENDING SEPTEMBER 30, 2025 & 2024		
	2025	2024
Interest Income	\$33,406,899	\$29,992,953
Dividend Income	5,172,178	4,839,166
Amortization Expense	(1,374,696)	(2,179,588)
Realized Gains (Losses)	(159,124)	(607,868)
Investment Income before Unrealized Gains (Losses)	\$37,045,257	\$32,044,663
Unrealized Gains (Losses)	11,561,454	75,488,173
Investment Income after Unrealized Gains (Losses)	\$48,606,711	\$107,532,836

The Lifetime Benefits Investment Portfolio (LTB) is the Pool's long-duration portfolio established in accordance requirements of Chapter 504 of the Texas Labor Code to invest assets for the interest of current and future beneficiaries of workers' compensation death and lifetime income benefits (see notes to financial statements). Since the inception in March 2020, the LTB portfolio has improved the risk-return profile, enhanced returns, and added to the overall portfolio diversification.

The government portfolio incurred unrealized losses of (\$140,280) while the LTB portfolio recorded unrealized gains of \$11.7 million. The LTB portfolio recorded realized losses of (\$195,633) due to trading adjustments for the corporate bond allocation.

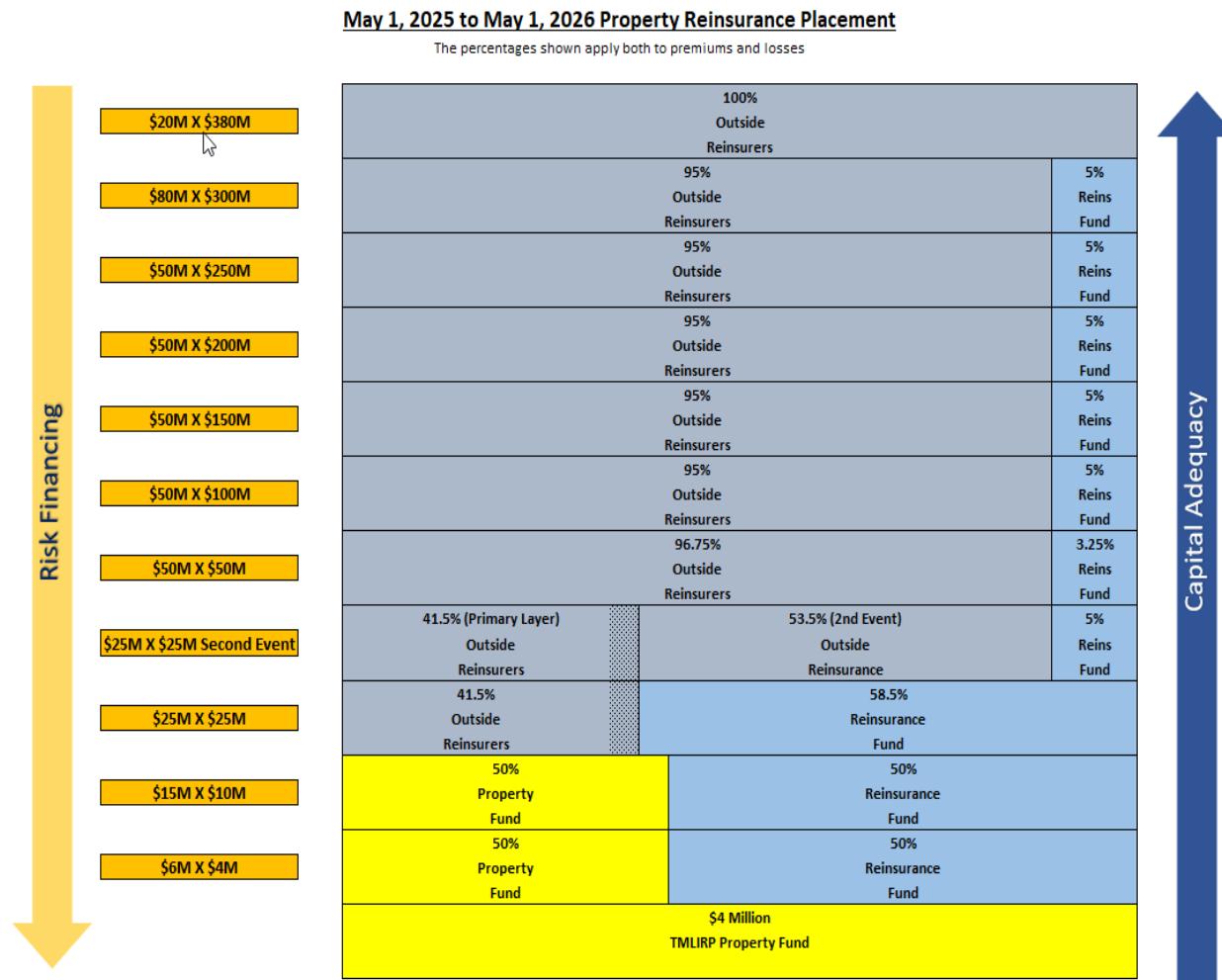
INVESTMENT INCOME BY PORTFOLIO

12 MONTHS ENDING SEPTEMBER 30, 2025

	Government Portfolio	Lifetime Benefits Portfolio	Combined
Interest Income	\$28,135,408	\$5,271,491	\$33,406,899
Dividend Income	-	5,172,178	5,172,178
Amortization Expense	(1,330,118)	(44,578)	(1,374,696)
Realized Gains (Losses)	36,509	(195,633)	(159,124)
Investment Income	\$26,841,799	\$10,203,458	\$37,045,257
Unrealized Gains (Losses)	(140,281)	11,701,735	11,561,454
Investment Income (w/unrealized gains/(losses)	\$26,701,518	\$21,905,193	\$48,606,711

REINSURANCE EXPENSE

Reinsurance expenses paid to external reinsurers were \$44.9 million in 2025, \$37.8 million in 2024, and \$26.5 million in 2023. External reinsurance is primarily used to protect against catastrophic property losses.



Key Reinsurance Notes

- Effective May 1, 2025, the Pool's retention is 58.5% of the \$25 million excess of \$25 million layer and 100% below.
- A second event cover for 53.5% of the \$25 million excess of \$25 million layer was placed effective May 1, 2025.
- The Property Fund retains the first \$4 million of a property occurrence and shares 50-50 with the Reinsurance Fund for the \$21 million excess of \$4 million layer.
- External reinsurance expenses continued to increase significantly in both 2025 and 2024 due to the following:
 - Higher reinsurance rates due to global reinsurance market conditions, additional layers placed, and the Pool's loss experience and additional insured values resulted in a 2025 reinsurance expense total of \$44.9 million and increases of 18.8% and 42% in 2025 and 2024, respectively.
 - The Pool maintained its coverage up to \$400 million with all but 5% of layers between \$50 million and \$380 million assumed by external reinsurance.

- The Pool placed a “Second Event Coverage” for 53.5% of the \$25M X \$25M layer, meaning that if the Pool had more than one event that exhausted \$25M in coverage, a second layer of coverage would provide an additional backstop in the event of multiple catastrophic occurrences.

NET LOSSES & LOSS ADJUSTMENT EXPENSES

Net losses and loss adjustment expenses increased by \$10.4 million to \$246.8 million. Net losses and loss adjustment expenses were \$236.4 million and \$220.9 million in 2024 and 2023, respectively. Reported losses (paid and case reserves) were \$14.3 million lower than last year due to significant property losses below the Pool’s \$10 million retention and auto liability loss activity.

NET LOSSES & LOSS ADJUSTMENT EXPENSES (In \$M)

THREE-YEAR COMPARISON

Fund	Reported					Total 2024-25	Total Losses	
	Losses	IBNR	IA	ULAE	2024-25		2023-24	2022-23
Workers' Compensation	\$57.7	\$5.8	\$0.0	\$0.9	\$64.4	\$54.3	\$55.6	
Liability	63.3	16.7	0.2	0	80.2	76.5	66.1	
Property	92.4	0.1	2.6	(0.1)	95	97.1	89.9	
Cyber	0.3	0	0	0	0.3	0	0	
Reinsurance	6.6	0.3	0	0	6.9	8.5	9.3	
Total	\$220.3	\$22.9	\$2.8	\$0.8	\$246.8	\$236.4	\$220.9	

Key Net Losses & Loss Adjustment Expenses Notes

Workers' Compensation Fund

- In 2025, reported losses were \$57.7 million, an increase of \$10.8 million over 2024 reported losses. The rise was driven by increases in both frequency and severity of fatality claims.
- The Pool discounts claim reserves in the Workers’ Compensation Fund for all unpaid lifetime benefits to beneficiaries of employees fatally injured on the job (see notes to the financial statements).

Liability Fund

- In 2025, reported losses were \$63.3 million, a decrease of \$13.6 million compared to 2024.
- In 2025, total losses were \$80.2 million, a \$3.7 million increase over 2024. Incurred but not reported (IBNR) reserve adjustments offset the favorable variance in reported loss, resulting in an overall unfavorable total loss variance.
- Favorable reported loss experience in 2025 was a result of all lines of coverage except Auto Liability. Auto liability reported losses in 2025 were comparable to 2024; however, IBNR reserve adjustments for this coverage resulted in an overall unfavorable variance in total losses. These adjustments were driven by continued increased post-pandemic automobile liability activity and inflationary pressures.

Property Fund

- In 2025, reported losses were \$92.4 million, a decrease of \$5.8 million compared to 2024.
- For the third consecutive year, all losses were below the \$15 million occurrence level. In prior years, losses approached or exceeded \$100 million only when a major event occurred, such as Hurricane Harvey or Winter Storm Uri.

Cyber Fund

- In 2025, the first year of the Pool's Cyber Fund, total losses were \$0.3 million.
- Gross losses totaled \$1.3 million, with \$1.0 million ceded to external reinsurance, resulting in a net loss of \$0.3 million.

Reinsurance Fund

- In 2025, reported losses were \$6.6 million, a decrease of \$5.9 million compared to 2024.
- Workers' compensation reported losses were \$1.2 million and property losses were \$5.4 million.
- Combined property reported losses in both the Property and Reinsurance Funds for 2025 and 2024 were \$97.6 million and \$100.0 million, respectively. All property program losses in the last two years have been below the \$15 million occurrence level.

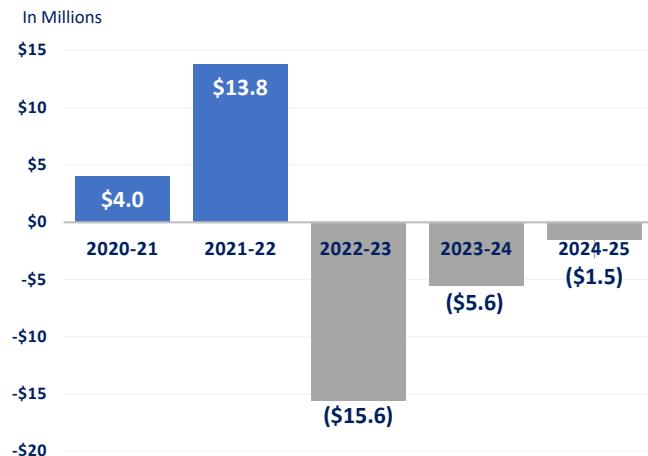
OPERATING EXPENSES (G&A, CONTRACT SERVICE FEES and PENSION EXPENSES)

Operating expenses in 2025 were \$61.9 million compared to \$58.4 million in 2024. Personnel-related costs accounted for 68.0% of operating expenses in 2025 and 2024. The expense ratio (operating expenses to net contributions) was 19.3% in 2025 compared to 19.8% in 2024. The increase in operating expenses was due to the implementation of several operating initiatives; however, net contribution increases outpaced operating expenses which resulted in a decrease in the expense ratio.

Operating Expenses	September 30,	September 30,
	2025	2024
General & Administrative Expense	\$56,121,243	\$53,394,153
Contract Service Fees	1,083,898	1,620,424
Pension Expense	4,688,372	3,356,432
Operating Expenses	\$61,893,513	\$58,371,009

Pension Liability (Asset)

Accounting standards require the Pool to recognize changes in its Texas Municipal Retirement System (TMRS) pension liability (asset) by incurring expenses or revenues associated with the financial results of the Pool's pension plan. Investment returns of the TMRS pension plan have a significant impact on the Pool's pension liability (asset). Last year, the Pool had a net pension liability at TMRS of (\$5.6) million. Due primarily to unrealized investment gains in the TMRS pension plan (in 2024), the Pool's pension liability lessened to (\$1.5) million. The \$4.0 million favorable balance change is spread over five years to smooth out the effect of the annual change. To the right is the Pension Liability (Asset) change in the last five years.



CONDENSED STATEMENTS OF NET POSITION

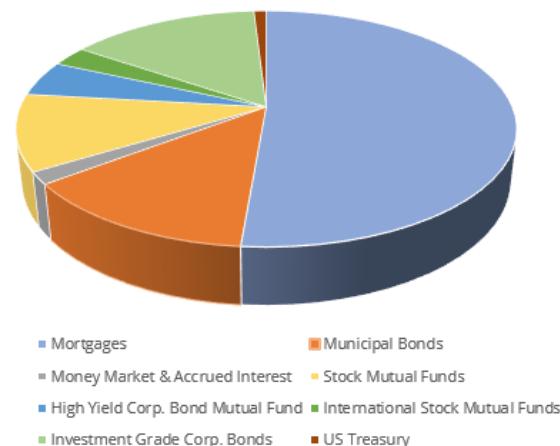
AS OF SEPTEMBER 30, 2025, 2024 & 2023

(In Thousands)	2025	2024	2023
ASSETS AND DEFERRED OUTFLOWS			
Cash, investments, and accrued interest	\$945,856	\$854,129	\$717,779
Capital assets, net	22,101	26,281	23,998
Other assets	13,966	11,733	10,521
Net pension asset	-	-	-
Deferred outflows/(inflows) of pension resources	3,157	8,215	18,088
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$985,080	\$900,358	\$770,386
LIABILITIES			
Estimated ultimate unpaid losses & loss adjustment expenses (net)	488,441	465,119	441,044
Lease & SBITAs liabilities	7,832	6,667	7,973
Other liabilities	53,698	49,349	39,505
Net pension liability	1,533	5,561	15,629
TOTAL LIABILITIES	\$551,504	\$526,696	\$504,151
NET POSITION			
Invested in capital assets	22,101	26,281	23,998
Restricted	13,896	16,924	30,053
Unrestricted	397,579	330,457	212,184
TOTAL NET POSITION	\$433,576	\$373,662	\$266,235

CASH, INVESTMENTS, AND ACCRUED INTEREST

Cash, investments, and accrued interest totaled \$945.9 million compared to the book value (what the Pool paid for the investments) of \$950.9 million, resulting in cumulative unrealized losses of (\$5.0) million as of September 30, 2025, increasing from \$854.1 million (including (\$16.6) million in unrealized losses) as of September 30, 2024. Cash and investments account for 96.0% of total assets and deferred items for 2025 and 94.9% for 2024.

Combined Asset Allocation	Fair Value & Accrued Interest	Allocation %
Mortgages	\$453,266,319	51%
Municipal Bonds	\$117,828,388	13%
Money Market & Accrued Interest	\$14,568,201	2%
Stock Mutual Funds	\$92,384,835	10%
High Yield Corp. Bond Mutual Fund	\$42,896,813	5%
International Stock Mutual Funds	\$24,493,892	3%
Investment Grade Corp. Bonds	\$128,962,885	15%
US Treasury	\$8,384,053	1%
Total	\$882,785,386	100%



Key Investment Notes

- Diversification and asset-liability matching are key factors contributing to the strength and stabilization of the Pool's investment portfolio. The Pool's investment portfolio is comprised of (1) reserves for claim obligations and (2) net position (members' equity).

- The Pool's investment benchmarks are designed to match liability (loss reserve) payouts with maturing or investment cash flows to immunize the portfolio from interest rate risk (selling investments to meet obligations under unfavorable market conditions).
- The investment of Net Position (Members' Equity) is also a consideration of Pool's Investment Policy designed to provide support and financial stability while enhancing the value of those funds.
- The market value of the Lifetime Benefits Investment (LTB) portfolio was \$291.8 million as of September 30, 2025, and accounted for 33% of the total portfolio.
- The return on investment, which excluded unrealized investment gains (losses), was 3.6% compared to 3.2% last year, and the total rate of return, which included unrealized investment gains (losses), was 5.0% compared to 13.7% last year.

Comparative Performance

Total Rate of Return	3 Months	1 Year	2 Year	3 Year	4 Year	5 Year
Consolidated Portfolio	2.7%	5.0%	9.3%	7.0%	1.8%	1.9%
Government Benchmark	2.2%	3.6%	7.5%	5.2%	0.3%	0.2%
Return on Investment	3 Months	1 Year	2 Year	3 Year	4 Year	5 Year
Consolidated Portfolio	0.9%	3.6%	3.4%	3.3%	3.2%	3.0%

NET PENSION ASSET (LIABILITY) and DEFERRED OUTFLOWS (INFLOWS) OF PENSION RESOURCES

The net pension liability was \$1.5 million as of September 30, 2025, compared to a net pension liability of \$5.6 million as of September 30, 2024. Deferred outflows (inflows) of pension resources were \$3.3 million for 2025 compared to \$8.4 million for 2024. The loss in the net pension asset was primarily attributable to unfavorable asset performance at TMRS compared to the expected return of plan assets. The pension is essentially fully funded with net position as a percentage of the pension liability at 99.3% and 97.3% at 2024 and 2023, respectively (see notes to financial statements). The 2025 valuation will not be available until 2026.

CLAIM RESERVES (ESTIMATED ULTIMATE UNPAID LOSSES and LOSS ADJUSTMENT EXPENSES)

Reserves for estimated ultimate net unpaid losses and loss adjustment expenses (loss reserves) were \$488.4 million as of September 30, 2025, compared to \$465.1 million at the end of the 2024 fiscal year (accounting for 88.6%, and 88.3% of total liabilities, respectively).

CLAIM RESERVES		2025	2024
(in Millions)			
Reserves for Reported Claims		\$420.2	\$416.6
Reserves for Incurred but Not Reported Claims		106.4	83.5
Reserves for Unallocated Loss Adjustment Expenses		21.5	20.7
Estimated Future Investment Income (Discount for LTB Reserves)		(59.7)	(55.7)
Total Reserves		\$488.4	\$465.1

- Reserves for reported claims: estimated reserves set up in the claims system to settle claims.
- Reserves for incurred but not reported claims (IBNR): estimated reserves for unreported/under-reserved claims.
- Reserves for unallocated loss adjustment expenses (ULAE): estimated reserves for expenses that cannot be associated with specific claims.

- Estimated future investment income: discount for workers' compensation lifetime and death indemnity benefit claims.

As of September 30, the reserves for reported lifetime benefit claims (net of reinsurance) and estimated present value of these reserves were as follows:

Lifetime Income Benefits	2025	2024
Reserves	\$ 148,522,073	\$ 140,326,973
Discount	(59,731,036)	(55,739,284)
Present Value	\$ 88,791,037	\$ 84,587,690

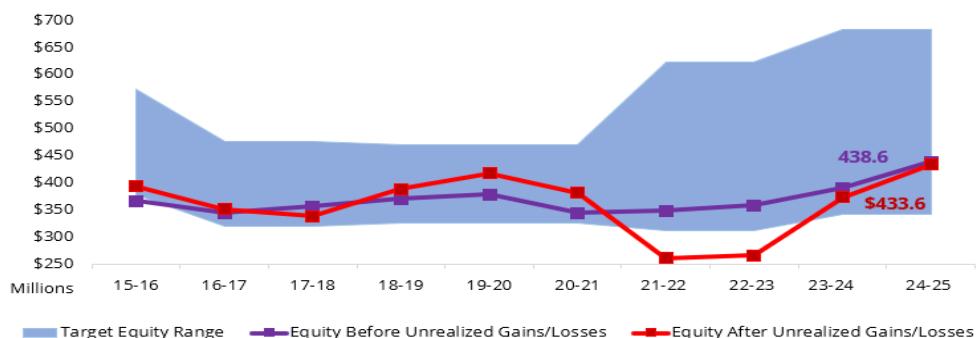
NET POSITION

Net position before cumulative unrealized investments gains (losses) increased to \$438.6 million from \$390.2 million at the end of last year. The growth in net position was in line with the Pool's planned effort to strengthen the financial condition of the Property Program. Significant weather-related losses, including large Winter Storm Uri claims and a higher plateau of annual storm losses across Texas, depleted the net position of the property program. Higher weather-related member contributions and favorable loss experience (no major hurricanes) in 2025 contributed to the growth and stability in net position. The increase in net position after cumulative unrealized investment gains (losses) to \$433.6 million from \$373.7 million last year reflects the rebounding of market values of bonds and stocks due to higher yields, easing interest rates, and lower inflation.

NET POSITION			
AS OF SEPTEMBER 30, 2025, 2024 & 2023			
(\$ In Thousands)	2025	2024	2023
Net Position BEFORE Cumulative Unrealized Gains/(Losses)	\$438,579	\$390,226	\$358,288
Cumulative Unrealized Investment Gains/(Losses)	(5,003)	(16,564)	(92,053)
Net Position AFTER Cumulative Unrealized Gains/(Losses)	\$433,576	\$373,662	\$266,235

Net position, or Members' equity, is the foundation of the Pool's financial strength. It supports stable long-term rates for Members and protects the Pool from unexpected losses. To maintain financial stability and protect against enterprise risks, the Pool has adopted a target equity policy which includes minimum and maximum levels.

Equity and Target Equity Range



As of September 30, 2025, both net positions of \$438.6 million (without unrealized investment gains/(losses)) and \$433.6 million (with unrealized investment gains/(losses)) were within the target equity range.

CONDENSED STATEMENTS OF CASH FLOWS

Net cash provided by (used for) operating activities was \$85.4 million and \$71.2 million in 2025 and 2024, respectively. Receipts from Member contributions are the Pool's largest cash inflow, and payments for claims are the largest cash outflow. Receipts from Member contributions were \$364.8 million and \$331.4 million in 2025 and 2024, respectively. Payments for claims were \$251.2 million and \$227.2 million in 2025 and 2024, respectively.

SUMMARY COMPARATIVE STATEMENTS OF CASH FLOWS

AS OF SEPTEMBER 30, 2025, 2024 & 2023

(In Thousands)	2025	2024	2023
Net cash provided by (used for) operating activities*	\$85,354	\$71,194	\$62,425
Net cash provided by (used for) capital and related activities	(3,819)	(7,646)	(13,049)
Net cash provided by (used for) investing activities	(44,818)	(38,552)	(49,111)
Net increase in cash and cash equivalents	\$36,717	\$24,996	\$265
Cash and cash equivalents (beginning of year)	37,175	12,179	11,913
Cash and cash equivalents (end of year)	\$73,892	\$37,175	\$12,178

* Includes investment interest received of \$38,676,748, \$34,442,066, and \$28,240,766 for the years ended September 30, 2025, 2024 and 2023, respectively.

OPERATING RESULTS BY FUND

The Pool's operations consist of six funds: Workers' Compensation, Liability, Property, Cyber, Reinsurance, and Stability. The table below includes operating ratios used by the industry to analyze underwriting results and are calculated as follows:

- Loss Ratio: the ratio of claims and claims expense to net contributions (gross contributions minus reinsurance expense).
- Expense Ratio: the ratio of operating expenses to net contributions.
- Combined Ratio: the sum of the loss ratio and expense ratio (expense ratio not included in table).
- Operating Ratio: includes the impact of investment income on the combined ratio.

How to interpret the ratios:

A combined ratio of less than 100% means that the Pool earned more net contributions than losses plus expenses. Conversely, a combined ratio of more than 100% means the Pool had more losses plus expenses than net contributions.

When including investment income, an operating ratio less than 100% means that net contributions plus investment income are more than losses plus expenses. Conversely, an operating ratio of more than 100% means the Pool had more losses plus expenses than net contributions plus investment income.

NOTE: The following analysis excludes unrealized investment gains (losses) from "Revenues over Expenses" and ratio calculations.

WORKERS' COMPENSATION FUND

The financial condition of the Workers' Compensation Fund continued strengthening with a net position of \$165.0 million at the end of the 2024-25 fiscal year. Strong payroll growth maintained favorable loss ratios from 51% last year to 65% in 2025. The continued favorable loss ratio helped the Net Position increase from \$134.3 million last year to \$165.0 million. The combined ratio, which includes operating expenses, was 95%. The operating ratio of 76% that includes investment income (without unrealized gains or losses) reflects how net position has strengthened without considering unrealized gains in 2025.

WORKERS' COMPENSATION FUND			
(\$ in Thousands)	2025	2024	2023
Net Contributions	\$97,905	\$101,158	\$91,540
Losses	\$63,462	\$51,828	\$53,026
Revenues over Expenses (w/o Unrealized)	\$24,417	\$37,262	\$28,028
Total Assets and Deferred Charges	\$402,090	\$361,728	\$283,151
Net Position	\$165,033	\$134,303	\$58,162
Loss Ratio	65%	51%	58%
Current Accident Year Loss Ratio	60%	50%	53%
Expense Ratio	30%	28%	28%
Combined Ratio	95%	80%	86%
Operating Ratio	76%	64%	70%

LIABILITY FUND

The net position of the Liability Fund decreased to \$22.0 million. The loss ratio has continued to be near or over 100% for the past three years due to higher losses for various lines of coverage. However, a portion of these losses was driven by a significant increase in loss reserves compared to paid losses over this period. A hardening defense strategy for claim management has led to increased claim duration and high confidence level in total reserves. Operating ratios above 100% indicate expenses have exceeded revenues for the past three years. The net position in 2025 was also impacted by the \$10 million seed transfer for the inception of the Cyber Fund in October 2024.

LIABILITY FUND			
(\$ in Thousands)	2025	2024	2023
Net Contributions	\$80,970	\$73,709	\$62,757
Losses	\$80,263	\$74,773	\$65,218
Revenues over Expenses (w/o Unrealized)	(\$7,005)	(\$8,098)	(\$8,867)
Total Assets and Deferred Charges	\$222,972	\$224,244	\$201,772
Net Position	\$22,033	\$38,887	\$34,929
Loss Ratio	99%	101%	104%
Current Accident Year Loss Ratio	99%	88%	92%
Expense Ratio	17%	18%	18%
Combined Ratio	116%	119%	122%
Operating Ratio	109%	111%	114%

PROPERTY FUND

The Property Fund is heavily supported by the Reinsurance Fund and commercial reinsurers. The Property Fund retains the first \$4 million of a loss, then shares 50% of the next \$21 million with the Reinsurance Fund. A loss above \$25 million is absorbed by the Reinsurance Fund and external reinsurers. Loss ratios over the last three years are reflective of loss experience below reinsurance retention levels noted above. Losses in excess of \$95 million all below a \$15 million occurrence level were incurred in both 2025 and 2024.

Increased contribution levels and responsive allocations at respective retention levels are resulting in improved loss ratios for losses retained in the Property Fund. Loss ratios in the Property Fund were 80% and 99% in 2025 and 2024, respectively.

PROPERTY FUND			
(\$ in Thousands)	2025	2024	2023
Net Contributions	\$118,976	\$97,534	\$85,109
Losses	\$95,121	\$96,928	\$89,640
Revenues over/(under) Expenses (w/o Unrealized)	\$16,568	(\$6,464)	(\$10,793)
Total Assets and Deferred Charges	\$141,985	\$123,566	\$116,401
Net Position	\$74,421	\$58,653	\$58,410
Loss Ratio	80%	99%	105%
Current Accident Year Loss Ratio	84%	97%	111%
Expense Ratio	10%	12%	12%
Combined Ratio	90%	111%	117%
Operating Ratio	86%	107%	113%

REINSURANCE FUND

The Reinsurance Fund is playing a major role in the Pool's reinsurance program. The overall financial strength of the Pool has allowed it to "self-insure" through the Reinsurance Fund, and the strong net position of \$138.5 million is a success story. The build-up in net position since inception of the program is the result of the Pool, rather than external reinsurers, benefiting from underwriting gains. The favorable loss ratios over the last three years reflect the risk management benefits of retaining some risk in the Reinsurance Fund compared to external reinsurers realizing these favorable underwriting margins.

REINSURANCE FUND			
(\$ in Thousands)	2025	2024	2023
Net Contributions	\$22,345	\$21,135	\$16,235
Losses	\$6,865	\$8,497	\$9,279
Revenues over Expenses (w/o Unrealized)	\$17,490	\$13,856	\$8,196
Total Assets and Deferred Charges	\$155,486	\$139,658	\$115,161
Net Position	\$138,528	\$118,973	\$94,045
Loss Ratio	31%	40%	57%
Current Accident Year Loss Ratio	23%	46%	67%
Expense Ratio	18%	18%	20%
Combined Ratio	49%	58%	77%
Operating Ratio	22%	35%	49%

CYBER FUND

The Cyber Fund was established in October 2024. This fund provides coverage for cyber and data breach liability, which were included as part of the Liability Fund prior to October 1, 2024.

CYBER FUND			
(\$ in Thousands)	2025	2024	2023
Net Contributions	\$883	\$-	\$-
Losses	\$320	\$-	\$-
Revenues over Expenses (w/o Unrealized)	\$765	\$-	\$-
Total Assets and Deferred Charges	\$11,510	\$-	\$-
Net Position	\$10,367	\$-	\$-
Loss Ratio	36%	-	-
Current Accident Year Loss Ratio	36%	-	-
Expense Ratio	11%	-	-
Combined Ratio	47%	-	-
Operating Ratio	13%	-	-

STABILITY FUND

Net position of the Stability Fund was \$23.2 million in 2025 compared to \$22.8 million in 2024. Due primarily to positive returns on the Pool's pension plan assets at TMRS, the Pool's net pension liability decreased to \$1.5 million in 2025 compared to \$5.6 million in 2024.

STABILITY FUND			
(\$ in Thousands)	2025	2024	2023
Total Assets and Deferred Charges	\$51,038	\$51,162	\$53,900
Pension Asset (Liability)	(\$1,533)	(\$5,561)	(\$15,629)
Net Position	\$23,193	\$22,845	\$20,688

BUDGET COMPARISON

In the preceding sections, the Pool addressed the operating results of the 2024-25 fiscal year. Below is a chart comparing the budget to actual expenses. The budget and actual results exclude the effects of the change in unrealized gains and losses. Higher claim losses and reinsurance expenses offset higher revenues and lower operating expenses.

BUDGET COMPARISON			
	Budget 2024-25	Actual 2024-25	Difference
Earned Contributions	\$346,864,500	\$365,966,859	\$19,102,359
Service Fee and Other Income	1,194,000	1,308,202	114,202
Investment Income*	32,000,000	37,045,257	5,045,257
Total Revenues	\$380,058,500	\$404,320,318	\$24,261,818
Total Losses and Loss Adjustment Expenses	238,135,000	246,830,356	(8,695,356)
Reinsurance Expenses	42,369,450	44,887,621	(2,518,171)
Pension Expenses	-	4,688,372	(4,688,372)
Operating Expenses	61,992,950	57,205,141	4,787,809
Total Expenses	\$342,497,400	\$353,611,490	(\$11,114,090)
Revenues over (under) Expenses	\$37,561,100	\$50,708,828	\$13,147,728

* Excludes the effects of the change in net unrealized gains of \$11,561,454.

SIGNIFICANT INITIATIVES AND PROGRAMS DURING 2024-25

Over the past year, we implemented several additional initiatives that enhance Member experience. The following are just a few examples:

- We continued to refine and expand our cyber coverage and security resources, including enhanced grant support and access to advanced analytics services, enabling members to better prepare for and respond to evolving cyber risks.
- We intensified loss-prevention outreach and training efforts, particularly in law enforcement excellence and roadway safety.
- We continued modernizing member service tools through technology roadmap progress and process improvements.
- We created a comprehensive compensation and classification study for Pool employees.
- We developed artificial intelligence guidelines.

These investments demonstrate our commitment to operational excellence across all areas of service.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Pool's finances. Questions concerning the information provided in this report, or requests for additional financial information, should be addressed to the Chief Financial Officer, Texas Municipal League Intergovernmental Risk Pool, P.O. Box 149194, Austin, Texas 78714-9194.

REINSURANCE

Property & Auto Physical Damage

Lloyd's of London; Allied World Assurance Company Ltd; American Agricultural; American Family Connect P&C; Arch Reinsurance Ltd; Aspen Bernuda Ltd; Chubb Tempest Reinsurance Ltd; Convex Re Ltd; DaVinci Reinsurance Ltd; Endurance Specialty Insurance Ltd; Everest Reinsurance Co; Fidelis Insurance Ltd; Hiscox Insurance Co; Lumen Re Ltd; MS Reinsurance; Partner Reinsurance Company Ltd.; Renaissance Reinsurance Ltd; SiriusPoint American Insurance Co; Swiss Reinsurance; The Cincinnati Insurance Co; Vermeer Reinsurance Ltd.; Alcor Consortium; Lancashire Insurance Company Limited; AXA XL Insurance Co; Mitsui Sumitomo Insurance Co; NLC Mutual Insurance Company & TMLIRP

\$375 million per occurrence in excess of \$25 million

*A.M. Best Rating A- & Above

Liability

TMLIRP Up to \$10 million

Cyber Liability & Data Breach

Third Party Liability*

75% Quota Share of \$50,000 – Beazley

25% Quota Share of \$50,000 – TMLIRP

100% Quota Share of \$1 million** excess \$50,000 – TMLIRP

First Party Liability

75% Quota Share of \$1 million – Beazley

25% Quota Share of \$1 million - TMLIRP

**or up to member's chosen limit if higher than \$1 million

Workers' Compensation

TMLIRP Statutory Limits

Catastrophic Coverage - 100% Quota Share of \$15 million excess of \$10 million – Lloyd's of London; Houston Casualty Co.; MS Amlin AG; IOA Reinsurance & Arch Reinsurance

*A.M. Best Rating A & Above

TMLIRP Retention

\$25 million per occurrence in excess of member deductibles



**Financial Statements &
Required Supplemental Information
September 30, 2025 & 2024**

TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL
STATEMENTS OF NET POSITION
AS OF SEPTEMBER 30, 2025 AND 2024

ASSETS	Workers' Compensation			Liability		Property		
	2025		2024	2025		2024	2025	
	CURRENT ASSETS	2025	2024	2025	2024	2025	2024	
Cash and cash equivalents	\$ 30,247,964	\$ 15,053,281	\$ 16,723,682	\$ 9,331,664	\$ 10,278,204	\$ 4,856,001		
Short-term investments	8,216,159	13,907,647	4,542,602	8,621,476	2,791,836	4,486,434		
Long-term investments	347,098,140	315,268,156	191,905,776	195,437,551	117,943,327	101,701,579		
Accrued investment income	1,624,874	1,634,307	898,370	1,013,121	552,129	527,207		
Total cash, investments, and accrued interest (amortized basis \$950,858,992 for 2025 and \$870,693,888 for 2024) (notes 3 and 4)	387,187,137	345,863,391	214,070,430	214,403,812	131,565,496	111,571,221		
Investment trade receivables	15,516	27,254	7,529	15,701	4,618	8,309		
Contributions and other receivables	3,281,957	2,387,408	2,713,439	2,614,350	1,586,245	2,282,479		
Reinsurance recoverable on paid losses	65,632	61,026	320,694	395,526	(184,977)	27		
Prepaid reinsurance	54,248	54,248	-	-	3,162,083	2,943,752		
Lease Receivable (note 6)	(7,765)	(10,283)	(3,844)	(5,141)	(3,883)	(5,141)		
Total Current Assets	390,596,725	348,383,044	217,108,248	217,424,248	136,129,582	116,800,647		
Noncurrent Assets								
Capital assets (land, building, furniture and equipment, Right of use (ROU) - Lease & SBITAs) (note 5)	9,945,520	11,826,376	4,923,033	5,913,188	4,972,760	5,913,188		
Other assets (note 6)	195,041	158,544	276,808	259,054	342,907	324,657		
Total noncurrent assets	10,140,561	11,984,920	5,199,841	6,172,242	5,315,667	6,237,845		
Deferred outflows/(inflows) of pension resources - Pension	1,352,871	1,360,136	663,464	647,570	539,405	527,232		
Deferred outflow/(inflows) of pension resources - OPEB (note 10 and note 11)	-	-	-	-	-	-		
Total Assets and Deferred Outflows	\$ 402,090,157	\$ 361,728,100	\$ 222,971,553	\$ 224,244,060	\$ 141,984,654	\$ 123,565,724		
LIABILITIES AND NET POSITION								
Current Liabilities								
Claim Reserves:								
Reserve for reported claims - net	\$ 214,645,935	\$ 206,978,842	\$ 144,182,355	\$ 145,644,365	\$ 47,664,997	\$ 46,232,759		
Reserve for incurred but not reported claims - net (note 2)	58,500,000	52,700,000	46,400,000	29,700,000	(400,000)	(500,000)		
Reserve for unallocated loss adjustment expenses	-	-	-	-	-	-		
Estimated future investment income	(59,731,036)	(55,739,284)	-	-	-	-		
Estimated ultimate unpaid losses & loss adjustment expenses	213,414,899	203,939,558	190,582,355	175,344,365	47,264,997	45,732,759		
Payable to admin. service only contracts	2,270,500	2,167,500	-	-	-	-		
Investment trade payables	185,235	-	-	-	-	-		
Outstanding loss drafts	2,132,981	2,461,695	2,321,866	2,140,367	5,693,789	6,482,324		
Unearned contribution reserve (note 2)	1,850,448	2,574,002	2,075,544	1,927,733	7,712,250	6,487,190		
Reinsurance payable	96,836	-	716,202	716,202	1,618,345	982,674		
Other liabilities (note 2)	10,193,386	9,240,198	1,799,552	1,706,715	1,817,729	1,706,716		
OPEB liability (note 11)	-	-	-	-	-	-		
Employment cost reserve	-	-	-	-	-	-		
Net pension liability - (note 10)	-	-	-	-	-	-		
Total current liabilities	230,144,285	220,382,953	197,495,519	181,835,382	64,107,110	61,391,663		
Noncurrent Liabilities								
Lease & SBITAs liabilities (net of current portion) (note 2)	2,762,399	3,000,078	1,367,388	1,500,039	1,381,200	1,500,039		
Funds invested for TML (note 9)	4,150,428	4,042,488	2,075,214	2,021,244	2,075,214	2,021,244		
Total noncurrent liabilities	6,912,827	7,042,566	3,442,602	3,521,283	3,456,414	3,521,283		
Total Liabilities	237,057,112	227,425,519	200,938,121	185,356,665	67,563,524	64,912,946		
NET POSITION								
Invested in capital assets (net) - (note 5)	9,945,520	11,826,376	4,923,033	5,913,188	4,972,760	5,913,188		
Restricted Net Position - Pension (note 10)	1,352,871	1,360,136	663,464	647,570	539,405	527,232		
Restricted Net Position - SIF (note 2)	-	-	-	-	-	-		
Restricted Net Position - Cyber Security Member Grants (note 2)	-	-	-	-	-	-		
Unrestricted Net Position	153,734,654	121,116,069	16,446,935	32,326,637	68,908,965	52,212,358		
Total Net Position (includes net unrealized investment gains/(losses) of (\$5,003,118) for 2025 and (\$16,564,573) for 2024 (note 2))	165,033,045	134,302,581	22,033,432	38,887,395	74,421,130	58,652,778		
Total Liabilities and Net Position	\$ 402,090,157	\$ 361,728,100	\$ 222,971,553	\$ 224,244,060	\$ 141,984,654	\$ 123,565,724		

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

Totals								
Cyber			Reinsurance			Stability		
2025	2024	2025	2024	2025	2024	2025	Current Year	Prior Year
\$ 743,868	\$ -	\$ 11,964,660	\$ 5,959,312	\$ 3,934,093	\$ 1,974,676	\$ 73,892,471	\$ 37,174,934	
202,054	-	3,249,923	5,505,778	1,068,605	1,824,393	20,071,179	34,345,728	
8,535,950	-	137,295,565	124,808,765	45,144,076	41,356,588	847,922,834	778,572,639	
39,960	-	642,723	646,991	211,334	214,387	3,969,390	4,036,013	
9,521,832	-	153,152,871	136,920,846	50,358,108	45,370,044	945,855,874	854,129,314	
333	-	5,868	10,678	1,778	3,348	35,642	65,290	
1,518,715	-	-	-	-	-	9,100,356	7,284,237	
412,259	-	-	-	-	-	613,608	456,579	
-	-	180,263	195,938	-	-	3,396,594	3,193,938	
(39)	-	(1,553)	(2,057)	(173)	(229)	(17,257)	(22,851)	
11,453,100	-	153,337,449	137,125,405	50,359,713	45,373,163	958,984,817	865,106,507	
49,728	-	1,989,104	2,365,275	221,012	262,808	22,101,157	26,280,835	
492	-	19,732	12,433	2,193	1,382	837,173	756,070	
50,220	-	2,008,836	2,377,708	223,205	264,190	22,938,330	27,036,905	
6,702	-	139,645	154,735	608,312	5,677,685	3,310,399	8,367,358	
-	-	-	-	(153,501)	(152,632)	(153,501)	(152,632)	
\$ 11,510,022	\$ -	\$ 155,485,930	\$ 139,657,848	\$ 51,037,729	\$ 51,162,406	\$ 985,080,045	\$ 900,358,138	
\$ 162,119	\$ -	\$ 13,566,883	\$ 17,752,114	\$ -	\$ 420,222,289	\$ 416,608,080		
-	-	1,950,000	1,650,000	-	-	106,450,000	83,550,000	
-	-	-	-	21,500,000	20,700,000	21,500,000	20,700,000	
-	-	-	-	-	-	(59,731,036)	(55,739,284)	
162,119	-	15,516,883	19,402,114	21,500,000	20,700,000	488,441,253	465,118,796	
-	-	-	-	-	-	2,270,500	2,167,500	
-	-	46,309	-	-	-	231,544	-	
55,101	-	-	-	-	-	10,203,737	11,084,386	
1,115	-	-	-	-	-	11,639,357	10,988,925	
875,185	-	114,876	-	-	-	3,421,444	1,698,876	
35,537	-	727,092	682,685	2,424,561	75,853	16,997,857	13,412,167	
-	-	-	-	800,664	794,340	800,664	794,340	
-	-	-	-	1,525,023	1,118,839	1,525,023	1,118,839	
-	-	-	-	1,532,821	5,560,863	1,532,821	5,560,863	
1,129,057	-	16,405,160	20,084,799	27,783,069	28,249,895	537,064,200	511,944,692	
13,812	-	552,480	600,016	61,385	66,668	6,138,664	6,666,840	
-	-	-	-	-	-	8,300,856	8,084,976	
13,812	-	552,480	600,016	61,385	66,668	14,439,520	14,751,816	
1,142,869	-	16,957,640	20,684,815	27,844,454	28,316,563	551,503,720	526,696,508	
49,728	-	1,989,104	2,365,275	221,012	262,808	22,101,157	26,280,835	
6,702	-	139,645	154,735	608,312	5,677,685	3,310,399	8,367,358	
-	-	9,200,000	7,100,000	-	-	9,200,000	7,100,000	
-	-	1,385,600	1,456,100	-	-	1,385,600	1,456,100	
10,310,723	-	125,813,941	107,896,923	22,363,951	16,905,350	397,579,169	330,457,337	
10,367,153	-	138,528,290	118,973,033	23,193,275	22,845,843	433,576,325	373,661,630	
\$ 11,510,022	\$ -	\$ 155,485,930	\$ 139,657,848	\$ 51,037,729	\$ 51,162,406	\$ 985,080,045	\$ 900,358,138	

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

TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL
STATEMENTS OF OPERATIONS AND CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	Workers' Compensation		Liability		Property	
	2025	2024	2025	2024	2025	2024
Operating Revenues						
Earned Contributions	\$ 100,745,762	\$ 104,013,888	\$ 82,223,606	\$ 76,609,355	\$ 180,774,467	\$ 150,705,766
(less: cost of reinsurance - outside reinsurers)	(740,995)	(756,272)	(95,767)	(1,742,373)	(40,232,922)	(33,690,551)
(less: cost of reinsurance - reinsurance fund)	(2,100,000)	(2,100,000)	(1,158,000)	(1,158,000)	(21,565,300)	(19,480,804)
Net Contributions	97,904,767	101,157,616	80,969,839	73,708,982	118,976,245	97,534,411
Investment Income (Interest & Dividend Income) (note 4)	19,279,653	16,953,703	6,629,173	6,649,182	4,948,257	4,646,839
Investment Income (Change in Fair Value) (note 4)	8,136,043	40,010,788	706,608	13,401,844	(429,027)	6,584,372
Service Fees and Other Income	1,085,909	1,010,719	90,063	60,789	91,026	59,073
Reinsurance Revenue	-	-	-	-	-	-
Total Operating Revenues	126,406,372	159,132,826	88,395,683	93,820,797	123,586,501	108,824,695
Operating Expenses						
Net Paid Losses and Loss Adjustment Expenses	53,986,497	51,003,521	64,804,443	58,096,921	90,970,678	91,540,882
Net Change in Reserve for Reported Claims	7,667,094	(7,517,642)	(1,462,010)	18,859,193	1,432,238	6,646,520
Net Change in Reserve for Incurred but not Reported Claims	5,800,000	5,000,000	16,700,000	(2,400,000)	100,000	(3,800,000)
Net Change in Estimated Future Investment Income	(3,991,752)	3,341,796	-	-	-	-
Change in Unallocated Loss Adjustment Expense	-	-	-	-	-	-
Independent Adjusters Fees	-	-	220,363	216,587	2,618,041	2,540,467
Total Losses and Loss Adjustment Expenses	63,461,839	51,827,675	80,262,796	74,772,701	95,120,957	96,927,869
Contract Service Fees (note 7)	832,130	1,037,782	109,791	243,539	101,380	237,136
Pension expense (note 10)	1,817,833	1,599,958	881,221	731,041	709,720	599,580
OPEB expense (note 11)	-	-	-	-	-	-
General and Administrative Expense	27,046,475	25,973,957	13,134,387	12,276,403	11,291,548	10,596,732
Total Operating Expenses	93,158,277	80,439,372	94,388,195	88,023,684	107,223,605	108,361,317
Revenues Over(Under) Expenses Before Members' Equity Return	33,248,095	78,693,454	(5,992,512)	5,797,113	16,362,896	463,378
Members' Equity Return	-	-	-	-	-	-
Revenues Over(Under) Expenses After Members' Equity Return	33,248,095	78,693,454	(5,992,512)	5,797,113	16,362,896	463,378
Transfer of Equity - Pension (note 10)	(501,806)	(86,569)	(265,549)	(71,926)	(215,146)	(54,172)
Transfer of Equity - ULAE (note 2)	(900,000)	(2,466,668)	-	(1,766,666)	100,000	(166,666)
Transfer of Equity - Compensated Absences (note 2)	(1,115,825)	-	(595,902)	-	(479,398)	-
Transfer of Equity - Cyber Fund (note 2)	-	-	(10,000,000)	-	-	-
Cumulative effect of change in accounting principle - Compensated Absences	-	-	-	-	-	-
Net Position, beginning of year	134,302,581	58,162,364	38,887,395	34,928,874	58,652,778	58,410,238
Net Position, end of year	\$ 165,033,045	\$ 134,302,581	\$ 22,033,432	\$ 38,887,395	\$ 74,421,130	\$ 58,652,778

										Totals	
Cyber		Reinsurance		Stability		Interfund Transactions		September 30,		September 30,	
2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	Current Year	Prior Year
\$ 2,223,024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 365,966,859	\$ 331,329,009		
(1,340,000)		(2,477,937)	(1,604,081)					(44,887,621)	(37,793,277)		
883,024		(2,477,937)	(1,604,081)					24,823,300	22,738,804	321,079,238	293,535,732
307,893		6,122,804	5,402,884	1,291,297	1,179,512					38,579,077	34,832,120
(403,047)		2,063,397	10,645,128	(46,340)	2,058,584					10,027,634	72,700,716
1,236		35,929	23,469	4,039	2,608					1,308,202	1,156,658
		24,823,300	22,738,804					(24,823,300)	(22,738,804)		
789,106		30,567,493	37,206,204	1,248,996	3,240,704					370,994,151	402,225,226
157,555		10,750,321	8,952,101							220,669,494	209,593,425
162,119		(4,185,231)	3,544,627							3,614,210	21,532,698
		300,000	(4,000,000)							22,900,000	(5,200,000)
										(3,991,752)	3,341,796
										800,000	4,400,000
										2,838,404	2,757,054
319,674		6,865,090	8,496,728	800,000	4,400,000					246,830,356	236,424,973
0		36,537	91,770	4,060	10,197					1,083,898	1,620,424
(6,924)		222,683	178,484	1,063,839	247,369					4,688,372	3,356,432
				26,876	27,648					26,876	27,648
100,000		3,655,486	3,495,532	866,471	1,023,881					56,094,367	53,366,505
412,750		10,779,796	12,262,514	2,761,246	5,709,095					308,723,869	294,795,982
376,356		19,787,697	24,943,690	(1,512,250)	(2,468,391)					62,270,282	107,429,244
		(70,500)	(2,500)							(70,500)	(2,500)
376,356		19,717,197	24,941,190	(1,512,250)	(2,468,391)					62,199,782	107,426,744
(9,223)		(37,457)	(13,383)	1,029,181	226,050						
				800,000	4,400,000						
20		(124,483)		2,315,588							
10,000,000											
				(2,285,087)						(2,285,087)	
0		118,973,033	94,045,226	22,845,843	20,688,184					373,661,630	266,234,886
\$ 10,367,153	\$ -	\$ 138,528,290	\$ 118,973,033	\$ 23,193,275	\$ 22,845,843	\$ -	\$ -	\$ 433,576,325	\$ 373,661,630		

TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	Workers' Compensation		Liability		Property	
	2025	2024	2025	2024	2025	2024
<u>Cash Flows From Operating Activities:</u>						
Receipts from member contributions	\$ 99,127,658	\$ 107,180,136	\$ 82,272,327	\$ 75,511,537	\$ 182,695,761	\$ 148,677,956
Receipts from service fees and other income	1,038,102	988,530	73,991	49,695	74,836	47,979
Receipts from reinsurers	1,384,855	1,580,161	680,446	1,718,321	9,710,165	8,393,592
Receipts from third parties - claim recoveries	2,065,821	1,617,939	1,277,169	886,933	14,310,861	6,871,712
Payments on claims	(57,770,493)	(54,225,664)	(66,505,727)	(59,121,324)	(115,595,235)	(104,856,511)
Payments to outside reinsurers	(644,159)	(756,272)	(95,767)	(1,768,614)	(39,597,251)	(32,791,890)
Payments for employee salary and benefits	(20,644,035)	(19,897,249)	(10,266,721)	(9,461,691)	(8,248,275)	(7,712,096)
Payments to suppliers	(4,887,065)	(4,026,834)	(2,499,375)	(2,247,267)	(2,467,774)	(2,161,732)
Payments to contractors	(832,130)	(1,037,782)	(330,154)	(460,126)	(2,719,421)	(2,777,603)
Contributions (to)/from other funds - Reinsurance	(2,100,000)	(2,100,000)	(1,158,000)	(1,158,000)	(21,565,300)	(19,480,804)
Receipts from/Payments (to) ASO members	103,000	(93,867)	-	-	-	-
Payments for members' contribution return	-	-	-	-	-	-
Receipts from/Payments for prepaid reinsurance	-	(4,950)	-	-	(218,331)	(671,688)
Payments (for)/Receipts from other assets	(39,015)	252,573	(19,051)	126,285	(19,508)	126,286
Receipts from TML for investment	107,940	501,081	53,970	250,540	53,970	250,540
Net cash provided by/(used for) operating activities (without interest income)	16,910,479	29,977,802	3,483,108	4,326,289	16,414,498	(6,084,259)
<u>Cash Flows From Capital and Related Financing Activities:</u>						
Activities:						
Proceeds from sale of capital assets	47,807	22,189	16,071	11,094	16,190	11,094
Purchases of capital assets, leases & SBITAs assets	(729,581)	(3,462,871)	(315,063)	(1,731,435)	(364,791)	(1,731,435)
Transfer of equity - ULAE	(900,000)	(2,466,668)	0	(1,766,666)	100,000	(166,666)
Transfer of equity - Other Funds	-	-	(10,000,000)	-	-	-
Transfer of equity - Compensated Absences	(1,115,825)	-	(595,902)	-	(479,398)	-
Transfer of equity - Pension	(501,806)	(86,569)	(265,549)	(71,926)	(215,146)	(54,172)
Net cash (used for)/provided by capital and related financing activities	(3,199,405)	(5,993,919)	(11,160,443)	(3,558,933)	(943,145)	(1,941,179)
<u>Cash Flows From Investing Activities:</u>						
Proceeds from sale and maturity of investments	48,164,575	12,649,062	26,629,530	25,032,057	16,366,236	20,095,489
Purchase of investments	(66,167,028)	(42,542,986)	(18,312,273)	(26,372,779)	(31,342,413)	(13,723,838)
Increase in investment trade receivables	(574)	9	(310)	13	(195)	9
Increase (decrease) in investment trade payables	185,236	(200,000)	-	-	-	-
Interest income received	19,301,400	16,664,759	6,752,406	6,620,228	4,927,222	4,671,025
Net cash provided by/(used for) investing activities	1,483,609	(13,429,156)	15,069,353	5,279,519	(10,049,150)	11,042,685
Net increase/(decrease) in cash and cash equivalents	15,194,683	10,554,727	7,392,018	6,046,875	5,422,203	3,017,247
Cash and cash equivalents at beginning of year	15,053,281	4,498,554	9,331,664	3,284,789	4,856,001	1,838,754
Cash and cash equivalents at end of year	\$ 30,247,964	\$ 15,053,281	\$ 16,723,682	\$ 9,331,664	\$ 10,278,204	\$ 4,856,001

Totals									
Cyber		Reinsurance		Stability		September 30, 2025		September 30, 2024	
2025	2024	2025	2024	2025	2024	Current Year	Prior Year		
\$ 705,424	\$ -	\$ 29,645	\$ 19,069	3,320	2,119	\$ 364,801,170	\$ 331,369,629		
926	-					1,220,820	1,107,392		
60,409	-	15,675	(120,938)	-	-	11,851,550	11,571,136		
-	-	-	-	-	-	17,653,851	9,376,584		
(575,122)	-	(10,750,321)	(8,952,101)	-	-	(251,196,898)	(227,155,600)		
(464,815)	-	(2,477,937)	(1,604,081)	-	-	(43,279,929)	(36,920,857)		
-	-	-	-	-	-	(39,159,031)	(37,071,036)		
(50,429)	-	(3,229,245)	(3,133,824)	1,898,956	(300,581)	(11,234,932)	(11,870,238)		
-	-	(36,537)	(91,770)	(4,060)	(10,197)	(3,922,302)	(4,377,478)		
-	-	24,823,300	22,738,804	-	-	-	-		
-	-	-	-	-	-	103,000	(93,867)		
-	-	(70,500)	(2,500)	-	-	(70,500)	(2,500)		
-	-	-	-	-	-	(218,331)	(676,638)		
(453)	-	(7,803)	(10,376)	(867)	(1,153)	(86,697)	493,615		
-	-	-	-	-	-	215,880	1,002,161		
(324,060)	-	8,296,277	8,842,283	1,897,349	(309,812)	46,677,651	36,752,303		
310	-	6,284	4,400	719	489	87,381	49,266		
(49,728)	-	(145,916)	(692,574)	(16,214)	(76,952)	(1,621,293)	(7,695,267)		
-	-	-	-	800,000	4,400,000	-	-		
10,000,000	-	-	-	-	-	-	-		
20	-	(124,483)	-	30,501	-	(2,285,087)	-		
(9,223)	-	(37,457)	(13,383)	1,029,181	226,050	-	-		
9,941,379	-	(301,572)	(701,557)	1,844,187	4,549,587	(3,818,999)	(7,646,001)		
1,184,479	-	19,051,622	7,468,277	6,264,353	1,515,191	117,660,795	66,760,076		
(10,325,530)	-	(27,219,170)	(16,841,973)	(9,342,393)	(5,580,750)	(162,708,807)	(105,062,326)		
(17)	-	(227)	6	(73)	1	(1,396)	38		
-	-	46,309	(50,000)	-	-	231,545	(250,000)		
267,617	-	6,132,109	5,328,560	1,295,994	1,157,494	38,676,748	34,442,066		
(8,873,451)	-	(1,989,357)	(4,095,130)	(1,782,119)	(2,908,064)	(6,141,115)	(4,110,146)		
743,868	-	6,005,348	4,045,596	1,959,417	1,331,711	36,717,537	24,996,156		
0	-	5,959,312	1,913,716	1,974,676	642,965	37,174,934	12,178,778		
\$ 743,868	\$ -	\$ 11,964,660	\$ 5,959,312	\$ 3,934,093	\$ 1,974,676	\$ 73,892,471	\$ 37,174,934		

TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

Cash Flow - Reconciliation of Revenues

Over/(Under) Expenses to Net Cash provided by (used for) Operating Activities	Workers' Compensation		Liability		Property	
	2025	2024	2025	2024	2025	2024
Operating revenues over/(under) operating expenses	\$ 33,248,095	\$ 78,693,454	\$ (5,992,512)	\$ 5,797,113	\$ 16,362,896	\$ 463,378
Adjustments to reconcile revenues over/(under) expenses to net cash provided by/(used for) operating activities						
Depreciation & amortization expenses	2,610,435	2,435,417	1,305,218	1,217,709	1,305,218	1,217,709
Increase (Decrease) to deferred outflows/(inflows) of pens	7,265	(157,141)	(15,894)	(105,526)	(12,173)	(81,528)
Increase (Decrease) to deferred outflows/(inflows) of pens	-	-	-	-	-	-
Decrease (Increase) in fair value of investments	(8,136,043)	(40,010,788)	(706,608)	(13,401,844)	429,027	(6,584,372)
Increase (Decrease) in employment cost reserves	-	-	-	-	-	-
(Decrease) increase in pension payable to TMRS	-	-	-	-	-	-
Increase (Decrease) in OPEB liability	-	-	-	-	-	-
Increase (Decrease) in loss reserves	9,475,341	824,154	15,237,990	16,459,192	1,532,238	2,846,520
Gain from sale of property and equipment	(47,807)	(22,189)	(16,071)	(11,094)	(16,190)	(11,094)
Decrease (Increase) in contributions and other receivables	(894,549)	3,086,728	(99,089)	(1,380,645)	696,234	(3,549,914)
Decrease (Increase) in reinsurance recoverable	(4,606)	21,691	74,832	220,210	185,004	732,300
(Increase) Decrease in prepaid reinsurance	-	(4,950)	-	-	(218,331)	(671,688)
(Increase) Decrease in other assets	(39,015)	252,573	(19,051)	126,285	(19,508)	126,286
Increase (Decrease) in other liabilities	953,188	1,841,808	92,837	421,428	111,013	421,429
Increase (Decrease) in lease and SBITA liabilities	(237,679)	(470,252)	(132,651)	(235,126)	(118,839)	(235,126)
Increase (Decrease) in unearned contributions reserve	(723,554)	79,520	147,811	282,827	1,225,060	1,522,104
(Decrease) Increase in funds invested for TML	107,940	501,081	53,970	250,540	53,970	250,540
Increase (Decrease) in reinsurance payable	96,836	-	-	(26,241)	635,671	898,661
Increase (Decrease) in payable to Administrative Services	103,000	(93,867)	-	-	-	-
(Decrease) Increase in outstanding loss drafts	(328,714)	(45,734)	181,499	1,360,643	(788,535)	1,217,375
(Increase) Decrease in accrued investment income	9,433	(273,237)	114,751	(19,285)	(24,922)	29,121
(Increase) Decrease in investment trade receivable	12,313	(15,707)	8,482	(9,669)	3,887	(4,935)
Increase/(decrease) in members' equity return payable	-	-	-	-	-	-
Net cash provided by/(used for) operating activities	36,211,879	46,642,561	10,235,514	10,946,517	21,341,720	(1,413,234)
Adjustment for Receipt of Interest Income	(19,301,400)	(16,664,759)	(6,752,406)	(6,620,228)	(4,927,222)	(4,671,025)
Net cash provided by/(used for) operating activities (without interest income)	\$ 16,910,479	\$ 29,977,802	\$ 3,483,108	\$ 4,326,289	\$ 16,414,498	\$ (6,084,259)

(Statements of Cash Flows continued from previous page)

	Cyber		Reinsurance		Stability		September 30, 2025		September 30, 2024		Totals
	2025	2024	2025	2024	2025	2024	Current Year	Prior Year			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	\$ 376,356	\$ -	\$ 19,787,697	\$ 24,943,690	\$ (1,512,250)	\$ (2,468,391)	\$ 62,270,282	\$ 107,429,244			
-	-	522,087	487,083	58,009	54,120	5,800,967	5,412,038				
(6,702)	-	15,090	(21,412)	5,069,373	10,292,857	5,056,959	9,927,250				
-	-	-	-	869	(53,560)	869	(53,560)				
403,047	-	(2,063,397)	(10,645,128)	46,340	(2,058,584)	(10,027,634)	(72,700,716)				
-	-	-	-	406,184	703,839	406,184	703,839				
-	-	-	-	(4,028,042)	(10,067,699)	(4,028,042)	(10,067,699)				
-	-	-	-	6,324	60,481	6,324	60,481				
162,119	-	(3,885,231)	(455,372)	800,000	4,400,000	23,322,457	24,074,494				
(310)	-	(6,284)	(4,400)	(719)	(489)	(87,381)	(49,266)				
(1,518,715)	-	-	-	-	-	(1,816,119)	(1,843,831)				
(412,259)	-	-	-	-	-	(157,029)	974,201				
-	-	15,675	(120,938)	-	-	(202,656)	(797,576)				
(453)	-	(7,803)	(10,376)	(867)	(1,153)	(86,697)	493,615				
35,537	-	159,283	168,570	2,348,708	18,729	3,700,566	2,871,964				
13,812	-	(47,536)	(94,050)	(5,283)	(10,450)	(528,176)	(1,045,004)				
1,115	-	-	-	-	-	650,432	1,884,451				
-	-	-	-	-	-	215,880	1,002,161				
875,185	-	-	-	-	-	1,607,692	872,420				
-	-	-	-	-	-	103,000	(93,867)				
55,101	-	-	-	-	-	(880,649)	2,532,284				
(39,960)	-	4,268	(67,982)	3,053	(19,853)	66,623	(351,236)				
(316)	-	5,037	(6,342)	1,644	(2,165)	31,047	(38,818)				
-	-	(70,500)	(2,500)	-	-	(70,500)	(2,500)				
(56,443)	-	14,428,386	14,170,843	3,193,343	847,682	85,354,399	71,194,369				
(267,617)	-	(6,132,109)	(5,328,560)	(1,295,994)	(1,157,494)	(38,676,748)	(34,442,066)				
\$ (324,060)	\$ -	\$ 8,296,277	\$ 8,842,283	\$ 1,897,349	\$ (309,812)	\$ 46,677,651	\$ 36,752,303				

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

NOTE 1 – DESCRIPTION OF OPERATIONS

The Texas Municipal League Intergovernmental Risk Pool (the Pool) provides workers' compensation, liability, property and cyber coverages to Texas municipalities and other eligible local governments. At September 30, 2025 and 2024, the Pool had 2,813 and 2,803 members, respectively, participating in its programs. The Pool consists of enterprise funds including the Workers' Compensation, Liability, Property, Cyber, Reinsurance, and Stability Funds. For external reporting purposes, the Pool classifies all Funds as "major funds" as prescribed by the Governmental Accounting Standards Board (GASB).

The Texas Municipal League Workers' Compensation Joint Insurance Fund (Workers' Compensation) was created in January 1974. This Fund provides coverage that conforms to the workers' compensation laws of Texas. This Fund also provides excess workers' compensation coverage over per occurrence retentions and corridor deductibles.

In 1981, the Texas Municipal League Joint-Self Insurance Fund (Liability and Property) was created. The coverages provided by the Liability Fund include general liability, errors and omissions liability, law enforcement liability, automobile liability, hangarkeepers' liability, chartered aircraft and airport liability, supplemental sewage backup liability, and supplemental income gap liability. The Property Fund provides real and personal property, automobile physical damage, mobile equipment, boiler and machinery, crime and animal mortality coverage.

The Stability and Reinsurance Funds were created in 1990. The purpose of these Funds is to provide additional self-funded layers of risk and stability for Pool operations. The Stability Fund was created to provide protection for all of the Pool's claims incurring funds to offset the inability of any such Fund to meet its cash requirements, provide a reserve for Unallocated Loss Adjustment Expenses (ULAE), be the mechanism to fund the non-operational Texas Municipal Retirement System unfunded liability, and provide a smoothing method for future increases in personnel costs via the Employment Cost Reserve (ECR). The Reinsurance Fund provides reinsurance, like that provided by external reinsurers, to the claims incurring Funds.

The Cyber Fund was established in October 2024 with a Board-approved equity transfer of \$10 million from the Liability Fund. This fund provides coverage for cyber and data breach liability, which were included as part of the Liability Fund prior to October 1, 2024.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statements

The basic financial statements consist of individual account balances for the Workers' Compensation, Liability, Property, Cyber, Reinsurance, and Stability Funds. The effects of interfund transactions were eliminated on the combined financial statements. The financial statements of the Pool have been prepared using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental entities.

Contribution Recognition

Most member entities pay annual contributions to obtain workers' compensation, liability, property, and cyber coverage for each fiscal year ending September 30. These contributions are earned on a pro-rata basis over the period of coverage. Workers' Compensation contributions are initially rated on estimated payrolls and subsequently are audited and adjusted in the following year. Audit adjustments billed and earned in fiscal years 2025 and 2024 were \$8,409,966 and \$6,925,306, respectively. Contribution rates are approved by the Board. Initial rates were either determined based on rates established by the Insurance Services Office or the Texas Department of Insurance. As the Pool has developed, adjustments were made to the initial rates to reflect current operations. Contribution rates

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

are adjusted using experience modifiers based on individual members' loss experience. Cyber liability and breach response services were added to the Pool's available coverage.

Cash, Cash Equivalents and Investments

Cash, cash equivalents and investments are combined for banking and investment purposes, but individual fund balances are determined by fund operations and financial results. The Pool presents all investments on the balance sheet at fair value and recognizes changes in the fair value of investments as a component of investment income on the Statements of Operations and Changes in Net Position.

The intent of the Pool is to buy and hold investments until they mature. However, the Pool may sell securities as a prudent measure based on current market conditions. Long-term investments consist of United States Government and agency securities, municipal and corporate bonds, and corporate bond and equity mutual funds. Short-term investments include securities with maturity dates within one year. Cash equivalents include demand, money market, and investment pool funds.

Investing is a primary ongoing operation of the Pool, and all investment income is used to fund Pool operations. Investment income is also a determining factor used in setting contribution rates. It is the Pool's policy to consider investment income (excluding change in fair value) as an important component of total operating income.

The Pool complies with the Texas Public Funds Investment Act (Chapter 2256, Texas Government Code). In June 2019, Senate Bill 2551 expanded the number and types of cancer presumed under the Texas workers' compensation statutes to be related to the hazards of firefighting. To help offset the additional costs afforded by the expansion of benefits, the law expanded the investment authority for governmental self-insurance risk pools (as well as governmental self-insureds). Chapter 504 of the Texas Labor Code grants the Pool the sole discretion, under the "Prudent Person" rule, to accumulate and invest assets for the interest of current and future beneficiaries of workers' compensation death and lifetime income benefits. The Public Funds Investment Act does not apply to the investment of these assets. In January 2020, the Board revised the investment policy and adopted provisions related to the authorized investments, investment benchmark, investment structure, and funding for the Lifetime Benefits Investment Portfolio (LTB Portfolio). The LTB Portfolio is comprised of claim reserves and members' equity of the Workers' Compensation and Reinsurance Funds related to workers' compensation death and lifetime income benefits. All other funds are invested in accordance with the Texas Public Funds Investment Act.

Fair Value Measurements

Estimates of fair value for financial assets are based on the framework established in the fair value measurements and disclosures accounting guidance. The framework is based on the inputs used in valuation and requires that observable inputs be used in the valuations when available. The disclosure of fair value estimates in the fair value accounting guidance includes a hierarchy based on whether significant valuation inputs are observable. In determining the level of the hierarchy in which the estimate is disclosed, the highest priority is given to unadjusted quoted prices in active markets and the lowest priority to unobservable inputs that reflect significant market assumptions.

Fair values are based on quoted market prices when available (Level 1). The Pool receives the quoted market prices from a third party nationally recognized in pricing service. When market prices are not available, the Pool utilizes a pricing service to determine an estimate of fair value, which is mainly used for the Pool's debt securities' fair value. The fair value is generally estimated using current market inputs for similar financial instruments with comparable terms and credit quality, commonly referred to as matrix pricing (Level 2). In instances where there is little or no market activity for the same or similar instruments, the Pool estimates fair value using methods, models and

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

assumptions that management believes are relevant to the particular asset. This may include discounted cash flow analysis or other income-based approaches (Level 3). These valuation techniques involve some level of management estimation and judgment. The Pool recognizes transfers between levels at the end of the reporting period.

Claim Reserves

After considering the consulting actuary's analysis, claim reserves represent management's best estimate of ultimate net unpaid losses. Estimated net ultimate losses include claims that have been reported but not yet paid, estimates of additional development of initial claim estimates, and claims that have been incurred but not yet reported (IBNR) to the Pool, net of reinsurance.

The actuary's analysis includes allocated loss adjustment expenses that can be associated directly with specific claims, such as legal fees. The Pool also accrues a reserve estimate for Unallocated Loss Adjustment Expenses (ULAE) in the Stability Fund, which represents expected future costs that cannot be associated with specific claims but will be related to claims in the process of settlement, such as salaries of the Pool's claims department, and other costs of administering and closing claims.

The Pool has accumulated a base of reported loss data which is used to project ultimate losses. Estimates of incurred losses for all accident years involve estimation of future events and costs that may significantly differ from costs ultimately realized due to several factors. Although considerable variability is inherent in estimates of trends in loss severity and frequency, management believes the reserves for losses and loss adjustment expenses are adequate. The estimates are continually reviewed and adjusted as necessary as experience develops or new information becomes known. As adjustments to these estimates become necessary, such adjustments are reflected in current operations.

Reinsurance premiums, losses, and loss adjustment expenses are accounted for consistent with the original coverage documents issued and the terms of the reinsurance contracts. Certain reinsurance contracts include provisions for reinstatement premiums that are estimated and included in current operations when incurred.

The Pool discounts claim reserves in the Workers' Compensation Fund for all unpaid lifetime benefits to beneficiaries of employees fatally injured on the job. As such, the unpaid benefits have a determinable duration and amount.

The discount rate for qualifying lifetime income benefit and death benefit reserves for the surviving spouse of a non-first responder is 4.4%, and 3.5% for death benefit reserves established for the surviving spouse of a first responder. On September 30, the reserves for reported lifetime benefit claims (net of reinsurance) and estimated present value of these reserves were as follows:

Lifetime Income Benefits	2025	2024
Reserves	\$ 148,522,073	\$ 140,326,973
Discount	(59,731,036)	(55,739,284)
Present Value	\$ 88,791,037	\$ 84,587,690

Net Position

Net Position supports the Pool's operations, provides protection against enterprise risks (underwriting, reserving, asset, and operational risks), and maintains the financial stability and strength of the Pool.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

To maintain financial stability and protect the Pool against enterprise risks, the Pool considers periodic capital modeling studies to establish minimum and maximum target net position levels on a combined fund basis. The target net position range on a combined basis begins with the projected capital requirement to fund a 1-in-200-year occurrence and projected funding for 2 times a 1-in-200-year occurrence for the maximum level.

The Pool has established a Net Position Distribution Policy within a framework of the combined net position level described above based on annual financial results. No distribution of net position occurred in 2024-25 or 2023-24.

The combined target net position range was set at \$341 million to \$682 million. The combined net position on September 30, 2025, was \$433.6 million, which is above the target equity minimum on a combined fund basis.

GASB Statement No. 31 requires the Pool to report investments on the Statements of Net Position at fair value. Due to this GASB requirement, Net Position shown on the Statements of Net Position as of September 30, 2025, and 2024 includes unrealized gains and losses on investments as follows:

Funds	Net Position		Unrealized Gains/(Losses)	2025		2024	
Workers' Compensation	\$ 153,846,813	\$ 11,186,232	\$ 165,033,045	\$ 134,302,581			
Liability	28,775,387	(6,741,955)	22,033,432		38,887,395		
Property	79,817,003	(5,395,873)	74,421,130		58,652,778		
Cyber	10,756,018	(388,865)	10,367,153		-		
Reinsurance	140,110,916	(1,582,626)	138,528,290		118,973,033		
Stability	25,273,306	(2,080,031)	23,193,275		22,845,843		
Total	\$ 438,579,443	\$ (5,003,118)	\$ 433,576,325	\$ 373,661,630			

The Board authorized restricting equity for the purpose of establishing a conservative approach for the Subsequent Injury Fund's (SIF) long-term obligations to the Pool. At September 30, 2025, and 2024, the restricted net position for SIF was \$ 9.2 million and \$ 7.1 million, respectively.

Income Taxes

The Workers' Compensation and the Liability and Property programs obtained rulings from the Internal Revenue Service in February 1980 and July 1989, respectively, which recognize these programs as political subdivisions. Pursuant to these rulings, income is not taxable under Section 115(1) of the Internal Revenue Code. The income earned by the Cyber and Data Breach Response program was determined to be non-taxable based upon the basis established for the aforementioned Funds. Accordingly, the accompanying financial statements do not include income tax expense.

Capital Assets

Capital assets include land, building, furniture, equipment and right-to-use (ROU) leases and subscription-based assets that are used in operations.

Land, Building, Furniture and Equipment

Expenditures for individual property items costing \$100,000 or more are capitalized and carried at depreciated cost (see Note 5).

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Depreciation expense is computed on a straight-line basis over the estimated useful life of the assets.

Capital Assets	Estimated Useful Life
Vehicles & Computers	3 Years
Furniture, Fixtures & Equipment	5 Years
Software	7 Years
Building & Building Improvements	40 Years
Land	Non-Depreciable

Leases

GASB Statement 87, *Leases* defines a lease as a contract that conveys control of the right to use another entity's non-financial asset as specified in the contract for a period of time in an exchange or exchange-like transaction.

The Pool is a lessor of office space in its main headquarters. The Pool is a lessee for non-cancellable leases of office space, copiers, and other equipment.

Pool as Lessor

The Pool recognizes a lease receivable and a deferred inflows of resources at the beginning of the lease term. Initially, the lease receivable and deferred inflows are measured as the present value of lease payments expected to be received during the lease term. Subsequently, the lease receivable is reduced, and interest revenue is recognized when lease payments are received. The deferred inflows of resources is amortized on a straight-line basis over the shorter of the lease term or its useful life and lease revenue is recognized.

Pool as Lessee

The Pool recognizes a lease liability and a right-to-use lease asset at the beginning of the lease term. Initially, the lease liability and right-to-use lease asset are measured at the present value of payments expected to be made during the lease term. The lease term includes any renewal options that are more than likely to be exercised. Subsequently, the right-to-use asset is amortized over the shorter of the lease term or its useful life and amortization expense is recognized. Lease payments are amortized between principal and interest. When lease payments are made, the lease liability is reduced, and interest expense is recognized.

Key estimates and judgments related to leases include how the Pool determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- 1.** The Pool uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Pool generally uses its estimated incremental borrowing rate as the discount rate for leases which has been determined using the Pool's long-term return on investments of 2.5%.
- 2.** The lease term includes the non-cancellable period of the lease.
- 3.** Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the Pool is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The Pool monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

For leases with a maximum possible term of 12 months or less at commencement, the Pool recognizes an expense based on the provisions of the lease contract.

Subscription-Based Information Technology Arrangements (SBITAs)

GASB Statement 96, *Subscription-Based Information Technology Arrangements (SBITA)* defines a SBITA as a contract that conveys control of the right to use another vendor's software, alone or in combination with hardware.

The Pool is a subscriber of certain SBITA that it uses in the normal course of business.

At subscription commencement, the Pool initially measures the subscription-based IT liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription-based IT liability is reduced by the principal portion of subscription payments made. The subscription-based IT asset is initially measured as the initial amount of the subscription-based IT liability, less subscription payments made at or before the subscription commencement date, less any vendor incentives received at or before the subscription commencement date, plus the capitalizable implementation costs. The subscription-based IT arrangement asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying hardware or software.

Key estimates and judgments related to SBITAs include how the Pool determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, (3) subscription payments, and (4) exclusion of contracts that are immaterial.

- 1.** The Pool uses the interest rate charged by the IT provider as the discount rate. When the interest rate charged by the provider is not provided, the Pool generally uses its estimated incremental borrowing rate as the discount rate for SBITAs which has been determined using the Pool's long-term return on investments of 2.5%.
- 2.** The subscription term includes the noncancelable period of the subscription, not to exceed seven years if not stated in the contract.
- 3.** SBITAs payments included in the measurement of the SBITAs liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the Pool is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.
- 4.** The Pool determined that any contract with annual payment totals below \$100,000 was immaterial and excluded them from treatment under GASB 96.

The Pool monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

For subscription-based IT arrangements with a maximum possible term of 12 months or less at commencement, the Pool recognizes an expense/expenditure based on the provisions of the subscription-based IT arrangement.

Details of the lessor arrangements and amounts can be found in Note 6 – Other Assets. Details of the lease and SBITA arrangements and amounts can be found in Note 5 – Net Capital Assets.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Compensated Absences

In 2024 - 25, the Pool implemented GASB Statement No. 101, *Compensated Absences*. The statement requires that a liability be recognized for vacation leave earned by employees attributable to past service and sick leave earned by employees attributable to past service only to the extent it is probable that such leave will be used for time off or otherwise paid or settled.

Sick leave policy

Employees accrue eight hours of sick leave monthly. Unused hours roll over to the next fund year. The payout rate for sick leave used for time off is the current pay rate in effect at the time of usage.

Unused sick leave hours are forfeited upon termination of employment unless eligible for conversion to an individual retirement health savings account (RHS).

The policy includes an RHS feature that allows eligible employees to convert excess sick leave hours both annually and at retirement. The funds in the accounts revert to the Pool if the employee leaves employment prior to retirement eligibility or if the employee and surviving spouse die after retirement.

RHS - Annual conversion

Each year, employees with over 720 hours of sick leave will have a portion cashed out at \$30 per hour. The funds will be transferred to their retirement health savings account, accessible upon retirement.

RHS - Retirement conversion

If eligible, the Pool will cash out up to 400 hours of unused sick leave exceeding 500 hours at \$30 per hour and transfer the funds to employees' retirement health savings accounts upon separation.

The sick wages liability is calculated based on the sick leave balances as of 9/30 and the probability that the leave will be used, forfeited, or paid out. The probability assumptions are derived from the U.S. Bureau of Labor Statistics' data on general trends in sick leave usage, forfeiture, and payout across different employee tenure groups.

Assumptions	Paid Out at Termination	Used Prior to Termination	Forfeited
Five Years and Under	0%	80%	20%
Five to 10 Years	50%	30%	20%
Above 10 Years	70%	30%	0%

Vacation leave policy

Employees accrue vacation hours at a rate of 7 1/3 – 14 hours per month, depending upon their length of service. Unused vacation leave can be carried over up to a maximum of 60 days. Upon termination of service, employees receive a lump sum for accrued but unused vacation days based on their length of service not to exceed 45 days. However, if an employee declares their retirement date at least 180 days in advance, they may opt to use up to 60 days of vacation leave as retirement leave starting the day before their declared retirement, instead of receiving a lump sum payment. The payout rate is the current pay rate in effect at the time of termination.

Annually employees can buy back a maximum of 48 unused vacation hours, provided they have accumulated over the required minimum balance of 80 hours.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

The table below reflects the net effect of the restatement of Net Position to reflect the cumulative effect of adoption of GASB 101:

Combined Funds	
Net Position at 10/1/2024, as previously reported	\$373,661,630
Adjustment for Restatement	<u>(2,285,087)</u>
Net Position at 10/1/2024, after restatement	\$371,376,543

Prior-period amounts have not been restated as the Pool determined that retroactive application of the new standard to all prior periods as of October 1, 2023 is not practicable for the following reasons:

- Required historical data for prior periods as of 10/1/23 is not available, incomplete or unreliable. The data is not retained in a form that allows reconstruction in a reliable manner.
- Any attempt to restate balances as of 10/1/23 would require reconstructing historical inputs that cannot be objectively tied to contemporaneous documentation.
- Estimates as of 10/1/23 would require manual reconstruction that would be excessively burdensome and still unreliable.
- The estimate as of 10/1/24 supports a reliable cumulative-effect adjustment. The detail provided for this estimate is based on the most current and accurate data.

Other Liabilities

Other liabilities include amounts payable to employees and various vendors for goods or services, lease contracts, subscription-based IT arrangements and compensated absences. The balances on September 30 are as follows:

Other Liabilities	2025	2024
Excess Deposit Payables	\$ 6,341,769	\$ 5,666,769
Other Payables	2,949,729	2,753,499
Vacation Wages Payables	3,669,610	3,522,963
Sick Wages Payables	2,343,772	-
Lease Liabilities	111,705	108,950
SBITAs Liabilities	1,581,272	1,359,986
Total	\$ 16,997,857	\$ 13,412,167

The changes in the compensated absences liabilities for the year ended September 2025 are as follows:

Compensated Absences	Balance		Net		Balance		Due Within	
	September 30		Increase		September 30		Due Within	More Than
	2024		(Decrease)	2025		One Year	One Year	
Vacation Wages Payables	\$ 3,522,963	\$ 146,647	\$ 3,669,610	\$ 1,640,051	\$ 2,029,559			
Sick Wages Payables	-	-	2,343,772	463,789	1,879,983			
Total	\$ 3,522,963	\$ 146,647	\$ 6,013,382	\$ 2,103,840	\$ 3,909,542			

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Leases and Subscription-Based Information Technology Arrangements (SBITAs) Liabilities

Leases and SBITAs liabilities consist of long-term portion of lease contract and subscription-based IT arrangements that are longer than a 12-month term. The balances on September 30 are as follows:

Lease & SBITAs Liabilities	2025	2024
Lease Liabilities	\$ 241,207	\$ 352,913
SBITAs Liabilities	5,897,457	6,313,927
Total	\$ 6,138,664	\$ 6,666,840

Unearned Contributions

Unearned contributions account for in-force contributions, billed and unbilled, that have not been earned. The balances on September 30 are as follows:

Unearned Contributions	2025	2024
Workers' Compensation	\$ 1,850,448	\$ 2,574,002
Liability	2,075,544	1,927,733
Property	7,712,250	6,487,190
Cyber	1,115	-
Total	\$ 11,639,357	\$ 10,988,925

Deferred Compensation Plan

The Pool offers a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all Pool employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or qualifying emergency. The Pool contributed \$1,958,954 and \$1,804,411 during the years ended September 30, 2025, and 2024, respectively, to the 457 plan. These amounts are included in G&A expenses on the accompanying statements of operations and changes in net position.

Allocations

Investment income (without unrealized gains/(losses)) is allocated monthly to each fund based on each fund's beginning month's pooled cash balance. Unrealized gains/(losses) are allocated monthly to each fund based on each fund's ending cash balance. Departmental expenses directly attributable to the Workers' Compensation Department were allocated 100% to the Workers' Compensation Fund. The expenses directly attributable to the Liability and Property Departments are allocated 65% and 35% to the Liability and Property Funds, respectively. G&A expenses not directly attributable to a particular fund are allocated 90% to Workers' Compensation, Liability and Property Funds at percentages of 50%, 25% and 25%, respectively. The other 10% is allocated to the Reinsurance and Stability Funds at 90% and 10%, respectively. Starting October 1, 2024, one-twelfth of \$100,000 of the Liability Fund's G&A expenses are allocated to the Cyber Fund on a monthly basis.

Estimates

The Pool's annual financial report contains required estimates in accordance with GAAP. All such estimates are reviewed and approved by management and are based on the most current and accurate information available at the time. Actual results, when known, could vary significantly from these estimates.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Subsequent Events

The Pool has evaluated subsequent events for disclosure and recognition through December 12, 2025, the date on which these financial statements were available to be issued.

NOTE 3 – CASH AND CASH EQUIVALENTS

The bank balances of the Pool's cash and cash equivalents are \$73,892,471 and \$37,308,576 at September 30, 2025, and 2024, respectively. The difference between the bank balances and the recorded cash balances on the statement of net position is due to the outstanding checks net of deposits in transit of \$0 and \$133,642 at September 30, 2025, and 2024, respectively. The cash balances are \$73,892,471 and \$37,174,934 at September 30, 2025, and 2024, respectively.

Cash equivalents invested in TexPool, a Local Government Investment Pool (LGIP), amounted to \$50,742,441 and \$15,286,109 at September 30, 2025, and 2024, respectively. Per GASB Statement No. 79, Certain External Investment Pools and Pool Participants, TexPool utilizes amortized cost for valuation and financial reporting. The Pool also invests in money market funds that are recorded at fair value which approximates cost. There are no limitations or restrictions on withdrawals from TexPool or money market funds except for daily trading time deadlines.

NOTE 4 – INVESTMENTS

Investing is a primary ongoing operation of the Pool, and it is the Pool's policy to consider investment income as an important component of operating income. Under provisions of the Pool's investment policy, and in accordance with regulations for investment of public funds in the State of Texas (i.e., the Public Funds Investment Act), the Pool may invest in the following types of investments:

1. Obligations of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks
2. Direct obligations of the State of Texas or its agencies and instrumentalities
3. Mortgage-backed securities directly issued by a federal agency or instrumentality except for collateralized mortgage obligations
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent
6. Certificates of deposit and share certificates authorized by section 2256.010 of the Public Funds Investment Act
7. Repurchase agreements authorized by section 2256.011 of the Public Funds Investment Act
8. No-load money market mutual funds authorized by section 2256.014 of the Public Funds Investment Act
9. No-load mutual funds authorized by section 2256.014 of the Public Funds Investment Act
10. Investment Pools authorized by sections 2256.016 and 2256.019 of the Public Funds Investment Act
11. Interest-bearing banking deposits guaranteed or insured by the Federal Deposit Insurance Corporation or its successor.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Following is a list of investments that are authorized by the Pool in accordance with the provisions of Chapter 504 of the Texas Labor Code and the prudent person rule:

1. Obligations of corporations rated as investment grade by a nationally recognized investment rating firm and having received a rating of not less than BBB- or its equivalent
2. Mutual funds invested in below grade corporate bonds with a weighted average rating of B or above
3. Stock (Equities) of companies traded on US stock exchanges
4. Mutual funds invested in stocks traded on US stock exchanges
5. Commercial mortgage-backed securities (CMBS) rated BBB- or above by a nationally recognized credit rating agency
6. Asset-backed securities (ABS) rated BBB- or above by a nationally recognized credit rating agency
7. Non-agency residential mortgage mortgage-backed securities (RMBS) rated BBB- or above by a nationally recognized rating agency.

Credit risk is the risk that an issuer or other counterpart to an investment will not fulfill its obligations. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. In accordance with the Pool's investment policy and state law, preservation and safety of principal is the primary objective of the Pool's investment program and is addressed by purchasing the highest quality and creditworthy investments (see list of authorized investments above).

As of September 30, 2025, and 2024, the percentage of the Pool's cash equivalents invested in a government money market fund at Principal was 15% and 49.9%, respectively. The percentage of the Pool's cash equivalents invested in TexPool as of September 30, 2025, and 2024 was 80.7% and 81.8%, respectively. The remainder of the cash equivalents were invested in a money market fund account at Frost Bank. The Federal Deposit Insurance Corporation (FDIC) insures amounts on deposit up to the limits as prescribed by law. For funds above the FDIC insured amount, the Pool requires the depository to place securities as collateral in accordance with state law and the Pool's investment policy. Cash equivalents held in government money market funds at Principal and Frost Bank and in TexPool are not FDIC insured. The government money market funds are registered and regulated by the Securities and Exchange Commission (SEC), and the Texas State Comptroller of Public Accounts oversees TexPool. The Pool does not believe it is exposed to significant credit risk. Neither the Pool's investment policy nor state law places a limit on the amount the Pool may invest in a single authorized issuer.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

The following presents the ratings for each investment type at September 30, 2025:

Investment Type/Issuer		Fair Value	S&P Rating	Moody's Rating
U.S. Treasury				
U.S. Treasury	\$	8,384,053	AA+	Aa1
Municipal Bonds				
Muni Bonds		19,932,768	AAA**	Aaa
Muni Bonds		9,150,772	AAA**	Aa
Muni Bonds		17,239,740	AAA**	-
Muni Bonds		0	AA**	Aaa
Muni Bonds		22,474,680	AA**	Aa
Muni Bonds		1,268,037	AA**	A
Muni Bonds		19,720,347	AA**	-
Muni Bonds		1,954,178	A**	A
Muni Bonds		3,036,212	A**	-
Muni Bonds		13,227,850	-	Aaa
Muni Bonds		8,167,722	-	Aa
Muni Bonds		1,439,572	-	A
Muni Bonds		216,510	-	-
Sub-Total	\$	117,828,388		
Mortgage Backed Securities				
FNMA*		249,134,480	AA+	Aa
FHLMC*		189,145,928	AA+	Aa
GNMA		16,501,528	AA+	Aa
Sub-Total	\$	454,781,936		
Corporate Bonds				
Corp. Bonds		157,809	AAA**	Aaa
Corp. Bonds		1,466,215	AAA**	-
Corp. Bonds		572,391	AA**	Aaa
Corp. Bonds		2,858,292	AA**	Aa
Corp. Bonds		792,457	AA**	A
Corp. Bonds		2,758,149	A**	Aa
Corp. Bonds		31,223,425	A**	A
Corp. Bonds		4,626,617	A**	Baa
Corp. Bonds		3,715,032	A**	-
Corp. Bonds		7,120,509	BBB**	A
Corp. Bonds		50,150,153	BBB**	Baa
Corp. Bonds		2,623,006	BBB**	Ba
Corp. Bonds		4,128,535	BBB**	-
Corp. Bonds		1,595,858	BB*	Baa
Corp. Bonds		2,616,239	-	Aaa
Corp. Bonds		229,742	-	Aa
Corp. Bonds		1,454,416	-	A
Corp. Bonds		1,778,630	-	Baa
Corp. Bonds		7,579,790	-	-
Sub-Total	\$	127,447,265		
Bond Mutual Funds	\$	42,673,644		
Equity Mutual Funds	\$	116,878,727		
Total Investments	\$	867,994,013		

*Issuer accounts for 5% or more of total investments.

AAA** - Refers to those rated as AAA- and AAA.

AA** - Refers to those rated as AA-, AA and AA+.

A* - Refers to those rated as A-, A and A+.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

The Pool's gross unrealized gains and losses on investments were as follows:

September 30, 2025							
	Amortized Cost	Gross Gains	Unrealized Gains	Gross Losses	Unrealized Losses	Total Gross Gains/(Losses)	Fair Value
U.S. Treasury Obligations	\$ 8,645,471	\$ 6,650	\$ (268,068)	\$ (261,418)	\$ 8,384,053		
Municipal Bonds	132,268,402	157,661	(14,597,675)	(14,440,014)	117,828,388		
U.S. Agency MBS	482,488,771	3,765,993	(31,472,828)	(27,706,835)	454,781,936		
Corporate Bonds	128,663,839	2,045,659	(3,262,233)	(1,216,574)	127,447,265		
Bond Mutual Funds	43,191,615	629,934	(1,147,905)	(517,971)	42,673,644		
Equity Mutual Funds	77,739,053	39,144,606	(4,932)	39,139,674	116,878,727		
Total Investments	\$ 872,997,151	\$ 45,750,503	\$ (50,753,641)	\$ (5,003,138)	\$ 867,994,013		

September 30, 2024							
	Amortized Cost	Gross Gains	Unrealized Gains	Gross Losses	Unrealized Losses	Total Gross Gains/(Losses)	Fair Value
U.S. Treasury Obligations	\$ 5,730,165	\$ 10,013	\$ (204,311)	\$ (194,298)	\$ 5,535,867		
Municipal Bonds	173,822,302	339,753	(15,440,447)	(15,100,694)	158,721,608		
U.S. Agency MBS	412,995,746	3,675,595	(30,672,637)	(26,997,042)	385,998,704		
Corporate Bonds	121,158,253	1,801,303	(4,734,040)	(2,932,737)	118,225,516		
Bond Mutual Funds	40,620,873	514,100	(1,361,255)	(847,155)	39,773,718		
Equity Mutual Funds	75,155,600	29,507,404	(50)	29,507,354	104,662,954		
Total Investments	\$ 829,482,939	\$ 35,848,168	\$ (52,412,740)	\$ (16,564,572)	\$ 812,918,367		

The Pool categorizes its investments fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Pool had the following recurring fair value measurements for the years ended September 30 as follows:

Investments by fair value level	9/30/25	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(\$)	(\$)	(\$)
U.S. Treasury Securities	\$ 8,384,053	\$ 8,384,053	-	-
Total U.S. Treasury Securities	8,384,053	8,384,053	-	-
Government Agencies Securities				
Municipal Bonds	117,828,388	-	117,828,388	-
Mortgage Backed	454,781,936	-	454,781,936	-
Total Government Agencies Securities	572,610,324	-	572,610,324	-
Corporate Bonds and Mutual Funds				
Corporate Bonds	127,447,265	-	127,447,265	-
Bond Mutual Funds	42,673,644	42,673,644	-	-
Equity Mutual Funds	116,878,727	116,878,727	-	-
Total Corporate Bonds and Mutual Funds	286,999,636	159,552,371	127,447,265	-
Total investments by fair value level	\$ 867,994,013	\$ 167,936,424	\$ 700,057,589	-

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Investments by fair value level	9/30/2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury Securities	\$ 5,535,867	\$ 5,535,867	\$ -	\$ -
Total U.S. Treasury Securities	<u>5,535,867</u>	<u>5,535,867</u>	-	-
Government Agencies Securities				
Municipal Bonds	158,721,608	-	158,721,608	-
Mortgage Backed	385,998,704	-	385,998,704	-
Total Government Agencies Securities	<u>544,720,312</u>	-	<u>544,720,312</u>	-
Corporate Bonds and Mutual Funds				
Corporate Bonds	118,225,516	-	118,225,516	-
Bond Mutual Funds	39,773,718	39,773,718	-	-
Equity Mutual Funds	104,662,954	104,662,954	-	-
Total Corporate Bonds and Mutual Funds	<u>262,662,188</u>	<u>144,436,672</u>	<u>118,225,516</u>	-
Total investments by fair value level	<u>\$ 812,918,367</u>	<u>\$ 149,972,539</u>	<u>\$ 662,945,828</u>	<u>\$ -</u>

The amortized cost and estimated fair value of long-term and short-term fixed income investments at September 30, 2025, and 2024, by expected maturity, are shown below. Actual maturities will vary from expected maturities as borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

Investment Maturity	September 30, 2025		September 30, 2024	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due in one year or less	\$ 20,231,192	\$ 20,071,179	\$ 34,837,280	\$ 34,345,728
Due after one year through five years	91,567,979	89,042,884	85,396,012	82,503,169
Due after five years through ten years	91,451,074	87,891,091	109,808,552	104,408,733
Due after ten years	66,327,467	56,654,553	70,668,877	61,225,361
Mortgage-Backed Securities due after one year	482,488,771	454,781,936	412,995,746	385,998,704
Equity and Bond Mutual funds	<u>120,930,668</u>	<u>159,552,370</u>	<u>115,776,472</u>	<u>144,436,672</u>
Total	<u>\$ 872,997,151</u>	<u>\$ 867,994,013</u>	<u>\$ 829,482,939</u>	<u>\$ 812,918,367</u>

Investment income included in the Statements of Operations and Changes in Net Position for the years ended September 30 are as follows:

Investment Income	2025	2024
Investment Income (interest & dividend income)	\$ 38,579,077	\$ 34,832,120
Net unrealized gains (losses)	\$ 11,561,454	\$ 75,488,172
Amortization of discounts (premiums)	(1,374,696)	(2,179,588)
Net realized gains (losses)	(159,124)	(607,868)
Investment Income (change in fair value)	<u>\$ 10,027,634</u>	<u>\$ 72,700,716</u>

The interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Pool's investment policy addresses interest rate risk by establishing a custom benchmark based on the intent and ability to buy investments and hold them until they mature. However, the Pool may sell securities as a prudent

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

measure based on market conditions. To guide the buying and holding of investments, the Pool utilizes a custom benchmark that accounts for expected payments of liabilities and the Pool's objectives for utilizing Members' Equity.

The custom benchmark for investments governed by the Public Funds Investment Act is the following:

- 70% weighting to the Barclays Capital MBS Fixed Rate Index
- 20% weighting to the Barclays Capital Intermediate Taxable Municipal Index
- 10% weighting to the Barclays Capital Intermediate Government Index

The custom benchmark for investments governed by Chapter 504 of the Texas Labor Code is the following:

- 50% weighting to the Barclays US Intermediate Corporate Bond Index
- 13.125% weighting to the FTSE High Dividend Yield Index (TGPVAN)
- 13.125% weighting to the S&P U.S. Dividend Growers Index (SPUDIGUT)
- 4.375% weighting to the FTSE All-World Ex-U.S. Dividend Growers TR Index (SPGDIGUT)
- 15% weighting to the 95% U.S. High-Yield Ba/B 2% Issuer Capped Index and 5% U.S. Treasury 1-5 Years (I31551US)

The estimated effective duration is used to assess interest rate risk by estimating the sensitivity of fixed income securities to interest rate changes. The effective duration estimates the percentage change in the fair value of an investment (or an investment portfolio) for a one percent change in interest rates. It makes assumptions regarding the most likely timing and amounts of variable cash flows for investments that are highly sensitive to interest rate changes, such as mortgage-backed securities, callable bonds, and variable-rate debt.

As of September 30, 2025	Fair Value	Estimated Effective Duration
U.S. Treasury	\$ 8,384,053	6.14
Municipal Bonds	117,828,388	5.61
Mortgage Backed Securities	454,781,936	5.90
Corporate Bonds	127,447,265	4.15
Bond Mutual Funds	42,673,644	2.90
Equity Mutual Funds	116,878,727	N/A
Total Investments	\$ 867,994,013	4.60

The estimated effective duration of the custom benchmark at September 30, 2024 was 5.08.

NOTE 5 – NET CAPITAL ASSETS

Net capital assets were comprised of the following at September 30:

Fund	Capital Assets	Accumulated Depreciation	2025	2024
Workers' Compensation	\$ 25,249,094	\$ (15,303,574)	\$ 9,945,520	\$ 11,826,376
Liability	12,498,302	(7,575,269)	4,923,033	5,913,188
Property	12,624,547	(7,651,787)	4,972,760	5,913,188
Reinsurance	5,049,819	(3,060,715)	1,989,104	2,365,275
Stability	561,091	(340,079)	221,012	262,808
Cyber	126,245	(76,517)	49,728	-
Total	\$ 56,109,098	\$ (34,007,941)	\$ 22,101,157	\$ 26,280,835

Texas Municipal League Intergovernmental Risk Pool
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For the Fiscal Year Ended September 30, 2025

Capital Assets	Beginning Balance @ 10/1/24	Purchases & Capitalized Expenses	Sales and Other Dispositions	Ending Balance @ 9/30/25
Vehicles	\$ 97,748	\$ -	\$ (65,153)	\$ 32,595
Computers	521,822	-	-	521,822
Furniture & Fixtures	963,587	-	-	963,587
Software	25,395,017	-	-	25,395,017
Building & Property Improv.	12,809,286	331,260	-	13,140,546
Land	4,092,811	-	-	4,092,811
Right to Use Assets - Leases	713,901	-	-	713,901
Right to Use Assets - Subscription-Based	-	-	-	-
Information Technology	9,958,787	1,290,032	-	11,248,819
Total	\$ 54,552,959	\$ 1,621,292	\$ (65,153)	\$ 56,109,098

Accumulated Depreciation	Beginning Balance @ 10/1/24	Depreciation Expense	Sales and Other Dispositions	Ending Balance @ 9/30/25
Vehicles	\$ 97,748	\$ -	\$ (65,153)	\$ 32,595
Computers	521,822	-	-	521,822
Furniture & Fixtures	963,587	-	-	963,587
Software	17,657,438	3,325,465	-	20,982,903
Building & Property Improv.	6,023,622	647,312	-	6,670,934
Right to Use Assets - Leases	260,314	115,105	-	375,419
Right to Use Assets - Subscription-Based	-	-	-	-
Information Technology	2,747,593	1,713,088	-	4,460,681
Total	\$ 28,272,124	\$ 5,800,970	\$ (65,153)	\$ 34,007,941

Leases

The Pool identified two leases that qualify for treatment under GASB 87:

Lease 1 – Mesquite Field Office – Mesquite Field Office – The Pool leases a remote field office from International Town East Tower LP at 18601 LBJ Freeway, Suite 201 in Mesquite, Texas. The office is used to better serve members in that geographical region. At 10/1/2022, the Pool's lease for the Mesquite field office was due to terminate on 11/30/2023 and considered short-term, negating the need for any restatement of prior periods. During the 2022-23 fund year, the lease was extended 3 years. The discount period will be 48 months, beginning on 12/1/2022 and terminating 11/30/2026. The initial Mesquite lease valuation was as follows:

Present Value of Lease Payments: \$291,432

Total Lease Payments: \$305,171

Lease 2 – Switch (Formerly known as Data Foundry) – The Pool leases space from Switch to house core infrastructure and systems (data servers). Variable costs such as utilities and certain services provided by Switch are excluded from the valuation. The contract is set to be automatically renewed for three years at the end of every lease term. At 10/1/2022, the Pool was beginning the second year of a three-year lease term, necessitating a restatement of prior periods. The difference between the Net Asset value and the Lease Liability at 10/1/2022 will be adjusted through net position. Management determined that this contract is likely to be renewed for no less than a period of 10 years or 120 months, which was used as the discount period. A 3% increase was added to the

Texas Municipal League Intergovernmental Risk Pool
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future renewal amounts to account for potential inflationary price increases. The initial Switch lease valuation was as follows:

Present Value of Lease Payments: \$385,955

Total Lease Payments \$431,165

The recognition of the right-of-use lease assets and their valuations at September 30, 2025 are as follows:

Right of Use Lease Assets @ 10/1/2024			Right of Use Lease Assets @ 9/30/2025				
	Net Asset Balance	Accumulated Amortization		Net Asset Balance	Accumulated Amortization		
Mesquite	\$ 157,859	\$ 133,573	\$ 291,432	Mesquite	\$ 85,001	\$ 206,431	\$ 291,432
Switch	295,728	126,741	422,469	Switch	253,481	168,988	422,469
Total	\$ 453,587	\$ 260,314	\$ 713,901	Total	\$ 338,482	\$ 375,419	\$ 713,901

*A small correction was made 7/31/2024 to the Switch valuation resulting in an increase in asset value of \$322

The schedule of principal payments (liability reduction) and interest expenses related to the lease liability are as follows:

	Year 1 - 22/23			Year 5				
	Cash	Mesquite	Switch**	Total	Cash	Mesquite	Switch**	Total
		\$ 75,850	\$ 46,236	\$ 122,086		\$ 11,897	47,623	\$ 59,520
Year 2	Interest Expense	5,254	9,129	14,383	Interest Expense	12	5,149	5,161
	Liability Reduction	70,596	37,107	107,703	Liability Reduction	11,885	42,474	54,359
	Cash	74,656	46,236	120,892	Cash	0	48,681	48,681
Year 3	Interest Expense	4,531	8,199	12,730	Interest Expense	0	4,061	4,061
	Liability Reduction	70,125	38,037	108,162	Liability Reduction	0	44,620	44,620
	Cash	71,384	47,623	119,007	Cash	0	147,503	147,503
Year 4	Interest Expense	2,837	7,219	10,056	Interest Expense	0	5,278	5,278
	Liability Reduction	68,546	40,404	108,950	Liability Reduction	0	142,225	142,225
	Cash	71,384	47,623	119,007	Total Liability Reduction	\$ 291,432	\$ 386,293	\$ 677,725
** The difference between Net Asset Value and Lease Liability at 10/1/22 for Switch was \$6,022, which was recorded as an adjustment to Net Position.								

Subscription-Based Information Technology Arrangements (SBITAs)

The Pool identified four contracts that meet the threshold for materiality and qualify for treatment under GASB 96:

SBITA 1 – Guidewire Inc. – The Pool uses Guidewire software for underwriting, claims management, billing, managing contacts, reporting, and analytics. The contract with Guidewire automatically renews for one year at the end of each term. For this reason, the Pool will begin valuation in the year of adoption, or as of October 1, 2022. Management determined the discount period will match the Pool's depreciation period for software assets of 7 years or 84 months. Guidewire may increase the annual subscription fee a minimum of 3% with proper written notice. A 3% increase in annual payments was added to reflect this contract term. This contract is based upon a base amount and a variable amount for Direct Written Premiums, DWPs, above a certain threshold. These amounts, although variable, are fixed in substance and are included in the valuation (the Pool's written contributions have increased each year over the last six years). The Guidewire SBITA initial valuation was as follows:

Present Value of SBITA Payments: \$7,684,734

Total SBITA Payments: \$8,113,326

Texas Municipal League Intergovernmental Risk Pool
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For the Fiscal Year Ended September 30, 2025

SBITA 2 - Microsoft Office 365 (SHI Government Solutions Inc.) – The Pool uses the Microsoft Office 365 suite of products across the organization for email, Teams calling and messaging, and Windows cloud computing. The current contract was signed in May of 2022 with a three-year term and the Pool will begin valuation in the year of adoption, or as of October 1, 2022. There is also a three-year renewal option in the contract which is more than likely to be exercised given the importance of these systems to the Pool's core operations. To align with the other identified SBITAs in consistency, management has elected a seven-year valuation period, and a 3% inflation adjustment is added to future annual renewals to account for potential future price increases. The Office 365 initial valuation was as follows:

Present Value of SBITA Payments: \$1,589,628

Total SBITA Payments: \$1,734,820

SBITA 3 – FreeIT Data Solutions (Disaster Recovery as a Service (DRaaS)) – The Pool contracted with FreeIT Data Solutions to provide virtual systems in the cloud to serve as a back-up in the event the Pool's primary systems went down. The contract also has a variable element for any onsite technician work that is required. These costs have been excluded from the valuation. The initial contract begins on October 1, 2023, and terminates on September 30, 2026. Management has determined that this contract is likely to be renewed in the future and has elected a seven-year discount period to be consistent with the other identified SBITAs. Additionally, a 3% price increase in annual payments has been added to future renewals to provide a conservative estimate of potential future costs and remain consistent across all SBITAs. The DRaaS initial valuation was as follows:

Present Value of SBITA Payments: \$684,425

Total SBITA Payments: \$745,924

SBITA 4 – NEO Gov (HRIS Software) – The Pool contracted with NEO Gov to implement a comprehensive HRIS system to process onboarding, payroll, benefits, time & attendance, and various other HR functions. The system will be implemented in phases, beginning with the onboarding function, which has already begun as of 9/30/2025. Implementation costs of \$36,500 have been added to the initial valuation of the subscription asset. Management has determined that this contract is likely to be renewed in the future and has elected a seven-year discount period to be consistent with the other identified SBITAs. The initial NEO Gov valuation was as follows:

Present Value of SBITA Payments: \$631,596

Total SBITA Payments: \$698,615

The value of the Subscription Assets at October 1, 2024 and their valuations at September 30, 2025 are as follows:

	Subscription Assets @ 10/1/2024				Subscription Assets @ 9/30/2025		
	Net Asset Balance	Accumulated Amortization	Gross Asset Balance		Net Asset Balance	Accumulated Amortization	Gross Asset Balance
Guidewire	\$ 5,489,096	\$ 2,195,638	\$ 7,684,734	Guidewire	\$ 4,746,668	\$ 3,560,001	\$ 8,306,669
Office 365	1,135,449	454,179	1,589,628	Office 365	908,359	681,269	1,589,628
DRaaS	586,650	97,775	684,425	DRaaS	488,875	195,550	684,425
NEO Gov	-	-	-	NEO Gov	644,236	23,861	668,097
Total	\$ 7,211,195	\$ 2,747,592	\$ 9,958,787	Total	\$ 6,788,138	\$ 4,460,681	\$ 11,248,819

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

The principal payments (liability reduction) and interest expenses related to the subscription liability are scheduled as follows:

	Guidewire	Office 365	DRaaS	NEO Gov	Total		Guidewire	Office 365	DRaaS	NEO Gov	Total	
Year 1 - 22/23	Cash	\$ 998,075	\$ 212,320	\$ -	\$ -	Total	Cash	1,349,160	250,000	104,312	43,190	Total
	Interest Expense	196,443	37,302	-	-	233,745	Interest Expense	117,446	21,215	11,356	15,373	165,390
	Liability Reduction	801,632	175,018	-	-	976,650	Liability Reduction	1,231,714	228,785	92,956	27,817	1,581,272
Year 2	Cash	1,144,480	250,000	104,312	-	1,498,792	Cash	1,389,635	257,500	107,441	79,028	1,833,604
	Interest Expense	174,174	32,362	15,885	-	222,421	Interest Expense	85,745	15,327	8,962	14,126	124,160
	Liability Reduction	970,306	217,638	88,427	-	1,276,371	Liability Reduction	1,303,890	242,173	98,479	64,902	1,709,444
Year 3	Cash	1,309,864	250,000	104,312	8,198	1,672,374	Cash	2,905,587	515,000	325,546	568,198	4,314,331
	Interest Expense	147,379	26,858	13,648	3,921	191,806	Interest Expense	68,945	12,128	11,647	33,598	126,318
	Liability Reduction	1,162,485	223,142	90,664	4,277	1,480,568	Liability Reduction	2,836,642	502,872	313,899	534,600	4,188,013
						Total Liability Reduction	\$ 8,306,669	\$ 1,589,628	\$ 684,425	\$ 631,596	\$ 11,212,318	

The liabilities for leases and SBITAs are presented in two portions, current and long-term. The current portion of the liability is the present value of all payments to be made in the next twelve months. The long-term portion of the liability is the present value of all payments to be made beyond the next twelve months. They are detailed as follows:

Lease Liability - Leases (Present Value of future lease payments) @ 9/30/2025			SBITA Liability - SBITAs (Present Value of future subscription payments) @ 9/30/2025				
	Current Portion (12 months)	Long Term Portion		Current Portion (12 months)	Long Term Portion		
Mesquite	\$ 70,280	\$ 11,886	\$ 82,166	NEO Gov	\$ 27,817	\$ 599,502	\$ 627,319
Switch	41,426	229,321	270,747	DRaaS	\$ 92,956	\$ 412,378	\$ 505,334
Total	\$ 111,706	\$ 241,207	\$ 352,913	Guidewire	1,231,714	4,140,532	5,372,246
				Office 365	228,785	745,045	973,830
				Total	\$ 1,581,272	\$ 5,897,457	\$ 7,478,729

NOTE 6 – OTHER ASSETS

Lease receivable includes the short-term portion of the lessor receivable with TML. The balances on September 30 are as follows:

Workers'									
Lease Receivable	Compensation	Liability	Property	Cyber	Reinsurance	Stability	2025	2024	
Lease Receivable	\$ 102,063	\$ 50,521	\$ 51,032	\$ 510	\$ 20,413	\$ 2,268	\$ 226,807	\$ 221,213	
Deferred Resources - Lease	(109,828)	(54,365)	(54,915)	(549)	(21,966)	(2,441)	(244,064)	(244,064)	
Total	\$ (7,765)	\$ (3,844)	\$ (3,883)	\$ (39)	\$ (1,553)	\$ (173)	\$ (17,257)	\$ (22,851)	

At September 30, the balance of other assets consisted of the following:

Workers'									
Other Assets	Compensation	Liability	Property	Cyber	Reinsurance	Stability	2025	2024	
Deposit with NLC-MIC	\$ 39,518	\$ 227,973	\$ 293,576	\$ -	\$ -	\$ -	\$ 561,067	\$ 561,067	
Deposit with WC Alliance	56,864	-	-	-	-	-	56,864	56,864	
Prepaid Expenses	66,882	33,108	33,442	333	13,376	1,487	148,628	84,780	
Rent Deposits	4,911	2,430	2,455	24	982	109	10,911	10,912	
Receivable from Lease	836,851	414,239	418,430	4,182	167,374	18,596	1,859,672	2,086,479	
Deferred Resources - Lease	(809,985)	(400,942)	(404,996)	(4,047)	(162,000)	(17,999)	(1,799,969)	(2,044,032)	
Total	\$ 195,041	\$ 276,808	\$ 342,907	\$ 492	\$ 19,732	\$ 2,193	\$ 837,173	\$ 756,070	

The deposit with the National League of Cities Mutual Insurance Company (NLC-MIC) is based upon the level of reinsurance purchased from them.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

At September 30, 2025, the Pool's equity interest in NLC-MIC was \$8,747,771 which is \$8,186,704 more than the Pool's recorded cost basis. At September 30, 2024, the equity interest was \$8,311,298, which was \$7,750,231 more than the recorded basis.

The Pool has an office lease agreement with the TML. Lease payments of \$22,983.90 are made by TML to the Pool on a month-to-month basis. The intent of this arrangement is long-term, so management chose a 10-year period to capitalize this lease under GASB 87.

Payments began on February 15, 2024, and the initial valuation was:

Present Value of Lease Receivable and Deferred Inflow of Resources: \$2,440,635
 Total Lease Payments: \$2,758,068

As of September 30, 2025 and 2024, the lease receivable balance was \$2,086,479 and \$2,307,692, respectively.

	Current		Non-Current		Total	
	2025	2024	2025	2024	2025	2024
Lease Receivable	\$ 226,807	\$ 221,213	\$ 1,859,672	\$ 2,086,479	\$ 2,086,479	\$ 2,307,692
Deferred Inflow of Resources	(244,064)	(244,064)	(1,799,969)	(2,044,032)	(2,044,033)	(2,288,096)
Total	\$ (17,257)	\$ (22,851)	\$ 59,703	\$ 42,447	\$ 42,446	\$ 19,596

The Pool expects to receive the following lease receivable amounts from TML in subsequent years as follows:

Fiscal Year	Principal	Interest
2026	\$ 226,807	\$ 49,000
2027	232,543	43,265
2028	238,423	37,384
2029	244,452	31,355
2030	250,634	25,173
2031 - 2034	893,620	37,226
Total	\$ 2,086,479	\$ 223,403

The balance of deferred inflows of resources for the lease receivable was \$2,044,033 and \$2,288,096 at September 30, 2025 and 2024, respectively. The total amount of inflows of resources relating to the lease recognized are as follows:

Inflows of Resources	2025	2024
Lease Revenue	\$ 244,064	\$ 152,540
Interest Revenue	\$ 54,594	\$ 39,436

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

NOTE 7 – CONTRACT SERVICE FEES

The Pool utilizes several contractors for underwriting, reinsurance brokerage and data processing services. Noted in the table below and included in the Statements of Operations were contract service fees for the fiscal years ending September 30, 2025, and 2024.

Contract Service Fees	2025	2024
Workers' Compensation	\$ 832,130	\$ 1,037,782
Liability	109,791	243,539
Property	101,380	237,136
Reinsurance	36,537	91,770
Stability	4,060	10,197
Total	\$ 1,083,898	\$ 1,620,424

NOTE 8 – REINSURANCE

For fiscal years ending September 30, 2025, and 2024, the following Funds carry excess reinsurance as outlined below:

- **Workers' Compensation Fund**
 - Beginning October 1, 2021, and continuing through September 30, 2025, carries excess reinsurance with the Reinsurance Fund up to \$8 million over a retention limit of \$2 million and retains 50% of losses in this layer.
 - Beginning November 1, 2020, the Workers' Compensation Fund carries a catastrophic retention limit of \$15 million excess of \$10 million.
- **Liability Fund**
 - Beginning October 1, 2021, and continuing through September 30, 2025, carries excess reinsurance with the Reinsurance Fund over a retention of \$2 million and retains 25% of losses exceeding \$2 million.
- **Cyber Fund**
 - Retains a 25% quota share of the first \$50,000 of losses related to Cyber & Data Breach coverage.
 - Retains 100% of Cyber & Data Breach losses exceeding \$50,000 up to policy limits.
- **Property Fund**
 - Carries a specific retention limit of \$4 million per occurrence and retains 50% of the \$6 million excess of \$4 million layer.
 - Through April 30, 2025, the Reinsurance Fund assumes the following:
 - a 50.00% quota share for the \$6 million excess of \$4 million layer,
 - a 50.00% quota share of the \$15 million excess of \$10 million layer,
 - a 63.50% quota share of the \$25 million excess of \$25 million layer,
 - a 6.00% quota share of the \$25 million excess of \$25 million layer for a 2nd event,
 - a 5.00% quota share of the \$50 million excess of \$50 million layer,
 - a 5.00% quota share of the \$50 million excess of \$100 million layer,
 - a 5.00% quota share of the \$50 million excess of \$150 million layer,
 - a 5.00% quota share of the \$50 million excess of \$200 million layer,
 - a 5.00% quota share of the \$50 million excess of \$250 million layer, and
 - a 5.00% quota share of the \$80 million excess of \$300 million layer.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

- Beginning on May 1, 2025, the Property Fund carries a specific retention limit of \$4 million per occurrence and retains 50% of the \$6 million excess of \$4 million layer.
 - The Reinsurance Fund assumes the following:
 - a 50.00% quota share for the \$6 million excess of \$4 million layer,
 - a 50.00% quota share of the \$15 million excess of \$10 million layer,
 - a 58.50% quota share of the \$25 million excess of \$25 million layer,
 - a 5.00% quota share of the \$25 million excess of \$25 million layer for a 2nd event,
 - a 3.25% quota share of the \$50 million excess of \$50 million layer,
 - a 5.00% quota share of the \$50 million excess of \$100 million layer,
 - a 5.00% quota share of the \$50 million excess of \$150 million layer,
 - a 5.00% quota share of the \$50 million excess of \$200 million layer,
 - a 5.00% quota share of the \$50 million excess of \$250 million layer, and
 - a 5.00% quota share of the \$80 million excess of \$300 million layer.
- **Reinsurance Fund**
 - Carries a second event cover for the \$25 million excess of \$25 million layer.
 - Through April 30, 2025, assumed a 57.5% quota share of the \$25 million excess of \$25 million layer.
 - Beginning on May 1, 2025, assumes a 53.5% quota share of the \$25 million excess of \$25 million layer.

Payments to reinsurers are recognized over the term of the contracts. Reserves for losses and loss adjustment expenses are stated after deduction for reinsured estimated losses; however, the Pool is liable for these amounts in the event the reinsurers are unable to pay their portion of the claims.

The amounts anticipated to be recovered from outside reinsurance on case reserves and IBNR at September 30, 2025, and 2024 were as follows:

Fund	September 30, 2025			September 30, 2024		
	Gross	Ceded	Net	Gross	Ceded	Net
Workers' Compensation	Case	\$ 176,679,193	\$ (21,764,294)	\$ 154,314,899	\$ 171,051,007	\$ (19,811,443)
	IBNR	53,800,000	(1,300,000)	58,500,000	54,000,000	(1,300,000)
	Total	230,479,193	(23,064,294)	213,414,899	225,051,007	(21,111,443)
Liability	Case	144,349,861	(167,506)	144,182,355	146,242,452	(598,087)
	IBNR	46,650,000	(250,000)	46,400,000	29,950,000	(250,000)
	Total	190,999,861	(417,506)	190,582,355	176,192,452	(848,087)
Property	Case	54,887,601	(7,622,604)	47,664,397	57,808,976	(11,676,217)
	IBNR	0	(400,000)	(400,000)	(400,000)	(100,000)
	Total	54,887,601	(7,622,604)	47,664,397	57,808,976	(11,676,217)
Cyber	Case	648,475	(486,356)	162,119	-	-
	IBNR	0	-	-	-	-
	Total	648,475	(486,356)	162,119	-	-
Reinsurance	Case	13,566,883	-	13,566,883	17,752,114	-
	IBNR	1,350,000	-	1,350,000	1,650,000	-
	Total	15,516,883	-	15,516,883	19,402,114	-
Stability	ULAE	21,500,000	-	21,500,000	20,700,000	-
Eliminating	Case	(13,566,883)	13,566,883	-	(17,752,114)	17,752,114
	IBNR	(1,350,000)	1,350,000	-	(1,650,000)	1,650,000
	Total	(15,516,883)	15,516,883	-	(19,402,114)	19,402,114
Total	Case	398,065,130	(16,073,877)	381,991,253	395,802,435	(14,233,639)
	IBNR	106,450,000	0	106,450,000	83,550,000	0
	Total	\$ 504,515,130	\$ (16,073,877)	\$ 488,441,253	\$ 479,352,435	\$ (14,233,639)
						\$ 465,118,796

The gross liabilities shown above are net of discounting.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Approximately 90.7% of the 2025 recoverable balance represents reserves from reinsurers rated "Superior", "Excellent", "Good" or "Strong" by A.M. Best Company or Standard and Poor's. The Pool is a participating member of NLC-MIC (not rated), which provides excess insurance coverage accounting for 9.3% of the reinsurance recoverable.

NOTE 9 – RELATED PARTY TRANSACTIONS

The Pool has an administrative services contract with TML for certain management and licensing fees related to the use of the organization's name. For fiscal years 2025 and 2024, these fees totaled \$1,029,160 and \$1,001,682, respectively.

The Pool has an office lease agreement with TML as disclosed in Note 6.

The Pool has an arrangement to invest funds owned by TML. The amount of these funds, which was recorded as both an investment asset and a liability on the financial statements, is shown in the table below.

Related Party Transactions	2025	2024
Beginning TML Investments	\$ 8,084,976	\$ 7,082,815
Investment Income	215,880	202,161
Deposits	-	800,000
Total	\$ 8,300,856	\$ 8,084,976

The Pool invests funds in TexPool. The same municipalities that the Pool insures may also be members in TexPool investments as further disclosed in Note 4.

The Pool's Executive Director serves on the NLC-MIC Board of Directors.

The Pool is a member of the Political Subdivision Workers' Compensation Alliance (Alliance), which is an intergovernmental arrangement to develop and maintain network medical services for workers' compensation providers within the State of Texas. In January 2019, the Pool entered an interlocal agreement with the Alliance to provide administrative and operational services. The annual management fee for 2025 and 2024 was \$883,740 and \$858,000, respectively. The Pool's Executive Director serves on the Alliance's Board of Directors.

NOTE 10 – DEFINED BENEFIT PENSION PLAN

Plan Description

The Pool provides pension benefits for its eligible employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system. The plan provisions adopted by the Pool are within the options available in the governing state statutes of TMRS.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for TMRS. The report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by TMRS. This report may be obtained from the TMRS website at www.tmrs.com. Questions concerning the Pool's retirement provisions should be directed to the Chief Financial Officer at the Texas Municipal League Intergovernmental Risk Pool at (512) 491-2300.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the Pool, within the options available in the state statutes governing TMRS. The plan provisions adopted by the Pool's Board of Trustees as of September 30, 2025, and 2024 are reflected below.

Plan Provisions	Plan Year 2024	Plan Year 2023
Employee deposit rate (Employee)	7.0%	7.0%
Matching ratio (Pool to Employee)	2 to 1	2 to 1
Years required for vesting	10	10
Service retirement eligibility (expressed as age / years of service)	60/10, 0/25	60/10, 0/25
Updated Service Credit	100% Repeating	100% Repeating
Annuity Increase (to retirees)	70% of CPI	70% of CPI
Supplemental Death Benefits (to active employees)	Yes	Yes
Supplemental Death Benefits (to retirees)	Yes	Yes
Military Service Credit	Yes	Yes
Buyback Service	Yes	Yes

Members can retire at certain ages, based on the years of service with the Pool and prior service with participating local governments. The Service Retirement Eligibilities for the Pool are: 10 years/age 60, 25 years/any age.

In addition to the annually repeating updated service credit, the Pool elected to provide an annually repeating annuity adjustment at 70% of the increase in the Consumer Price Index and supplemental death benefits to both active and retired employees. In 2016, the Pool added the transfer service option to its plan's provisions.

Employees covered by benefit terms

At December 31, 2024, and 2023 valuation and measurement dates, the following numbers of employees were covered by the benefit terms:

	Plan Valuation Year	
	2024	2023
Active employees	258	251
Inactive employees or beneficiaries currently receiving benefits	139	131
Inactive employees entitled to but not yet receiving benefits	52	54
	449	436

Contributions

Under the state law governing TMRS, the contribution rate for the Pool is determined annually by the TMRS actuary, using the Entry Age Normal (EAN) actuarial cost method. This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percent of the Pool's payroll from year to year. The normal cost contribution rate finances the portion of the Pool's projected benefit allocated annually; the prior service contribution rate amortizes the unfunded actuarial liability over the applicable period for the Pool.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Both the normal cost and prior service contribution rates include recognition of the projected impact of annual repeating benefits, such as Updated Service Credits and annuity increases.

Schedule of Contributions for Plan Years 2024 and 2023

Notes	Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.
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The Pool contributes to the TMRS Plan at an actuarially determined rate. Both the employees and the Pool make contributions monthly. The contribution rates for the Pool were 11.30% and 11.84% in calendar years 2025 and 2024, respectively. The Pool's contributions to TMRS for the year ended September 30, 2025, were \$3,659,453. For the year ended September 30, 2024, the contributions were \$3,492,121.

Net Pension Asset (Liability)

The Pool's Net Pension Asset (Liability) was measured as of December 31, and the Total Pension Liability used to calculate the Net Pension Asset (Liability) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Asset (Liability) in the December 31, 2024, and 2023 actuarial valuations was determined using the following actuarial assumptions:

2024 Plan Valuation Methods and Assumptions

Methods and Assumptions used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	20 years (longest amortization ladder)
Asset Valuation Method	10 Year Smoothed Market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

Other Information:

Notes	There were no benefit changes during the year.
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Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

2023 Plan Valuation Methods and Assumptions

Methods and Assumptions used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	21 years (longest amortization ladder)
Asset Valuation Method	10 Year Smoothed Market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

Other Information:

Notes

There were no benefit changes during the year.

Actuarial assumptions used in the December 31, 2024, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period ending December 31, 2022. Health post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013, valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

The target allocation and best estimates of real rates of return for each major asset class are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Public Equity	35%	6.7%
Core Fixed Income	6%	4.7%
Non-Core Fixed Income	20%	8.0%
Other Public and Private Markets	12%	8.0%
Real Estate	12%	7.6%
Hedge Funds	5%	6.4%
Private Equity	<u>10%</u>	11.6%
Total	100%	

Discount Rate

The discount rate used to measure the Total Pension Asset (Liability) was 6.75% at December 31, 2024. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

The following presents the net pension (asset) liability of the Pool, as well as what the Pool's net pension asset (liability) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

Sensitivity of the Net Pension Liability to Changes in the Discount Rate		
1% Decrease	Current Single Discount Rate Assumption	1% Increase
5.75%	6.75%	7.75%
\$30,518,368	\$1,532,821	(\$22,704,375)

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Schedule of Changes in the Net Pension (Asset)/Liability and Related Ratios

	December 31 Measurement Date	
	2024	2023
A. Total pension liability		
1. Service Cost	\$ 5,335,899	\$ 5,015,250
2. Interest (on the Total Pension Liability)	14,218,222	13,632,671
3. Changes of benefit terms including substantively automatic status	-	-
4. Difference between expected and actual experience	3,570,446	(1,149,824)
5. Changes of assumptions	-	(750,451)
6. Benefit payments, including refunds of employee contributions	(8,105,198)	(8,361,078)
7. Net change in total pension liability	15,019,369	8,386,568
8. Total pension liability - beginning	212,024,975	203,638,407
9. Total pension liability - ending	\$ 227,044,344	\$ 212,024,975
B. Plan fiduciary net position		
1. Contributions - employer	\$ 3,631,946	\$ 3,128,894
2. Contributions - employee	2,208,829	2,055,430
3. Net investment income	21,452,635	21,770,420
4. Benefit payments, including refunds of employee contributions	(8,105,198)	(8,361,078)
5. Administrative Expenses	(137,583)	(138,432)
6. Other	(3,218)	(967)
7. Net change in plan fiduciary net position*	19,047,411	18,454,267
8. Plan fiduciary net position - beginning *	206,464,112	188,009,845
9. Plan fiduciary net position - ending	\$ 225,511,523	\$ 206,464,112
C. Net pension (asset) liability [A.9 - B.9]	\$ 1,532,821	\$ 5,560,863
D. Plan fiduciary net position as a % of the total pension liability [B.9 / A.9]	99.32%	97.38%
E. Covered-employee payroll	\$ 31,554,698	\$ 29,363,291
F. Net pension (asset) liability as a % of covered employee payroll [C / E]	4.86%	18.94%

* May be off due to rounding.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

For the years ended September 30, 2025, and 2024, the Pool recognized pension expense of \$4,688,372 and \$3,356,432 respectively, which was the same amount of pension expense for the Pool reported by TMRS (calendar year basis).

Schedule of Pension Expense

At December 31

	2024	2023
1. Total Service Cost	\$ 5,335,898	\$ 5,015,250
2. Interest (on the Total Pension Liability)	14,218,222	13,632,671
3. Current Period Benefit Changes	-	-
4. Employee Contribution (Reduction of Expenses)	(2,208,829)	(2,055,430)
5. Projected Earnings on Plan Investments (Reduction of Expenses)	(13,936,328)	(12,690,665)
6. Administrative Expense	137,583	138,432
7. Other Changes in Fiduciary Net Position	3,218	967
8. Recognition of Current Year Outflows (Inflows) of Resources - Liabilities	798,758	(407,785)
9. Recognition of Current Year Outflows (Inflows) of Resources - Assets	(1,503,262)	(1,815,951)
10. Amortization of Prior Year Outflows (Inflows) of Resources - Liabilities	476,270	894,344
11. Amortization of Prior Year Outflows (Inflows) of Resources - Assets	1,366,842	644,599
12. Total Pension Expense (Income)	\$ 4,688,372	\$ 3,356,432

At September 30, 2025, the Pool reported deferred outflows and inflows of resources related to pensions from the following sources (calendar year basis):

Schedule of Outflows and Inflows - Current and Future Expenses

	Total (Inflows) or Outflows of Resources	2024 Recognized in current pension expense	Deferred (Inflows)/Outflows in future expense
Prior Years'*			
Difference between expected and actual experience	\$ 1,034,606	\$ 566,583	\$ 468,023
Difference in assumptions changes	(518,682)	(90,313)	(428,369)
Difference between projected and actual earnings on pension plan investments	5,144,568	1,366,842	3,777,726
2024 Plan Year			
Difference between expected and actual experience	3,570,446	798,758	2,771,688
Difference in assumptions changes	-	-	-
Difference between projected and actual earnings on pension plan investments	(7,516,307)	(1,503,262)	(6,013,045)
Deferred Pension Items	1,714,631	1,138,608	576,023
Contributions made subsequent to measurement date	2,734,376	-	2,734,376
Total	\$ 4,449,007	\$ 1,138,608	\$ 3,310,399

* Prior Years' is composed of Plan Years 2019 - 2023

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

At September 30, 2024, the Pool reported deferred outflows and inflows of resources related to pensions from the following sources (calendar year basis):

Schedule of Outflows and Inflows - Current and Future Expenses

	Total (Inflows) or Outflows of Resources	2023 Recognized in current pension expense	Deferred (Inflows)/Outflows in future expense
<u>Prior Years*</u>			
Difference between expected and actual experience	\$ 2,701,053	\$ 763,366	\$ 1,937,687
Difference in assumptions changes	201,706	130,978	70,728
Difference between projected and actual earnings on pension plan investments	13,052,969	644,598	12,408,371
<u>2023 Plan Year</u>			
Difference between expected and actual	(1,149,824)	(246,744)	(903,080)
Difference in assumptions changes	(750,451)	(161,041)	(589,410)
Difference between projected and actual earnings on pension plan investments	(9,079,755)	(1,815,951)	(7,263,804)
Deferred Pension Items	4,975,698	(684,794)	5,660,492
Contributions made subsequent to measurement date	2,706,866	-	2,706,866
Total	\$ 7,682,564	\$ (684,794)	\$ 8,367,358

* Prior Years' is composed of Plan Years 2018 - 2022

The schedule below reflects the deferred outflows and inflows of resources at September 30, 2025, that will be amortized in future pension expense.

Schedule of Outflows and Inflows - Future Pension Expense

Year	Net Deferred Outflows/(Inflows) of Resources*
2025	\$ 1,311,762
2026	3,181,696
2027	(2,789,590)
2028	(1,127,845)
2029	-
Thereafter	-
*Total	\$ 576,023

*Excludes contributions of \$2,734,376 remitted to TMRS subsequent to the December 31, 2024 measurement date.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Pension Charges (Credits)

The Pool recorded Pension Expense reconciling items as Pension Charges (Credits) as follows:

Pension Charges (Credits)	2025	2024
Capitalized TMRS Contributions	\$ -	\$ -
Changes in Deferred Contributions	- -	- -
Differences Between Contributions per the Pool and TMRS	- 4,758	4,758
Total Pension Charges	\$ -	\$ 4,758

As a result of Pension Charges (Credits), the following is the Pension Expense line-item amount as reported on the financial statements:

Pension Expense	2025	2024
as Reported on the Financial Statements	2025	2024
Pension Expense	\$ 4,688,372	\$ 3,351,674
Pension Charges (Credits)	4,758	4,758
Reported Pension Expense	\$ 4,688,372	\$ 3,356,432

Restricted Net Position

The Pool restricted net position for pension-related assets (liabilities) due to the expected volatility in changes to the fair value of pension investments and outflow (inflows) of pension resources. Following were the balances at September 30, 2025, and 2024:

Restricted Net Position	2025	2024
Net Pension Asset	\$ -	\$ -
Deferred Outflows of Pension Resources (Future Expenses)	576,023	5,660,492
Deferred Outflows of Pension Resources (Contributions)	2,734,376	2,706,866
Total	\$ 3,310,399	\$ 8,367,358

NOTE 11- POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

The Pool provides its eligible employees a defined benefit group-term life insurance through the TMRS Supplemental Death Benefits Fund (SDBF). The SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB Statement No. 75 *Accounting and Financial Reporting of Postemployment Benefits Other Than Pensions* (i.e., no assets are accumulated for other postemployment benefits or OPEB), and as such, the SDBF is considered an unfunded OPEB plan. The retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single-employer defined benefit OPEB plan. The Pool's contributions to the TMRS SDBF for the fiscal years ended September 30, 2025, and 2024 were \$90,919 and \$101,896 respectively, which equaled the required contributions each year.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for TMRS. The report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by TMRS. This report may be obtained from the TMRS website at www.tmrs.com. Questions concerning the Pool's OPEB provisions should be directed to the Chief Financial Officer at (512) 491-2300.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Benefits Provided

Benefit provisions are adopted by the governing body of the Pool, within the options available in the state statutes governing TMRS. The death benefits for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefits for retirees are considered a postemployment benefit (OPEB) and is a fixed amount of \$7,500 per employee. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered an unfunded OPEB plan (i.e., no assets are accumulated).

Employees covered by benefit terms

At December 31, 2024, and 2023 valuation and measurement dates, the following numbers of employees were covered by the benefit terms:

	Plan Valuation Year	
	2024	2023
Inactive employees currently receiving benefits	116	107
Inactive employees entitled to but not yet receiving benefits	22	20
Active employees	258	251
	396	378

Contributions

The Pool contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy of the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance.

The Pool's contributions to TMRS for the plan years ended December 31, 2024, and 2023 for the retiree-only portion (OPEB) were \$18,933 and \$17,618, respectively.

Schedule of Contributions (Retiree-only portion of the rate, for OPEB)

Plan/Calendar Year	Total SDB Contribution Rate	Retiree Portion of SDB Contribution Rate
2024	0.33%	0.06%
2023	0.33%	0.06%

Total OPEB Liability

The Pool's Total OPEB Liability at September 30, 2025, was \$800,664 as measured as of the December 31, 2024, actuarial valuation date. The Total OPEB Liability at September 30, 2024, was \$794,340 as of December 31, 2023, actuarial valuation date.

Actuarial Assumptions

The actuarial assumptions used in the December 31, 2024 and December 31, 2023 valuations were based on the results of an actuarial experience study for the period ending December 31, 2022.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

The Total OPEB Liability was determined using the following actuarial assumptions:

2024 Plan Valuation Methods and Assumptions

Methods and Assumptions used to Determine Contribution Rates:	
Inflation	2.5%
Salary Increases	3.60% to 11.85% including inflation
Discount Rate	4.08%
Retirees' share of benefit-related costs	\$0
Administrative Expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Mortality rates - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

2023 Plan Valuation Methods and Assumptions

Methods and Assumptions used to Determine Contribution Rates:	
Inflation	2.5%
Salary Increases	3.60% to 11.85% including inflation
Discount Rate	3.77%
Retirees' share of benefit-related costs	\$0
Administrative Expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Mortality rates - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by ScaleMP-2021 (with immediate convergence) to account for future mortality improvements to the floor.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Discount Rate

The discount rate used to measure the Total OPEB Liability was 4.08% at December 31, 2024. The discount rate was based on the Bond Buyer "20-Bond GO Index" rate closest to, but not later than December 31, 2024.

The following presents the Total OPEB Liability of the Pool, as well as what the Pool's Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.08%) or 1 percentage-point higher (5.08%) than the current rate:

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate			
	1% Decrease 3.08%	Current Discount Rate 4.08%	1% Increase 5.08%
Total OPEB Liability	\$951,898	\$800,664	\$680,957

Schedule of Changes in the Total OPEB Liability

	December 31 Measurement Date	
Changes in the Total OPEB Liability	2024	2023
Total OPEB Liability - beginning of year	\$ 794,340	\$ 733,859
Changes for the year:		
Service Cost	28,399	23,491
Interest on Total OPEB Liability	30,125	29,840
Changes in benefit terms	-	-
Differences between expected and actual experience	9,834	(14,531)
Changes in assumptions or other inputs	(43,101)	39,299
Benefit payments	(18,933)	(17,618)
Net Changes	6,324	60,481
Total OPEB Liability - end of year	\$ 800,664	\$ 794,340
 Covered Payroll		
	\$ 31,554,698	\$ 29,363,291
 Total OPEB Liability as a Percentage of Covered Payroll	2.54%	2.71%

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the years ended September 30, 2025, and 2024, the Pool recognized OPEB expenses of \$26,876 and \$27,648 respectively, which were the same amounts reported by TMRS (calendar year basis).

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

Schedule of OPEB Expense

	At December 31	
	2024	2023
Service Cost	\$ 28,399	\$ 23,491
Interest on Total OPEB Liability	30,125	29,840
Changes in benefit terms	-	-
Employer administrative costs	-	-
Recognition of deferred outflows/inflows of resources:		
Difference between expected and actual experience	(12,541)	(12,320)
Changes in assumptions or other inputs	(19,107)	(13,363)
Total OPEB Expense	\$ 26,876	\$ 27,648

At September 30, 2025, the Pool reported deferred outflows and inflows of resources related to the OPEB from the following sources:

Schedule of Outflows and Inflows - Current and Future Expenses			
	Total (Inflows) or Outflows of Resources	2024 Recognized in Current OPEB Expense	Deferred (Inflows)/Outflows in Future Expense
Prior Years*			
Difference between expected and actual experience	\$ (32,862)	\$ (14,447)	\$ (18,415)
Difference in assumptions changes	(133,881)	(10,754)	(123,127)
2024 Plan Year			
Difference between expected and actual experience	9,834	1,906	7,928
Difference in assumptions changes	(43,101)	(8,353)	(34,748)
Deferred Pension Items	(200,010)	(31,648)	(168,362)
Contributions made subsequent to measurement date	14,861	14,861	
Total	\$ (185,149)	\$ (31,648)	\$ (153,501)

* Prior Years' is composed of Plan Years 2018 - 2023.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

At September 30, 2024, the Pool reported deferred outflows and inflows of resources related to the OPEB from the following sources:

Schedule of Outflows and Inflows - Current and Future Expenses

	Total (Inflows) or Outflows of Resources	2023 Recognized in Current OPEB Expense	Deferred (Inflows)/Outflows in Future Expense
<u>Prior Years*</u>			
Difference between expected and actual experience	\$ (30,651)	\$ (9,578)	(21,073)
Difference in assumptions changes	(186,543)	(20,778)	(165,765)
<u>2023 Plan Year</u>			
Difference between expected and actual experience	(14,531)	(2,742)	(11,789)
Difference in assumptions changes	39,299	7,415	31,884
Deferred Pension Items	(192,426)	(25,683)	(166,743)
Contributions made subsequent to measurement date	14,111		14,111
Total	\$ (178,315)	\$ (25,683)	(152,632)

* Prior Years' is composed of Plan Years 2017 - 2022.

The schedule below reflects the deferred outflows and inflows of resources at September 30, 2025, that will be amortized in future pension expense.

Schedule of Outflows and Inflows - Future Pension Expense

Year	Net Deferred Outflows/(Inflows) of Resources*
2025	(50,779)
2026	(71,051)
2027	(40,456)
2028	(5,044)
2029	(1,032)
Thereafter	-
*Total	\$ (168,362)

*Excludes contributions of \$14,861 remitted to TMRS subsequent to the December 31, 2024 measurement date.

NOTE 12 – CONTINGENCIES

In the normal course of operations, the Pool is involved in litigation related to certain claims. In the opinion of management, the disposition of these matters will not have a materially adverse effect on the Pool's financial position.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

NOTE 13 – RECONCILIATION OF CLAIM RESERVES BY CONTRACT TYPE

The schedule below presents the changes in claims liabilities for the years ended September 30, 2025 and 2024 for Workers' Compensation, Liability, Property, Cyber, Reinsurance, and Stability Funds:

	WORKERS' COMPENSATION		LIABILITY		PROPERTY		REINSURANCE		CYBER		STABILITY		TOTAL	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Reserve for losses and loss adjustment expenses at beginning of year	\$203,939,558	\$203,115,404	\$175,344,365	\$158,885,173	\$45,732,759	\$42,886,239	\$19,402,114	\$19,857,486	\$0	\$0	\$20,700,000	\$16,300,000	\$465,118,796	\$441,044,302
Incurred claims and claim adjustment expenses														
Provision for insured events of <u>current</u> fiscal year	58,958,693	51,027,675	71,224,312	64,956,113	100,004,662	92,587,402	5,056,525	9,764,708	319,674	-	800,000	4,400,000	236,363,866	222,735,898
Change in provision for insured events of <u>prior</u> fiscal years	4,503,146	800,000	8,818,121	9,600,001	(7,501,746)	1,800,000	1,808,565	(1,267,980)	-	-	-	-	7,628,086	10,932,021
Total incurred claims and claim adjustment expenses*	63,461,839	51,827,675	80,042,433	74,556,114	92,502,916	94,387,402	6,865,090	8,496,728	319,674	-	800,000	4,400,000	243,991,952	233,667,919
Payments:														
Claims and claim adjustment expenses attributable to insured events of <u>current</u> fiscal year	21,410,247	19,643,402	7,658,584	9,037,477	64,570,837	58,687,381	1,808,712	83,726	630,223	-	-	-	96,078,603	87,451,986
Claims and claim adjustment expenses attributable to insured events of <u>prior</u> fiscal years	33,941,996	32,894,874	57,751,474	50,557,557	35,924,957	40,498,974	8,941,609	8,868,374	-	-	-	-	136,560,036	132,819,779
Reinsurance recoveries received attributable to insured events of current fiscal year	-	-	(73,235)	(663,461)	(1,808,711)	(83,726)	-	-	-	-	-	-	(1,881,946)	(747,187)
Change in reinsurance recoverable on paid losses	(1,365,745)	(1,534,755)	(532,380)	(834,651)	(7,716,405)	(7,561,747)	-	-	(472,668)	-	-	-	(10,087,198)	(9,931,153)
Net total payments	53,986,498	51,003,521	64,804,443	58,096,922	90,970,678	91,540,882	10,750,321	8,952,100	157,555	-	-	-	220,669,495	209,593,425
Reserve for losses and loss adjustment expenses at end of year	\$213,414,899	\$203,939,558	\$190,582,355	\$175,344,365	\$47,264,997	\$45,732,759	\$15,516,883	\$19,402,114	\$162,119	\$0	\$21,500,000	\$20,700,000	\$488,441,253	\$465,118,796

*Excludes Independent Adjuster Fees.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025

TEN-YEAR CLAIMS DEVELOPMENT INFORMATION

The following tables illustrate how earned revenue (net of reinsurance) and investment income compare to related cost of loss (net of reinsurance) and other expenses as of the end of each of the last ten years. The rows of the table are defined as follows:

- (1) This line shows the total of each fiscal year's gross earned contributions and investment revenue, contributions placed with reinsurers, and net earned contributions and reported investment revenue.
- (2) This line shows each fiscal year's other operating costs, including overhead and claims' expense that cannot be allocated to individual claims.
- (3) This line shows the gross incurred claims and allocated claim adjustment expenses, claims assumed by reinsurers, and net incurred claims and allocated claim adjustment expenses (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called *fund year*).
- (4) This section of 10 rows shows the cumulative net amounts paid as of the end of successive years for each fund year.
- (5) This line shows the re-estimated incurred claims and expenses amount of claims as of the end of the current year for each accident year.
- (6) This section of 10 rows shows how each fund year's net incurred claims increased or decreased as of known claims, re-evaluation of existing information on known claims, as well as emergence of new claims not previously known.
- (7) This line compares the latest re-estimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought.

As data for individual fund years mature, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

WORKERS' COMPENSATION

Fiscal and Fund Year Ended September 30
(In Thousands of Dollars)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1 Contribution and Investment revenues:										
Earned	\$ 74,831	\$ 68,263	\$ 66,358	\$ 92,294	\$ 85,275	\$ 81,864	\$ 27,070	\$ 107,907	\$ 160,978	\$ 128,161
Assumed by reinsurers*	1,938	2,028	2,104	2,165	2,523	2,734	2,656	2,689	2,856	2,841
Net	72,893	66,235	64,254	90,129	82,752	79,130	24,414	105,218	158,122	125,320
2 Unallocated expenses	20,612	20,434	20,844	22,448	23,069	23,615	24,487	25,659	28,612	29,696
3 Estimated incurred claims and allocated expenses, end of fund year:										
Incurred	51,719	49,956	43,158	47,460	60,727	77,757	63,687	54,445	48,476	76,118
Assumed by reinsurers	11	16	36	42	1,220	0	0	0	0	0
Net incurred	51,708	49,940	43,122	47,418	59,507	77,757	63,687	54,445	48,476	76,118
4 Paid (cumulative) as of:										
End of fund year	17,379	18,145	16,721	18,728	19,728	24,116	20,982	19,034	20,053	21,728
One year later	29,999	31,038	28,719	32,867	37,822	43,416	36,322	32,359	35,755	
Two years later	32,999	34,318	31,366	35,743	43,263	48,337	39,355	35,069		
Three years later	34,296	35,308	32,357	37,196	45,739	50,644	43,050			
Four years later	34,898	35,941	32,949	38,037	47,407	53,121				
Five years later	35,661	35,948	33,452	39,184	48,978					
Six years later	36,255	36,443	33,847	40,879						
Seven years later	36,757	36,498	34,486							
Eight years later	37,609	37,021								
Nine years later	38,427									
5 Re-estimated claims and expenses assumed by reinsurers:	644	0	0	0	1,220	0	133	57	202	141
6 Re-estimated incurred claims and allocated expenses:										
End of fund year	51,708	49,940	43,122	47,418	59,507	69,236	63,194	54,445	48,476	76,118
One year later	49,599	46,971	43,689	49,349	65,051	93,108	67,671	55,207	52,618	
Two years later	46,451	44,700	42,660	47,107	76,166	93,865	64,471	49,632		
Three years later	46,608	46,406	42,144	46,813	74,667	93,480	67,454			
Four years later	48,552	43,209	41,840	46,879	77,080	97,362				
Five years later	45,685	44,693	41,552	46,956	72,464					
Six years later	47,951	44,184	41,333	48,517						
Seven years later	47,508	43,419	39,637							
Eight years later	47,626	45,534								
Nine years later	47,120									
7 (Decrease) increase in estimated incurred claims and expense from end of fund year:	(4,588)	(4,406)	(3,485)	1,099	12,957	28,126	4,260	(4,813)	4,142	0

Prior to fiscal year ending September 30, 2013, line 4 includes payments to Lifetime Benefits and line 6 reflects discounts taken on claims transferred to Lifetime Benefits (see Note 1).

*Including Reinsurance Fund and Outside Reinsurers.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

LIABILITY

Fiscal and Fund Year Ended September 30
(In Thousands of Dollars)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1 Contribution and investment revenues:										
Earned	\$ 54,640	\$ 48,383	\$ 48,272	\$ 67,190	\$ 60,954	\$ 53,539	\$ 38,721	\$ 68,460	\$ 96,660	\$ 89,559
Assumed by reinsurers*	933	1,120	1,162	1,134	1,187	1,835	2,348	2,747	2,900	1,254
Net	<u>53,707</u>	<u>47,263</u>	<u>47,110</u>	<u>66,056</u>	<u>59,767</u>	<u>51,704</u>	<u>36,373</u>	<u>65,713</u>	<u>93,760</u>	<u>88,306</u>
2 Unallocated expenses	9,277	10,264	10,534	11,024	10,910	10,838	10,636	11,410	13,251	14,125
3 Estimated incurred claims and allocated expenses, end of fund year:										
Incurred	36,718	39,389	41,303	42,786	43,819	49,018	54,563	56,711	64,969	71,485
Assumed by reinsurers	0	0	0	0	0	0	0	0	0	0
Net incurred	<u>36,718</u>	<u>39,389</u>	<u>41,303</u>	<u>42,786</u>	<u>43,819</u>	<u>49,018</u>	<u>54,563</u>	<u>56,711</u>	<u>64,969</u>	<u>71,485</u>
4 Paid (cumulative) as of:										
End of fund year	4,821	4,297	5,391	6,099	6,003	5,852	6,644	6,247	8,377	7,585
One year later	12,189	12,683	14,281	16,061	14,391	16,996	18,297	20,635	24,926	
Two years later	24,510	22,842	24,226	25,113	22,457	28,427	31,102	35,973		
Three years later	31,400	30,431	31,871	34,674	29,844	38,775	43,717			
Four years later	34,561	34,784	35,663	42,584	34,823	44,402				
Five years later	35,797	38,041	39,080	46,120	37,032					
Six years later	37,928	39,370	40,661	47,935						
Seven years later	38,340	39,988	41,215							
Eight years later	38,515	40,983								
Nine years later	39,477									
5 Re-estimated claims and expenses assumed by reinsurers:	0	0	0	0	0	0	0	0	0	0
6 Re-estimated incurred claims and allocated expenses:										
End of fund year	36,718	39,389	41,303	42,786	43,819	49,018	54,563	56,711	64,969	71,485
One year later	39,394	39,790	42,195	46,751	48,035	55,370	61,330	65,236	79,929	
Two years later	39,045	39,323	43,417	49,992	43,855	55,465	60,476	68,463		
Three years later	39,790	41,257	44,016	50,364	42,556	58,778	58,787			
Four years later	38,071	41,519	44,478	51,885	43,775	54,255				
Five years later	38,867	42,972	44,859	51,567	41,570					
Six years later	39,537	43,409	44,171	51,000						
Seven years later	39,354	42,240	43,435							
Eight years later	39,138	42,612								
Nine years later	39,543									
7 (Decrease) increase in estimated incurred claims and expense from end of fund year:	2,825	3,223	2,132	8,214	(2,249)	5,237	4,224	11,752	14,960	0

*Including Reinsurance Fund and Outside Reinsurers.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

PROPERTY

Fiscal and Fund Year Ended September 30
(In Thousands of Dollars)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1 Contribution and Investment revenues:										
Earned	\$ 60,063	\$ 64,611	\$ 71,921	\$ 89,414	\$ 95,989	\$ 94,633	\$ 93,642	\$ 124,937	\$ 161,937	\$ 185,294
Assumed by reinsurers*	9,214	13,238	16,751	19,772	21,133	30,080	28,893	37,314	53,171	61,798
Net	50,849	51,373	55,170	69,642	74,855	64,553	64,749	87,623	108,766	123,495
2 Unallocated expenses	10,034	9,170	9,781	9,418	8,488	8,639	9,074	9,800	11,433	12,103
3 Estimated incurred claims and allocated expenses, end of fund year:										
Incurred	64,714	96,491	41,127	58,328	62,751	102,120	59,671	92,339	92,611	98,251
Assumed by reinsurers	22,280	55,755	753	259	3,441	37,920	0	0	0	0
Net incurred	42,434	40,736	40,374	58,069	59,309	64,200	59,671	92,339	92,611	98,251
4 Paid (cumulative) as of:										
End of fund year	34,693	28,901	27,603	32,116	35,395	39,010	37,972	58,168	58,601	62,762
One year later	40,763	37,868	36,569	48,546	53,898	56,366	55,948	88,977	86,744	
Two years later	41,152	38,012	37,081	49,991	54,386	67,426	56,025	89,273		
Three years later	41,644	38,132	37,925	48,902	54,695	59,441	55,794			
Four years later	41,294	38,153	37,890	48,900	56,258	58,780				
Five years later	41,296	38,125	37,810	48,943	56,906					
Six years later	41,272	38,145	37,793	48,994						
Seven years later	41,273	38,120	37,776							
Eight years later	41,274	38,116								
Nine years later	41,273									
5 Re-estimated claims and expenses assumed by reinsurers:	20,794	103,670	741	305	2,733	37,920	0	0	0	0
x										
6 Re-estimated incurred claims and allocated expenses:										
End of fund year	42,434	40,736	40,374	58,069	59,309	64,200	59,671	92,339	92,611	98,251
One year later	41,385	39,010	39,858	55,651	59,030	65,042	58,401	95,017	94,169	
Two years later	41,959	38,490	36,947	52,861	57,956	57,424	58,192	91,490		
Three years later	40,736	38,209	37,492	49,232	57,926	60,933	57,201			
Four years later	41,153	38,155	37,947	49,336	57,689	58,856				
Five years later	41,223	38,163	37,952	49,280	57,551					
Six years later	41,291	37,952	38,044	48,995						
Seven years later	41,274	38,116	37,777							
Eight years later	41,274	38,116								
Nine years later	41,273									
7 (Decrease) increase in estimated incurred claims and expense from end of fund year:	(1,161)	(2,620)	(2,597)	(9,074)	(1,759)	(5,344)	(2,470)	(849)	1,558	0

*Including Reinsurance Fund and Outside Reinsurers.

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

REINSURANCE

Fiscal and Fund Year Ended September 30
(In Thousands of Dollars)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1 Contribution and Investment revenues:										
Earned	\$10,827	\$6,052	\$8,424	\$20,633	\$17,079	\$16,328	(\$4,050)	\$19,934	\$37,206	\$30,567
Assumed by reinsurers	0	0	0	0	0	0	0	0	0	0
Net	10,827	6,052	8,424	20,633	17,079	16,328	(4,050)	19,934	37,206	30,567
2 Unallocated Expenses	1,107	1,097	1,114	1,168	1,222	1,272	2,904	3,211	3,766	3,915
3 Expenses incurred claims and allocated expenses, end of fund year:										
Incurred	22,417	31,455	3,434	259	4,679	19,983	926	10,918	9,767	5,057
Assumed by reinsurers	0	0	0	0	0	0	0	0	0	0
Net incurred	22,417	31,455	3,434	259	4,679	19,983	926	10,918	9,767	5,057
4 Paid (cumulative) as of:										
End of fund year	3,351	2,202	5	259	41	11,808	0	1,419	84	1,809
One year later	14,462	25,444	119	305	2,732	15,767	597	8,000	7,490	
Two years later	16,722	33,539	1,244	305	3,368	18,749	1,067	8,537		
Three years later	18,944	34,444	741	305	3,545	19,250	1,134			
Four years later	20,629	35,178	970	305	3,548	19,213				
Five years later	20,794	35,272	1,765	305	3,540					
Six years later	20,698	35,278	1,765	305						
Seven years later	21,618	35,278	1,765							
Eight years later	21,618	35,278								
Nine years later	21,618									
5 Re-estimated incurred claims and expenses assumed by reinsurers:	0	0	0	0	0	0	0	0	0	0
6 Re-estimated incurred claims and allocated expenses:										
End of fund year	22,417	31,455	3,434	259	4,679	19,983	926	10,918	9,767	5,057
One year later	28,183	45,342	2,770	305	6,567	20,995	1,123	9,115	10,540	
Two years later	24,675	44,667	1,252	305	7,268	20,312	1,067	8,717		
Three years later	24,400	37,815	2,157	305	6,991	19,345	1,298			
Four years later	21,737	37,567	1,486	305	6,705	20,121				
Five years later	22,156	36,883	1,843	305	7,202					
Six years later	22,050	35,413	1,765	305						
Seven years later	22,288	35,283	1,765							
Eight years later	22,288	35,278								
Nine years later	22,260									
7 (Decrease) increase in estimated incurred claims and expense from end of fund year:	(157)	3,823	(1,669)	46	2,523	138	372	(2,201)	773	0

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

CYBER

Fiscal and Fund Year Ended September 30
(In Thousands of Dollars)

	2025
1 Contribution and Investment revenues:	
Earned	\$ 2,128
Assumed by reinsurers*	1,340
Net	788
2 Unallocated expenses	93
3 Estimated incurred claims and allocated expenses, end of fund year:	
Incurred	2,238
Assumed by reinsurers	0
Net incurred	2,238
4 Paid (cumulative) as of:	
End of fund year	630
One year later	
Two years later	
Three years later	
Four years later	
Five years later	
Six years later	
Seven years later	
Eight years later	
Nine years later	
5 Re-estimated claims and expenses assumed by reinsurers:	0
6 Re-estimated incurred claims and allocated expenses:	
End of fund year	2,238
One year later	
Two years later	
Three years later	
Four years later	
Five years later	
Six years later	
Seven years later	
Eight years later	
Nine years later	
7 (Decrease) increase in estimated incurred claims and expense from end of fund year:	0 0 0 0 0 0 0 0 0

Texas Municipal League Intergovernmental Risk Pool
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

The schedule below shows the changes in Total Pension Liability less the changes in Fiduciary Net Pension, resulting in the Net Pension (Asset) Liability calculation for the Pool.

	December 31 Measurement Date									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total pension liability										
1. Service Cost	\$ 3,729,750	\$ 4,043,502	\$ 4,173,329	\$ 4,263,766	\$ 4,416,547	\$ 4,576,504	\$ 4,521,061	\$ 4,778,284	\$ 5,015,250	\$ 5,335,899
2. Interest (on the Total Pension Liability)	7,854,694	8,316,616	9,012,508	9,726,192	10,428,055	11,191,162	11,970,102	12,827,873	13,632,671	14,218,222
3. Changes of benefit terms	2,029,099	-	-	-	-	-	-	-	-	-
4. Difference between expected and actual experience	810,546	629,506	296,152	(170,223)	(325,032)	464,181	2,027,032	1,748,787	(1,149,824)	3,570,446
5. Changes of assumptions	820,427	-	-	-	725,618	-	-	-	(750,451)	-
6. Benefit payments, including refunds of employee contributions	(2,017,510)	(2,728,666)	(2,761,390)	(3,146,837)	(3,849,456)	(4,190,299)	(5,138,254)	(6,739,918)	(8,361,078)	(8,105,198)
7. Net change in total pension liability	13,227,006	10,260,958	10,720,599	10,672,898	11,395,732	12,041,548	13,379,941	12,615,026	8,386,568	15,019,369
8. Total pension liability - beginning	109,324,699	122,551,705	132,812,663	143,533,262	154,206,160	165,601,892	177,643,440	191,023,381	203,638,407	212,024,975
9. Total pension liability - ending	\$ 122,551,705	\$ 132,812,663	\$ 143,533,262	\$ 154,206,160	\$ 165,601,892	\$ 177,643,440	\$ 191,023,381	\$ 203,638,407	\$ 212,024,975	\$ 227,044,344
Plan fiduciary net position										
1. Contributions - employer	\$ 2,938,215	\$ 2,407,378	\$ 2,754,077	\$ 2,838,949	\$ 2,684,959	\$ 2,816,975	\$ 2,814,741	\$ 2,935,955	\$ 3,128,894	\$ 3,631,946
2. Contributions - employee	1,579,447	1,636,942	1,692,619	1,742,345	1,804,777	1,869,051	1,860,519	1,963,507	2,055,430	2,208,829
3. Net investment income	167,819	7,863,036	17,900,740	(4,453,479)	22,507,456	12,798,515	23,704,878	(14,962,371)	21,770,420	21,452,635
4. Benefit payments, including refunds of employee contributions	(2,017,510)	(2,728,666)	(2,761,390)	(3,146,837)	(3,849,456)	(4,190,299)	(5,138,254)	(6,739,918)	(8,361,078)	(8,105,198)
5. Administrative Expenses	(102,194)	(88,740)	(92,692)	(85,993)	(127,040)	(82,736)	(109,572)	(129,358)	(138,432)	(137,583)
6. Other	(5,055)	(4,781)	(4,698)	(4,493)	(3,816)	(3,228)	750	154,362	(967)	(3,218)
7. Net change in plan fiduciary net position**	2,560,722	9,085,169	19,488,656	(3,109,508)	23,016,880	13,208,278	23,133,062	(16,777,823)	18,454,267	19,047,411
7a. Contribution - employer accrual to fund UAAL*										
	3,700,000									
8. Plan fiduciary net position - beginning	113,704,410	119,965,132	129,050,301	148,538,957	145,429,448	168,446,329	181,654,606	204,787,668	188,009,845	206,464,112
9. Plan fiduciary net position - ending	\$ 119,965,132	\$ 129,050,301	\$ 148,538,957	\$ 145,429,449	\$ 168,446,328	\$ 181,654,607	\$ 204,787,668	\$ 188,009,845	\$ 206,464,112	\$ 225,511,523
Net pension (asset) liability [A.9 - B.9]	\$ 2,586,573	\$ 3,762,362	\$ (5,005,695)	\$ 8,776,711	\$ (2,844,436)	\$ (4,011,167)	\$ (13,764,288)	\$ 15,628,562	\$ 5,560,863	\$ 1,532,821
Plan fiduciary net position as a % of the total pension liability [B.9 / A.9]	97.89%	97.17%	103.49%	94.31%	101.72%	102.26%	107.21%	92.33%	97.38%	99.32%
Covered-employee payroll	\$ 22,563,522	\$ 23,171,933	\$ 24,179,194	\$ 24,890,637	\$ 25,782,528	\$ 26,700,723	\$ 26,578,845	\$ 28,058,036	\$ 29,363,291	\$ 31,554,698
Net pension (asset) liability as a % of covered employee payroll [C / E]	11.46%	16.24%	-20.70%	35.26%	-11.03%	-15.02%	-51.79%	55.70%	18.94%	4.86%

*Reflects accrual to fund at 9/30/16, with payment at or before December 31, 2016, the December 31, 2015 Plan Valuation's Unfunded Actuarial Accrued Liability (UAAL).

^{**}May be off due to rounding.

Texas Municipal League Intergovernmental Risk Pool
 Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

The schedule below shows the Pool's required annual contributions from the actuarial valuation, compared with the actual contributions remitted. The schedule is based on the Pool's respective fiscal year-end, not the valuation/measurement date.

The Actuarially Determined Contribution (ADC) dollar amount is calculated by multiplying the Pool's Full Retirement Rate (excluding portion of rate for Supplemental Death Benefits Fund) by the applicable payroll amount. The Pool contributes to the TMRS Plan at the actuarially determined Full Retirement Rate. The difference between the ADC and Pool contributions equals the contribution deficiency/excess.

	Fiscal Year End									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 2,153,514	\$ 2,742,274	\$ 2,622,539	\$ 2,586,137	\$ 2,709,744	\$ 2,816,926	\$ 2,774,831	\$ 2,974,152	\$ 3,379,715	\$ 3,483,639
Contributions in relation to the actuarially determined contribution	\$ 2,535,600	\$ 2,679,841	\$ 2,818,177	\$ 2,711,241	\$ 2,800,443	\$ 2,792,650	\$ 2,919,787	\$ 3,079,719	\$ 3,492,121	\$ 3,659,454
Contribution deficiency (excess)	\$ (382,086)	\$ 62,433	\$ (195,638)	\$ (125,104)	\$ (90,699)	\$ 24,276	\$ (144,956)	\$ (105,567)	\$ (112,406)	\$ (175,815)
Covered employee payroll	\$ 23,007,631	\$ 24,097,309	\$ 24,764,299	\$ 24,890,637	\$ 25,782,528	\$ 26,700,723	\$ 26,578,845	\$ 28,058,036	\$ 29,363,291	\$ 31,554,698
Contributions as a percentage of covered employee payroll	11.02%	11.12%	11.38%	10.89%	10.86%	10.46%	10.99%	10.98%	11.89%	11.60%
Actuarially Determined Contribution Rate	9.36%	11.38%	10.59%	10.39%	10.51%	10.55%	10.44%	10.60%	11.51%	11.04%

Notes to Schedule

Methods and assumptions used to determine the contribution rates for the December 31, 2024, valuation date can be found at Note 10.

Texas Municipal League Intergovernmental Risk Pool
 Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025

SCHEDULE OF CHANGES IN NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS

The schedule below shows the changes in the Total OPEB Liability.

	December 31 Measurement Date								
	2017	2018	2019	2020	2021	2022	2023	2024	
Changes in the Total OPEB Liability									
Total OPEB Liability - beginning of year	\$ 555,284	\$ 652,046	\$ 668,120	\$ 810,915	\$ 1,003,209	\$ 1,076,975	\$ 733,859	\$ 794,340	
Changes for the year:									
Service Cost	21,761	27,380	25,783	34,711	42,526	47,699	23,491	28,399	
Interest on Total OPEB Liability	21,355	21,995	25,218	22,741	20,383	20,126	29,840	30,125	
Changes in benefit terms	-	-	-	-	-	-	-	-	
Differences between expected and actual experience	-	19,783	(47,505)	(4,493)	(13,234)	(9,659)	(14,531)	9,834	
Changes in assumptions or other inputs	56,064	(50,595)	141,877	142,005	34,723	(387,253)	39,299	(43,101)	
Benefit payments	(2,418)	(2,489)	(2,578)	(2,670)	(10,632)	(14,029)	(17,618)	(18,933)	
Net Changes	96,762	16,074	142,795	192,294	73,766	(343,116)	60,481	6,324	
Total OPEB Liability - end of year	\$ 652,046	\$ 668,120	\$ 810,915	\$ 1,003,209	\$ 1,076,975	\$ 733,859	\$ 794,340	\$ 800,664	
Covered Payroll	\$ 24,179,194	\$ 24,890,637	\$ 25,782,528	\$ 26,700,723	\$ 26,578,845	\$ 28,058,036	\$ 29,363,291	\$ 31,554,698	
Total OPEB Liability as a Percentage of Covered Payroll	2.70%	2.68%	3.15%	3.76%	4.05%	2.62%	2.71%	2.54%	

Texas Municipal League Intergovernmental Risk Pool
 Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2025

REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025

SCHEDULE OF EMPLOYER OTHER POSTEMPLOYMENT BENEFITS (OPEB) CONTRIBUTIONS

The schedule below shows the Pool's required annual contributions from the actuarial valuation, compared with the actual contributions remitted. The schedule is based on the Pool's respective fiscal year-end, not the valuation/measurement date.

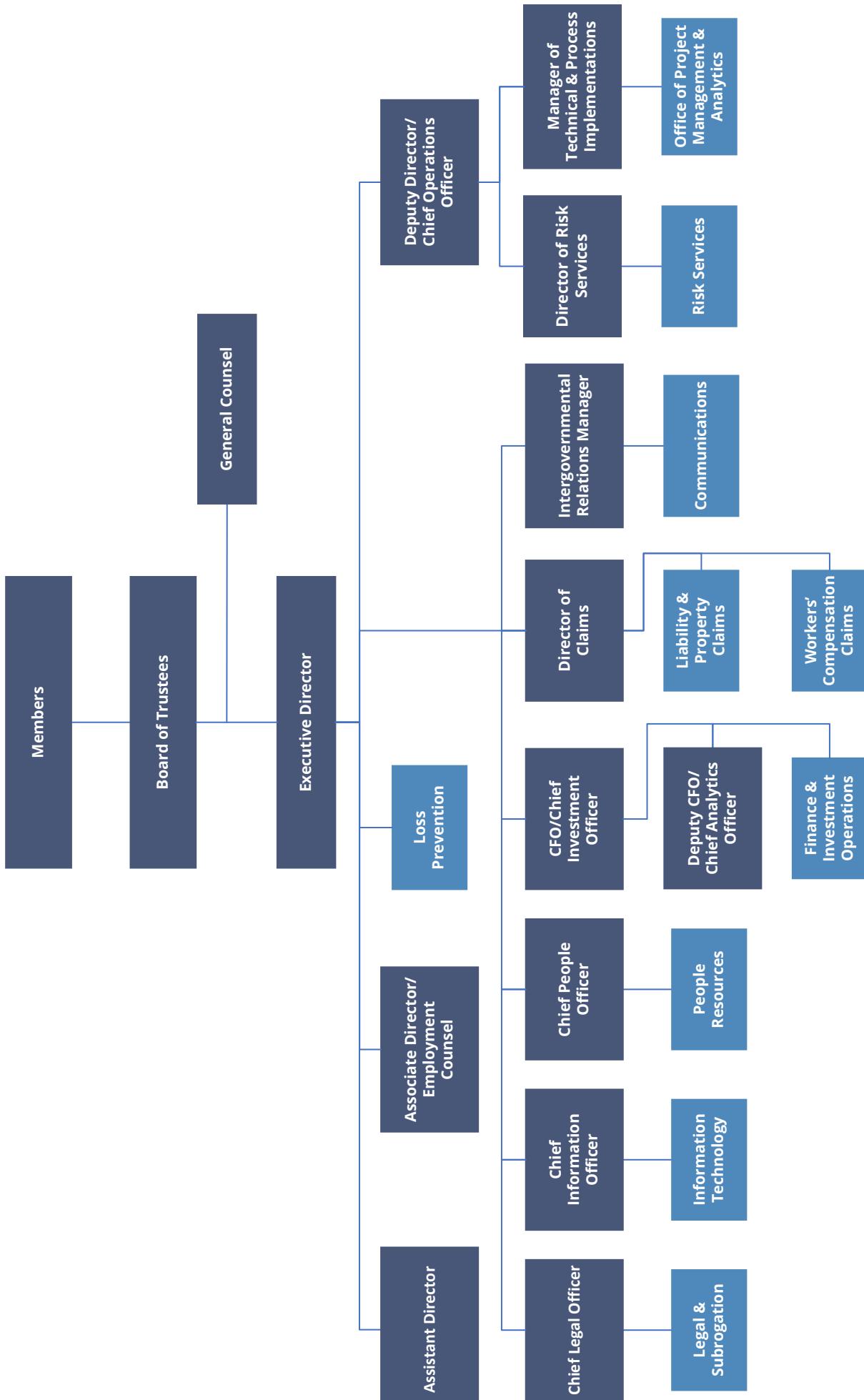
The Actuarially Determined Contribution (ADC) dollar amount is calculated by multiplying the Pool's Supplemental Death Benefits Fund rate by the applicable payroll amount. The Pool contributes to the TMRS Plan at the actuarially determined Supplemental Rate. The difference between the ADC and Pool contributions equals the contribution deficiency/excess.

	Fiscal Year End								
	2018	2019	2020	2021	2022	2023	2024	2025	
Actuarially Determined Contribution	\$ 48,358	\$ 52,270	\$ 54,143	\$ 48,061	\$ 47,842	\$ 92,592	\$ 96,899	\$ 82,042	
Contributions in relation to the actuarially determined contribution	\$ 52,005	\$ 52,842	\$ 55,897	\$ 49,512	\$ 50,024	\$ 85,301	\$ 101,896	\$ 90,919	
Contribution deficiency (excess)	\$ (3,647)	\$ (572)	\$ (1,754)	\$ (1,451)	\$ (2,182)	\$ 7,290	\$ (4,997)	\$ (8,877)	
Covered employee payroll	\$ 24,179,194	\$ 24,890,637	\$ 25,782,528	\$ 26,700,723	\$ 26,578,845	\$ 28,058,036	\$ 29,363,291	\$ 31,554,698	
Contributions as a percentage of covered employee payroll	0.22%	0.21%	0.22%	0.19%	0.19%	0.30%	0.35%	0.29%	
Actuarially Determined Contribution Rate	0.20%	0.21%	0.21%	0.18%	0.18%	0.33%	0.33%	0.26%	

Notes to Schedule

Methods and assumptions used to determine the contribution rates for the December 31, 2024, valuation date can be found at Note 11.

TML Intergovernmental Risk Pool





**Pool Membership
as of October 1, 2025**

Abbott	Annetta North	Avinger
Abernathy	Annetta South	Avinger Housing Authority
Abilene	Annona	Azle
Abilene City of/Transit Mgmt of Abilene	Anson	Bacliff MUD
Abilene Housing Authority	Anson Housing Authority	Bailey
Ables Springs SUD	Anthony Housing Authority	Bailey Central Appraisal District
Ackerly	Anthony Town of	Bailey's Prairie Village of
Addison Town of	Anton	Baird
Adrian	Appleby	Baird Housing Authority
Agua Dulce	Aquila Water Supply District	Balch Springs
Airline Improvement District	Aransas CAD	Balcones Heights
Alamo	Aransas County Navigation District #1	Balcones Heights Crime CPD
Alamo Area COG	Aransas Pass	Ballinger
Alamo Heights	Aransas Pass Housing Authority	Ballinger Housing Authority
Alamo Housing Authority	Archer CAD	Balmorhea
Alamo Regional Mobility Authority	Archer City	Balmorhea Housing Authority
Alamo SWCD #330	Archer City Housing Authority	Bandera
Alba	Archer County MUD #1	Bandera County Central Appraisal Dist
Alba Housing Authority	Arcola	Bandera County FWSD #1
Albany	Argyle	Bandera County River Authority & GWD
Aledo	Ark-Tex COG	Bangs
Alice	Arlington Entertainment AMD	Bangs Housing Authority
Alice Housing Authority	Arlington Housing Authority	Bardwell
Allen	Arp	Barry City of
Alliance Regional Water Authority	Asherton	Barstow
Alma	Aspermont	Bartlett
Alpine	Aspermont Housing Authority	Bartlett Housing Authority
Alpine Housing Authority	Atascocita Joint Operations Board	Barton Springs/Edwards Aquifer
Altessa MUD	Atascosa Central Appraisal District	Bartonville
Alto	Atascosa MUD #1	Bastrop
Alto Housing Authority	Athens	Bastrop Central Appraisal District
Alton	Athens Municipal Water Auth	Bastrop County ESD #1
Alvarado	Atlanta	Bastrop County MUD #1
Alvin	Atlanta Property Management	Bastrop County WCID #2
Alvord	Atlas Ranch MUD #1	Bastrop County WCID #3
Ames	Aubrey	Bastrop Housing Authority
Amherst	Aud's Creek Watershed Improvement Dist	Bay City
Anahuac	Aurora	Bay City Gas Co/City of Bay City
Anderson	Austin - Convention Center	Bay City Housing Authority
Anderson CAD	Austin - Financial Services Department, Real Estate	Baylor CAD
Anderson County Housing Authority	Austin - Housing Finance	Bayou Vista
Anderson Mill Limited District	Austin - Neighborhood Partnering Program	Bayside Town of
Andrews	Austin - Rosewood Community Development	Baytown
Andrews CAD	Austin CAD	Baytown Housing Authority
Angelina County WCID #4	Austin County ESD #2	Baytown Municipal Management Dist
Angelina County/City Health District	Austin County ESD #3	Bayview Irrigation District #11
Angleton	Austin Employees' Retirement System	Bayview MUD
Angleton Drainage District	Austin Housing Authority	Bayview Town of
Angus	Austwell	Beach City
Anna	Avery	Bear Creek Village of
Annetta	Avery Housing Authority	Beasley

Beaumont	Big Wells	Brazoria County MUD #24
Beaumont Housing Authority	Bishop	Brazoria County MUD #25
Becker-Jiba SUD	Bishop Hills Village of	Brazoria County MUD #35
Beckville	Bistone MWSD	Brazoria County MUD #44
Beckville Housing Authority	Blackwell	Brazoria County MUD #61
Bedford	Blanco	Brazoria County MUD #66
Bedias	Blanco Co North Lib Dist/Johnson City	Brazoria-Fort Bend County MUD #1
Bee CAD	Blanco County South Library Dist/Blanco	Brazos Central Appraisal District
Bee Cave	Blanco-Pedernales GCD	Brazos Country
Bee Development Authority	Blanket	Brazos County Emergency 911
Bee GCD	Block House MUD	Brazos County ESD #1
Beeville	Bloomberg	Brazos Regional Public Utility Agency
Beeville Housing Authority	Blooming Grove	Brazos River Authority
Beeville Water Supply District	Blooming Grove Housing Authority	Brazos Transit District
Bell CAD	Blossom	Brazos Valley COG
Bell County MUD #1	Blossom Prairie Housing Authority	Brazos Valley GCD
Bell County MUD #2	Blue Mound	Brazos Valley Solid Waste Mgmt Agency
Bell County Public Health District	Blue Ridge	Brazos Valley SWCD #557
Bell County WCID #2	Blum	Breckenridge
Bellaire	Boerne	Breckenridge Housing Authority
Bellevue	Bogata	Bremond
Bellmead	Bogata Housing Authority	Bremond Housing Authority
Bells	Bois D'arc MUD	Brenham
Bellville	Bollinger MUD	Brenham Housing Authority
Bellville Housing Authority	Bonham	Brewster CAD
Belton	Bonney Village of	Brewster Co Groundwater Cons District
Belton Housing Authority	Booker	Briarcliff Village of
Belvedere MUD	Booker-Booker Housing Foundation	Briaroaks
Benavides	Borger	Briarwood MUD
Benbrook	Borger Housing Authority	Bridge City
Benbrook Public Library District	Bosque County Central Appraisal District	Bridgeport
Benbrook Water Authority	Bovina	Bridgeport Housing Authority
Benjamin	Bovina Housing Authority	Bright Star-Salem SUD
Berry Creek Highlands MUD	Bowie	Briscoe CAD
Berryville	Bowie Co ESD #5	Broaddus
Bertram	Bowie County ESD #1	Brock
Bethany SUD	Bowie County ESD #2	Bronte
Beverly Hills	Bowie County ESD #6	Bronte Housing Authority
Bevil Oaks	Bowie County Housing Authority	Brookesmith SUD
Bexar Appraisal District	Boyd	Brookshire
Bexar County Housing Authority	Brackettville	Brookshire Municipal Water District
Bexar County WCID #10	Brackettville Housing Authority	Brookside Village
Bexar Metro 911 District	Brady	Brownfield
Bexar-Medina-Atascosa Counties WCID #1	Brady Housing Authority	Brownfield Housing Authority
Big Bend Regional Hospital District	Brazoria	Brownsboro
Big Lake	Brazoria CAD	Brownsville
Big Oaks MUD	Brazoria County Cons/Recl Dist #3	Brownsville Housing Authority
Big Sandy	Brazoria County Drainage District #5	Brownsville Metro
Big Sandy Housing Authority	Brazoria County FWSD #1	Brownsville Navigation District
Big Spring	Brazoria County FWSD #2	Brownsville Public Utilities Board
Big Spring Housing Authority	Brazoria County MUD #23	Brownwood

Brownwood Housing Authority	Calhoun County WCID #1	Cedar Hill
Bruceville-Eddy	Calhoun Port Authority	Cedar Park
Brush Country GCD	Callahan CAD	Celeste
Brushy Creek MUD	Callahan County Nutrition Project	Celina
Brushy Creek Reg Wastewater Treatment	Callahan Divide SWCD #552	Center
Brushy Creek Regional Utility Authority	Callisburg	Center Housing Authority
Bryan	Calvert	Centerville
Bryan Housing Authority	Calvert Housing Authority	Centerville Housing Authority
Bryson	Cameron	Central Harris County Regional Water Authority
Bryson Housing Authority	Cameron Appraisal District	Central Texas COG
Buckholts	Cameron County DD #4	Central Texas GCD
Buda	Cameron County ECD	Central Texas Housing Consortium
Buda MUD #1	Cameron County Housing Authority	Central Texas Regional Mobility Auth
Buena Vista-Bethel SUD	Cameron County Regional Mobility Auth	Central Texas Rural Transit District
Buffalo	Cameron Housing Authority	Central WCID
Buffalo Gap	Camfield MUD	Chalk Hill SUD
Buffalo Housing Authority	Camino Real Regional Mobility Authority	Chambers CAD
Buffalo Springs	Camp Central Appraisal District	Chandler
Bullard	Camp Wood	Channing
Bulverde	Campbell	Charlotte
Bulverde Area Rural Library District	Canadian	Chateau Woods MUD
Bunker Hill Village	Caney City	Cherokee CAD
Burkburnett	Caney Creek MUD	Chico
Burkburnett Housing Authority	Canton	Childress
Burke	Canyon	Childress CAD
Burleson	Canyon Falls MUD #1	Childress Housing Authority
Burleson CAD	Canyon Falls WCID #2	Chillicothe
Burleson County MUD #1	Canyon Housing Authority	China
Burnet	Canyon Lake Comm Library District	China Grove City of
Burnet Central Appraisal District	Canyon Ranch MUD	Chireno
Burnet Housing Authority	Canyon Regional Water Authority	Christine
Burney Road MUD	Cape Royale Utility District	Cibolo
Burton	Capital Area COG	Cibolo Creek Municipal Authority
Byers	Capital Area Metropolitan Planning Org	Cinco MUD #1
Bynum	Capital Area Rural Transportation System	Cinco MUD #12
Cactus	Capital Metro Transportation Authority	Cinco MUD #3
Caddo Basin SUD	Caprock Hospital Dist & Floydada EMS	Cinco MUD #6
Caddo Mills	Carbon	Cinco MUD #7
Caddo Mills Housing Authority	Carmine	Cinco MUD #8
Caldwell	Carrizo Springs	Cinco MUD #9
Caldwell CAD	Carrizo Springs Housing Authority	Cinco Southwest MUD #1
Caldwell County MUD #2	Carrollton	Cinco Southwest MUD #2
Caldwell County MUD #7	Carson CAD	Cinco Southwest MUD #3
Caldwell County MUD #9	Carthage	Cinco Southwest MUD #4
Caldwell Housing Authority	Cash SUD	Cisco
Caldwell Valley MUD #1	Cashion Community	Cisco Housing Authority
Calhoun CAD	Cass CAD	City Park Redevelopment Auth TIRZ #12
Calhoun County DD #11	Castle Hills	Clarendon
Calhoun County E911 ECD	Castro CAD	Clarendon Housing Authority
Calhoun County GCD	Castroville	Clarksville
Calhoun County MUD #1	Cedar Bayou Park Utility District	Clarksville City

Clarksville Housing Authority	Comal Trinity GCD	Crandall
Claude	Comanche	Crane
Clay CAD	Comanche Central Appraisal District	Crane CAD
Clear Brook City MUD	Comanche Housing Authority	Crane County ESD 1
Clear Creek Watershed Authority	Combes	Cranfills Gap
Clear Fork GCD	Combine	Crawford
Clear Lake City Water Authority	Combined Consumers SUD	Creedmoor
Clear Lake Shores	Commerce	Cresson
Clearwater Ranch MUD #1	Commerce Housing Authority	Crockett
Clearwater UWCD	Commodore Cove Improvement District	Crockett County GCD
Cleburne	Como	Crockett County WCID #1
Cleveland	Como Housing Authority	Crockett Housing Authority
Cleveland Housing Authority	Concho CAD	Crosby Central Appraisal District
Clifton	Concho Valley COG	Crosby MUD
Clifton Housing Authority	Concho Valley Transit District	Crosbyton
Clint Town of	Conroe	Crosbyton Housing Authority
CLL MUD #1	Conroe MUD #1	Cross Plains
Clover Creek MUD	Converse	Cross Plains Housing Authority
Clute	Cooke CAD	Cross Roads
Clyde	Cool Water MUD	Cross Roads SUD
CNP Utility District	Coolidge	Cross Timber
Coahoma	Coolidge Housing Authority	Cross Timbers SWCD #556
Coastal Bend COG	Cooper	Crowell
Coastal Plains Community MHMR Center	Cooper Housing Authority	Crowell Housing Authority
Cochran Central Appraisal District	Coppell	Crowley
Cockrell Hill	Copper Canyon	Crystal City
Coffee City	Copperas Cove	Crystal City Housing Authority
Coke County SWCD #219	Copperas Cove Housing Authority	Cuero
Coke County UWCD	Corinth	Cuero Housing Authority
Coldspring	Corpus Christi	Culberson CAD
Coleman	Corpus Christi Downtown Management Dist	Culberson County GCD
Coleman County SUD	Corpus Christi Gas Utility Department	Cumby
Coleman Housing Authority	Corpus Christi Housing Authority	Cumby Housing Authority
College Mound SUD	Corrigan	Cuney
Colleyville	Corrigan Housing Authority	Cut and Shoot
Collin Co Central Appraisal District	Corsicana	Cypress Forest PUD
Collin County MUD #1	Corsicana Housing Authority	Cypress Hill MUD #1
Collin County SWCD	Coryell CAD	Cypress Ranch WCID #1
Collinsville	Coryell City Water Supply District	Cypress Springs SUD
Colmesneil	Cotton Center MUD #1	Cypress Waters Municipal Management Dist
Colorado City	Cotton Center MUD #2	Cypress-Klein Utility District
Colorado City Housing Authority	Cottonwood	Daingerfield
Colorado County CAD	Cottonwood Creek MUD #1	Daingerfield Housing Authority
Colorado County WCID #2	Cottonwood Creek WCID #3	Daisetta
Colorado Valley Transit District	Cottonwood Shores	Dalhart
Columbus	Cotulla	Dallam CAD
Comal CAD	Cotulla Housing Authority	Dallas
Comal Co Water Oriented Recreation Dist	County Line SUD	Dallas Area Rapid Transit (DART)
Comal County ESD #7	Coupland	Dallas CAD
Comal County MUD # 4	Covington	Dallas County Flood Control Dist #1
Comal County WCID #6	Cow Creek GCD	Dallas County Irrigation District #1

Dallas County Utility and Reclamation District	Diboll	East Mountain
Dallas Housing Authority	Diboll Housing Authority	East Tawakoni
Dalworth SWCD #519	Dickens	East Texas COG
Dalworthington Gardens	Dickinson	East Texas MUD
Danbury	Dickinson Management District #1	East Travis Gateway Library District
Darrouzett	Dilley	Eastland
Darrouzett Hospital District	Dilley Housing Authority	Easton
Dawson	Dimmit CAD	Eclo Creek Watershed District
Dawson County Central Appraisal District	Dimmitt	Ector
Dawson Housing Authority	DISH Town of	Ector County Emergency Comm District
Dayton	Dodd City	Edcouch
Dayton Housing Authority	Dodson	Edcouch Housing Authority
De Leon	Domino	Eden
De Leon Housing Authority	Donahoe Creek Watershed Authority	Eden Housing Authority
Deaf Smith CAD	Donley County Hospital District	Edgecliff Village Town of
Decatur	Donna	Edgewood
Decatur Housing Authority	Donna Housing Authority	Edgewood Housing Authority
DeCordova	Dorchester	Edinburg
Deep East Texas COG	Double Horn	Edinburg Housing Authority
Deer Park	Double Oak Town of	Edmonson
DeKalb	Douglasville	Edna
DeKalb Housing Authority	Driftwood Economic Development Mgmt Dist	Edna Housing Authority
Del Rio	Dripping Springs	Edom
Del Rio Housing Authority	Dripping Springs Community Library Dist	Edwards Aquifer Authority
Dell City	Dripping Springs MUD #1	Edwards Central Appraisal District
Delta CAD	Driscoll	Edwards Plateau SWCD
Delta County ESD #1	Dublin	El Campo
Delta County MUD	Dublin Housing Authority	El Campo Housing Authority
Denco Area 911 District	Dumas	El Cenizo
Denison	Duncanville	El Lago
Denison Housing Authority	Duval CAD	El Milagro Management District
Dennis	Duval County Cons/Recl District	El Paso
Denton Central Appraisal District	Duval County ESD #1	El Paso Central Appraisal District
Denton County FWSD #4A	Duval County GCD	El Paso County 911 District
Denton County FWSD #6	Duval County Housing Authority	El Paso County Housing Authority
Denton County FWSD #7	Eagle Lake	El Paso County Tornillo WID
Denton County Reclamation & Road Dist	Eagle Pass	El Paso County WCID #4
Denton County Transportation Authority	Eagle Pass Housing Authority	El Paso Downtown Management District
Denton Housing Authority	Eagle Pass Waterworks	El Paso MUD #3
Denver City	Early	El Paso Water Utilities Public Service
Denver City Housing Authority	Earth	Eldorado
Deport	East Aldine Management District	Eldorado Housing Authority
Deport Housing Authority	East Bernard	Electra
DeSoto	East Cedar Creek FWSD	Electra Housing Authority
Detroit	East Central SUD	Elgin
Detroit Housing Authority	East Downtown Management District	Elgin Housing Authority
Devers	East Downtown Redev Auth/Reinv Zone #15	Elgin MUD #1
Devine	East End District	Elgin MUD #2
Devine Housing Authority	East Fork SUD	Elkhart
DeWitt CAD	East Medina County SUD	Ellis Appraisal District
DFW International Airport	East Montgomery County Improvement Dist	Ellis County ESD #3

Ellis County Rural Rail District	First Colony Management District	Four Way SUD
Ellis-Prairie SWCD	Fisher County Hospital District	Fourth Ward Redevelopment Authority
Elm Creek Water Control District	Five Corners Improvement District	Franklin
Elm Creek Watershed Authority	Flamingo Isles MUD	Franklin CAD
Elm Ridge WCID of Denton County	Flatonia	Franklin Housing Authority
Elmendorf	Flatonia Housing Authority	Frankston
Elsa	Florence	Fredericksburg
Elsa Housing Authority	Floresville	Fredericksburg Hospital Authority
Emerald Bay MUD	Floresville Electric Light/Power System	Freeport
Emory	Floresville Housing Authority	Freer
Enchanted Oaks	Flower Mound Town of	Freer WCID
Encinal	Floyd CAD	Freestone Central Appraisal District
Engelman Irrigation District	Floydada	Friendswood
Ennis	Floydada Housing Authority	Frio CAD
Ennis Housing Authority	Flying L Public Utility District	Friona
Erath CAD	Flying W MUD	Frisco
Escobares	Foard CAD	Frisco Housing Authority
Escondido Creek Watershed District	Foard County Hospital District	Fritch
Estelline	Follett	Frog Pond Lake WCID #1
Euless	Forest Hill	Frost
Eureka	Forest Hill Library District	Fruitvale
Eustace	Forney	Fruitvale Housing Authority
Evadale WCID #1	Forsan	Fulshear
Evant	Fort Bend Co Improvement District #24	Fulton
Everman	Fort Bend Co MUD #250	Gaines Central Appraisal District
Fair Oaks Ranch	Fort Bend County FWSD #2	Gainesville
Fairchilds Village of	Fort Bend County LID #14	Gainesville Housing Authority
Fairfield	Fort Bend County MUD #121	Galena Park
Fairview	Fort Bend County MUD #141	Gallatin
Falfurrias	Fort Bend County MUD #144	Galveston
Falfurrias Housing Authority	Fort Bend County MUD #163	Galveston Central Appraisal District
Falfurrias Housing Authority (FmHA)	Fort Bend County MUD #165	Galveston County DD #1
Falls CAD	Fort Bend County MUD #187	Galveston County DD #2
Falls City	Fort Bend County MUD #189	Galveston County FWSD #6
Falls City Housing Authority	Fort Bend County MUD #199	Galveston County Health District
Falls County WCID #1	Fort Bend County MUD #25	Galveston County MUD #12
Fannin CAD	Fort Bend County MUD #250A	Galveston County MUD #14
Fannin County SWCD	Fort Bend County MUD #250B	Galveston County MUD #30
Farmers Branch	Fort Bend County MUD #5	Galveston County MUD #39
Farmersville	Fort Bend County MUD #50	Galveston County MUD #43
Farwell	Fort Bend County MUD #81	Galveston County MUD #44
Fate	Fort Bend County Toll Road Authority	Galveston County MUD #45
Fayette CAD	Fort Bend ESD #3	Galveston County MUD #46
Fayette County GCD	Fort Bend Grand Parkway Toll Road Auth	Galveston County MUD #52
Fayette County WCID	Fort Clark MUD	Galveston County MUD #66
Fayetteville	Fort Hancock WCID	Galveston County MUD #68
Fern Bluff MUD	Fort Stockton	Galveston County WCID #1
Ferris	Fort Worth	Galveston County WCID #12
Ferris Housing Authority	Fort Worth - AA	Galveston County WCID #19
First Colony LID	Fort Worth Housing Solutions	Galveston County WCID #8
First Colony LID #2	Fort Worth Transportation Authority	Galveston Housing Authority

Ganado	Grand Saline	Haciendas Del Norte WID
Garden Ridge	Grand Saline Housing Authority	Hackberry
Garrett	Grandfalls	Hale CAD
Garrison	Grandfalls Housing Authority	Hale Center
Gary	Grandview	Hale Center Housing Authority
Gatesville	Grandview Housing Authority	Hale County Housing Authority
Gatesville Housing Authority	Granger	Hale County SWCD #132
Gateway GCD	Granger Housing Authority	Hall CAD
George West	Granite Shoals	Hall County Hospital District
Georgetown	Granjeno	Hall-Childress SWCD #109
Georgetown Housing Authority	Grapeland	Hallettsville
Gholson	Grapeland Housing Authority	Hallettsville Housing Authority
Giddings	Grapevine	Hallsburg
Gillespie Central Appraisal District	Grapevine Housing Authority	Hallsville
Gillespie County SWCD #220	Gray CAD	Haltom City
Gillespie County WCID	Grayson Central Appraisal District	Haltom City Housing Authority
Gilmer	Grayson County Housing Authority	Hamilton
Gilmer Housing Authority	Grayson County Regional Mobility Auth	Hamilton CAD
Gladewater	Greater Greenspoint Redev Auth/TIRZ #11	Hamilton Housing Authority
Gladewater Housing Authority	Greater Northside Management District	Hamilton/Coryell SWCD
Glasscock County SWCD	Greater Southeast Management District	Hamlin
Glasscock GCD	Green Valley SUD	Hamlin Hospital District
Glen Rose	Greenbelt Municipal & Industrial WA	Hamlin Housing Authority
Glenn Heights	Greenhawke WCID #2	Hansford CAD
Gober MUD	Greenville	Hansford SWCD #148
Godley	Greenville Electric Utility	Happy
Golden Crescent Reg Planning Commission	Greenville Housing Authority	Hardin
Goldsmith	Gregg CAD	Hardin County ESD #2
Goldthwaite	Gregory	Hardin County ESD #5
Goldthwaite Housing Authority	Gregory Housing Authority	Hardin County WCID #1
Goliad	Grey Forest	Hardy/Near Northside RDA/TIRZ #21
Goliad CAD	Grimes CAD	Harker Heights
Goliad County GCD	Groesbeck	Harlingen
Goliad Housing Authority	Groesbeck Housing Authority	Harlingen Housing Authority
Golinda	Groom	Harris CAD
Gonzales	Groves	Harris Co Imp Dist3-Upper Kirby Mgt Dist
Gonzales Central Appraisal District	Groveton	Harris Co MUD #528
Gonzales County UWCD	Groveton Housing Authority	Harris Co Road Improvement District #1
Gonzales Housing Authority	Gruver	Harris County ESD #6
Goodlow	Guadalupe County GCD	Harris County FWSD #27
Goodrich	Guadalupe County MUD #10	Harris County FWSD #45
Gordon	Guadalupe County MUD #11	Harris County FWSD #47
Goree	Guadalupe County MUD #4	Harris County FWSD #48
Gorman	Guadalupe County MUD #6	Harris County FWSD #58
Gorman Housing Authority	Gulf Coast Transit	Harris County FWSD 1A
Graford	Gulf Coast Water Authority	Harris County Housing Authority
Graham	Gulfgate Redevelopment Authority TIRZ #8	Harris County ID #25
Graham Regional Medical Center	Gulfton Management District	Harris County Improvement Dist #1
Granbury	Gun Barrel City	Harris County Improvement District #12
Granbury Housing Authority	Gunter	Harris County Improvement District #24
Grand Prairie	Gustine	Harris County Improvement District #5

Harris County MUD #106	Harrisburg Redevelopment Authority/Houston TIRZ #23	Hidalgo County Housing Authority/Weslaco
Harris County MUD #11	Harrison Central Appraisal District	Hidalgo County Irrigation District #6
Harris County MUD #151	Harrison County SWCD	Hidalgo County Regional Mobility Auth
Harris County MUD #152	Hart	Hidalgo Housing Authority
Harris County MUD #154	Hartley CAD	Hideaway
Harris County MUD #156	Haskell	Higgins
Harris County MUD #163	Haskell CAD	Higgins/Lipscomb Hospital District
Harris County MUD #189	Haskell Housing Authority	High Point SWCD #230
Harris County MUD #217	Haslet	Highland Haven
Harris County MUD #222	Hawk Cove	Highland Park Town of
Harris County MUD #286	Hawkins	Highland SWCD #210
Harris County MUD #290	Hawley	Highland Village
Harris County MUD #321	Hays	Highlands at Mayfield Ranch MUD
Harris County MUD #322	Hays Central Appraisal District	Hill CAD
Harris County MUD #345	Hays County MUD #11	Hill Country Transit District
Harris County MUD #354	Hays County MUD #5	Hill Country UWCD
Harris County MUD #355	Hays County SWCD #351	Hill Country Village
Harris County MUD #358	Hays Trinity GCD	Hill County Blackland SWCD
Harris County MUD #359	Headwaters GCD	Hillcrest Village
Harris County MUD #361	Hearne	Hillsboro
Harris County MUD #367	Hearne Housing Authority	Hilshire Village
Harris County MUD #372	Heart of Texas COG	Hiram Clarke/Fort Bend Redev Auth
Harris County MUD #373	Heath	Hitchcock
Harris County MUD #396	Heatherloch MUD	Hobby Area District
Harris County MUD #397	Hedley	Hockley CAD
Harris County MUD #399	Hedwig Village	Holiday Lakes Town of
Harris County MUD #407	Helotes	Holland
Harris County MUD #411	Hemphill	Holliday
Harris County MUD #449	Hemphill Housing Authority	Hollywood Park
Harris County MUD #450	Hempstead	Hondo
Harris County MUD #46	Henderson	Hondo Creek Watershed Improvement Dist
Harris County MUD #468	Henderson Co Levee Improvement Dist #3	Honey Grove
Harris County MUD #473	Henderson County 911 District	Hood Central Appraisal District
Harris County MUD #48	Henderson County ESD #1	Hooks
Harris County MUD #480	Henderson County ESD #4	Hopkins CAD
Harris County MUD #55	Henderson County ESD #7	Hopkins County Hospital District
Harris County MUD #583	Henderson County Hospital Authority	Horizon City
Harris County MUD #71	Henderson Housing Authority	Horizon Regional MUD
Harris County Municipal Mgmt Dist #1	Henrietta	Horseshoe Bay
Harris County Municipal Utility District #316	Henrietta Housing Authority	Houston
Harris County Utility District #15	Hereford	Houston CAD
Harris County WCID #1	Hewitt	Houston Downtown Management District
Harris County WCID #132	Hickory Creek SUD	Houston Forensic Science Center Inc
Harris County WCID #145	Hickory Creek Town of	Houston Housing Authority
Harris County WCID #155	Hickory UWCD #1	Houston TIRZ #24
Harris County WCID #156	Hico	Houston/Galveston Area COG
Harris County WCID #21	Hico Housing Authority	Howard CAD
Harris County WCID #36	Hidalgo CAD	Howard County 911
Harris County WCID #50	Hidalgo City of	Howardwick
Harris County WCID #91	Hidalgo County Drainage District #1	Howe
Harris County WCID #92	Hidalgo County ESD #3	Hubbard

Hubbard Housing Authority	Jackson CAD	Kempner
Hudson	Jackson County ESD #1	Kendall Appraisal District
Hudson Oaks	Jackson County ESD #3	Kendall County WCID #1
Hudspeth County Cons/Recl Dist #1	Jackson County WCID #2	Kendall Lakes TIRZ Redevelopment Auth
Hudspeth County ESD #1	Jacksonville	Kendall SWCD #216
Hudspeth County UWCD #1	Jacksonville Housing Authority	Kendleton
Hudspeth County WCID #1	Jamaica Beach	Kenedy
Hughes Springs	Jarrell	Kenedy Housing Authority
Hughes Springs Housing Authority	Jasper	Kenefick
Hull FWSD	Jasper CAD	Kennard
Humble	Jasper Housing Authority	Kennedale
Hungerford MUD	Jayton	Kerens
Hunt CAD	Jefferson	Kerens Housing Authority
Hunters Creek Village	Jefferson CAD	Kermit
Huntington	Jefferson County Drainage District #6	Kerr Central Appraisal District
Huntington Housing Authority	Jefferson Housing Authority	Kerr Emergency 911 Network
Huntsville	Jersey Village	Kerrville
Huntsville Housing Authority	Jewett	Kerrville Public Utility Board
Hurst	Jim Hogg County Housing Authority	Kilgore
Hutchins	Jim Hogg County WCID #2	Killeen
Hutchinson CAD	Jim Wells County FWSD #1	Kimble Central Appraisal District
Hutto	Johnson City	Kingsbury
Huxley	Johnson City Housing Authority	Kingsland MUD
Idalou	Johnson County Central Appraisal Dist	Kingsville
Idlewood WCID #1	Johnson County ESD #1	Kingsville Housing Authority
Impact	Johnson County SUD	Kinney CAD
Indian Lake	Johnson County SWCD #541	Kinney County GCD
Industry	Jonah Water SUD	Kirby
Ingleside	Jones CAD	Kirbyville
Ingleside Housing Authority	Jones Creek Village of	Kirbyville Housing Authority
Ingleside on the Bay	Jonestown	Kleberg CAD
Ingram	Josephine	Klein PUD
International Management District	Joshua	Knollwood
Iola	Jourdanton	Knox City
Iowa Colony	Jourdanton Housing Authority	Knox City Housing Authority
Iowa Park	Junction	Knox County Rural SUD
Iraan	Junction Housing Authority	Kosse
Iraan General Hospital District	Justin	Kountze
Iredell	Karnes CAD	Kress
Irion CAD	Karnes City	Krugerville
Irion County Water Conservation District	Karnes County SWCD #343	Krum
Irving Flood Control Dist Section I	Katy	Kurten
Irving Flood Control Dist Section III	Kaufman	Kyle
Isaacson MUD	Kaufman CAD	Kyle Housing Authority
Italy	Keene	Kyndwood MUD
Itasca	Keller	La Coste
Ivanhoe City of	Kelly Lane WCID #1	La Feria
Jacinto City	Kelly Lane WCID #2	La Feria Irrigation District #3
Jack CAD	Kemah	La Grange
Jack County WCID #1	Kemp	La Grange Housing Authority
Jacksboro	Kemp Housing Authority	La Grulla

La Joya	Lampasas	Lipan-Kickapoo WCD
La Joya Housing Authority	Lampasas CAD	Lipscomb Co Central Appraisal District
La Marque	Lampasas County WCID #1	Little Elm Town of
La Porte	Lancaster	Little River Academy
La Salle CAD	Laredo	Little River-San Gabriel SWCD #508
La Vernia	Laredo Center for Urban Agriculture and Sustainability	Littlefield
La Villa	Laredo Housing Authority	Live Oak
La Ward	Laredo Transit	Live Oak UWCD
Lacy-Lakeview	Latexo	Liverpool
Ladonia	Lavaca County Central Appraisal District	Livingston
Lago Vista	Lavaca-Navidad River Authority	Livingston Housing Authority
Laguna Madre Water District	Lavon	Llano
Laguna Vista	Lazy Nine MUD #1C	Llano Central Appraisal District
Lake Amanda WCID #1	Lazy Nine MUD #1D	Llano County MUD #1
Lake Bridgeport	Lazy River Improvement District	Llano County SWCD #233
Lake Cities MUA	League City	Llano Estacado UWCD
Lake City	Leakey	Llano Housing Authority
Lake Dallas	Leander	Lockhart
Lake Dunlap WCID	Leander MUD #1	Lockhart Housing Authority
Lake Forest Plant Advisory Council	Leander MUD #2	Lockney
Lake Forest UD	Leander MUD #3	Lockney Housing Authority
Lake Houston Redevelopment Authority	Leary	Log Cabin
Lake Houston TIRZ 10	Lee CAD	Logan Slough WID
Lake Jackson	Lee-Fayette Counties Cummins Creek WCID	Lometa
Lake LBJ WCID #1	Lefors	Lometa Housing Authority
Lake Placid WCID #1	Leland Woods Redevelopment Authority	Lone Oak
Lake Pointe MUD	Leland Woods Redevelopment Authority #2	Lone Oak Farm MUD
Lake Proctor Irrigation Authority	Leon CAD	Lone Star
Lake Tanglewood	Leon Valley	Lone Star Regional Water Authority
Lake Travis Community Library District	Leona	Lone Wolf GCD
Lake Worth	Leonard	Longview
Lakeport	Leroy	Lorraine
Lakeside (San Patricio Co)	Levelland	Lorraine Housing Authority
Lakeside (Tarrant Co)	Levelland Housing Authority	Lorena
Lakeside City	Lewisville	Lorenzo
Lakeside MUD #3	Lexington	Los Fresnos
Lakeside MUD #9	Liberty	Los Fresnos Housing Authority
Lakeside Water Supply District	Liberty County Central Appraisal Dist	Los Indios
Lakeside WCID #1	Liberty County DD #2	Lost Creek Limited District
Lakeside WCID #2A	Liberty County DD #4	Lost Pines GCD
Lakeside WCID #2B	Liberty County WCID #5	Lott
Lakeside WCID #2C	Liberty Hill	Lott Housing Authority
Lakeside WCID #2D	Liberty Hill Public Library District	Lovelady
Lakeview	Limestone CAD	Lower Brushy Creek WCID
Lakeview Police Department	Limestone County Senior Services Project	Lower Clear Fork/Brazos SWCD #551
Lakeway	Limestone-Falls SWCD	Lower Kirby Pearland Mgmt District
Lakeway MUD	Lindale	Lower Rio Grande Valley Dev Council
Lakewood Village	Linden	Lower Trinity GCD
Lamar CAD	Linden Housing Authority	Lower Valley Water District
Lamb CAD	Lindsay	Lowry Crossing
Lamesa	Lipan	Lubbock

Lubbock Central Appraisal District	Mart	Memorial Villages Police Department
Lubbock County WCID #1	Mart Housing Authority	Memorial Villages Water Authority
Lubbock Emergency Communication District	Martin County Fresh Water District	Memphis
Lubbock Housing Authority	Martindale	Memphis Housing Authority
Lubbock/Reese Redevelopment Authority	Mason	Menard
Lubbock-Citibus	Mason Housing Authority	Mercedes
Lucas	Mason SWCD #223	Mercedes Housing Authority
Luce Bayou PUD	Matador	Meridian
Lueders	Matador Housing Authority	Meridian Housing Authority
Luella SUD	Matador Water District	Merkel
Lufkin	Matagorda CAD	Merkel Housing Authority
Luling	Matagorda County WCID #6	Mertens
Luling Housing Authority	Mathis	Mertzon
Lumberton	Mathis Housing Authority	Mesa UWCD
Lumberton MUD	Maud	Mesquite
Lund Farm MUD	Maud Housing Authority	Mesquite Groundwater Conservation Dist
Lyford	Mauriceville MUD	Metropolitan Area EMS Authority
Lynn CAD	Maverick CAD	Mexia
Lytle	Maverick County WCID #1	Mexia Housing Authority
Lytle Lake WCID	Maypearl	Meyer Ranch MUD of Comal County
Mabank	McAllen	Miami
Mabank Housing Authority	McAllen Housing Authority	Middle Rio Grande COG
MacBee SUD	McComey	Middle Trinity GCD
Macedonia Eylau MUD	McCulloch CAD	Midland
Mackenzie Municipal Water Authority	McCulloch SWCD #249	Midland Central Appraisal District
Madison CAD	McGregor	Midland County Housing Authority
Madisonville	McGregor Housing Authority	Midland County Utility District
Madisonville Housing Authority	McKinney	Midland Emergency Commission District
Magnolia	McKinney Housing Authority	Midland Housing Authority
Magnolia East MUD	McLean	Midland-Odessa Urban Transit District
Malakoff	McLean Housing Authority	Midlothian
Malakoff Housing Authority	McLendon-Chisholm	Midlothian/Waxahachie Airport
Malone	McLennan CAD	Midway
Manor	McLennan County Rural Transit District	Milam Appraisal District
Mansfield	McLennan County WCID #2	Milano
Manvel	McMullen GCD	Mildred
Marble Falls	Meadow	Miles
Marfa	Meadow Lake WCID #1	Milford
Marfa Housing Authority	Meadowlakes	Mills CAD
Marietta	Meadows Place	Millsap
Marion	Medina CAD	Mineola
Marion Cass SWCD	Medina County 911	Mineola Housing Authority
Marion Central Appraisal District	Medina County WCID #2	Mineral Wells
Marion County Hospital District	Meeker Municipal Water District	Mineral Wells Housing Authority
Marion Oaks MUD	Megargel	Mingus
Marlin	Melissa	Mirasol Springs MUD
Marlin Housing Authority	Melvin	Mission
Marquez	Memorial City Redevelopment Authority	Mission Housing Authority
Marshall	Memorial Heights Redevol Auth TIRZ #5	Missouri City
Marshall Harrison County Health District	Memorial Hills UD	Mitchell County Appraisal District
Marshall Housing Authority	Memorial Point UD	Mobeetie

Mobile City	Nacogdoches Housing Authority	Nome
Monahans	Nacogdoches SWCD	Noonday
Monahans Housing Authority	Naples	Nordheim
Mont Belvieu	Naples Housing Authority	Normangee
Montague County Tax Appraisal District	NASA Area Management District	Nortex Regional Planning Commission
Montgomery	Nash	North Austin MUD #1
Montgomery County ECD	Nassau Bay	North Central Texas 911 District
Montgomery County ESD #14	Nassau Bay Redevelopment Authority	North Central Texas COG
Montgomery County Housing Authority	Natalia	North Central Texas MWA
Montgomery County MUD #126	Navarro Central Appraisal District	North Channel Water Authority
Montgomery County MUD #179	Navarro County ESD #1	North Concho River SWCD
Montgomery County MUD #201	Navarro SWCD	North Green MUD
Montgomery County MUD #207	Navasota	North Houston District
Montgomery County MUD #89	Navasota Housing Authority	North Hunt SUD
Montgomery County MUD #90	Nazareth	North San Gabriel MUD #1
Montgomery County WCID #1	Near Northwest Management District	North San Gabriel MUD #2
Montrose Management District	Neches/Trinity Valley GCD	North Texas ECC
Montrose Redevelopment Auth/TIRZ #27	Nederland	North Texas Tollway Authority
Moody	Needville	North Zulch MUD
Moody Housing Authority	Nevada	Northeast Gaines County ESD #1
Moore CAD	New Berlin	Northeast Harris County MUD #1
Moore's Crossing MUD	New Boston Property Management	Northeast Texas MWD
Moran	New Braunfels	Northeast Texas Public Health District
Morgan	New Braunfels Housing Authority	Northeast Travis County UD
Morgan's Point	New Braunfels Utilities	Northeast TX Regional Mobility Authority
Morgan's Point Resort	New Deal	Northlake
Morris CAD	New Fairview	Northtown MUD
Morton	New Home	Northwest Grayson County WCID #1
Motley CAD	New Hope	Northwest Harris County MUD #22
Motley County Hospital District	New Hope SUD	Northwest Harris County MUD #29
Moulton	New London	Northwest Harris County MUD #30
Mount Calm	New Summerfield	Northwest Leon County ESD #3
Mount Enterprise	New Sweden MUD #1	Northwest Park MUD
Mount Pleasant	New Sweden MUD #3	Northwest Williamson County MUD #1
Mount Pleasant Housing Authority	New Waverly	Northwest Williamson County MUD #2
Mount Vernon	Newark	Northwood MUD #1
Mount Vernon Housing Authority	Newcastle	Novice
Mountain City	Newcastle Housing Authority	Nueces CAD
Mountain Peak SUD	Newport MUD	Nueces County DD #2
Muenster	Newton	Nueces County ESD #1
Muenster Water District	Newton Central Appraisal District	Nueces County ESD #4
Muleshoe	Newton County ESD #5	Nueces County ESD #6
Muleshoe Housing Authority	Newton Housing Authority	Nueces County WCID #3
Munday	Niederwald	Nueces County WCID #4
Munday Housing Authority	Nixon	Nueces County WCID #5
Murchison	Nixon Housing Authority	Nueces/Jim Wells Counties ESD #5
Murphy	Nocona	Oak Grove
Mustang Ridge	Nocona Housing Authority	Oak Leaf
Nacogdoches	Nolan CAD	Oak Point
Nacogdoches CAD	Nolan County Fresh Water District	Oak Ridge (Cooke Co)
Nacogdoches County ESD #4	Nolanville	Oak Ridge (Kaufman Co)

Oak Ridge North	Palmer	Pecan Gap
Oak Valley	Palmera Ridge MUD of Williamson County	Pecan Hill
Oakwood	Palmhurst	Pecan Valley GCD
O'Brien	Palmview	Pecos
Ochiltree SWCD #142	Palo Duro Water District	Pecos CAD
Odem	Palo Pinto Appraisal District	Pecos County WCID #1
Odem Housing Authority	Palo Pinto County MWD #1	Pecos County WID #2
Odessa	Paloma Lake MUD #1	Pecos County WID #3
Odessa Housing Authority	Paloma Lake MUD #2	Pecos Housing Authority
O'Donnell	Pampa	Pelican Bay
O'Donnell Housing Authority	Panhandle	Penelope
Office of Urban Redevelopment-OUR SA	Panhandle Regional Planning Commission	Penitas
Oglesby	Panola CAD	Permian Basin Regional Planning Comm
Oglesby Housing Authority	Panola County ESD #1	Permian Basin UWCD
Old River-Winfrey	Panola County FWD #1	Perryton
Old Sixth Ward Redevelopment Authority	Panola SWCD #448	Petersburg
Oldham CAD	Panorama Village	Petrolia
Olmos Park	Pantego	Petronila
Olney	Paradise	Pettus MUD
Olney Housing Authority	Paris	Pflugerville
Olton	Paris Housing Authority	Pharr
Olton Housing Authority	Paris-Lamar Co Pub Health Department	Pharr Housing Authority
Omaha	Park Board of Trustees of Galveston	Phelps SUD
Omaha Housing Authority	Parker	Pilot Knob MUD #1
Onalaska	Parker CAD	Pilot Knob MUD #2
Orange	Parker County SWCD #558	Pilot Knob MUD #3
Orange CAD	Parklands MUD #1	Pilot Knob MUD #4
Orange Co ESD #2/Bridge City VFD	Parkside at Mayfield Ranch MUD	Pilot Knob MUD #5
Orange County ESD #1	Parkside on the River MUD #1	Pilot Point
Orange County ESD #3	Parkside on the River MUD #3	Pine Creek WID
Orange County ESD #4	Parmer CAD	Pine Forest
Orange County Navigation/Port District	Pasadena	Pine Island
Orange County WCID #1	Paseo del Este MUD #1	Pinehurst
Orange County WCID #2	Paseo del Este MUD #10	Pineland
Orange Grove	Paseo del Este MUD #11	Pineland Housing Authority
Orange Housing Authority	Paseo del Este MUD #2	Piney Point Village
Orchard	Paseo del Este MUD #3	Pittsburg
Ore City	Paseo del Este MUD #4	Pittsburg Housing Authority
OST/Almeda Corridors Redevelopment Auth	Paseo del Este MUD #5	Plains
Overton	Paseo del Este MUD #6	Plainview
Overton Housing Authority	Paseo del Este MUD #7	Plainview Housing Authority
Ovilla	Paseo del Este MUD #8	Plainview/Hale County Airport
Oyster Creek	Paseo del Este MUD #9	Plano Housing Authority
Paducah	Pattison	Plantersville
Paducah Housing Authority	Patton Village	Plateau UWCSD
Paint Rock	Payne Springs	Pleak
Palacios	Pearland	Pleasant Valley
Palacios Housing Authority	Pearsall	Pleasanton
Palestine	Pearsall Housing Authority	Pleasanton Housing Authority
Palisades Village	Peaster	Plum Grove
Palm Valley	Pecan Bayou SWCD #553	Poetry

Point	Providence Village Town of	Reno (Parker County)
Point Aquarius MUD	Public Transit Services	Retreat
Point Blank	Putnam	Rhome
Point Comfort	Pyote	Rice
Point Housing Authority	Quail Creek MUD	Richardson
Point Venture	Quail Valley UD	Richland
Political Subdivision WC Alliance	Quanah	Richland Hills
Polk Central Appraisal District	Quanah Housing Authority	Richland Springs
Ponder	Queen City	Richland SUD
Ponderosa Forest Utility District	Quinlan	Richmond
Ponderosa Joint Powers Agency	Quintana	Riesel
Port Aransas	Quitaque	Rio Bravo
Port Arthur	Quitman	Rio Grande City
Port Arthur Housing Authority	Rains CAD	Rio Grande COG
Port Authority of San Antonio	Ralls	Rio Grande Regional Water Authority
Port Isabel	Ralls Housing Authority	Rio Hondo
Port Isabel Housing Authority	Ranch at Clear Fork Creek MUD #1	Rio Vista
Port Isabel/San Benito Navigation Dist	Ranch at Clear Fork Creek MUD #2	Rising Star
Port Lavaca	Ranch at Clear Fork Creek MUD #3	River Oaks
Port Lavaca Housing Authority	Ranch at Cypress Creek MUD #1	River Place Limited District
Port Neches	Rancho del Cielo MUD	River Plantation MUD
Port O'Connor Improvement District	Rancho Viejo	Riverside
Port of Corpus Christi Authority	Ranger	Riverside SUD
Port of Harlingen Authority	Ranger Housing Authority	Roanoke
Port of Liberty Commission	Rankin	Roaring Springs
Porter SUD	Rankin Housing Authority	Robert Lee
Portland	Ransom Canyon	Robert Lee Housing Authority
Post	Rayburn Country MUD	Robertson CAD
Post Housing Authority	Raymondville	Robinson
Post Oak Bend	Reagan CAD	Robstown
Post Oak Savannah GCD	Real CAD	Robstown Housing Authority
Post Oak SUD	Real Edwards Cons/Recl District	Robstown Utility Systems
Poteet	Red Bluff Water Power Control District	Roby
Poteet Housing Authority	Red Lick	Roby Housing Authority
Poth	Red Oak	Rochester
Potter-Randall Appraisal District	Red River Authority of Texas	Rockdale
Potter-Randall County ECD	Red River CAD	Rockdale Housing Authority
Pottsboro	Red River County WCID #1	Rockett SUD
Poynor	Red River SWCD	Rockport
Prairie Crossing Municipal Utility District No. 1	Red Sands GCD	Rocksprings
Prairie Crossing Municipal Utility District No. 2	Redwater	Rockwall
Prairie View	Reeves CAD	Rockwall Housing Authority
Premont	Reeves County GCD	Rocky Mound
Presidential Glen MUD	Reeves County WID #1	Rogers
Presidio CAD	Reeves County WID #2	Rogers Housing Authority
Presidio County UWCD	Refugio	Rolling Plains GCD
Primera	Refugio County WCID #1	Rollingwood
Princeton	Refugio GCD	Roma
Progreso	Regional Transportation Authority	Roma Housing Authority
Progreso Lakes	Reklaw	Roman Forest
Prosper Town of	Reno	

Roman Forest PUD #3	San Angelo Housing Authority	Scurry
Ropesville	San Antonio MUD #1	Scurry CAD
Roscoe	San Augustine	Seabrook
Rose City	San Augustine CAD	Seadrift
Rose Hill Acres	San Augustine Housing Authority	Seagoville
Rose Hill SUD	San Benito	Seagraves
Rosebud	San Benito Housing Authority	Seagraves Housing Authority
Rosebud Housing Authority	San Diego	Sealy
Rosenberg	San Diego MUD #1	Sebastian MUD
Rosenberg Housing Authority	San Elizario	Seguin
Ross	San Felipe	Seguin Housing Authority
Rosser	San Jacinto CAD	Seis Lagos UD
Rotan	San Jacinto County ESD	Selma
Rotan Housing Authority	San Jacinto SUD	Seminole
Round Mountain	San Juan	Seven Oaks
Round Rock	San Juan Housing Authority	Seven Points
Round Rock Housing Authority	San Leanna	Seymour
Round Rock MUD #2	San Leon MUD	Seymour Housing Authority
Round Top Town of	San Marcos	Shackelford CAD
Rowlett	San Marcos Housing Authority	Shady Grove SUD
Roxton	San Patricio	Shady Hollow MUD
Royal Street Municipal Utility District	San Patricio CAD	Shady Shores
Royalwood MUD	San Patricio County GWCD	Shallowater
Royse City	San Patricio County Navigation Dist #1	Shamrock
Royse City Housing Authority	San Patricio MWD	Shavano Park
Rule	San Perlita	Shelby CAD
Runaway Bay	San Saba	Shelby County FWSD #1
Runge	San Saba CAD	Shelby County SWCD
Runge Housing Authority	San Saba Housing Authority	Sheldon Road MUD
Runnels CAD	San Saba SWCD #250	Shell Road MUD
Runnels County ESD #1	Sanctuary	Shenandoah
Rural Economic Asst League Inc	Sandy Oaks	Shepherd
Rural Taylor County Aging Service	Sandy Point	Sherman
Rusk	Sanford	Sherman CAD
Rusk County GCD	Sanger	Sherman Housing Authority
Rusk County Rural Rail District	Sansom Park	Shiner
Rusk SWCD #447	Santa Anna	Shoreacres
Sabinal	Santa Anna Housing Authority	Siena MUD #1
Sabine/Neches Navigation District	Santa Clara	Siena MUD #2
Sachse	Santa Fe	Siesta Shores WCID
Sadler	Santa Rita UWCD	Silsbee
Saginaw	Santa Rosa	Silverton
Saint George PI Redev Auth Reinvest Z#1	Saratoga UWCD	Simonton
Saint Hedwig	Savoy	Sinton
Saint Jo	Schertz	Sinton Housing Authority
Saint Paul	Schertz Housing Authority	Skellytown
Salado	Schertz-Seguin Local Gov Corporation	Sky Ranch MUD
Salado Public Library District	Schleicher County Hospital District	Slaton
Salt Fork SWCD #133	Schulenburg	Slaton Housing Authority
Sam Rayburn Mun Power Agency	Schulenburg Housing Authority	Smiley
San Angelo	Scotland	Smiley Housing Authority

Smith CAD	Springlake	Sweetwater
Smith County 911 Emergency Communications District	Springs Hill Special Utility District	Sweetwater Housing Authority
Smith County ESD #1	Springtown	Swisher CAD
Smithville	Spur	Taft
Smithville Housing Authority	Spur Housing Authority	Taft Housing Authority
Smyer	Spurger ESD #2	Tahoka
Snook	St George Place Management District	Tahoka Housing Authority
Snyder	ST PST Water Supply	Talco
Socorro	Stafford	Talco Housing Authority
Somerset	Stagecoach	Talty City of
Somervell Central Appraisal District	Stamford	Talty SUD
Somervell County Water District	Stamford Hospital District	Tanglewood Forest Limited District
Somerville	Stamford Housing Authority	Tarkington SUD
Sonora	Stanton	Tarrant County 911 District
Sonterra MUD	Stanton Housing Authority	Tarrant County ESD #1
Sour Lake	Staples	Tarrant County Hospital Dist-JPS Health
South Central Calhoun County WCID	Star Harbor	Tatum
South East Texas RPC	STAR Transit	Tatum Housing Authority
South Houston	Starr CAD	Tax Increment Reinvestment Zone #25
South Padre Island	Starr County Housing Authority	Taylor
South Plains Association of Governments	Stephens CAD	Taylor CAD
South Plains Public Health District	Stephenville	Taylor Housing Authority
South Plains Regional Housing Authority	Sterling City	Taylor Lake Village
South Plains UWCD	Sterling County Appraisal District	Taylor Landing
South Post Oak Redev Auth/TIRZ #9	Sterling County UWCD	Teague
South Rains SUD	Stinnett	Teague Housing Authority
South Texas Development Council	Stockdale	Tehuacana
South Texas Water Authority	Stockdale Housing Authority	Temple
South Texas Weather Modification Assoc	Stockton Bend	Temple Housing Authority
Southeast Leon County ESD #1	Stonewall Ranch MUD	Tenaha
Southeast Travis County MUD #1	Stratford	Tenaha Housing Authority
Southeast Williamson County MUD #1	Strawn	Terranova West MUD
Southern Montgomery County MUD	Strawn Housing Authority	Terrell
Southern Trinity GCD	Streetman	Terrell Hills
Southlake	Sudan	Terry CAD
Southmaysd	Sugar Land	Terry Memorial Hospital District
Southmost Regional Water Authority	Sullivan City	Texana Center
Southside Place	Sulphur Springs	Texana Groundwater Conservation District
Southwest Area Regional Transit District	Sulphur-Cypress SWCD	Texarkana
Southwest Fannin SUD	Sun Metro	Texarkana Urban Transit District
Southwest Houston Redevelopment Auth	Sunbelt FWSD	Texarkana Water Utilities
Southwest Management District	Sundown	Texarkana-Bowie County Fam Health Clinic
Southwestern Travis County GCD	Sunnyside Redevelopment Authority TIRZ #26	Texas Association of Regional Councils
SPAN Inc	Sunnyvale	Texas City
Spearman	Sunray	Texas City Housing Authority
Spearman Housing Authority	Sunrise Beach Village	Texas City TIRZ #1/Lago Mar Dev Auth
Splendora	Sunset Valley	Texas Municipal Power Agency
Spring Branch	Surfside Beach	Texas Municipal Retirement System
Spring Branch Mgmt District	Sutton CAD	Texas Panhandle Centers
Spring Valley	Sutton County UWCD	Texhoma
Springhollow MUD	Sweeny	Texline

Texoma Area Solid Waste Authority	Travis County MUD #17	Upper Brushy Creek WCID
Texoma COG	Travis County MUD #2	Upper Guadalupe River Authority
Texoma Housing Partners	Travis County MUD #22	Upper Kirby Redev Auth TIRZ #19 Houston
The Colony	Travis County MUD #23	Upper Leon River MWD
The Colony MUD #1A	Travis County MUD #24	Upper Leon SWCD #525
The Colony MUD #1B	Travis County MUD #26	Upper Llanos SWCD
The Colony MUD #1C	Travis County MUD #3	Upper Pecos SWCD
The Colony MUD #1D	Travis County MUD #4	Upper Sabine SWCD
The Colony MUD #1E	Travis County MUD #5	Upper Trinity Regional Water District
The Colony MUD #1F	Travis County MUD #6	Upshur CAD
The Colony MUD #1G	Travis County MUD #7	Upshur-Gregg County SWCD
The Woodlands Township	Travis County MUD #8	Upton CAD
Thompsons	Travis County MUD #9	Upton County ESD #1
Thorndale	Travis County WCID #10	Upton County ESD #2
Thorndale Housing Authority	Travis County WCID #17	Upton County Water District #1
Thornton	Travis County WCID #18	Urban Renewal Agency of City of Austin
Thorntonville	Travis County WCID #20	Uvalde
Thrall	Travis County WCID-Point Venture	Uvalde CAD
Three Rivers	Travis-Creedmoor MUD	Uvalde County UWCD
Three Rivers Housing Authority	Treasure Island MUD	Uvalde Housing Authority
Throckmorton	Trent	Val Verde CAD
Throckmorton Central Appraisal District	Trenton	Valentine
Throckmorton Housing Authority	TRI SUD	Valley International Airport
Throckmorton SWCD #543	Trinidad	Valley Mills
Tiki Island	Trinidad Housing Authority	Valley MUD #2
Timber Lane UD	Trinity	Valley View
Timbercreek Canyon Village of	Trinity Glen Rose GCD	Van
Timpson	Trinity River Authority	Van Alstyne
Timpson Housing Authority	Trophy Club	Van Horn
Timpson Public Library Dist	Trophy Club MUD #1	Van Horn Housing Authority
Tioga	Troup	Van Housing Authority
Titus CAD	Troy	Van Zandt CAD
TML	Tulia	Van Zandt County ESD #2
TMLIRP	Tulia Housing Authority	Van Zandt County ESD #4
Toco	Turkey	Varner Creek UD
Todd Mission	Tuscola	Vega
Tolar	Two Way SUD	Velasco Drainage District
Tom Bean	TX Health Benefits Pool	Venus
Tom Green CAD	Tye	Vernon
Tom Green County FWD #3 a MUD	Tyler CAD	Vernon Housing Authority
Tom Green SWCD	Tyler County ESD #1	Via Metropolitan Transit
Tomball	Tyler County ESD #3	Victoria
Tool	Tyler County ESD #5	Victoria Central Appraisal District
Toyah	Tyler County ESD #7	Victoria County GCD
Travis Central Appraisal District	Tyler County SUD	Victoria County WCID #2
Travis County Fire/Rescue ESD #11	Uhland	Victoria Housing Authority
Travis County Housing Authority	Uncertain	Victoria SWCD #346
Travis County MUD #11	Union Grove	Vidor
Travis County MUD #12	Union Valley	Village Communities of Texarkana Texas
Travis County MUD #13	Universal City	Village of The Hills
Travis County MUD #14	University Park	Vinton

Vista Oaks MUD	West Harris County MUD #16	Wild Ridge Municipal Utility District
Volente	West Keegans Bayou Improvement District	Willacy CAD
Von Ormy	West Lake Hills	Willacy Co Nav Dist/Port Mans PUD
Waco	West Orange	Willacy County Drainage District #1
Waco Housing Authority	West Tawakoni	Willacy County Housing Authority
Waelder	West Texas Weather Modification Assoc	Williamson CAD
Waelder Housing Authority	West Travis County MUD #6	Williamson County ESD #1
Wake Village	West Travis County MUD #7	Williamson County ESD #4
Walker CAD	West Travis County MUD #8	Williamson County MUD #10
Walker County ESD #2	West Travis County Public Utility Agency	Williamson County MUD #11
Walker County Housing Authority	West University Place	Williamson County MUD #12
Walker County SUD	West Williamson County MUD #1	Williamson County MUD #15
Waller	West Wise SUD	Williamson County MUD #16
Waller County RID #1	Westador MUD	Williamson County MUD #17
Waller Creek Local Gov't Corp	Westbank Comm Library District	Williamson County MUD #19
Wallis	Westbrook	Williamson County MUD #19A
Walnut Creek SUD	Westchase District	Williamson County MUD #19B
Walnut Springs	Westchase District Comm Fund	Williamson County MUD #19C
Walsh Ranch MUD	Wes-Tex GCD	Williamson County MUD #19D
Ward CAD	Westlake	Williamson County MUD #19E
Ward County WID #2	Westminster SUD	Williamson County MUD #19F
Warren City	Weston	Williamson County MUD #19G
Washington CAD	Weston Lakes	Williamson County MUD #19H
Waskom	Westover Hills	Williamson County MUD #21
Watauga	Westwood Shores MUD	Williamson County MUD #22
Waterwood MUD #1	Westworth Village	Williamson County MUD #30
Waxahachie	Wharton	Williamson County MUD #31
Waxahachie Housing Authority	Wharton County ESD #3	Williamson County MUD #32
Wayside MUD of Hays County	Wheeler	Williamson County MUD #34
Weatherford	Wheeler CAD	Williamson County MUD #35
Weatherford Housing Authority	White Deer	Williamson County MUD #38
Webb CAD	White Oak	Williamson County MUD #39
Webberville	White Oak Bayou Joint Powers	Williamson County MUD #46
Webster	White River Municipal Water District	Williamson County WCID #2
Weimar	White Rock SUD	Williamson County WSIDD #3
Weinert	White Settlement	Williamson County/Cities Health District
Weir	Whiteface	Williamson/Travis County MUD #1
Wellington	Whitehouse	Willis
Wellington Housing Authority	Whitesboro	Willow Creek Farms MUD
Wellman	Whitesboro Housing Authority	Willow Creek WCD
Wells	Whitewright	Willow Park
Wells Branch Community Library	Whitney	Wills Point
Weslaco	Whitney Housing Authority	Wills Point Housing Authority
Weslaco Housing Authority	Wichita Appraisal District	Wilmer
West	Wichita Falls	Wilson
West Brazoria County DD #11	Wichita Falls Housing Authority	Wilson CAD
West Cedar Creek MUD	Wichita-Wilbarger 911 Dist	Wimberley
West Central Texas COG	Wickett	Wimberley Village Library District
West Columbia	Wickson Creek SUD	Windcrest
West Gregg SUD	Wilbarger Creek MUD #1	Windom
West Harris County MUD #10	Wilbarger Creek MUD #2	Windhorst

Winfield	Wolfforth	Wylie
Wink	Wood CAD	Wylie Northeast SUD
Wink Housing Authority	Woodbine SUD	XS Ranch MUD
Winkler CAD	Woodbranch Village	Yantis
Winnsboro	Woodcreek	Yoakum
Winnsboro Housing Authority	Woodcreek Reserve MUD	Yoakum CAD
Winona	Woodloch	Yoakum Housing Authority
Wintergarden GCD	Woodridge MUD	York Creek Improvement District
Winters	Woodsboro	Yorktown
Winters Housing Authority	Woodside Municipal Utility District No. 1	Yorktown Housing Authority
Wise CAD	Woodville	Young County SWCD
Wise County WCID #1	Woodville Housing Authority	Zapata CAD
Wise SWCD #548	Woodway	Zapata County WCID
Wixon Valley	Workforce Solutions for H O T	Zavala CAD
Wolfe City	Wortham	Zavala County WCID #1
Wolfe City Housing Authority	Wortham Housing Authority	Zavalla

AMD	Area Management District	PUD	Public Utility District
CAD	County Appraisal District	RA	Redevelopment Authority
CCPD	Crime Control & Prevention District	RFPD	Rural Fire Prevention District
COG	Council of Governments	RMA	Regional Mobility Authority
DD	Drainage District	RPC	Regional Planning Commission
ECD	Emergency Communication District	RSA	Regional Sewage Authority
EMS	Emergency Medical Services	SUD	Special Utility District
ESD	Emergency Services District	SWCD	Soil & Waste Conservation District
FWD	Fresh Water District	SWMA	Solid Waste Management Agency
FWSD	Fresh Water Supply District	TIRZ	Tax Increment Reinvestment Zone
GCD	Groundwater Conservation District	UWCD	Underground Water Conservation District
GWD	Groundwater District	UWCSD	Underground Water Conservation & Supply District
ID	Improvement District	VFD	Volunteer Fire Department
LID	Levee Improvement District	WA	Water Authority
MD	Management District	WCD	Water Conservation District
MHMR	Mental Health/Mental Retardation	WCID	Water Control & Improvement District
MPEC	Multi-Purpose Events Center	WID	Watershed Improvement District
MUD	Municipal Utility District	WORD	Water Oriented Recreation District
MWA	Municipal Water Authority	WSD	Water Supply District
MWD	Municipal Water District	WSIDD	Water, Sewer, Irrigation & Drainage District
MWSD	Municipal Water Supply District		



Texas Municipal League Intergovernmental Risk Pool

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