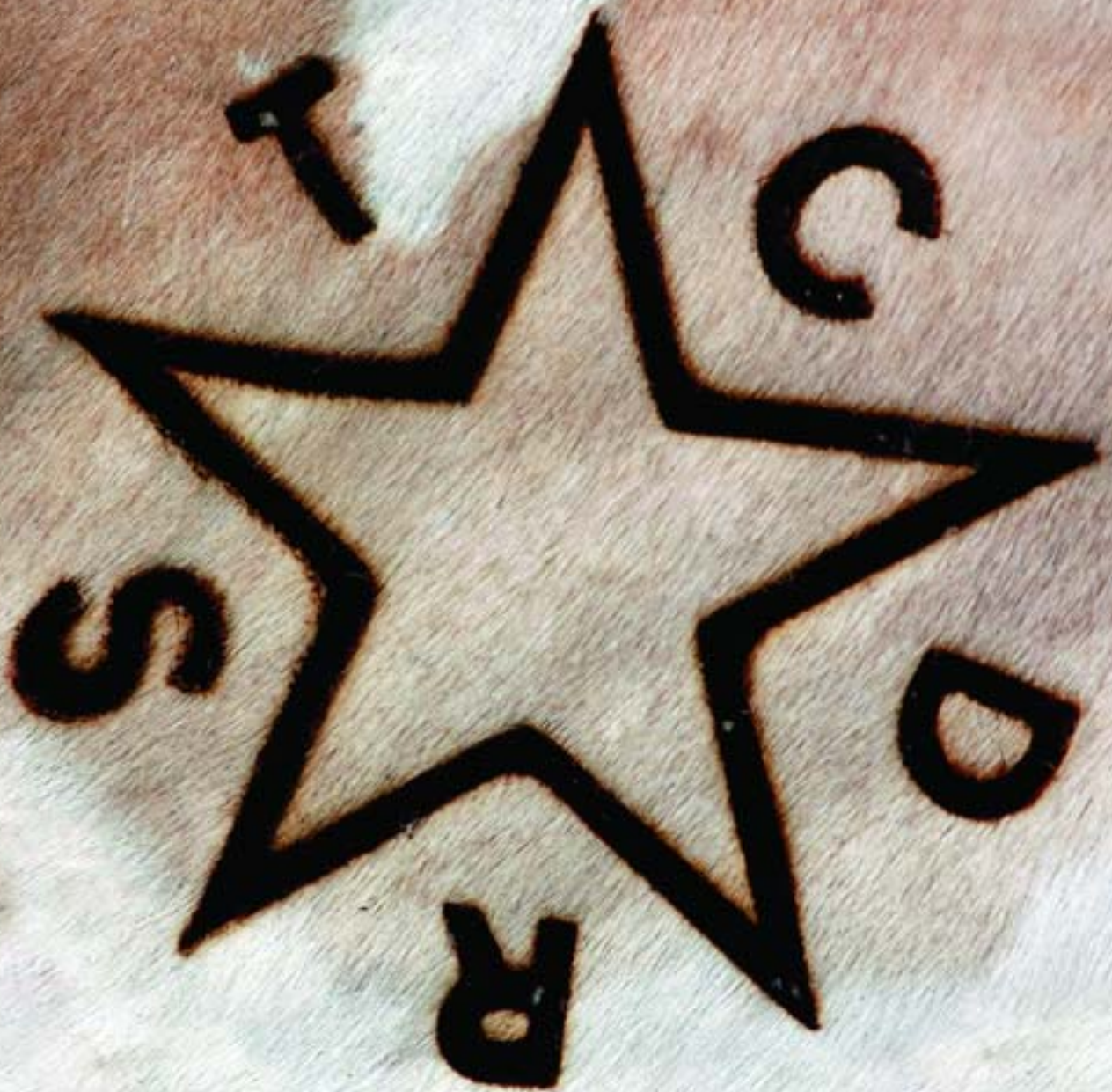


COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DEC. 31, 2004



TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM



ON THE SHELF in the county clerk's office — among the records of marriage licenses, births, deaths and court proceedings — sits a tall, thick book with antique binding. The long columns on the yellowed pages are filled with drawings of livestock brands and the owners' names written in flowing penmanship. In county courthouses around the state, the brand and mark record book is a heraldry of the plains, telling a history of an industry and of families.

After centuries of use, livestock brands are an enduring tool of the ranching industry. The most desirable brand is one of simple design that can easily and quickly be placed on the animal, can be seen at a distance, is not easily confused with a brand of a neighbor and not easily altered by rustlers.

We would like to thank the Texas and Southwestern Cattle Raisers Association, especially Dalton Hoffman and Paula Archa, for opening their photo library and explaining how the registration of brands is done. Unless otherwise noted, all of the photographs used in this annual report were provided by TSCRA free of charge. Lee Riedel, county clerk for Gonzales County, and her friendly staff provided invaluable assistance in our research of cattle brands.

On this page and the inside back cover are a small sample of the thousands of brands registered in Texas.

1. Circle Dot — Quanah Parker
2. Y O — Charles Schreiner
3. 26 Bar — John Wayne
4. Half Circle H — William Randolph Hearst
5. B R Connected — Cal Farley's Boys' Ranch
6. Hat — Bill Witliff
7. Cross H — Garza County Judge Giles W. Dalby
8. Rocking W — President George W. Bush
9. Circle J — Leon Jaworski
10. Quarter Circle R — Governor Rick Perry
11. T L J — Tommy Lee Jones
12. Golden Arches — McDonald's Corp.
13. V Z Connected — Sam D. Seale, executive director, Texas Association of Counties
14. W 3 — TCDRS board member Bob Willis
15. N Bar R — Nolan Ryan



1



2



3



4



5



6

Front cover illustration by Rob Bishop
Back cover photo by Gerald McLeod

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2004



PREPARED BY

TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM

901 MOPAC SOUTH • BARTON OAKS IV, SUITE 500 • AUSTIN, TEXAS 78746

GENE GLASS
DIRECTOR

VINCENT PRENDERGAST
COMPTROLLER

ALAN ADAMS
ASSISTANT
INVESTMENT OFFICER

BOB WILL
CHIEF INVESTMENT
ACCOUNTANT

PUBLICATIONS DEPARTMENT

GERALD MCLEOD
LEAH NELSON
RODNEY CROUTHER
ROB BISHOP

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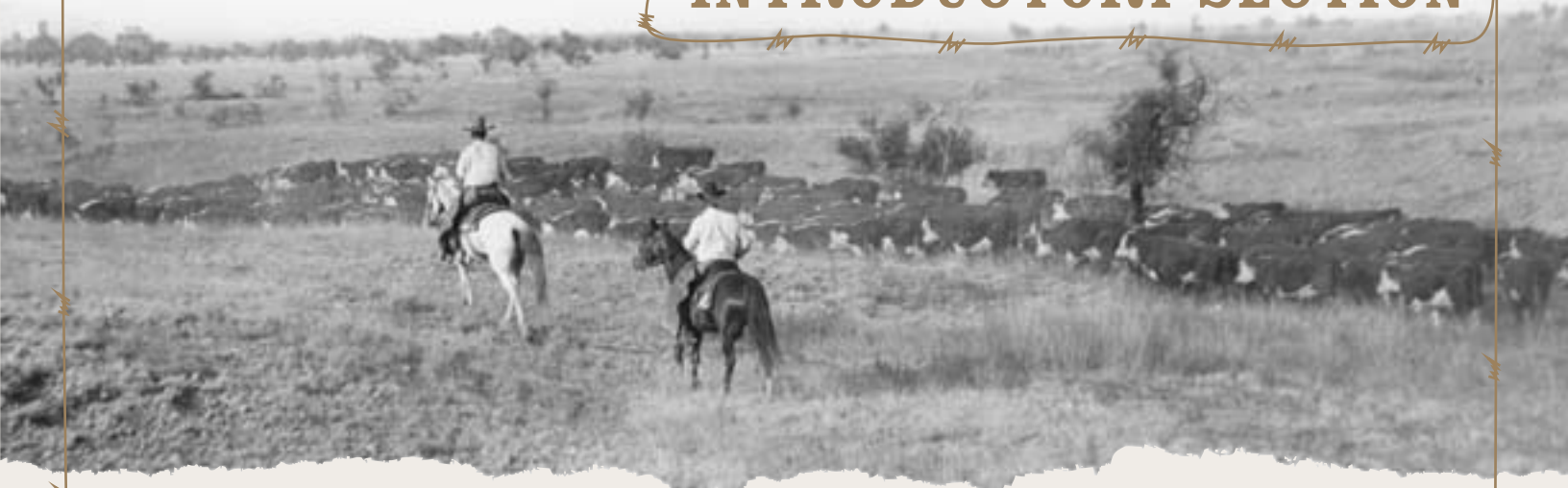
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INTRODUCTORY SECTION



HOW TO READ BRANDS

“Trust everyone, but brand your cattle,” was the motto of Brewster County Justice of the Peace Hallie Stillwell. Before she passed away in 1983, the indomitable “Queen of the Big Bend” also worked as a teacher, journalist and author, and was the matriarch of the Stillwell Ranch outside of Marathon. Descendents of Hallie and Roy Stillwell still run the 4-L brand on their spread on the boundaries of Big Bend National Park.

Just when the practice of branding livestock as a means of identification began is subject to some debate. There is evidence that the ancient Egyptians branded their oxen and the practice was widespread in Europe by medieval times. Hernando Cortez probably introduced branding with a hot iron to the New World in the 16th century, when he brought cattle and horses to Mexico marked with his three crosses brand. As an old cowboy said, “A brand is something that won’t come off in the wash.”

Establishing the rules for registering, or not regis-

tering, livestock brands is left to each state. Texans register their brands at the county clerk’s office in the county where the stock is located. The same brand can be, and is, used in different counties by different ranchers. Sometimes the same brand is used, but in a different location on the animal to signify a different owner. It is illegal to have a branded animal in a county without registering the mark, but you don’t have to own a single cow to register a brand. Brands are often passed through the generations in wills or sold with a ranch or herd. The

identifying mark must be re-registered in the county clerk’s office at the beginning of every decade.


The Texas and Southwestern Cattle Raisers Association maintains a statewide registry of brands. The association has more than 700,000 active brands registered in their data base. Ranchers have developed other methods of identifying their stock, including using freeze brands, ear tags, ear bobs, tattoos and even computer chips. Despite changes in technology, branding of livestock remains one of the best ways of determining ownership.

American brands have a language all their own. That lexicon, like any other, follows certain rules. Brands are composed of letters, numerals, pictures and characters. The ability to read these symbols is referred to as “callin’ the brand.” Generally, brands are read from left to right, top to bottom, or outside to inside.


CALLIN’ THE BRAND


Here are a few examples of different styles of brands.

 **Lazy** – letter lying on its side.
Lazy S


 **Rocking** – resting upon and connected to a quarter circle.
Rocking R


 **Bar** – a dash.
Bar K


 **Connected** – two characters share a common stroke.
Gov. John and Nellie Connally
JN Connected


 **Hanging** – Letters on top of each other; read from top to bottom.
YO Ranch


 **Walking** – short bars added to the bottom of a symbol.
Walking S

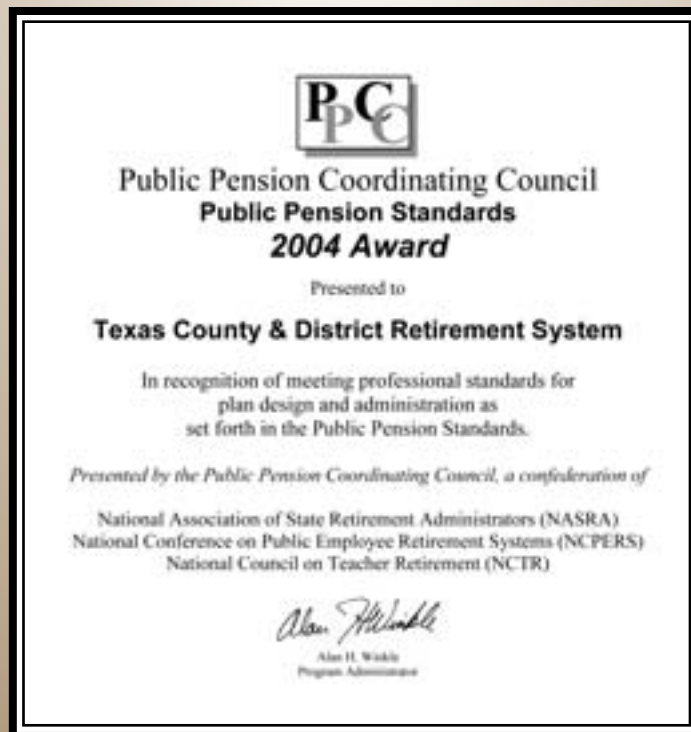
 **Tumbling** – a leaning letter or character.
Tumbling R

 **Running** – changing the short bars added to the bottom to curves.
Running M

 **Symbol** – often the name of the ranch.
Pitchfork Land and Cattle Company

 **Initials** – no doubt of who owns the cow.
Lauro F. Cavazos

 **Flying** – short curved strokes or “wings” added to the top of a letter or character.
Flying B





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LETTER OF TRANSMITTAL

June 10, 2005

To: The Board of Trustees Texas County & District Retirement System

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Texas County & District Retirement System (TCDRS or system) for the year ended Dec. 31, 2004 — the 37th full year of operations. TCDRS management is responsible for both the accuracy of the data and the completeness and fairness of the presentation within this report. We hope that this CAFR will help you and the members of the system better understand your public employee retirement system — a system that continues to maintain a strong and positive financial future.

The Texas County & District Retirement System is a statewide, agent multiple-employer, public employee retirement system created in 1967 by the State of Texas. TCDRS is administered by a nine-person board of trustees appointed by the Governor with the consent of the State Senate. The board appoints a director, who is charged with the responsibility for all day-to-day operations other than investment operations, and an investment officer, who is charged with the responsibility for investment operations. The board also appoints a legal counsel, a consulting actuary, an independent auditor, a medical board and investment consultants. Investment activity discussed in this transmittal letter is the responsibility of the investment officer; all other information in this transmittal letter is the director's responsibility.

TCDRS provides retirement, disability and death benefits for the full-time employees of the 559 member counties and districts (employers). A presentation of participating employers is provided in the Introductory Section of the report. TCDRS has experienced significant growth since its inception. In the 10-year period ended Dec. 31, 2004, the number of participating employers has increased from 479 to 559, and the number of employee members has increased from 99,153 to 135,722 — increases of 17% and 37%, respectively. The number of annuitants has increased over the same time period from 14,817 to 28,496, an increase of 92%.

This CAFR is presented in five sections.

1. Introductory Section: Contains the Government Finance Officers Association's Certificate of

Achievement for Excellence in Financial Reporting and the Public Pension Coordinating Council's 2004 Public Pension Standards award, this letter of transmittal, organizational information and a listing of participating employers.

- 2. Financial Section:** Contains the report of the independent auditor (KPMG LLP), management's discussion and analysis, financial statements including notes, required supplementary information and other supplementary information.
- 3. Investment Section:** Contains a report on investment activity from Wilshire Associates, followed by a presentation of investment policies, investment results and various investment schedules.
- 4. Actuarial Section:** Contains a certification letter from the system's actuary (Milliman), the results of the annual actuarial valuation and related information.
- 5. Statistical Section:** Contains general statistical information pertaining to TCDRS participants and finances.

This CAFR was prepared to conform to the principles of governmental accounting and reporting set forth by the Governmental Accounting Standards Board (GASB). Transactions of the system are reported on the accrual basis of accounting. Sufficient internal accounting controls exist to provide reasonable assurance regarding the safekeeping of assets and fair presentation of the financial statements and supporting schedules. The TCDRS Act requires an annual audit of the system's accounts by a certified public accountant and the firm, KPMG LLP, was retained by the board for 2004 for this purpose.

MAJOR INITIATIVES

- The board added a 2% allocation to emerging markets equity and selected Acadian Asset Management, Inc. to actively manage it in a commingled fund. The board also approved a shift in the benchmark used for international equities to the MSCI ACWI x US to better replicate holdings.
- A new *Guide to Member Benefits* for participating members was distributed to employers. The guide included a Personal Plan Summary that details the member's individual plan benefits. To supplement the guide, 10 new informational brochures were produced.
- A new annual conference, Perspectives, was designed specifically for local county and district officials. The

LETTER OF TRANSMITTAL

conference focused on macro issues and trends that affect plan sponsors' decisions.

- The Decision Support team was formed to provide tools and analysis skills to support the decision-making processes of management, the board and our employers.
- Three newsletters were introduced that were targeted toward decision-makers, retirees and members (*Summit*, *Connections* and *Horizons*). The content of each newsletter was re-focused to support the key messages and educational objectives for each audience. Staff has received very positive feedback from members, employers and retirees on these publications.
- An address update project was carried out to ensure TCDRS has the most up-to-date addresses for members, annuitants and beneficiaries. This project set the stage for the direct mailing of annual statements and the *Horizons* newsletter to members in 2005.
- Annual statements became accessible on the TCDRS Web site to allow members and employers to reprint their statements.
- A new secure, electronic file transfer process, FileSafe, was developed that enables employers to submit monthly retirement reports safely and easily through the TCDRS Web site.
- Over 20,000 member accounts were updated with service from previously withdrawn accounts, as a result of a legislative initiative.

FINANCIAL

The 2004 net increase in plan net assets was \$1.6 billion, a decrease of 20.8% compared to the 2003 increase in plan net assets of \$2.0 billion. For a discussion of the system's finances please refer to the Financial Section, which contains the financial statements including notes, along with management's discussion and analysis of the financial information presented.

INVESTMENTS

During 2004, the TCDRS portfolio earned a 12.8% return, exceeding the benchmark of 12.6% by a total of 0.2%. The primary reason for this high return was the continued strength of the domestic and international equity markets and REIT markets. The primary reason that the return exceeded the benchmark was the value added by TCDRS REIT managers. Even though the high-yield market continued to be strong during 2004, a significant portion of this benchmark's performance was driven by securities whose rating (CCC and lower) is below that authorized by the TCDRS investment policy, which caused the TCDRS performance to again lag that of its high-yield benchmark. Performance of the core fixed-income portfolio exceeded the performance of its benchmark.

In 1996, the TCDRS Board of Trustees concluded that a diversified portfolio would offer the best opportunity to produce the desired investment return of 8%.

Accordingly, the TCDRS portfolio now includes core fixed-income bonds, domestic and international equity securities, high-yield bonds and REITs.

The TCDRS Act provides the board authority to act on behalf of the system and its members. The TCDRS Act stipulates that the investment decisions of the board are subject to the "prudent person" standard of care as outlined in Section 67, Article XVI of the Texas Constitution and to the "prudent investor" standard of care contained within applicable statutory provisions of the Texas Trust Code. To assure that the investment process is restricted by appropriate safeguards, the board has adopted and periodically reviews an investment policy that defines and restricts investment authority and emphasizes the importance of a long-term investment philosophy with minimization of risk.

FUNDING

The funding objective for each participating employer is to meet all expected future obligations to its employees through its plan's assets and future contributions. TCDRS continues to experience a positive cash flow due primarily to the fact that benefit plans are required to be advance funded. At present, there is an excess of contributions over benefit payments and administrative expenses. This excess, along with the earnings on investments, continues to result in a growing investment portfolio.

The net assets held in trust for pension benefits at year end 2004 and 2003 are \$12.4 billion and \$10.9 billion, respectively, an increase of \$1.6 billion (14.3%) in 2004 over the 2003 amount. As the system matures, the annual rate of net increase in assets held in trust for pension benefits is expected to gradually trend downward. However, investment results and changes in employers' benefit plans also impact the annual cash flows. No significant shift from current trends in revenues, benefit payments or administrative expenses, as shown in the Statistical Section, is expected.

A total of \$1.7 billion in reserves is available as a buffer against the potential volatility of future investment earnings, and for general contingencies and expenses. The board approves annual budgets for investment and administrative expenditures, and authorizes their funding from investment earnings.

In the aggregate at year end 2004, the actuarial value of assets and actuarial liabilities totaled \$10.76 billion and \$11.83 billion, respectively, resulting in a funded ratio of 91.0%. The annual actuarial valuation of each plan

reviews the progress made in achieving funding objectives and results in adjustments, if necessary, so that the employer contribution rates are adequate to meet those objectives. Historical information relating to funding progress for all employers as a group is presented in the Financial Section of the report. Additional information about the financial condition of each of the TCDRS plans is provided in the Actuarial Section of this report.

PROFESSIONAL SERVICES

Professional consultants are appointed by the board to perform services essential to the efficient operation of TCDRS. An audit opinion from the independent auditor, the actuary's certification letter, and a report by the investment consultant are included in this CAFR. The professional consultants appointed by the board and used by the system are reported in the Staff and Advisors listing in the Introductory Section and in the schedule of Professional/Consultant Fees and Services in the Financial Section.

Investment professionals other than money managers providing services to the system can be found in the Staff and Advisors listing in the Introductory Section and the Professional/Consultant Fees and Services schedule in the Financial Section. Money manager fees are reported on the Investment Expenses Schedule in the Financial Section and in the Fees and Commissions note in the Investments Section.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Texas County & District Retirement System for its comprehensive annual financial report for the fiscal year ended Dec. 31, 2003. This was the 12th consecutive year that the system achieved this prestigious award. In order to be awarded a Certificate of Achievement, an entity must publish a readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

TCDRS was awarded the Public Pension Coordinating Council's (PPCC) Public Pension Standards award for 2004, which is the second consecutive year that the system received this award. TCDRS was one of a small number of public plans to receive a certificate of compliance issued by the PPCC in recognition of meeting professional standards for plan design and administration. The PPCC is a coalition of three associations that represent public pension funds and whose members include virtually all state and local government employees in the United States. These associations are the National Association of State Retirement Administrators (NASRA), National Council on Teacher Retirement (NCTR) and National Conference on Public Employee Retirement Systems (NCPERS).

A major PPCC goal is to promote excellence in plan design and administration among state and local public retirement systems. The Public Pension System Standards are intended to reflect minimum expectations for public retirement system management and administration, and serve as a benchmark by which all defined-benefit public plans should be measured.

This report reflects the combined effort of the TCDRS staff under the leadership of the TCDRS Board of Trustees. We would like to express our gratitude to the staff, advisors and members of the board who have contributed to the preparation of this report and to the continued successful operation of the Texas County & District Retirement System.

Sincerely,



Robert A. Eckels
Chair

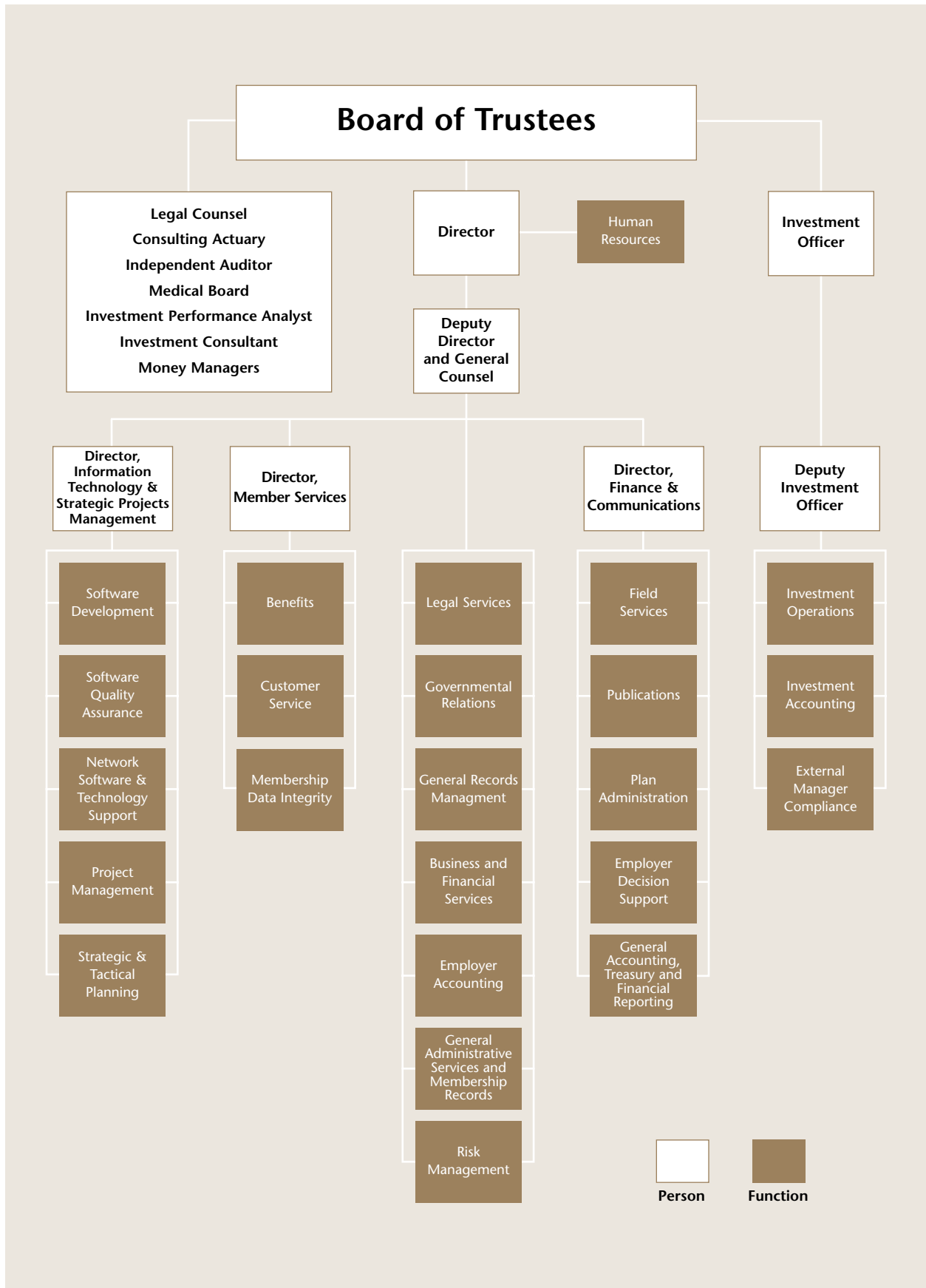


Gene Glass
Director



Paul J. Williams
Investment Officer

ORGANIZATION CHART





STANDING (LEFT TO RIGHT) Mitch Liles, Bob Willis, John G. Willy, Robert A. Eckels, Daniel R. Haggerty
SEATED (LEFT TO RIGHT) Bridget McDowell, Amador E. Reyna, Jan Kennady, Martha Gustavsen

CHAIRMAN

John G. Willy
COUNTY JUDGE
BRAZORIA COUNTY
TERM EXPIRES DEC. 31, 2003

VICE-CHAIRMAN

Amador E. Reyna
CHIEF APPRAISER
HARDIN COUNTY APPRAISAL DISTRICT
TERM EXPIRES DEC. 31, 2005

Robert A. Eckels
COUNTY JUDGE
HARRIS COUNTY
TERM EXPIRES DEC. 31, 2007

Martha Gustavsen
COUNTY TREASURER
MONTGOMERY COUNTY
TERM EXPIRES DEC. 31, 2005

Daniel R. Haggerty
COUNTY COMMISSIONER
EL PASO COUNTY
TERM EXPIRES DEC. 31, 2009

Jan Kennady
COUNTY COMMISSIONER
COMAL COUNTY
TERM EXPIRES DEC. 31, 2009

Mitch Liles
DIRECTOR OF ADULT PROBATION
DENTON COUNTY
TERM EXPIRES DEC. 31, 2005

Bridget McDowell
COUNTY AUDITOR
TAYLOR COUNTY
TERM EXPIRES DEC. 31, 2007

Bob Willis
COUNTY COMMISSIONER
POLK COUNTY
TERM EXPIRES DEC. 31, 2007

STAFF AND ADVISORS

INVESTMENT STAFF



Paul J. Williams
Investment Officer



Dianna Amescua
Deputy Investment
Officer

ADMINISTRATIVE STAFF



Gene Glass
Director



David Forfia
Director, Information
Technology & Strategic
Projects Management



Tom Harrison
Deputy Director and
General Counsel



Jennifer Hymel
Director,
Member Services



Amy Fagelman
Director, Finance and
Communications



David Redd
Senior Manager,
Human Resources

PROFESSIONAL ADVISORS

Legal Counsel
Vinson & Elkins, L.L.P.

Consulting Actuary
Milliman, Inc.

Investment Performance Analyst
Holbein Associates, Inc.

Investment Consultant
Wilshire Associates, Inc.

Independent Auditor
KPMG LLP

Medical Board
R. A. Dennison, M.D., Chairman
Ace Alsup, M.D.
John P. Vineyard Jr., M.D.



INVESTMENTS

[STANDING] Paul J. Williams, Sandra Bragg, Bob Will

[SEATED] Greta Clark, Jeneva Perrone, Dianna Amescua

[NOT PICTURED] Alan Adams

LEGAL & GOVERNMENTAL RELATIONS

Jason McElvaney, Julie Dwiggin, Patrick Redman, Tom Harrison, Tom Krueger, Sherry Beck



FIELD SERVICES

[STANDING] Roxanne Bitz, Ralph Wallace, Howard Miller

[SEATED] Amy Fagelman, Harriett Lloyd, Kim Doyal, Karen Garner

STAFF

FINANCE AND COMMUNICATIONS

[LEFT TO RIGHT] Laurence Estill, Rodney Crouther, Rob Bishop, Melody Smith, Leah Nelson, Doris Richardson, Jeri May, Kelle Broussard, Chris Bucknall, Gerald McLeod, Aurora Beranek, Amy Fagelman, Vince Prendergast, Steve Madden, José de Leon



CUSTOMER SERVICE

[LEFT TO RIGHT] Andrew Dota, Brad Eddins, Tony Gartner, Laura Leija, Bill Wendlandt, Glenna Bullock, Lilly Williams, Hal Caldcleugh, Vangie Phillips

BUSINESS AND FINANCIAL SERVICES

[STANDING] Sonia Amaro, Allison Coffey, David Luttrell, Jennifer Brown, Pam Swanson

[SEATED] Mary Samuels, Kasaundra Walenta, Melissa Watt, Tina Alvarez

[NOT PICTURED] Fay Wright, Charlene Davis





BENEFITS

[TOP ROW] Robin Rodriguez,
Jo Anne Norton

[3RD ROW] Myrlene Bridwell, Debbie Smith

[2ND ROW] Kosima Pryzgoda, Gina Pax

[FRONT ROW] Carmen Gloria,
Cathy Duggar, Suheill Vargas

[NOT PICTURED] Kathy DeRamus,
Cynthia Turner, Gloria Zavala,
Kimberly Cook

**INFORMATION TECHNOLOGY
& STRATEGIC PROJECTS
MANAGEMENT**

[TOP ROW] Jeff Hemphill, David Forfia

[5TH ROW] Dan Perkins, Mark Moseley

[4TH ROW] Mark Mastronardi, Brad Bowers

[3RD ROW] Rick Braun, Sherry Bethke,
Nicole Bossard

[2ND ROW] Staci Kilpatrick, Sivaram Manda,
Asheena Andrews

[FRONT ROW] Sharon Payne,
Alfredo Gutierrez, Jocelyn Brown

[NOT PICTURED] Fred Peterson



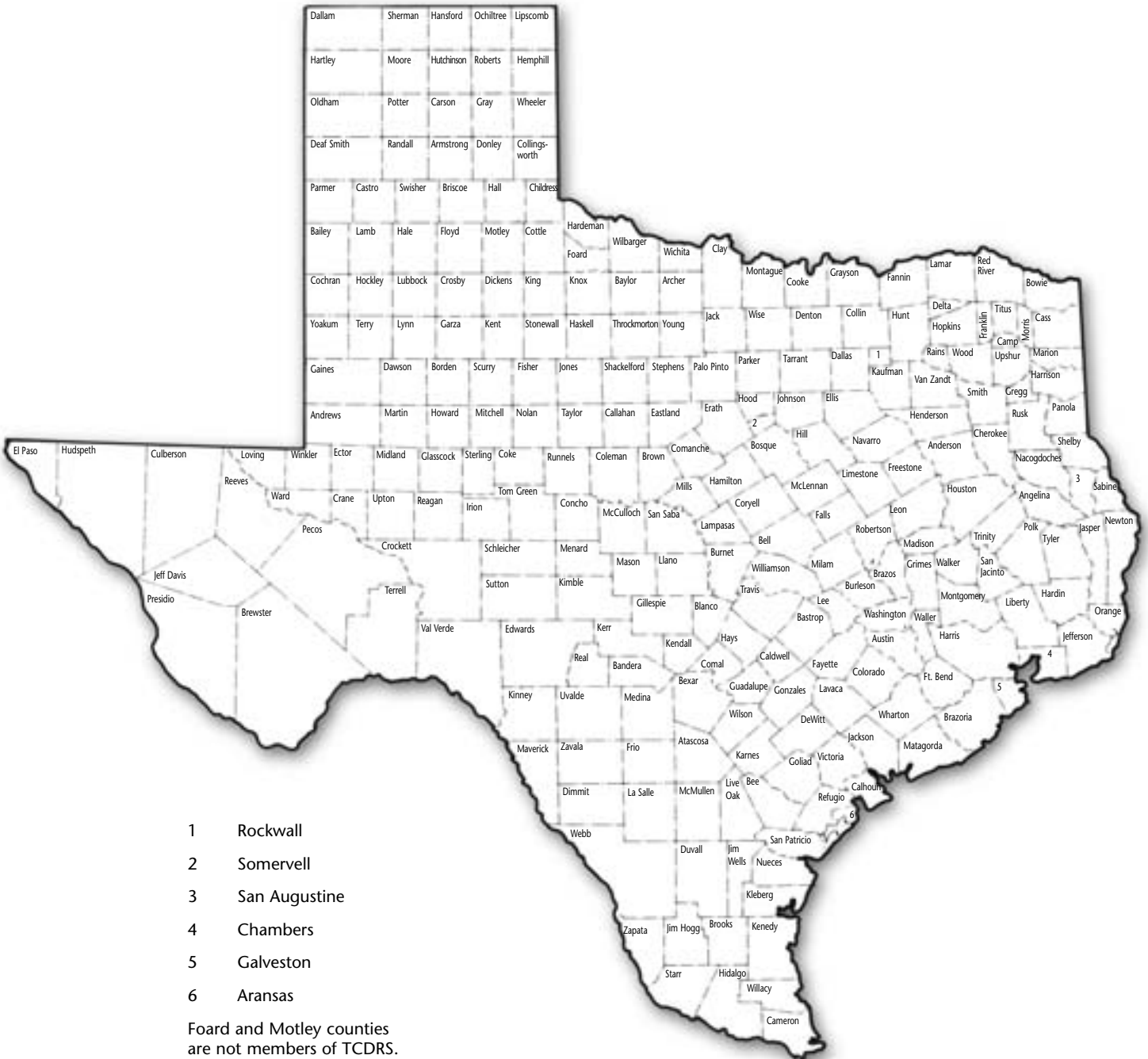
**HUMAN RESOURCES AND
MANAGEMENT ANALYSTS**

[STANDING] Nancy Stallcup, Wanda Gilliard

[SEATED] Holly Tuccio, Lisa Orr

[NOT PICTURED] Angela Vogel

MEMBER COUNTIES AND DISTRICTS As of Jan. 1, 2005



Counties are indicated with a bullet point. Districts are listed immediately below the counties in which they are headquartered.

A

- Anderson County
Anderson County Central Appraisal District
- Andrews County
Permian Regional Medical Center
- Angelina County
Angelina & Nacogdoches Counties Water Control & Improvement District #1
Angelina County Appraisal District
Central Water Control & Improvement District
Pineywoods Groundwater Conservation District
- Aransas County
Aransas County Appraisal District
Aransas County Navigation District #1
- Archer County
Archer County Appraisal District
- Armstrong County
- Atascosa County
Atascosa County Appraisal District
- Austin County
Austin County Appraisal District

B

- Bailey County
- Bandera County
Bandera County Water Control & Improvement District #1
Central Appraisal District of Bandera
- Bastrop County
- Baylor County
Baylor County Appraisal District
- Bee County
- Bell County
Bell County Appraisal District
Bell County Water Control & Improvement District #1
- Bexar County
Alamo Area Council of Governments
Alamo Regional Mobility Authority
Bexar Appraisal District
Bexar County Water Control & Improvement District #10
Bexar Metro 911 Network District
Edwards Aquifer Authority
- Blanco County
- Borden County
Borden County Appraisal District
- Bosque County
Bosque County Central Appraisal District
- Bowie County
Macedonia-Eylau Municipal Utility District
- Brazoria County
Angleton Drainage District
Brazoria County Appraisal District
Brazoria County Conservation & Reclamation District #3
Brazoria County Drainage District #4
Brazoria County Drainage District #5
Velasco Drainage District
- Brazos County
Brazos County Appraisal District
Brazos County Emergency Communications District
Wickson Creek Special Utility District
- Brewster County
Brewster County Appraisal District
- Briscoe County
Mackenzie Municipal Water Authority
- Brooks County
- Brown County
- Burleson County
- Burnet County

- Burnet Central Appraisal District
Meadowlakes Municipal Utility District

C

- Caldwell County
Caldwell County Appraisal District
- Calhoun County
Calhoun County Appraisal District
Memorial Medical Center
- Callahan County
Callahan County Appraisal District
- Cameron County
Bayview Irrigation District #11
Brownsville Irrigation District
Cameron County Appraisal District
Cameron County Drainage District #1
Cameron County Drainage District #3
Cameron County Drainage District #5
Cameron County Irrigation District #2
Cameron County Irrigation District #6
Harlingen Irrigation District
Cameron County #1
Valley Municipal Utility District #2
Laguna Madre Water District
- Camp County
Camp Central Appraisal District
- Carson County
- Cass County
Cass County Appraisal District
Northeast Texas Municipal Water District
- Castro County
- Chambers County
Chambers County Appraisal District
Chambers County Public Hospital District
Trinity Bay Conservation District
- Cherokee County
- Childress County
Childress County Appraisal District
Childress County Hospital District
- Clay County
Clay County Appraisal District
- Cochran County
Cochran County Appraisal District
- Coke County
- Coleman County
- Collin County
Collin County Central Appraisal District
North Texas Tollway Authority
- Collingsworth County
- Colorado County
- Comal County
Comal Appraisal District
- Comanche County
- Concho County
Concho County Hospital District
- Cooke County
Cooke County Appraisal District
- Coryell County
- Cottle County
Tax Appraisal District of Cottle County
- Crane County
- Crockett County
Crockett County Water Control & Improvement District #1
- Crosby County
Crosby County Appraisal District
- Culberson County
Culberson County Hospital
Culberson Hospital District

D

- Dallam County

- Dallas County
Dallas Central Appraisal District
Dallas County Park Cities Municipal Utility District
Dallas County Water Control & Improvement District #6
Valwood Improvement Authority
- Dawson County
Dawson County Central Appraisal District
Medical Arts Hospital
- Deaf Smith County
Deaf Smith County Hospital District
- Delta County
- Denton County
Denco Area 911 District
Denton Central Appraisal District
- DeWitt County
DeWitt County Appraisal District
- Dickens County
White River Municipal Water District
- Dimmit County
Middle Rio Grande Development Council
- Donley County
Greenbelt Municipal & Industrial Water Authority
- Duval County

E

- Eastland County
Cisco Hospital District
Eastland County Appraisal District
- Ector County
Ector County Hospital District
Emergency Communication District of Ector County
- Edwards County
Edwards Central Appraisal District
- Ellis County
- El Paso County
El Paso County 911 District
El Paso County Hospital District
Horizon Regional Municipal Utility District
El Paso Water Control & Improvement District—Westway
Homestead Municipal Utility District
Lower Valley Water District
- Erath County

F

- Falls County
Falls County Appraisal District
Tri-County Special Utility District
- Fannin County
Fannin County Appraisal District
- Fayette County
- Fisher County
Fisher County Hospital District
- Floyd County
- Fort Bend County
Fort Bend Central Appraisal District
- Franklin County
- Freestone County
Freestone County Appraisal District
- Frio County
Frio County Appraisal District

G

- Gaines County
- Galveston County
Bacliff Municipal Utility District
Bayview Municipal Utility District
Galveston Central Appraisal District

MEMBER COUNTIES AND DISTRICTS As of Jan. 1, 2005

- Galveston County Consolidated Drainage District
 - Galveston County Drainage District #1
 - Galveston County Drainage District #2
 - Galveston County Emergency Communication District
 - Galveston County Water Control & Improvement District #1
 - Gulf Coast Water Authority
 - Garza County
 - Garza Central Appraisal District
 - Gillespie County
 - Glasscock County
 - Goliad County
 - Gonzales County
 - Gonzales County Appraisal District
 - Gray County
 - Gray County Appraisal District
 - Grayson County
 - Grayson Central Appraisal District
 - Gregg County
 - Grimes County
 - Grimes County Appraisal District
 - Guadalupe County
 - Guadalupe Appraisal District
- H**
- Hale County
 - Hall County
 - Hamilton County
 - Hansford County
 - Hansford County Hospital District
 - Hardeman County
 - Hardin County
 - Hardin County Appraisal District
 - Lumberton Municipal Utility District
 - Harris County
 - Crosby Municipal Utility District
 - Greater Harris County 911 Emergency Network
 - Harris County Appraisal District
 - Harris County Water Control & Improvement District #1
 - Harris County Water Control & Improvement District #50
 - Harrison County
 - Marshall-Harrison County Health District
 - Hartley County
 - Hartley County Appraisal District
 - Haskell County
 - Haskell Memorial Hospital District
 - Hays County
 - Hemphill County
 - Hemphill County Appraisal District
 - Hemphill County Hospital District
 - Henderson County
 - Henderson County Appraisal District
 - Hidalgo County
 - Hidalgo and Cameron Counties Irrigation District #9
 - Hidalgo County Appraisal District
 - Hidalgo County Drainage District #1
 - Hidalgo County Irrigation District #1
 - Hidalgo County Irrigation District #2
 - Hidalgo County Irrigation District #6
 - United Irrigation District
 - Hill County
 - Aquilla Water Supply District
 - Hockley County
 - Hood County
 - Acton Municipal Utility District
 - Hopkins County
 - Hopkins County Appraisal District
 - Houston County
 - Houston County Appraisal District

- Howard County
 - Hudspeth County
 - Hunt County
 - Hutchinson County
 - North Plains Hospital District
- I**
- Irion County
- J**
- Jack County
 - Jack County Appraisal District
 - Jackson County
 - Jackson County County-Wide Drainage District
 - Lavaca-Navidad River Authority
 - Jasper County
 - Jasper County Water Control & Improvement District #1
 - Jeff Davis County
 - Jefferson County
 - Jefferson County Drainage District #3
 - Jefferson County Drainage District #6
 - Jefferson County Drainage District #7
 - Jefferson County Water Control & Improvement District #10
 - Jefferson County Waterway & Navigation District
 - Port of Beaumont Navigation District
 - Port of Port Arthur Navigation District
 - Sabine Pass Port Authority
 - West Jefferson County Municipal Water District
 - Jim Hogg County
 - Jim Hogg County Appraisal District
 - Jim Hogg County Fire District #2
 - Jim Hogg County Water Control & Improvement District #2
 - Jim Wells County
 - Johnson County
 - Central Appraisal District of Johnson County
 - Johnson County Fresh Water Supply District #1
 - Jones County
 - Jones County Appraisal District
- K**
- Karnes County
 - Karnes County Appraisal District
 - Karnes County Hospital District
 - Kaufman County
 - Kaufman County Appraisal District
 - Kendall County
 - Kendall Appraisal District
 - Kendall County Water Control & Improvement District #1
 - Kenedy County
 - Kent County
 - Kent County Tax Appraisal District
 - Kerr County
 - Kerr Emergency 911 Network
 - Kimble County
 - King County
 - Kinney County
 - Kinney County Appraisal District
 - West Nueces-Las Moras Soil & Water Conservation District #236
 - Kleberg County
 - Knox County
 - Knox County Appraisal District
 - North Central Texas Municipal Water Authority
- L**
- La Salle County
 - Lamar County
 - Lamb County
 - Lampasas County
 - Lampasas County Appraisal District

- Lavaca County
 - Lee County
 - Leon County
 - Leon County Central Appraisal District
 - Liberty County
 - Liberty County Central Appraisal District
 - Limestone County
 - Bistone Municipal Water Supply District
 - Limestone County Appraisal District
 - Lipscomb County
 - Live Oak County
 - Live Oak County Appraisal District
 - Llano County
 - Llano County Hospital Authority
 - Llano Memorial Hospital
 - Loving County
 - Loving County Appraisal District
 - Lubbock County
 - High Plains Underground Water Conservation District #1
 - Lubbock Central Appraisal District
 - Lubbock County Water Control & Improvement District #1
 - Lubbock Emergency Communication District
 - Lubbock Reese Redevelopment Authority
 - Lynn County
 - Lynn County Appraisal District
 - Lynn County Hospital District
- M**
- Madison County
 - Madison County Appraisal District
 - Marion County
 - Marion County Appraisal District
 - Martin County
 - Martin County Appraisal District
 - Mason County
 - Matagorda County
 - Matagorda County Drainage District
 - Matagorda County Hospital District
 - Matagorda County Navigation District #1
 - Port of Bay City Authority
 - Maverick County
 - Maverick County Water Control & Improvement District #1
 - McCulloch County
 - McCulloch County Appraisal District
 - McLennan County
 - McLennan County Appraisal District
 - McLennan County Water Control & Improvement District #2
 - McMullen County
 - Medina County
 - Medina County Appraisal District
 - Medina County 911 District
 - Menard County
 - Midland County
 - Midland Central Appraisal District
 - Midland Emergency Communication District
 - Milam County
 - Mills County
 - Mills County Appraisal District
 - Mitchell County
 - Mitchell County Appraisal District
 - Montague County
 - Montague County Tax Appraisal District
 - Montgomery County
 - Montgomery Central Appraisal District
 - Montgomery County Emergency Communication District
 - Montgomery County Emergency Service District #1
 - Montgomery County Emergency Service District #3

- Moore County
- Moore County Hospital District
- Morris County

N

- Nacogdoches County
- Navarro County
Navarro Central Appraisal District
- Newton County
Newton Central Appraisal District
Newton County Memorial Hospital
- Nolan County
- Nueces County
Nueces County Appraisal District
Nueces County Drainage District #2
Nueces County Water Control & Improvement District #3
Nueces County Water Control & Improvement District #4
Port of Corpus Christi Authority

O

- Ochiltree County
- Oldham County
Oldham County Appraisal District
- Orange County
Orange County Appraisal District
Orange County Drainage District
Orange County Emergency Services District #1
Orange County Navigation & Port District
Orange County Water Control & Improvement District #1

P

- Palo Pinto County
- Panola County
- Parker County
Parker County Appraisal District
- Parmer County
- Pecos County
Iraan General Hospital District
Pecos County Appraisal District
- Polk County
Livingston Hospital District
Polk Central Appraisal District
- Potter County
Potter County Appraisal District
Potter-Randall County Emergency Communication District
- Presidio County
Presidio Appraisal District

R

- Rains County
Rains County Appraisal District
- Randall County
Randall County Appraisal District
- Reagan County
Reagan Hospital District
- Real County
- Red River County
- Reeves County
Red Bluff Water Power Control District
Reeves County Hospital District
- Refugio County
Refugio County Drainage District #1
- Roberts County
Roberts County Appraisal District
- Robertson County
- Rockwall County
Rockwall Central Appraisal District
- Runnels County
- Rusk County
Cross Roads Special Utility District

- Rusk County Appraisal District
- Texas Eastern 911 Network

S

- Sabine County
- San Augustine County
- San Jacinto County
San Jacinto County Central Appraisal District
- San Patricio County
San Patricio County Appraisal District
San Patricio County Drainage District
San Patricio Municipal Water District
- San Saba County
- Schleicher County
- Scurry County
- Shackelford County
Shackelford County Appraisal District
- Shelby County
Shelby County Appraisal District
Shelby County General Hospital
- Sherman County
Sherman County Appraisal District
Stratford Hospital District
- Smith County
Smith County 911 Communications District
Smith County Appraisal District
Smith County Public Health District
- Somervell County
Somervell County Central Appraisal District
Somervell County Water District
- Starr County
Starr County Appraisal District
- Stephens County
- Sterling County
- Stonewall County
Stonewall Memorial Hospital District
- Sutton County
Sutton County Hospital District
- Swisher County
Swisher County Appraisal District
Swisher Memorial Hospital District

T

- Tarrant County
Benbrook Water & Sewer Authority
Tarrant Appraisal District
Tarrant County 911 Emergency Assistance District
- Taylor County
Central Appraisal District of Taylor County
West Central Texas Municipal Water District
West Central Texas Council of Governments
- Terrell County
- Terry County
Terry Memorial Hospital District
- Throckmorton County
- Titus County
Titus County Fresh Water Supply District
- Tom Green County
- Travis County
Central Texas Regional Mobility Authority
Lakeway Municipal Utility District
Texas Association of Counties
Texas County & District Retirement System
Travis Central Appraisal District
Travis County Emergency Services District #1
Travis County Water Control & Improvement District—Point Venture
Travis County Water Control & Improvement District #18
- Trinity County
- Tyler County
Tyler County Appraisal District

U

- Upshur County
- Upton County
McCamey County Hospital District
Upton County Appraisal District
Rankin County Hospital District
- Uvalde County
Nueces River Authority

V

- Val Verde County
- Van Zandt County
Van Zandt County Appraisal District
- Victoria County
Victoria County Drainage District #3
Victoria County Water Control & Improvement District #1

W

- Walker County
- Waller County
Brookshire-Katy Drainage District
Brookshire Municipal Water District
- Ward County
Ward County Central Appraisal District
Ward Memorial Hospital
- Washington County
- Webb County
South Texas Development Council
Webb County Appraisal District
- Wharton County
Coastal Bend Groundwater Conservation District
Wharton County Water Control & Improvement District #1
- Wheeler County
Wheeler County Appraisal District
- Wichita County
Red River Authority
Wichita County Water Improvement District #2
Wichita-Wilbarger 911 District
- Wilbarger County
Wilbarger County Appraisal District
Wilbarger County Hospital District
- Willacy County
Willacy County Appraisal District
Willacy County Housing Authority
- Williamson County
Brushy Creek Municipal Utility District
Williamson County Appraisal District
- Wilson County
Wilson County Appraisal District
- Winkler County
Winkler County Appraisal District
- Wise County
Wise County Appraisal District
- Wood County
Wood County Appraisal District

Y

- Yoakum County
- Young County

Z

- Zapata County
Zapata County Appraisal District
- Zavala County
Zavala County Appraisal District

READER'S NOTES

FAMOUS BRANDS, PRE-STATEHOOD

It is said that as the Spanish explorers crossed Texas they left a stallion, a mare, a bull and a cow at every river crossing so they would have transportation and food on their return trip. The conquistadors probably didn't have that many animals with them as they traveled looking for riches, but they did leave behind the makings of large wild herds of horses and cattle. Especially in the early days before barbed wire fencing, it was important to identify your property.

†

Stephen F. Austin's brand is called the "old Spanish brand" because of its resemblance to Spanish brands.

It was first registered in 1838 in Brazoria County, about four years after he began using it. Austin had a herd of around 150 head that he ran at Peach Point Plantation, which belonged to his sister, Emily Austin Perry. The brand is still used by the Perry family.

Ɔ

San Francisco de la Espada Mission was one of five missions established along the San Antonio River to minister to the local Indians.

Construction of the mission began in 1731. The aqueduct completed in 1745 has the distinction of being the oldest continuously operated irrigation system in the United States. The mission residents were main-

ly farmers, but they maintained a large ranch near Floresville. Early ranching activity in Texas was centered at the missions in the San Antonio River valley from San Antonio de Béxar to La Bahía (Goliad). The San Antonio missions of Espada, Concepcion, San Jose and San Juan were added to the National Park Service as national historic sites in 1978.

Ɔ

Jose Antonio Navarro was one of three native Texans (his uncle, Jose Francisco Ruiz, and Lorenzo de Zavala were the others) among the 59 signers of the Texas Declaration of Independence in March 1836. Born in San Antonio in 1795, he was the sole Hispanic delegate to the convention called to consider annexation to the United States and served in the first state senate. By 1841, he had amassed a sizeable ranch south of San Antonio

totaling more than 20,000 acres. Family tradition says the circle at the top of the brand represents the ring in the prison floor to which Ruiz was chained for three-and-a-half years by Santa Anna for joining the Texan cause. His home in San Antonio is now a state historical site.

Ɔ

Jose Francisco Ruiz started his professional career in San Antonio as a school teacher in 1803, but began a long military career when

he joined the local militia at the age of 26. Friendly with the indigenous tribes of Texas, he spent much of his life trying to negotiate peace between the settlers and the Native Americans. After retiring from the Mexican army, Ruiz signed the Texas Declaration of Independence and represented San Antonio as its senator in the First Congress of the Republic of Texas. His son, Francisco Antonio Ruiz, was the alcalde (mayor) of San Antonio at the time of the Battle of the Alamo and was given the grim duty of identifying the dead. The Ruiz family had large ranch holdings west and southwest of San Antonio.

FINANCIAL SECTION





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Independent Auditors' Report

The Board of Trustees
Texas County and District Retirement System:

We have audited the accompanying financial statements of the Texas County and District Retirement System's ("System") Pension Trust and Supplemental Death Benefits Funds as of and for the years ended December 31, 2004 and 2003, which collectively comprise the System's basic financial statements as listed in the table of contents under "Basic Financial Statements". These financial statements are the responsibility of the System's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing and opinion on the effectiveness of the System's internal control over financial reporting. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the System's Pension Trust and Supplemental Death Benefits Funds as of December 31, 2004 and 2003, and the respective changes in financial position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 19 through 23 and the Schedules of Funding Progress, Employer Contributions and Actuarial Methods and Assumptions on pages 36 and 37 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the System's basic financial statements. The Other Supplementary Information included on pages 38 – 73 and the Investment, Actuarial and Statistical Sections on pages 77 – 191 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Other Supplementary Information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The schedules and information contained in the Investment Section, Actuarial Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

KPMG LLP

April 8, 2005

KPMG LLP, a U.S. limited liability partnership, is the U.S. member firm of KPMG International, a Swiss cooperative.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction

The purpose of this discussion and analysis is to provide the reader an introduction, overview and analysis of the financial reports of the Texas County & District Retirement System (TCDRS or system) for the years ending Dec. 31, 2004 and 2003. The information presented here should be considered in conjunction with information provided in other areas of the Financial Section, as well as information presented in the letter of transmittal in the Introductory Section. The Financial Section includes the financial statements and the notes to the financial statements (basic financial statements), required supplementary information, and other supplementary information.

Overview of the Financial Statements

TCDRS operates two trusts, both of which are accounted for as fiduciary funds. One, referred to as the Pension Trust Fund, accounts for and provides retirement, disability and death benefits to the employees of participating employers — our primary reason for existence. The second trust, titled the Supplemental Death Benefits Fund (SDBF), provides an optional program of group-term life insurance for the employees and retirees of electing employers. No assets of the Pension Trust Fund may be used to pay any insurance benefit due from the SDBF nor may assets of the SDBF be used to pay any benefit due from the Pension Trust Fund. Discussion and analysis is provided separately for each of the two trusts.

Pension Trust Fund

TCDRS is a statewide, agent multiple-employer, public-employee retirement system consisting of 559 nontraditional defined-benefit pension plans at year end 2004. Each participating employer chooses the rate of employee deposits and the level and type of employee benefits it desires from options available under the TCDRS Act. Each employer is solely responsible for funding the benefits it selects.

The assets of the individual employer retirement plans are accounted for separately, but are pooled for investment purposes. Each plan's assets may be used only for the payment of benefits to the members of that plan. Adequacy of funding is determined annually by an actuarial valuation for each participating employer plan. The TCDRS Act requires that each employer maintain an adequate

level of actuarial funding to meet its obligations and has in place corrective actions for plans that become inadequately funded.

Each plan is responsible for its own funding. While the system overall will have an aggregate amount of investments and other assets — and a certain percentage of actuarial funding — this data is not representative of the funding status of the individual plans. To understand the financial health of an individual plan the reader should first review the actuarial value of assets and liabilities of the individual plan as a separate unit, which is provided in the Actuarial Section. In addition, it may be helpful to consider the current balances for employee members (see the schedule of Changes in Employees Saving Fund, shown by employer, starting on page 45) and for individual employers (see the schedule of Changes in Subdivision Accumulation Fund, starting on page 59). Viewed collectively, this information is an indication of the employer's funding position relative to current and future benefit payment obligations to its members and retirees.

TCDRS reports investments at fair value as required by the Governmental Accounting Standards Board Statement No. 25 (GASB 25). Fair value reporting requires that changes in the fair value of investments be included as income or loss in net investment income. The basic financial statements contained in the Financial Section of this CAFR, as well as other information considered necessary to a complete understanding of the financial statements, are described below.

The Pension Trust Fund is comprised of six individual funds, each with a specific operational purpose. Note E in the Notes to the Financial Statements has additional information about each of these funds.

- The Statements of Plan Net Assets report the assets, liabilities and the resulting net assets for which assets minus liabilities equal the net assets available for pension benefits at the end of a fiscal year. They can be viewed as snapshots of the financial position of the trust, in the aggregate, at specific points in time.
- The Statements of Changes in Plan Net Assets report the transactions that occurred during a year for which additions less deductions equal the net increase in plan net assets. They can be thought of as videos of the action that occurred over the

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS

SUMMARY INFORMATION ABOUT PLAN NET ASSETS

Pension Trust Fund

(\$ Millions)

| | Dec. 31, | | | 2004-2003 | | 2003-2002 | |
|--|-----------------|-----------------|-----------------|----------------|--------------|----------------|---------------|
| | 2004 | 2003 | 2002 | \$ Change | % Change | \$ Change | % Change |
| Assets | | | | | | | |
| Investments, at Fair Value | \$ 12,302 | \$ 10,753 | \$ 8,792 | \$ 1,549 | 14.4% | \$ 1,961 | 22.3% |
| Invested Securities-Lending Collateral | 2,067 | 1,875 | 2,831 | 192 | 10.2 | (956) | (33.8) |
| Receivables, Cash and Cash Equivalents, Other | 136 | 122 | 112 | 14 | 11.5 | 10 | 8.9 |
| Capital Assets, net | 10 | 11 | 11 | (1) | (9.1) | 0 | 0.0 |
| Total Assets | 14,515 | 12,761 | 11,746 | 1,754 | 13.7 | 1,015 | 8.6 |
| Liabilities | | | | | | | |
| Securities-Lending Collateral | 2,067 | 1,875 | 2,831 | 192 | 10.2 | (956) | (33.8) |
| Other Liabilities | 17 | 14 | 13 | 3 | 21.4 | 1 | 7.7 |
| Total Liabilities | 2,084 | 1,889 | 2,844 | 195 | 10.3 | (955) | (33.6) |
| Net Assets Held in Trust for Pension Benefits | \$12,431 | \$10,872 | \$ 8,902 | \$1,559 | 14.3% | \$1,970 | 22.1% |

Due to rounding, totals and detail may not equal. Percentages shown are based on rounded amounts and may differ slightly from actual.

fiscal year and are the basis for the changes to the prior years' net assets value on the statements.

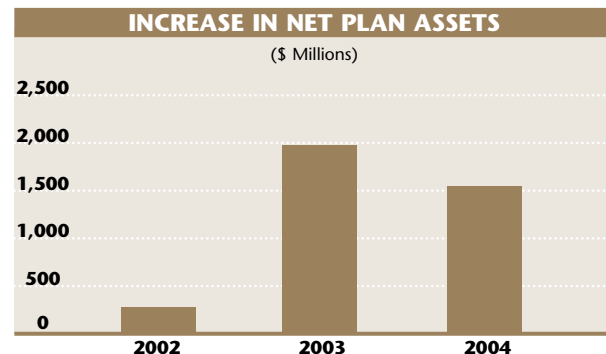
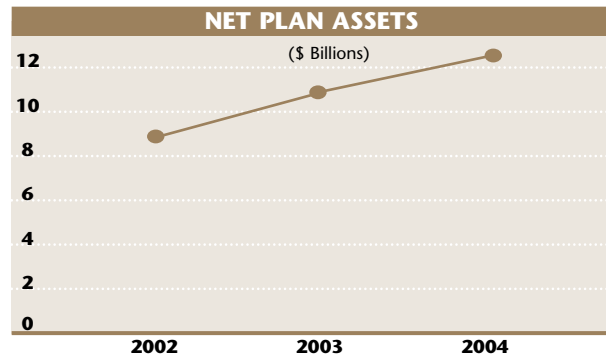
Notes to the Financial Statements are an integral part of the financial statements and include additional information not readily evident in the statements themselves. The notes are considered essential to a full understanding of the information provided in the financial statements and, together with the statements, comprise the basic financial statements of TCDRS.

Required Supplementary Information, located following the Notes to the Financial Statements, provides added historical and detailed information to assist the reader in evaluating the condition of the plans administered by TCDRS.

Also included is Other Supplementary Information, which provides specific detailed information to support summary data that is presented in the basic financial statements, including transactions by employer for the Employees Saving Fund and Subdivision Accumulation Fund.

Financial Analysis: Pension Trust Fund

Net assets held in trust for pension benefits at year end 2004 totaled \$12.4 billion. Amounts for 2003 and 2002 were \$10.9 billion and \$8.9 billion, respectively. Increases in plan net assets for the last three years were \$1.6 billion in 2004, \$2.0 billion in 2003, and \$291 million in 2002.



The overall financial condition of the system reflected an increase in plan net assets during 2004 primarily due to net investment income during the year of \$1.4 billion — a 12.8% overall return. Net investment income for 2004 is comprised of appreciation in fair value of investments of \$1.1 billion, \$338 million in interest and dividends, and net

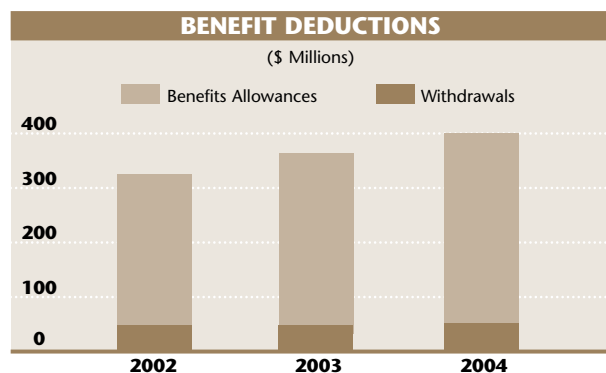
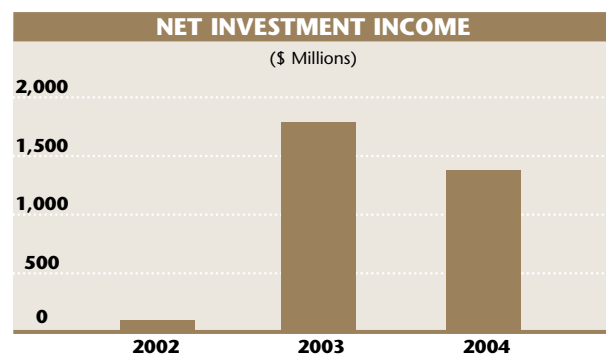
SUMMARY INFORMATION ABOUT CHANGES IN PLAN NET ASSETS

Pension Trust Fund

(\$ Millions)

| | Year ending Dec. 31, | | | 2004-2003 | | 2003-2002 | |
|--|----------------------|-----------------|-----------------|----------------|---------------|----------------|--------------|
| | 2004 | 2003 | 2002 | \$ | % | \$ | % |
| | 2004 | 2003 | 2002 | Change | Change | Change | Change |
| Additions | | | | | | | |
| Employee Deposits | \$ 250 | \$ 236 | \$ 224 | \$ 14 | 5.9% | \$ 12 | 5.4% |
| Employer Contributions | 338 | 315 | 291 | 23 | 7.3 | 24 | 8.2 |
| Net Investment Income | 1,384 | 1,793 | 111 | (409) | (22.8) | 1,682 | 1,515.3 |
| Other Income | 2 | 2 | 2 | 0 | 0.0 | 0 | 0.0 |
| Total Additions | 1,974 | 2,346 | 628 | (372) | (15.9) | 1,718 | 273.6 |
| Deductions | | | | | | | |
| Benefit Allowances | 343 | 309 | 274 | 34 | 11.0 | 35 | 12.8 |
| Withdrawals | 59 | 57 | 55 | 2 | 3.5 | 2 | 3.6 |
| Administrative Expenses | 11 | 8 | 7 | 3 | 37.5 | 1 | 14.3 |
| Other Expenses | 2 | 2 | 1 | 0 | 0.0 | 1 | 100.0 |
| Total Deductions | 415 | 376 | 337 | 39 | 10.4 | 39 | 11.6 |
| Net Increase in Plan Net Assets | 1,559 | 1,970 | 291 | (411) | (20.9) | 1,679 | 577.0 |
| Net Assets Held in Trust for Pension Benefits | \$12,431 | \$10,872 | \$ 8,902 | \$1,559 | 14.3% | \$1,970 | 22.1% |

Due to rounding, totals and detail may not equal. Percentages shown are based on rounded amounts and may differ slightly from actual.



income from securities lending transactions of \$5 million, reduced by investment activity expenses of \$13 million. Net investment income for 2003 and 2002 was \$1.8 billion and \$111 million, respectively.

Also contributing to the increase in net plan assets in 2004 were employee deposits and employer contributions, which were \$250 million and \$338 million, respectively. This represents increases of \$14 million and \$23 million over 2003 amounts. In 2003, employee deposits increased by \$12 million and employer contributions increased by \$24 million over 2002 amounts. Together, employee deposits and employer contributions increased during 2004 by 6.7% and in 2003 by 6.9% over the previous year's amounts.

Deductions for benefit allowances and withdrawals for 2004 were \$402 million, a 9.8% increase over the previous year. These deductions for 2003 were \$366 million, an 11.6% increase over 2002. Higher deductions for 2004 and 2003 were primarily due to increases in benefit allowances, which rose 11.0% and 12.8%, respectively.

Other Currently Known Information: Pension Trust Fund

TCDRS' investment return for 2004 was 12.8%, which is above the 8% long-term investment return target. Investment return for 2004 was sufficient to allow the TCDRS Board of Trustees to fund the statutory 7% allocation to employee accounts and annuity reserves and also allocate 9%

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS

to the employers' accounts in the Subdivision Accumulation Fund (SAF).

Net investment return for 2003 and 2002 was 20.2% and 1.6%, respectively. For 2003 and 2002, the statutorily required 7% income allocation was made to employee accounts and the reserve account for payment of retirement annuities. However, in 2002, investment earnings were below the amount needed to pay the required amounts and also provide the actuarially expected allocation of 9% to the employers' accounts in the SAF. Accordingly, the employers' accounts were allocated a negative 11% distribution in 2002. The ultimate impact of allocations to employers that vary from the actuarially assumed allocation rate of 9% is on future contribution rates employers will pay to fund benefits. In 2003, there was a 38% earnings allocation to employers' accounts which provided the assumed actuarial allocation of 9% in 2003 and additional funding to offset the effect of the lower than 9% allocation in 2002.

Investment return in 2004 was primarily due to the continued strength of the domestic and international equity markets and REIT markets.

The TCDRS Board of Trustees in 1996 adopted a diversified investment allocation strategy to be implemented over a multi-year period. Prior to this time, TCDRS investments were passively managed, domestic fixed-income investments. The TCDRS Act provides that all fair value changes to passively managed, domestic fixed-income investments are not available for allocation and are to be maintained in a nondistributable income account. This treatment was to lessen the probable volatility of investment earnings on benefit funding that may have resulted from having a high percentage of fixed-income investments relative to other asset classes in the early years of the investment diversification process. During 2003 and in conjunction with reaching investment asset allocation targets, the board changed from a passive to an active strategy in the management of all fixed-income investments. This change resulted in a reallocation to the General Reserves account in the Endowment Fund of \$715 million held in a nondistributable income account at Dec. 31, 2002.

Supplemental Death Benefits Fund

The second TCDRS trust is the Supplemental Death Benefits Fund (SDBF) that provides a pro-

gram of group-term life insurance for the employees and retirees of electing participating employers. An actuarial valuation is performed annually to determine employers' premium rates and to maintain adequate funding over the long term. Based on actuarial analysis, the amount of plan net assets is expected to be sufficient to cover any adverse experience.

- The Statements of Plan Net Assets report the assets, liabilities and the resulting net assets for which assets minus liabilities equal the net assets available for benefits at the end of a fiscal year.
- The Statements of Changes in Plan Net Assets report the transactions that occurred during a year for which additions less deductions equal the net increase (decrease) in plan net assets.

Notes to the Financial Statements are an integral part of the financial statements and include additional information not readily evident in the statements themselves. The notes are considered essential to a full understanding of the information provided in the financial statements and, together with the statements, comprise the basic financial statements of TCDRS. Note N provides additional specific information about the SDBF program.

Financial Analysis: Supplemental Death Benefits Fund (presented in \$ thousands except where noted)

Total assets of the SDBF at year end 2004 were \$5.4 million, an increase of 21.7% over the 2003 amount, which is due primarily to 2004 operations that provided an increase of \$815 of funds available for investment. The net assets available for insurance benefits at year end 2004 were \$5.0 million, which increased \$959 from 2003, while net assets at Dec. 31, 2003 increased \$817 from 2002. Premiums increased by \$287 in 2004 and by \$415 in 2003 over previous year amounts. Premiums received were higher for both years due to increases in the amounts of covered payroll, which are the basis for premiums due. In addition, premiums were increased beginning in 2002 due to a change in the retiree benefit to \$5 from \$2.5. Insurance benefits paid out compared to previous year's amounts increased in 2004 by \$202 and decreased in 2003 by \$768.

MANAGEMENT'S DISCUSSION AND ANALYSIS

SUMMARY INFORMATION ABOUT PLAN NET ASSETS

Supplemental Death Benefits Fund

| | 2004 | Dec. 31, 2003 | 2002 | 2004–2003 | | 2003–2002 | |
|--|--------------|------------------|--------------|--------------|-------------|--------------|-------------|
| | | | | \$ Change | % Change | \$ Change | % Change |
| Total Assets | \$ 5,412,650 | \$ 4,449,095 | \$ 3,921,257 | \$ 963,555 | 21.7% | \$ 527,838 | 13.5% |
| Total Liabilities | 383,151 | 378,899 | 668,175 | 4,252 | 1.1 | (289,276) | (43.3) |
| Net Assets Held in Trust for Benefits | \$ 5,029,499 | \$ 4,070,196 | \$ 3,253,082 | \$ 959,303 | 23.6% | \$ 817,114 | 25.1% |

SUMMARY INFORMATION ABOUT CHANGES IN PLAN NET ASSETS

Supplemental Death Benefits Fund

| | 2004 | Dec. 31, 2003 | 2002 | 2004–2003 | | 2003–2002 | |
|---|---------------------|---------------------|---------------------|-------------------|--------------|-------------------|---------------|
| | | | | \$ Change | % Change | \$ Change | % Change |
| Additions | | | | | | | |
| Employer Premiums | \$ 4,405,520 | \$ 4,118,605 | \$ 3,703,200 | \$ 286,915 | 7.0% | \$ 415,405 | 11.2% |
| Income Allocation from Pension Trust Fund | 307,668 | 250,456 | 233,155 | 57,212 | 22.8 | 17,301 | 7.4 |
| Total Additions | 4,713,188 | 4,369,061 | 3,936,355 | 344,127 | 7.9 | 432,706 | 11.0 |
| Deductions | | | | | | | |
| Insurance Benefits | 3,753,885 | 3,551,947 | 4,319,960 | 201,938 | 5.7 | (768,013) | (17.8) |
| Total Deductions | 3,753,885 | 3,551,947 | 4,319,960 | 201,938 | 5.7 | (768,013) | (17.8) |
| Net Increase (Decrease) in Plan Net Assets | 959,303 | 817,114 | (383,605) | 142,189 | 17.4 | 1,200,719 | NM |
| Net Assets Held in Trust for Benefits | \$ 5,029,499 | \$ 4,070,196 | \$ 3,253,082 | \$ 959,303 | 23.6% | \$ 817,114 | 25.1% |

NM — percentage is not meaningful.

FINANCIAL STATEMENTS

STATEMENTS OF PLAN NET ASSETS

As of Dec. 31,

| | 2004 | | | 2003 | | |
|---|--------------------------|----------------------------------|--------------------------|--------------------------|----------------------------------|--------------------------|
| | Pension Trust Fund | Supplemental Death Benefits Fund | Total | Pension Trust Fund | Supplemental Death Benefits Fund | Total |
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 7,181,142 | \$ — | \$ 7,181,142 | \$ 8,576,695 | \$ — | \$ 8,576,695 |
| Receivables: | | | | | | |
| Contributions | 55,476,259 | — | 55,476,259 | 44,261,999 | — | 44,261,999 |
| Investment Interest and Dividends | 69,496,837 | — | 69,496,837 | 68,234,197 | — | 68,234,197 |
| Securities-Lending Interest | 738,171 | — | 738,171 | 583,945 | — | 583,945 |
| Employer Premiums | — | 435,997 | 435,997 | — | 287,698 | 287,698 |
| Other | 2,098,758 | — | 2,098,758 | 860,546 | — | 860,546 |
| Total Receivables | 127,810,025 | 435,997 | 128,246,022 | 113,940,687 | 287,698 | 114,288,385 |
| Prepaid Expenses and Other Assets | 281,335 | — | 281,335 | 237,563 | — | 237,563 |
| Investments, at Fair Value: | | | | | | |
| Core Fixed Income | 3,960,419,430 | — | 3,960,419,430 | 3,677,765,620 | — | 3,677,765,620 |
| Domestic Equities | 4,420,106,944 | — | 4,420,106,944 | 3,920,949,791 | — | 3,920,949,791 |
| International Equities | 2,095,064,732 | — | 2,095,064,732 | 1,436,598,459 | — | 1,436,598,459 |
| High-Yield Bonds | 1,192,573,588 | — | 1,192,573,588 | 1,040,217,301 | — | 1,040,217,301 |
| REITs | 628,662,156 | — | 628,662,156 | 609,346,938 | — | 609,346,938 |
| Short-Term Investment Fund | 5,646,436 | — | 5,646,436 | 67,608,710 | — | 67,608,710 |
| Total Investments | 12,302,473,286 | — | 12,302,473,286 | 10,752,486,819 | — | 10,752,486,819 |
| Invested Securities-Lending Collateral | 2,066,686,016 | — | 2,066,686,016 | 1,874,602,485 | — | 1,874,602,485 |
| Funds Held by Pension Trust Fund | — | 4,976,653 | 4,976,653 | — | 4,161,397 | 4,161,397 |
| Capital Assets, net | 10,312,584 | — | 10,312,584 | 10,804,901 | — | 10,804,901 |
| Total Assets | 14,514,744,388 | 5,412,650 | 14,520,157,038 | 12,760,649,150 | 4,449,095 | 12,765,098,245 |
| LIABILITIES | | | | | | |
| Accounts Payable | 11,885,522 | — | 11,885,522 | 10,215,433 | — | 10,215,433 |
| Insurance Benefits Payable | — | 383,151 | 383,151 | — | 378,899 | 378,899 |
| Funds Held for Supplemental Death Benefits Fund | 4,976,653 | — | 4,976,653 | 4,161,397 | — | 4,161,397 |
| Securities-Lending Collateral | 2,066,686,016 | — | 2,066,686,016 | 1,874,602,485 | — | 1,874,602,485 |
| Total Liabilities | 2,083,548,191 | 383,151 | 2,083,931,342 | 1,888,979,315 | 378,899 | 1,889,358,214 |
| Net Assets Held in Trust for Benefits | \$ 12,431,196,197 | \$ 5,029,499 | \$ 12,436,225,696 | \$ 10,871,669,835 | \$ 4,070,196 | \$ 10,875,740,031 |

A schedule of funding progress for the Pension Trust Fund plans is presented on page 36.

See accompanying Notes to the Financial Statements.

FINANCIAL STATEMENTS

STATEMENTS OF CHANGES IN PLAN NET ASSETS

Years Ended Dec. 31,

| | 2004 | | | 2003 | | |
|--|--------------------------|--|--------------------------|--------------------------|--|--------------------------|
| | Pension Trust Fund | Supplemental Death Benefits Fund | Total | Pension Trust Fund | Supplemental Death Benefits Fund | Total |
| ADDITIONS | | | | | | |
| Contributions and Deposits | | | | | | |
| Employee Deposits | \$ 249,968,480 | \$ — | \$ 249,968,480 | \$ 235,662,740 | \$ — | \$ 235,662,740 |
| Employer Contributions | 338,116,653 | — | 338,116,653 | 315,637,689 | — | 315,637,689 |
| Employer Premiums | — | 4,405,520 | 4,405,520 | — | 4,118,605 | 4,118,605 |
| Total | 588,085,133 | 4,405,520 | 592,490,653 | 551,300,429 | 4,118,605 | 555,419,034 |
| Investment Income | | | | | | |
| <i>From Investment Activities</i> | | | | | | |
| Net Appreciation in Fair Value of Investments | 1,054,881,084 | — | 1,054,881,084 | 1,458,278,629 | — | 1,458,278,629 |
| Interest and Dividends | 337,505,449 | — | 337,505,449 | 336,444,829 | — | 336,444,829 |
| Total Investment Activity Income | 1,392,386,533 | — | 1,392,386,533 | 1,794,723,458 | — | 1,794,723,458 |
| Less Investment Activity Expenses | 13,316,905 | — | 13,316,905 | 8,877,463 | — | 8,877,463 |
| Net Income From Investment Activities | 1,379,069,628 | — | 1,379,069,628 | 1,785,845,995 | — | 1,785,845,995 |
| <i>From Securities-Lending Activities</i> | | | | | | |
| Securities-Lending Income | 31,816,796 | — | 31,816,796 | 42,293,872 | — | 42,293,872 |
| Less Securities-Lending Expenses: | | | | | | |
| Borrower Rebates and Management Fees | 26,465,576 | — | 26,465,576 | 34,974,608 | — | 34,974,608 |
| Net Income From Securities- Lending Activities | 5,351,220 | — | 5,351,220 | 7,319,264 | — | 7,319,264 |
| Total Net Investment Income | 1,384,420,848 | — | 1,384,420,848 | 1,793,165,259 | — | 1,793,165,259 |
| Building Operations and Miscellaneous Income | 1,760,962 | — | 1,760,962 | 1,827,396 | — | 1,827,396 |
| Income Allocation From Pension Trust Fund | — | 307,668 | 307,668 | — | 250,456 | 250,456 |
| Total Additions | 1,974,266,943 | 4,713,188 | 1,978,980,131 | 2,346,293,084 | 4,369,061 | 2,350,662,145 |
| DEDUCTIONS | | | | | | |
| Benefit Allowances | 343,058,703 | — | 343,058,703 | 309,355,897 | — | 309,355,897 |
| Withdrawals | 59,151,125 | — | 59,151,125 | 56,998,095 | — | 56,998,095 |
| Write-off of Uncollectible Unearned Annuities | — | — | — | 86,691 | — | 86,691 |
| Insurance Benefits | — | 3,753,885 | 3,753,885 | — | 3,551,947 | 3,551,947 |
| Interest Allocation to Supplemental Death Benefits Fund | 307,668 | — | 307,668 | 250,456 | — | 250,456 |
| Administrative and Building Operations Expenses | 12,223,085 | — | 12,223,085 | 9,831,601 | — | 9,831,601 |
| Total Deductions | 414,740,581 | 3,753,885 | 418,494,466 | 376,522,740 | 3,551,947 | 380,074,687 |
| Net Increase in Net Assets | 1,559,526,362 | 959,303 | 1,560,485,665 | 1,969,770,344 | 817,114 | 1,970,587,458 |
| Net Assets Held in Trust for Benefits: | | | | | | |
| Beginning of Year | 10,871,669,835 | 4,070,196 | 10,875,740,031 | 8,901,899,491 | 3,253,082 | 8,905,152,573 |
| End of Year | \$ 12,431,196,197 | \$ 5,029,499 | \$ 12,436,225,696 | \$ 10,871,669,835 | \$ 4,070,196 | \$ 10,875,740,031 |

See accompanying Notes to the Financial Statements.

FINANCIAL SECTION

NOTES TO THE FINANCIAL STATEMENTS

A: PLAN DESCRIPTION

The Board of Trustees of the Texas County & District Retirement System (TCDRS or system) is responsible for the administration of a statewide, agent multiple-employer, public-employee retirement system consisting of more than 500 nontraditional defined-benefit pension plans. The assets of the plans are commingled for investment purposes, but each plan's assets may be used only for the payment of benefits to the members of that plan. The plans in the system cover substantially all of the full-time employees of participating counties and districts. Membership in TCERS as of Dec. 31, 2004 and 2003 is summarized in Table 1.

TABLE 1: MEMBERSHIP

| | 2004 | 2003 |
|---------------------------------|----------------|----------------|
| Annuitants | 28,496 | 26,420 |
| Terminated Employees' Accounts: | | |
| Vested | 9,053 | 7,979 |
| Nonvested | 22,124 | 22,219 |
| Total | 31,177 | 30,198 |
| Current Employees' Accounts: | | |
| Vested | 44,095 | 39,352 |
| Nonvested | 60,450 | 63,660 |
| Total | 104,545 | 103,012 |
| Number of Plans: | | |
| Counties | 252 | 252 |
| Districts | 288 | 283 |
| Nonenrolling Plans | 4 | 4 |
| Nondepositing Plans | 15 | 14 |
| Total | 559 | 553 |

Plan provisions are adopted by the governing body of each county or district (employers), within the options available in the Texas state statutes governing TCERS (TCERS Act). Each plan provides retirement, death, disability and withdrawal benefits. There are no automatic postretirement benefit increases available in the TCERS Act; however, employers may adopt ad hoc postretirement benefit increases. As of Dec. 31, 2004, members in most counties and districts can retire as early as age 60 with at least 8 years of service; with 30 years of service regardless of age; or when the sum of their age and years of service equals 75 or more. A 20-years-of-service retirement option at any age is available to electing employers. Most members are vested after 8

years of service but their deposits must remain in TCERS to be eligible for retirement benefits. Generally, members who withdraw their deposits upon termination of employment forfeit contributions made by their employer. The service retirees of any employer electing the lump-sum payment option may choose to receive at retirement a lump-sum payment up to the amount of the employee's accumulated deposits with interest (personal account balance), with a corresponding reduction in his or her monthly retirement benefit.

Benefit amounts are determined by the sum of the employee's personal account balance and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCERS Act so that the expected benefits can be adequately financed by the employer's commitment to contribute. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's personal account balance and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCERS Act.

B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of TCERS are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. Investment purchases and sales are recorded as of their trade dates. Investments are reported at fair value. Revenues are recorded when earned and expenses are recorded when liabilities are incurred. Employee deposits and employer contributions are recognized for the period the employer reports compensation for their employees. Benefit allowances and withdrawals are recognized when due and payable in accordance with the plans' terms.

In accordance with the TCERS Act and in order to help ensure observance of limitations and restrictions on the use of resources available to TCERS, separate funds and accounts are maintained, which are focused on the required use of the resources.

The Pension Trust Fund is used to provide retirement, death, disability and withdrawal benefits and to pay the operating expenses of the system. The Supplemental Death Benefits Fund (SDBF) is used to operate a voluntary program of group-term life insurance benefits. Both funds are accounted for as

fiduciary funds. TCDRS has no component units and is not a component unit of any other entity.

New Accounting Pronouncements

In April 2004, the Governmental Accounting Standards Board (GASB) issued Statement No. 43: *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* (GASB 43) and in June 2004, the GASB issued Statement No. 45: *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (GASB 45). The voluntary supplemental death benefits program through which participating employers provide group-term life insurance to retired employees is considered another postemployment benefits plan. The purpose of these two pronouncements is to establish uniform financial reporting standards for other postemployment benefits including the accrual of OPEB expense/expenditures and related liabilities over the time of employment of members. GASB 43 applies to public employee retirement systems that administer OPEB plans, and GASB 45 applies to employers that offer OPEB to their employees. GASB 43 is effective for periods beginning after Dec. 15, 2005 for phase 1 government, which are those with total annual revenues of \$100 million or more. GASB 45 is effective for TCDRS for the period beginning after Dec. 15, 2006. The implementation of GASB 43 and GASB 45 is not anticipated to have a material effect on the system's plan net assets or changes in plan net assets.

Reclassifications

Certain amounts from the 2003 financial statements have been reclassified to conform to the 2004 presentation.

C: FUNDING POLICY

The deposit rate for all employees of an employer is 4%, 5%, 6% or 7% as adopted by its governing body. The employee deposit rate and the employer contribution rate may be changed by the employer's governing body within the options available in the TCDRS Act. Since Jan. 1, 1992, employers have had the option to adopt a variable-rate plan, for which the employer contribution rate is actuarially determined as a part of an annual actuarial valuation. The rate consists of a normal-cost contribution rate plus the rate required, as a level percent of payroll, to amortize the unfunded actuarial accrued liability over the plan's 20-year amortization period or to amortize the overfunded actuarial accrued lia-

bility over the plan's 30-year amortization period. An employer with a variable-rate plan may adopt a contribution rate that exceeds the actuarially determined rate. All employers with participation dates of Jan. 1, 1992, or later have a variable-rate plan.

If the employer began participation before Jan. 1, 1992, and has not adopted a variable-rate plan, the plan is a fixed-rate plan. Employee deposit rates are determined by the employer as 4%, 5%, 6% or 7%, with an equal employer contribution rate. This rate is not actuarially determined; however, the plan benefits adopted by the employer at the time of plan inception and when benefit increases are adopted are limited by the TCDRS Act to the level of benefits, determined by the actuary, which can be adequately financed by the employer's funding commitment. In addition, if a fixed-rate plan has adverse actuarial experience, the TCDRS Act has provisions that allow the employer to make contributions above the regular contributions at a fixed supplemental rate or to reduce benefits earned in the future, determined actuarially, so the plan will be adequately financed. If the employer takes no corrective action, the TCDRS Act requires that benefits earned in the future be reduced so the plan will be adequately financed.

Deposits by the employee members and contributions by the employers are made monthly based on the covered payroll of employee members. There is a one-year delay between the actuarial valuation that serves as the basis for the employer contribution rate and the calendar year when the rate goes into effect.

D: CONTRIBUTIONS AND DEPOSITS

Contributions and deposits shown in the financial statements were made in accordance with the provisions adopted by the governing body of each employer. The costs of administering TCDRS are paid from investment earnings of the commingled assets of all plans.

E: DESCRIPTION OF FUNDS AND ACCOUNTS

The TCDRS Act requires that all assets of the retirement system be credited to one of the following funds and accounts, according to the purpose for which they are held:

Employees Saving Fund

The Employees Saving Fund (ESF) contains an account for each member employee. Each account is

NOTES TO THE FINANCIAL STATEMENTS

increased as a member makes deposits and as interest is allocated. The total becomes the personal account balance. The account is reduced for payments due to withdrawal, death or ineligibility, and by transfer of a personal account balance to the Current Service Annuity Reserve Fund due to retirement. See the schedule of Changes in Employees Saving Fund beginning on page 45.

Subdivision Accumulation Fund

The Subdivision Accumulation Fund (SAF) contains an account for each participating employer to fund retirement benefits. An account is increased as an employer makes contributions and as interest is allocated. Whenever an employee retires, an amount equal to the employee's personal account balance is transferred to the Current Service Annuity Reserve Fund for the purpose of funding the employee's basic annuity. If the employer provides retirement benefits in excess of the basic annuity, then the account is also reduced monthly by the amount of the additional benefit payments. See the schedule of Changes in Subdivision Accumulation Fund starting on page 59.

Current Service Annuity Reserve Fund

The Current Service Annuity Reserve Fund (CSARF) maintains all funds reserved for basic annuities granted and in force, and is charged with all payments on such annuities.

Endowment Fund

The Endowment Fund contains accounts that hold the general reserves of the system, inactive accounts from the ESF, reserves to transfer to the Expense Fund for subsequent year operating expenses, and for annuities suspended in accordance with the TCDRS Act. Refer to the schedule of Changes in Endowment Fund on page 40.

Interest Fund

The Interest Fund accounts for investment income and expenses, plus annual allocations to other funds. All investment income is credited to the fund. The fund is reduced by investment expenses and by the statutory allocation of interest to the ESF, CSARF and SDBF. In addition, the TCDRS Board of Trustees makes an allocation to the SAF. If any excess exists after all allocations are made, the remainder is transferred to the Endowment Fund. If the SAF allocation cannot be funded entirely from net investment income, the board may authorize additional funds, if available, to be transferred from the Endowment Fund to the Interest

Fund. Refer to the Changes in Interest Fund schedule on page 41 for additional information.

Expense Fund

TCDRS pays administrative and investment operating expenses from this fund.

F: CAPITAL ASSETS

Capital assets are reported at historical cost and are depreciated on a straight-line basis over the estimated useful lives as follows:

| | |
|-------------------------------------|-------------|
| Building and Improvements | 20–40 years |
| Furniture and Components | 10 years |
| Tenant Improvements | 2–12 years |
| Office Equipment | .3–5 years |
| Computer Software | .3 years |

G: CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of funds on deposit with a financial institution in interest-bearing demand deposit accounts and funds invested on an overnight basis in the JPMorgan U.S. Government Money Market Fund, an open-end institutional money market fund. Cash held in demand deposit accounts and the money market fund are monies available for operational expenses and funds awaiting transfer to investment management.

Custodial credit risk is the risk that in the event of a bank failure, the system's deposits may not be returned to it. A discussion of custodial credit risk pertaining to cash and cash equivalents can be found in Note K on page 31.

H: INVESTMENT INTEREST, DIVIDENDS AND OTHER RECEIVABLES

At Dec. 31, 2004, investment interest and dividends receivable are \$69,496,837, which includes \$66,250,342 representing interest receivable and \$3,246,495 representing dividends receivable from the system's investments. Other receivables associated with investment activity include foreign currency fluctuations resulting from currency value differences between trade date and reporting date. These fluctuations resulted in a net reduction in total receivables of \$48,457. The system also has a receivable from securities-lending collateral of \$738,171.

At Dec. 31, 2003, investment interest and dividends receivable were \$68,234,197, which included \$64,913,776 representing interest receivable and

\$3,320,421 representing dividends receivable from the system's investments. The system also had interest receivable from invested securities-lending collateral of \$583,945.

I: INVESTMENTS

Investment decisions of the TCDRS Board of Trustees are subject to the "prudent person" standard of care, as outlined in Section 67, Article XVI of the Texas Constitution, and to the applicable statutory provisions of the Texas Trust Code that provide for a "prudent investor" standard of care. Investment authorization is restricted by the investment policy adopted by the board that emphasizes the importance of a long-term investment philosophy with minimization of risk while targeting a long-term investment return of 8%. With the long-term philosophy in mind, in late 1996 the TCDRS Board of Trustees determined that a diversified portfolio would offer the best opportunity to produce the desired 8% investment return. Accordingly, TCDRS investments now include core fixed-income securities, domestic equity securities, international equity securities, domestic high-yield, fixed-income securities (high-yield bonds) and real estate investment trust equity securities (REITs).

Core Fixed Income

The board has divided the core fixed-income securities into two portfolios, one managed by the investment officer that contains government and mortgage-related securities, the other managed externally that contains instruments with higher credit risk, primarily corporate bonds (credit portfolio). The target allocations for each type of investment within the core fixed-income asset class are 40% for governments and 30% each for mortgage-related and credit portfolio instruments.

- Government instruments include those issued by the U.S. Treasury as well as fixed-income instruments, other than mortgage-related securities, issued by a U.S. agency or government-sponsored entity (GSE).
- Mortgage-related instruments include collateralized mortgage obligations (CMOs) and real estate mortgage investment conduits (REMICs), whose payment of principal and interest is insured by the full faith and credit of the United States government, or an agency or government-sponsored entity (GSE). Also included in this category are GNMA project loans and pools.

- The credit portfolio consists of debt securities issued by domestic corporations or U.S. dollar-denominated debt issued by foreign sovereigns, supranationals or corporations. This investment-grade portfolio should exhibit a dollar weighted average quality rating of BBB-/Baa3 or better from Moody's Investors Service (Moody's), the Standard & Poor's Corporation (S&P), or Fitch Investor's Services (Fitch). Additionally, the portfolio may contain minimal investments in short-term instruments, non-rated securities, private placement securities, convertible bonds and preferred stock. Management of the credit portfolio is divided among BlackRock Financial Management, Inc. (BlackRock); Loomis, Sayles & Company, L.P. (Loomis); and Prudential Investment Management, Inc. (Prudential).

High-Yield Bonds

The high-yield bond asset class encompasses the portion of the U.S. corporate bond market that is rated below BBB- by S&P or below Baa3 by Moody's. Accordingly, credit risks associated with these bonds are greater than with core fixed-income bonds, which partially explains why this class has historically traded at yields of 3.5% to 4.5% above comparable U.S. Treasury instruments. Management of the system's high-yield bonds at Dec. 31, 2004 was divided among three investment managers: W. R. Huff Asset Management Co., LLC (Huff); Oaktree Capital Management, LLC (Oaktree); and Shenkman Capital Management, Inc. (Shenkman). During the first quarter of 2005, Huff was terminated and replaced by Post Advisory Group.

Equity Holdings

The system's domestic equities and a portion of its international equities are passively managed by State Street Global Advisors (SSgA) in a commingled Dow Jones Wilshire 5000 Index fund and in a commingled Morgan Stanley Capital International Europe, Australasia and Far East Index (MSCI EAFE) fund. Capital Guardian Trust Company (Cap Guardian) maintained a separate account of actively managed equity securities in developed international markets until their services were terminated in the first quarter of 2005. At that time the assets were rolled into the SSgA EAFE fund. Acadian Asset Management, Inc. (Acadian) actively manages a commingled Emerging Markets Equity Fund. Acadian was retained during the third quarter of 2004.

NOTES TO THE FINANCIAL STATEMENTS

REITs

Management of the system's REITs is divided between two investment managers: Cohen & Steers Capital Management, Inc. (Cohen & Steers), and Wellington Management Company, LLP (Wellington).

Short-Term Investments

The TCDRS Board of Trustees, in the exercise of its discretion to manage the assets of TCDRS, may select one or more commercial banks, depository trust companies or other entities to serve as custodian or custodians of the system's cash, cash equivalents and short-term investments, and may authorize the custodian to invest the cash so held in such short-term securities as the board determines. TCDRS has authorized its custodian to invest, on an overnight basis, any cash so held in the custodian's Short Term Investment Fund (STIF). The investment objective of the STIF is to provide safety of principal, daily liquidity and competitive returns. The STIF owns high-quality debt instruments (which include commercial paper, repurchase agreements, floating-rate notes, etc.) with average maturities ranging from 15–90 days. No fixed-rate instrument has a maturity in excess of 13 months and, as a liquidity buffer, a minimum of 10% of all STIF holdings mature overnight.

The investment officer manages cash generated from the internally managed core fixed-income portfolio together with new contributions until they are allocated to a portfolio. These funds are invested, on an overnight basis, in the custodian's STIF.

Valuation

As required by GASB Statement No. 25, investments are reported at fair value, which is the amount that financial instruments could be exchanged in a current transaction between willing parties. All fair values are determined by external consultants. The domestic equity, international equity and REIT portfolios, as well as the STIF, are valued based on the underlying assets in the funds. Equity securities and high-yield bonds are valued based on the last reported sales price. Core fixed-income bonds are valued either by comparing them to prices of similar investments or by computing the net present value of their future cash flows discounted at a rate commensurate with the risk involved. Security transactions and any resulting gains or losses are accounted for by the specific identification method on a trade-date basis.

J: SECURITIES LENDING

State statutes and the board's policies permit TCDRS to use its investments to enter into securities-lending transactions — which are loans of securities to broker-dealers and other entities in exchange for collateral with a simultaneous agreement to return the collateral for the same securities in the future. TCDRS engages Metropolitan West Securities, Inc., a third-party securities-lending agent, to lend the system's core fixed-income bonds for cash collateral of 102% of the market value of the securities loaned. At the end of years 2004 and 2003, TCDRS had no credit risk exposure to borrowers because the amounts the system owed to borrowers exceeded the amounts the borrowers owed to TCDRS. Contracts with the lending agent require the agent to indemnify TCDRS if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities on loan) or fail to pay TCDRS for income distributions by the security issuers while the securities are on loan. Cash collateral is invested in securities in accordance with the system's securities-lending contract. Table 2, on page 31, lists the categories of cash collateral investments at Dec. 31, 2004 and 2003. Generally, cash collateral investments are made in instruments whose maturity dates or periodic interest rate reset dates coincide with the maturity date of the particular securities loan providing the cash. This matching of investment and loan maturity/reset dates allows the agent to maintain the spread between the loan rate and the cash collateral investment rate over the term of the loan and eliminates any material interest rate exposure to TCDRS over the term of the loan. A portion of cash collateral investments is made from overnight loans in instruments whose interest rates reset daily, which also eliminates any material interest rate exposure to TCDRS. At Dec. 31, 2004 and 2003, the amounts of such overnight loans were \$632,826,186 and \$583,288,026, respectively, with dollar-weighted average days to maturity of 149 and 223, respectively.

Securities may also be accepted as collateral for loans. TCDRS does not have the ability to pledge or sell collateral securities unless the borrower defaults. Collateral, either cash or securities, is initially pledged at 102% of the market value of the securities on loan, and additional collateral is required to be provided by the next business day if its value falls to less than 100% of the market value of the securities on loan.

TABLE 2: INVESTED SECURITIES-LENDING COLLATERAL

As of Dec. 31,

| Investment Type | 2004 | 2003 |
|---|-------------------------|-------------------------|
| Cash and Cash Equivalents | \$ 1,543,962 | \$ 5,298,433 |
| Asset-Backed Securities | 869,245,491 | 886,398,211 |
| Commercial Paper | 110,063,441 | 72,347,222 |
| Repurchase Agreements | 483,689,204 | 149,515,052 |
| Certificates of Deposit | 110,246,532 | 99,959,040 |
| Domestic Corporate Fixed-Income Securities | 491,897,386 | 661,084,527 |
| Total Invested Securities-Lending Collateral | \$ 2,066,686,016 | \$ 1,874,602,485 |

Additionally, State Street Global Advisors manages domestic and international equity portfolios of TCDRS in commingled funds that participate in securities-lending programs managed by State Street. TCDRS receives a proportionate share of the securities-lending income generated from these activities.

K: DEPOSIT AND INVESTMENT RISK

Identification of credit risk, custodial credit risk, concentration credit risk, interest rate risk and foreign currency risk is mandated by GASB No. 40.

Credit Risk

Within the core fixed-income portfolio, the government and the mortgage-related portions of the portfolio exhibit the highest credit ratings, both at Dec. 31, 2004 and Dec. 31, 2003. At Dec. 31, 2004, according to Moody's Investors Service evaluations, the corporate (credit) portion of the core fixed-income portfolio exhibited an overall quality rating of A2. Based upon the market value of the portfolio, 9% are categorized as governments, 7% as Aaa, 13% as Aa, 25% as A, 45% as Baa and 1% as Ba. At Dec. 31, 2003, according to Moody's Investors Service evaluations, this portfolio exhibited an overall quality rating of A. Based upon the market value of the portfolio, 13% were categorized as governments, 6% as Aaa, 13% as Aa, 27% as A, 39% as Baa and 2% as Ba.

At Dec. 31, 2004, according to Moody's Investors Service evaluations, the high-yield portfolio exhibited an overall quality rating of B1. Based upon the market value of the portfolio, 4% are categorized as Aaa, 2% as Baa, 30% as Ba, 58% as B and 4% rated less than B. At Dec. 31, 2003, according to Moody's Investors Service evaluations, this portfolio exhibited an overall quality rating of B. Based upon the mar-

ket value of the portfolio, 6% are categorized as Aaa, 4% as Baa, 27% as Ba, 56% as B, 6% rated less than B and 1% not rated.

At Dec. 31, 2004, according to Moody's Investors Service evaluations, the STIF exhibited an overall quality rating of Aaa. Based upon the market value of the fund, 67% of instruments are rated P-1 and 31% of the instruments are rated between Aaa and A (average rating of Aa). At Dec. 31, 2003, according to Moody's Investors Service evaluations, the STIF exhibited an overall quality rating of Aaa. Based upon the market value of the fund, 80% of instruments were rated P-1 and 20% of the instruments were rated between Aaa and A (average rating of Aa).

Custodial Credit Risk

TCDRS requires that demand deposit accounts be fully collateralized. Funds received by its master custodian are invested on an overnight basis or, if the funds are received late during a business day, they are maintained in a fully collateralized cash trust account.

TCDRS investments, evidenced by securities in physical or book entry form and not on loan, are registered and held in safekeeping for TCDRS by its custodian bank.

Concentration Credit Risk

At Dec. 31, 2004 and 2003, TCDRS did not have investments in any one organization, other than securities issued by the U.S. government, which represented greater than 5% of net investments.

Interest Rate Risk

Effective 2004, the board adopted the Citigroup Large Pension Fund Index (Citigroup LPF) as the benchmark for performance measurement of the core fixed-income asset class. Government bonds

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comprise approximately 40% of this index with the remainder being divided nearly equally between credit portfolio and mortgage-related instruments. The investment policy does not explicitly outline an acceptable level of interest rate risk for the core fixed-income portfolio, but the board's adoption of the Citigroup LPF is an implicit adoption of the market risk inherent in this index. At Dec. 31, 2004, the Citigroup LPF Index had an effective duration of 7.22 years for all bonds, 9.21 years for governments, 2.90 years for mortgage-related securities and 8.90 years for corporate instruments. At Dec. 31, 2003, the Citigroup LPF Index had an effective duration of 7.36 years for all bonds, 9.42 years for governments, 3.42 years for mortgage-related securities and 8.61 years for corporate instruments. For periods prior to 2004, the benchmark for performance of the core fixed-income portfolio is the Lehman Brothers Aggregate Index (Lehman Aggregate). The duration of the Lehman Aggregate was 4.50 years at Dec. 31, 2003.

Table 3 indicates the level of interest rate risk inherent in the core fixed-income portfolio by reporting the effective duration of that portfolio. The values of portfolios of longer duration are more affected by interest rate changes than are those of shorter duration. Whenever yields within the bond market change, the market value of bonds held in existing portfolios are affected. Increases in bond market yields result in market value losses; decreases result in market value gains. Multiplying the change in market yield by the duration of the portfolio can approximate the size of the gain or loss in market value. For example, if one owned a portfolio of core fixed-income securities that had a duration of 6.5 years and if the yields within the bond market were to immediately fall 1%, the market

value gain of the portfolio would approximate 6.5%. This change in market value indicates the level of interest rate risk inherent in the portfolio.

In general, mortgage-related securities entitle their holders, as a group, to receive principal and interest payments from the monthly mortgage payments made by borrowers of the underlying mortgages over the lives of those loans. The life of a mortgage that underlies a mortgage-related security can be shortened by several economic events, including borrower refinancing. As interest rates have continued to fall and remain very low by historical standards, growing numbers of borrowers have refinanced their existing loans causing mortgage-related security holders, as a group, to be repaid more quickly than they might have otherwise anticipated. This early repayment is a form of interest rate risk assumed by TCDRS and other owners of mortgage-related securities.

Interest rates have historically been cyclical in nature. When interest rates begin to rise, the refinancing of existing mortgages begins to fall. If the rates remain high for longer periods of time, fewer homes are refinanced causing mortgage-related security holders, as a group, to be repaid over longer periods of time. This prolonged repayment, known as extension risk, is another form of market risk assumed by TCDRS and other owners of mortgage-related securities.

The fixed-income portfolios on the Statements of Plan Net Assets (page 24) may, from time to time, contain instruments with variable-rate coupons whose rates may vary directly or inversely with changes in a related interest rate, such as the London Interbank Offered Rate (LIBOR). At Dec. 31, 2004, TCDRS owned 21 variable-rate fixed-income securities with an aggregate fair value of \$32.1 million. These securities have coupons that periodically reset

TABLE 3: CORE FIXED INCOME — EFFECTIVE DURATION

As of Dec. 31,

| Asset Subclass | 2004 | | 2003 | |
|---|-------------------------|---|-------------------------|---|
| | Fair Value | Effective Duration in Years (Unaudited) | Fair Value | Effective Duration in Years (Unaudited) |
| Governments | \$ 1,636,231,292 | 8.2 | \$ 1,432,320,925 | 8.5 |
| Mortgage-Related | 983,022,450 | 4.5 | 1,348,771,590 | 3.2 |
| Credit Portfolio | 1,341,165,688 | 8.4 | 896,673,105 | 8.0 |
| Total/Weighted Average of Effective Duration | \$ 3,960,419,430 | 7.1 | \$ 3,677,765,620 | 6.5 |

Source: Wilshire Associates

TABLE 4: FOREIGN CURRENCY RISK EXPOSURE

As of Dec. 31, 2004
Reported in U.S. dollars

| Total by currency | Fair Value | Unrealized Gain (Loss) | Unrealized Currency Gain/(Loss) | Percent of Fair Value |
|-------------------------------|-----------------------|-------------------------------|--|------------------------------|
| Euro Currency Unit | \$ 48,819,367 | \$ 5,053,375 | \$ 3,986,189 | 36.47% |
| Japanese Yen | 32,125,813 | 2,981,811 | 1,230,098 | 24.00 |
| British Pound Sterling | 18,982,095 | 2,460,627 | 1,007,061 | 14.18 |
| Swiss Franc | 14,074,257 | 1,591,058 | 1,394,453 | 10.52 |
| Canadian Dollar | 5,842,084 | 843,364 | 450,606 | 4.37 |
| Summary of 7 other currencies | 14,006,499 | 802,755 | 776,664 | 10.46 |
| Totals | \$ 133,850,115 | 13,732,990 | \$ 8,845,071 | 100.00% |

Source: Wilshire Associates

by subtracting or adding basis points to LIBOR. Seventeen securities, with fair value totaling \$27.3 million, reset quarterly with coupon values ranging from LIBOR minus 3 basis points to LIBOR plus 475 basis points. The remaining securities, with fair value totaling \$4.8 million, have coupons that reset semi-annually and range from LIBOR plus 300 basis point to LIBOR plus 450 basis points.

Foreign Currency Risk

The asset allocation plan adopted in the investment policy includes a 15% allocation to international equities. The MSCI ACWI x US index, which contains foreign currency risk, is identified as the benchmark for performance measurement for this asset class within the portfolio. Accordingly, the foreign currency risk inherent within that index has been implicitly adopted as an acceptable financial risk for that asset class.

The investment policy also permits ownership of non-U.S. dollar-denominated instruments if approved prior to purchase by the investment officer.

At Dec. 31, 2004, an international equity portfolio contained 199 equity securities with an aggregate fair value of \$133,850,115, which included \$13,732,990 of unrealized appreciation (\$8,845,071 of which was attributable to currency appreciation). Table 4 presents a summary of TCDRS' foreign currency risk exposure.

At Dec. 31, 2003, a REIT portfolio contained a single Canadian-dollar denominated equity security whose fair value was \$2,446,275, which included \$545,785 of unrealized appreciation (\$47,882 of which was attributable to currency appreciation).

L: DEFERRED COMPENSATION

The employees of TCDRS may participate in a deferred-compensation plan created in accordance with Internal Revenue Code Section 457. This plan, available to all employees of TCDRS, permits the deferral of a portion of their salary until future years. The deferred compensation is not available to the employees until termination, retirement, death or certain unforeseeable emergencies. All compensation deferred under the plan is held by a custodian for the exclusive benefit of participants and beneficiaries.

M: RISK MANAGEMENT

TCDRS is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. To mitigate potential losses, TCDRS purchases commercial insurance in the areas of property damage, general and umbrella liability, fiduciary liability, public official and employee benefits errors and omissions, automobile, crime, and workers' compensation. There were no changes in the types of insurance coverage TCDRS maintained in 2004 or 2003. In 2003, the board reduced umbrella liability coverage limits to a level comparable with pension industry norms. Settlements have not exceeded coverages for each of the past two years.

N: SUPPLEMENTAL DEATH BENEFITS PROGRAM

This is a voluntary program through which participating employers provide their current eligible employees with group-term life insurance coverage. These employers may also provide limited coverage to their retired employees. Eligible employees are

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insured for an amount equal to the total compensation received during their most recent 12 consecutive months of employment. Retired employees are insured for \$5,000. In 2003, legislation was enacted to be effective in January 2004, to pay a retiree's beneficiaries \$5,000 from each of the retiree's former employers that offer retiree coverage. Life insurance proceeds are payable only as a lump sum. The premium rate is individually determined for each participating employer annually, and is based on the mortality and service experience of all employees covered by the fund and the demographics specific to the workforce of the employer. The rate is expressed as a percentage of the compensation of members employed by the participating employer.

The SDBF receives all premiums paid by participating employers and pays all benefits due under the program. The SDBF is a separate trust that is accounted for as a fiduciary fund on the accrual basis. The fund's assets are pooled with those of the pension trust fund under provisions of the TCDRS Act and annually receive an allocation of income based on the assets held. This group-term life insurance program is administered by the TCDRS Board of Trustees; the obligations of the program are payable only from the SDBF, and are not an obligation of, or a claim against the TCDRS pension trust fund.

O: RETIREMENT PLAN FOR THE EMPLOYEES OF TCDRS

TCDRS as an employer provides retirement, disability and death benefits for all of its full-time employees through a nontraditional defined-benefit pension plan in the statewide Texas County & District Retirement System. The TCDRS Board of Trustees is responsible for the administration of a statewide, agent multiple-employer, public employee retirement system consisting of more than 500 nontraditional defined-benefit pension plans. The financial statements and required supplementary information for TCDRS in the aggregate are presented elsewhere in this report. Subsequent information in this note relates only to TCDRS as an employer.

The plan provisions for TCDRS as an employer (employer) are adopted by its board, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at

ages 60 and above with 8 or more years of service; with 20 years of service regardless of age; or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but their accumulated deposits and allocated interest must remain in the plan to receive any employer-financed benefit. Members who withdraw their personal account balance in a lump sum prior to retirement are not entitled to any amounts contributed by the employer.

Benefit amounts are determined by the employee's personal account balance and employer-financed monetary credits. The level of these monetary credits has been adopted by the TCDRS Board of Trustees within the actuarial constraints imposed by the TCDRS Act so that the expected benefits can be adequately financed by the employer's commitment to contribute. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's personal account balance, and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Funding Policy

The TCDRS Board of Trustees has elected the variable-rate plan provisions of the TCDRS Act for TCDRS as an employer. The plan is funded monthly from employee deposits and from employer contributions based on the covered payroll of employee members. Under variable-rate plan provisions, the contribution rate of the employer is actuarially determined annually. As allowed by the provisions of the TCDRS Act, the board elected to pay the rate of 9.5% for 2004 and 2003, which was in excess of the calculated rates for those years. The deposit rate payable by employee members is the rate of 7% as adopted by the board. The employee deposit rate and the employer contribution rate may be changed by the board within the options available in the TCDRS Act.

Annual Pension Cost

Table 5 on page 35 presents an overview of actuarial methods and assumptions employed during the last three years to develop costs of benefits for TCDRS employees. Table 6 on page 35 presents annual pension costs for the past three years, while Table 7 on page 35 reflects the funding progress made by TCDRS, as an employer, over the last three years. For the employer's fiscal year ending Dec. 31, 2004,

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**TABLE 5: ACTUARIAL METHODS AND ASSUMPTIONS
FOR THE RETIREMENT PLAN FOR THE EMPLOYEES OF TCDRS**

| Actuarial Valuation Date | 12/31/02 | 12/31/03 | 12/31/04 |
|---|--|--|--|
| Actuarial Cost Method | Entry age | Entry age | Entry age |
| Amortization Method | Level percentage of payroll, open | Level percentage of payroll, open | Level percentage of payroll, open |
| Amortization Period | 20.0 years | 20.0 years | 20.0 years |
| Asset Valuation Method | Long-term appreciation with adjustment | Long-term appreciation with adjustment | Long-term appreciation with adjustment |
| Actuarial Assumptions: | | | |
| Investment Return ¹ | 8.0% | 8.0% | 8.0% |
| Projected Salary Increases ¹ | 5.5 | 5.5 | 5.5 |
| Inflation | 3.5 | 3.5 | 3.5 |
| Cost-of-Living Adjustments | 0.0 | 0.0 | 0.0 |

¹ Includes inflation at the stated rate.

**TABLE 6: TREND INFORMATION FOR THE RETIREMENT PLAN
FOR THE EMPLOYEES OF TCDRS**

| Fiscal Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|--------------------|---------------------------|-------------------------------|------------------------|
| 12/31/02 | \$ 357,641 | 100% | \$ 0 |
| 12/31/03 | 434,377 | 100 | 0 |
| 12/31/04 | 492,594 | 100 | 0 |

**TABLE 7: FUNDING PROGRESS FOR THE RETIREMENT PLAN
FOR THE EMPLOYEES OF TCDRS (UNAUDITED)**

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Annual Covered Payroll ¹ (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------|-------------------------------|---------------------------------------|---------------------------|--------------------|---|---|
| 12/31/02 | \$ 6,146,865 | \$ 7,330,205 | \$ 1,183,340 | 83.9% | \$ 4,122,644 | 28.7% |
| 12/31/03 | 7,296,349 | 8,534,553 | 1,238,204 | 85.5 | 4,572,387 | 27.1 |
| 12/31/04 | 8,417,834 | 9,691,920 | 1,274,086 | 86.9 | 5,185,200 | 24.6 |

¹ The annual covered payroll is based on employee deposits received by TCDRS for the year ending with the valuation date.

the annual pension cost for the TCDRS plan for its employees was \$492,594 and the actual contributions were \$492,594. The annual required contributions were actuarially determined as a percent of the covered payroll of the participating

employees and were in compliance with GASB Statement No. 27 parameters based on the actuarial valuation as of Dec. 31, 2002, the basis for the contribution rate for calendar year 2004. The Dec. 31, 2004 actuarial valuation is the most recent valuation.

REQUIRED SUPPLEMENTARY INFORMATION

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

The information presented in the required supplementary schedules — Table 8: Funding Progress and Table 9: Employer Contributions — was determined as part of the actuarial valuation at the dates indicated. Additional information as of the latest actuarial valuation is in Table 10 on page 37.

TABLE 8: FUNDING PROGRESS (UNAUDITED)

(\$ Millions)

| Actuarial Valuation Date ¹ | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) ² (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Annual Covered Payroll ³ (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|---------------------------------------|-------------------------------|--|---------------------------|--------------------|---|---|
| 12/31/99 | \$ 6,620.9 | \$ 7,386.1 | \$ 765.2 | 89.6% | \$ 2,708.6 | 28.3% |
| 12/31/00 | 7,314.5 | 8,089.4 | 774.9 | 90.4 | 2,867.4 | 27.0 |
| 12/31/01 ⁴ | 8,054.2 | 9,023.6 | 969.4 | 89.3 | 3,060.8 | 31.7 |
| 12/31/02 | 8,779.3 | 9,898.4 | 1,119.1 | 88.7 | 3,284.9 | 34.1 |
| 12/31/03 | 9,788.9 | 10,813.5 | 1,024.6 | 90.5 | 3,440.9 | 29.8 |
| 12/31/04 | 10,755.9 | 11,825.1 | 1,069.2 | 91.0 | 3,622.0 | 29.5 |

¹ Each county and district participating in TCDRS is financially responsible for its own plan. Therefore, the aggregate numbers shown above reflect only the aggregate condition of TCDRS and are not indicative of the status of any one plan. The valuations above reflect the adoption of variable-rate plans and changes in benefits by some employers.

² The entry-age actuarial cost method is used for all plans beginning with the Dec. 31, 2001 valuation and was used for variable-rate plans for all valuations shown. For the 1999 to 2000 valuations, fixed-rate plans that had adverse experience were valued using the entry-age method; all other fixed-rate plans were valued under the unit-credit method. Each valuation above reflects changes in the actuarial cost method for employers that adopted a variable-rate plan for the first time or that had adverse experience.

³ The covered payroll is based on the employee deposits received by TCDRS for the year ending with the valuation date.

⁴ Revised economic and demographic assumptions due to an experience review were first used in this valuation.

See accompanying independent auditor's report.

TABLE 9: EMPLOYER CONTRIBUTIONS (UNAUDITED)

(\$ Millions)

| Plan Year Ended Dec. 31 | Annual Required Contributions | | |
|-------------------------|-------------------------------|---------------|------------------------|
| | Average Rate | Dollar Amount | Percentage Contributed |
| 1999 | 8.77% | \$ 237.2 | 105% |
| 2000 | 8.80 | 252.3 | 101 |
| 2001 | 8.74 | 267.5 | 101 |
| 2002 | 8.81 | 289.3 | 101 |
| 2003 | 9.10 | 313.1 | 101 |
| 2004 | 9.28 | 336.2 | 101 |

See accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION

TABLE 10: ACTUARIAL METHODS AND ASSUMPTIONS (UNAUDITED)

| | Variable-Rate Plans | Fixed-Rate Plans |
|---|---|--|
| Actuarial Valuation Date | Dec. 31, 2004 | Dec. 31, 2004 |
| Actuarial Cost Method | Entry age | Entry age |
| Amortization Method | Level percent, open | Level percent, open |
| Amortization Period | | |
| Unfunded Actuarial Accrued Liability | 20 years ² | Calculated for each plan |
| Overfunded Actuarial Accrued Liability | 30 years ² | Shown as zero |
| Nonenrolling plans | Expected future service | Calculated for each plan, not greater than Expected Service |
| Asset Valuation Method | Long-term appreciation with adjustment | Long-term appreciation with adjustment |
| Actuarial Assumptions: | | |
| Investment Return ¹ | 8.0% | 8.0% |
| Projected Salary Increases ¹ | 5.5 average | 5.5 average |
| Inflation | 3.5 | 3.5 |
| Cost-of-Living Adjustments | 0.0 | 0.0 |

¹ Includes inflation at the indicated rate.

² The TCDRS Act requires a 30-year amortization period for an overfunded actuarial accrued liability in a variable-rate plan but allows the TCDRS Board of Trustees to establish policy for the amortization period for an unfunded actuarial accrued liability in a variable-rate plan as long as it does not exceed 30 years. The board has adopted a current policy of a 20-year open amortization period for those plans.

See accompanying independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

CHANGES IN PLAN NET ASSETS BY FUND AND INTERFUND TRANSFERS

Pension Trust Fund

Year Ended Dec. 31, 2004

| | Employees Saving Fund | Subdivision Accumulation Fund |
|--|----------------------------------|--|
| ADDITIONS | | |
| Employee Deposits and Employer Contributions | \$ 249,968,480 | \$ 338,116,653 |
| Investment Income | | |
| <i>From Investment Activities</i> | | |
| Net Appreciation (Depreciation) in Fair Value of Investments | — | — |
| Interest and Dividends | — | — |
| Total Investment Activity Income | — | — |
| Less Investment Activity Expenses | — | — |
| Net Income From Investment Activities | — | — |
| <i>From Securities-Lending Activities</i> | | |
| Securities-Lending Income | — | — |
| Less Securities-Lending Expenses: | | |
| Borrower Rebates and Management Fees | — | — |
| Net Income From Securities-Lending Activities | — | — |
| Total Net Investment Income | — | — |
| Building Operations and Miscellaneous Income | — | — |
| Total Additions | 249,968,480 | 338,116,653 |
| DEDUCTIONS | | |
| Benefit Allowances | — | 131,020,068 |
| Withdrawals | 58,642,242 | — |
| Interest Allocation to Supplemental Death Benefits Fund | — | — |
| Administrative and Building Operations Expenses | — | — |
| Total Deductions | 58,642,242 | 131,020,068 |
| TRANSFER OF FUNDS | | |
| Retirement Allowances | (171,010,596) | (172,564,474) |
| Investment Income and Other | 190,619,888 | 445,539,053 |
| Escheated Accounts | (1,497,137) | — |
| Net Transfers | 18,112,155 | 272,974,579 |
| Net Increase (Decrease) in Plan Net Assets | 209,438,393 | 480,071,164 |
| NET ASSETS HELD IN TRUST FOR PENSION BENEFITS | | |
| Beginning of Year | 2,825,128,768 | 4,909,288,001 |
| End of Year | \$ 3,034,567,161 | \$ 5,389,359,165 |

See accompanying independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

CHANGES IN PLAN NET ASSETS BY FUND AND INTERFUND TRANSFERS, continued

Pension Trust Fund

Year Ended Dec. 31, 2004

| Current Service Annuity Reserve Fund | Endowment Fund | Interest Fund | Expense Fund | Totals |
|--------------------------------------|-------------------------|----------------------|----------------------|--------------------------|
| \$ — | \$ — | \$ — | \$ — | \$ 588,085,133 |
| — | — | 1,054,881,084 | — | 1,054,881,084 |
| — | — | 337,505,449 | — | 337,505,449 |
| — | — | 1,392,386,533 | — | 1,392,386,533 |
| — | — | 13,316,905 | — | 13,316,905 |
| — | — | 1,379,069,628 | — | 1,379,069,628 |
| — | — | 31,816,796 | — | 31,816,796 |
| — | — | 26,465,576 | — | 26,465,576 |
| — | — | 5,351,220 | — | 5,351,220 |
| — | — | 1,384,420,848 | — | 1,384,420,848 |
| — | — | — | 1,760,962 | 1,760,962 |
| — | — | 1,384,420,848 | 1,760,962 | 1,974,266,943 |
| 212,038,635 | — | — | — | 343,058,703 |
| — | 508,883 | — | — | 59,151,125 |
| — | — | 307,668 | — | 307,668 |
| — | — | — | 12,223,085 | 12,223,085 |
| 212,038,635 | 508,883 | 307,668 | 12,223,085 | 414,740,581 |
| 343,575,070 | — | — | — | — |
| 145,863,852 | 593,090,387 | (1,384,113,180) | 9,000,000 | — |
| — | 1,497,137 | — | — | — |
| 489,438,922 | 594,587,524 | (1,384,113,180) | 9,000,000 | — |
| 277,400,287 | 594,078,641 | — | (1,462,123) | 1,559,526,362 |
| 2,054,525,230 | 1,066,849,302 | — | 15,878,534 | 10,871,669,835 |
| \$ 2,331,925,517 | \$ 1,660,927,943 | \$ — | \$ 14,416,411 | \$ 12,431,196,197 |

See accompanying independent auditor's report.

FINANCIAL SECTION

OTHER SUPPLEMENTARY INFORMATION

CHANGES IN ENDOWMENT FUND

Pension Trust Fund

Year Ended Dec. 31, 2004

| | General Reserves Account | Perpetual Endowment Account | Reserve for Expense Fund | Suspended Annuities Account | Total |
|--|--------------------------|-----------------------------|--------------------------|-----------------------------|------------------------|
| ADDITIONS | | | | | |
| Excess Over Allocations — Transfer from Interest Fund | \$ 601,398,528 | \$ — | \$ — | \$ — | \$ 601,398,528 |
| Expense Allocation — Transfer from Interest Fund | — | — | 9,600,000 | — | 9,600,000 |
| Escheated Accounts | — | 1,652,397 | — | — | 1,652,397 |
| Suspended Annuities | — | — | — | 429,156 | 429,156 |
| Total Additions | 601,398,528 | 1,652,397 | 9,600,000 | 429,156 | 613,080,081 |
| DEDUCTIONS | | | | | |
| Transfer to Expense Fund | — | — | 9,000,000 | — | 9,000,000 |
| Partial-Year Interest to ESF | 5,471,630 | — | — | — | 5,471,630 |
| Matching of Retirees Partial-Year Interest to SAF | 3,865,667 | — | — | — | 3,865,667 |
| Refunds of Escheated Accounts | — | 508,883 | — | — | 508,883 |
| Reinstatements of Escheated Accounts | — | 155,260 | — | — | 155,260 |
| Total Deductions | 9,337,297 | 664,143 | 9,000,000 | — | 19,001,440 |
| Net Increase in Fund | 592,061,231 | 988,254 | 600,000 | 429,156 | 594,078,641 |
| Beginning of Year | 1,052,196,121 | 4,611,674 | 9,000,000 | 1,041,507 | 1,066,849,302 |
| End of Year | \$1,644,257,352 | \$ 5,599,928 | \$ 9,600,000 | \$ 1,470,663 | \$1,660,927,943 |

See accompanying independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

CHANGES IN INTEREST FUND

Pension Trust Fund

Year Ended Dec. 31, 2004

| | Distributable Income Account |
|--|---|
| INVESTMENT RESULTS | |
| Net Appreciation (Depreciation) in Fair Value of Investments | \$ 1,054,881,084 |
| Interest and Dividends | 337,505,449 |
| Net Income From Securities-Lending Activities | 5,351,220 |
| Investment Activity Expenses | (13,316,905) |
| Net Investment Results | 1,384,420,848 |
| STATUTORY ALLOCATIONS | |
| Allocation of Current Year Interest: | |
| Employees Saving Fund | 185,148,258 |
| Current Service Annuity Reserve Fund | 146,130,474 |
| Supplemental Death Benefits Fund | 307,668 |
| Total Statutory Allocations | 331,586,400 |
| BOARD OF TRUSTEES' ALLOCATIONS | |
| Excess Over Allocations to the Endowment Fund | 601,398,528 |
| Allocation to the Subdivision Accumulation Fund | 441,835,920 |
| Expense Allocation to the Endowment Fund | 9,600,000 |
| Total Board of Trustees' Allocations | 1,052,834,448 |
| Net Change in Fund¹ | — |
| Beginning of Year | — |
| End of Year | \$ — |

¹ Net Change in Fund is equal to: Net Investment Results less Total Statutory Allocations and Total Board of Trustees' Allocations. For the year ended Dec. 31, 2004, the total net change in fund calculation is: \$1,384,420,848 less (\$331,586,400 + \$1,052,834,448) equals \$0.

See accompanying independent auditor's report.

FINANCIAL SECTION

OTHER SUPPLEMENTARY INFORMATION

ADMINISTRATIVE REVENUES AND EXPENSES

Year Ended Dec. 31, 2004

| | Administrative Operations | Building Operations | Combined Operations |
|--|------------------------------|------------------------|---------------------------|
| Administrative Revenues: | | | |
| Rental Income | \$ — | \$ 1,721,379 | \$ 1,721,379 ¹ |
| Other Income | 39,583 | — | 39,583 |
| Total Administrative Revenues | \$ 39,583 | \$ 1,721,379 | \$ 1,760,962 |
| Administrative Expenses: | | | |
| Salaries | \$ 4,670,726 | \$ — | \$ 4,670,726 |
| Leave and Associated Payments | 91,743 | — | 91,743 |
| Payroll Taxes | 349,444 | — | 349,444 |
| Pension Contributions | 442,397 | — | 442,397 |
| Employee Insurance and Benefits | 516,693 | — | 516,693 |
| Recruitment and Temporaries | 80,454 | — | 80,454 |
| Professional Fees/Outsourcing Services | 1,438,838 | 211,034 | 1,649,872 |
| Banking Fees | 46,744 | — | 46,744 |
| Equipment Service and Repairs | 95,723 | — | 95,723 |
| Office Space | 498,681 | — | 498,681 ¹ |
| Building Operations | — | 1,225,218 | 1,225,218 |
| Office Supplies | 61,591 | — | 61,591 |
| Noncapitalized Equipment | 40,870 | — | 40,870 |
| Postage | 230,233 | — | 230,233 |
| Telephone | 82,607 | — | 82,607 |
| Printing | 392,387 | — | 392,387 |
| Records Management | 15,869 | — | 15,869 |
| Reference Materials and Memberships | 45,183 | — | 45,183 |
| Education and Training | 114,200 | — | 114,200 |
| Travel | 150,788 | — | 150,788 |
| Organization and Meeting | 218,693 | — | 218,693 |
| General Insurance | 231,474 | — | 231,474 |
| Depreciation and Amortization | 469,124 | 494,883 | 964,007 |
| Loss on Disposal of Capital Assets | 7,488 | — | 7,488 |
| Total Administrative Expenses | \$ 10,291,950 | \$ 1,931,135 | \$ 12,223,085 |

¹ TCDRS administrative revenues and expenses include \$498,000 in office space rental income and an offsetting amount in rent expense. The net effect of this internal allocation on the net assets held in trust for pension benefits is zero.

See accompanying independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

INVESTMENT EXPENSES

Year Ended Dec. 31, 2004

INVESTMENT-ACTIVITY EXPENSES

| | | | |
|--|----|-----------|----------------------|
| Department Operating Expenses | | | |
| Salaries | \$ | | 614,175 |
| Payroll Taxes | | | 37,617 |
| Pension Contributions | | | 55,933 |
| Employee Insurance and Benefits | | | 42,702 |
| Professional Fees and Services | | | 106,113 |
| Investment Data Systems | | | 92,762 |
| Equipment Service and Repairs | | | 48,245 |
| Office Space | | | 56,000 |
| Office Supplies | | | 11,455 |
| Telephone | | | 14,132 |
| Subscriptions and Memberships | | | 2,963 |
| Education and Travel | | | 58,776 |
| Depreciation and Amortization | | | 9,464 |
| Total Department Operating Expenses | | | 1,150,337 |
| Nondepartment Managers' Fees: | | | |
| Core Fixed Income | | | |
| Blackrock Financial Management, Inc. | \$ | 777,632 | |
| Loomis, Sayles & Company, L.P. | | 724,517 | |
| Prudential Investment Management, Inc. | | 628,901 | 2,131,050 |
| Domestic Equities — Index Funds | | | |
| State Street Global Advisors | | 254,477 | 254,477 |
| International Equities — Index Funds | | | |
| Capital Guardian Trust Company | | 622,533 | |
| Acadian Asset Management, Inc. | | 337,126 | |
| State Street Global Advisors | | 240,584 | 1,200,243 |
| High-Yield Bonds | | | |
| W. R. Huff Asset Management Co., LLC | | 2,081,379 | |
| Oaktree Capital Management, LLC | | 1,988,676 | |
| Shenkman Capital Management, Inc. | | 1,085,009 | 5,155,064 |
| REITs | | | |
| Wellington Management Co. | | 1,577,729 | |
| Cohen & Steers Capital Management, Inc. | | 1,100,159 | 2,677,888 |
| Total Nondepartment Managers' Fees | | | 11,418,722 |
| Total Department Operating Expenses and Managers' Fees | | | 12,569,059 |
| Custodial Fees | | | |
| Mellon Trust | | | 562,846 |
| Investment Consultant Fees | | | |
| Wilshire Associates, Inc. | | | 185,000 |
| Total Investment-Activity Expenses | | | \$ 13,316,905 |
| SECURITIES-LENDING EXPENSES | | | |
| Borrower Rebates and Management Fees | \$ | | 26,465,576 |

See accompanying independent auditor's report.

FINANCIAL SECTION

OTHER SUPPLEMENTARY INFORMATION

PROFESSIONAL/CONSULTANT FEES AND SERVICES

Year Ended Dec. 31, 2004

| Professional/Consultant | Nature of Service | Administrative Operations | Investment Department ¹ | Building Operations | Totals |
|--|-------------------------------|---------------------------|------------------------------------|---------------------|---------------------|
| Vinson & Elkins, L.L.P. | Legal | \$ 102,388 | \$ 47,613 | \$ 211,034 | \$ 361,035 |
| Milliman, Inc. | Actuary | 314,866 | — | — | 314,866 |
| Catapult Systems Corp. | Software consulting | 287,179 | — | — | 287,179 |
| RuffCoffinBreedlove | Communications consulting | 130,984 | — | — | 130,984 |
| Iron Mountain | Records consulting | 85,050 | — | — | 85,050 |
| Rudd & Wisdom, Inc. | Actuary | 80,000 | — | — | 80,000 |
| EFL Associates | Executive search | 59,133 | — | — | 59,133 |
| Engineering Diagnostics, Inc. | Building design study | — | — | 59,642 | 59,642 |
| Holbein Associates, Inc. | Investment performance review | — | 58,500 | — | 58,500 |
| New Horizons | Computer training | 45,784 | — | — | 45,784 |
| Meta Group | Software consulting | 42,000 | — | — | 42,000 |
| Trenholm Research | Member survey | 33,488 | — | — | 33,488 |
| KPMG LLP | Audit | 28,000 | — | — | 28,000 |
| R. A. Dennison, M.D. | Medical board | 20,250 | — | — | 20,250 |
| Sivart Resources, Inc. | State legislative consultant | 18,000 | — | — | 18,000 |
| Ace Alsup, M.D. | Medical board | 17,100 | — | — | 17,100 |
| John P. Vineyard, Jr., M.D. | Medical board | 17,100 | — | — | 17,100 |
| Accudata | Network security consulting | 9,363 | — | — | 9,363 |
| Craig Hudgins | Legislation consulting | 8,000 | — | — | 8,000 |
| SIS Development | Software consulting | 5,563 | — | — | 5,563 |
| William M. Mercer Inc. | Salary survey | 4,278 | — | — | 4,278 |
| Business Risk Solutions | Risk management consulting | 4,146 | — | — | 4,146 |
| Total Professional/Consultant Fees and Services | | \$ 1,312,672 | \$ 106,113 | \$ 270,676 | \$ 1,689,461 |

¹ Pursuant to GFOA guidelines, investment advisor expenses are shown only on the investment expenses schedule on the preceding page. The members of the TCDRS Board of Trustees serve without compensation and are reimbursed for actual out-of-pocket travel expenses incurred.

See accompanying independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued on subsequent pages

| No. | Employer Name | Balances | | Additions | | | Deductions | | | Balances Dec. 31, 2004 |
|-----|----------------------------------|--------------|----|--------------------|------------------------------|--------------------|------------------------------------|-------------|--------------------------|---------------------------|
| | | Jan. 1, 2004 | \$ | Member Deposits | Partial- Year Interest | Annual Interest | Transfers to CSARF ¹ | Withdrawals | Net Escheat- ments | |
| 638 | Acton MUD | 148,520 | \$ | 28,296 | \$ 23 | \$ 10,218 | \$ | 2,862 | \$ | 184,195 |
| 615 | Alamo Area COG | 1,250,251 | | 239,852 | 3,064 | 81,709 | | 68,938 | 24,909 | 1,481,029 |
| 100 | Anderson County | 4,617,821 | | 445,683 | 11,081 | 288,296 | 411,526 | 154,339 | 534 | 4,796,481 |
| 691 | Anderson Co. CAD | 24,279 | | 25,757 | 32 | 1,603 | | 1,978 | | 49,693 |
| 101 | Andrews County | 8,089,825 | | 382,939 | 13,801 | 521,482 | 813,953 | 104,791 | 10,284 | 8,079,019 |
| 102 | Angelina County | 7,158,545 | | 668,499 | 13,762 | 461,612 | 400,038 | 328,401 | | 7,573,980 |
| 502 | Angelina Co. AD | 737,269 | | 32,254 | 4,236 | 45,090 | 79,719 | 19,578 | | 719,554 |
| 684 | Angelina/Nacogdoches Co. WCID #1 | 7,116 | | 5,052 | | 498 | | | | 12,666 |
| 576 | Angleton DD | 345,012 | | 28,070 | | 24,151 | | | | 397,233 |
| 614 | Aquilla WSD — Hill Co. | 97,890 | | 11,416 | | 6,852 | | | | 116,158 |
| 103 | Aransas County | 2,421,163 | | 267,314 | 2,191 | 163,191 | 132,794 | 65,593 | 1,330 | 2,654,142 |
| 459 | Aransas Co. AD | 321,210 | | 16,052 | 33 | 22,436 | | 2,140 | | 357,591 |
| 668 | Aransas Co. ND #1 | 24,579 | | 11,151 | | 1,732 | 6,880 | 9,273 | | 37,462 |
| 104 | Archer County | 1,063,392 | | 84,657 | 168 | 73,713 | | | | 1,205,778 |
| 503 | Archer Co. AD | 145,575 | | 4,713 | 643 | 7,583 | 36,872 | 1,756 | | 119,887 |
| 105 | Armstrong County | 273,725 | | 37,823 | 468 | 18,403 | | 12,870 | | 317,549 |
| 106 | Atascosa County | 4,178,125 | | 315,251 | 8,633 | 275,610 | 57,922 | 195,162 | 12,831 | 4,511,704 |
| 551 | Atascosa Co. AD | 179,221 | | 22,744 | 12 | 12,532 | | 211 | | 214,297 |
| 107 | Austin County | 4,666,297 | | 269,712 | 4,481 | 318,647 | 254,672 | 65,535 | 419 | 4,938,511 |
| 461 | Austin Co. AD | 296,112 | | 29,120 | | 20,728 | 16,169 | | | 329,791 |
| 597 | Bacliff MUD | 155,007 | | 13,871 | | 10,850 | | | | 179,728 |
| 108 | Bailey County | 825,539 | | 82,351 | 818 | 56,113 | | 34,800 | | 930,020 |
| 109 | Bandera County | 1,735,130 | | 222,437 | 4,770 | 111,243 | 97,635 | 67,261 | | 1,908,684 |
| 110 | Bastrop County | 6,775,568 | | 844,292 | 11,267 | 450,463 | 371,648 | 271,156 | 5,611 | 7,433,175 |
| 111 | Baylor County | 747,785 | | 56,067 | 1,472 | 49,515 | 51,168 | 6,546 | | 797,125 |
| 685 | Baylor Co. AD | 7,554 | | 5,121 | | 529 | | | | 13,204 |
| 613 | Bayview ID #11 | 75,768 | | 7,427 | 1,183 | 3,970 | 20,369 | 796 | | 67,183 |
| 690 | Bayview MUD | 6,438 | | 4,697 | 19 | 339 | | 1,829 | | 9,663 |
| 112 | Bee County | 3,291,690 | | 378,528 | 11,119 | 214,465 | 344,722 | 98,326 | 4,862 | 3,447,891 |
| 113 | Bell County | 22,961,092 | | 2,149,840 | 47,424 | 1,483,371 | 1,436,523 | 565,838 | 15,224 | 24,624,143 |
| 506 | Bell Co. AD | 1,552,874 | | 104,448 | 545 | 106,386 | 30,320 | 4,508 | | 1,729,424 |
| 418 | Bell Co. WCID #1 | 536,277 | | 66,226 | 1,361 | 30,126 | 97,268 | 14,768 | 61 | 521,893 |
| 708 | Benbrook Water and Sewer Auth. | 27,160 | | 105,816 | | 1,901 | | | | 134,877 |
| 472 | Bexar AD | 8,061,440 | | 469,409 | 17,842 | 526,731 | 387,712 | 189,622 | 4,784 | 8,493,304 |
| 114 | Bexar County | 140,746,604 | | 11,131,854 | 364,355 | 9,139,617 | 11,022,467 | 1,996,770 | 97,622 | 148,265,570 |
| 544 | Bexar Co. WCID #10 | 141,471 | | 11,843 | | 9,903 | | | | 163,216 |
| 616 | Bistone MWSD — Limestone Co. | 174,367 | | 17,421 | 388 | 11,041 | 17,029 | | | 186,188 |
| 115 | Blanco County | 840,269 | | 93,648 | 435 | 56,460 | 27,142 | 7,319 | | 956,350 |
| 116 | Borden County | 514,030 | | 33,389 | 27 | 35,902 | | 1,166 | | 582,182 |
| 525 | Borden Co. AD | 1,575 | | 1,111 | | 110 | | | | 2,796 |

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Deductions | | | Balances Dec. 31, 2004 |
|-----|-----------------------------------|--------------------------|--------------------|------------------------------|--------------------|------------------------------------|-------------|--------------------------|---------------------------|
| | | | Member Deposits | Partial- Year Interest | Annual Interest | Transfers to CSARF ¹ | Withdrawals | Net Escheat- ments | |
| 117 | Bosque County | 1,055,873 | 105,488 | 2,365 | 69,873 | 119,852 | 26,474 | 578 | 1,086,694 |
| 521 | Bosque Co. CAD | 204,560 | 13,770 | | 14,319 | | | | 232,650 |
| 118 | Bowie County | 7,669,752 | 573,170 | 17,284 | 499,113 | 759,194 | 236,374 | 5,911 | 7,757,840 |
| 119 | Brazoria County | 34,267,775 | 2,973,517 | 47,181 | 2,258,995 | 2,483,549 | 560,289 | 19,973 | 36,483,656 |
| 508 | Brazoria Co. AD | 1,180,348 | 93,191 | 1,327 | 78,529 | 142,675 | 2,326 | | 1,208,394 |
| 413 | Brazoria Co. CRD #3 | 1,030,624 | 67,967 | 42 | 71,543 | | 8,686 | | 1,161,490 |
| 424 | Brazoria Co. DD #4 | 669,680 | 148,230 | 2,615 | 45,856 | 79,725 | 689 | | 785,968 |
| 681 | Brazoria Co. DD #5 | 10,190 | 8,188 | 8 | 681 | | 822 | | 18,245 |
| 120 | Brazos County | 17,355,263 | 1,571,616 | 68,259 | 1,072,324 | 1,975,053 | 578,197 | 2,881 | 17,511,331 |
| 689 | Brazos Co. AD | 78,779 | 65,975 | 63 | 5,326 | | 3,562 | | 146,582 |
| 600 | Brazos Co. ECD | 637,131 | 78,487 | 744 | 43,509 | | 17,114 | | 742,756 |
| 121 | Brewster County | 987,859 | 117,780 | 1,091 | 65,842 | | 52,027 | | 1,120,545 |
| 581 | Brewster Co. AD | 53,126 | 6,755 | 6 | 3,681 | | 1,007 | | 62,562 |
| 122 | Briscoe County | 287,263 | 24,347 | | 19,752 | | 5,115 | | 326,247 |
| 123 | Brooks County | 1,596,538 | 192,287 | 2,741 | 102,342 | 111,495 | 59,127 | | 1,723,287 |
| 554 | Brookshire-Katy DD | 124,919 | 8,468 | | 8,744 | | | | 142,131 |
| 522 | Brookshire MWD | 271,933 | 19,548 | | 19,035 | | | | 310,516 |
| 124 | Brown County | 2,149,566 | 208,387 | 2,932 | 143,881 | 60,824 | 42,172 | 277 | 2,401,492 |
| 702 | Brownsville ID | 15,772 | 22,711 | 21 | 1,063 | 2,504 | 608 | | 36,454 |
| 642 | Brushy Creek MUD — Williamson Co. | 120,022 | 51,569 | 119 | 8,205 | | 3,733 | 646 | 175,537 |
| 125 | Burlington County | 1,752,129 | 164,280 | 668 | 121,385 | 172,852 | 24,943 | 2,098 | 1,838,569 |
| 126 | Burnet County | 3,589,246 | 458,174 | 5,671 | 236,117 | 373,214 | 83,799 | 1,228 | 3,830,967 |
| 609 | Burnet Co. AD | 421,057 | 41,339 | 16 | 29,449 | | | 368 | 491,494 |
| 127 | Caldwell County | 1,971,046 | 216,528 | 4,490 | 129,565 | 128,611 | 68,553 | 836 | 2,123,629 |
| 128 | Calhoun County | 4,322,068 | 368,136 | 7,902 | 281,316 | 241,328 | 109,258 | 260 | 4,628,576 |
| 709 | Calhoun Co. AD | | 26,554 | | | 995 | | | 25,559 |
| 129 | Callahan County | 951,663 | 69,806 | 2,306 | 61,998 | 65,139 | 6,838 | | 1,013,797 |
| 542 | Callahan Co. AD | 162,896 | 9,800 | | 11,403 | | | | 184,098 |
| 130 | Cameron County | 27,665,845 | 3,075,760 | 66,358 | 1,800,604 | 1,587,452 | 899,689 | 35,805 | 30,085,621 |
| 618 | Cameron Co. AD | 1,699,560 | 90,790 | 4,342 | 110,004 | 88,817 | 46,542 | | 1,769,337 |
| 692 | Cameron Co. DD #1 | 15,229 | 22,018 | 126 | 877 | | 5,263 | | 32,987 |
| 664 | Cameron Co. DD #3 | 71,469 | 25,937 | | 5,003 | | | | 102,409 |
| 686 | Cameron Co. DD #5 | 8,619 | 5,902 | | 603 | | | | 15,124 |
| 462 | Cameron Co. ID #2 | 667,715 | 52,059 | 49 | 46,622 | | 2,532 | | 763,913 |
| 590 | Cameron Co. ID #6 | 125,619 | 15,982 | | 8,793 | | | | 150,395 |
| 670 | Camp CAD | 25,048 | 12,410 | | 1,753 | | 539 | | 38,671 |
| 131 | Camp County | 951,891 | 89,911 | 2,099 | 63,071 | 143,728 | 25,444 | | 937,801 |
| 132 | Carson County | 1,078,172 | 91,297 | 1,214 | 72,368 | 14,592 | 33,852 | 167 | 1,194,439 |
| 133 | Cass County | 3,531,474 | 319,677 | 3,588 | 240,423 | 51,582 | 60,139 | | 3,983,441 |
| 610 | Cass Co. AD | 213,791 | 20,177 | 1,259 | 12,679 | 44,051 | 21,458 | | 182,397 |

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Deductions | | | Balances Dec. 31, 2004 |
|-----|------------------------------|--------------------------|--------------------|------------------------------|--------------------|------------------------------------|-------------|--------------------------|---------------------------|
| | | | Member Deposits | Partial- Year Interest | Annual Interest | Transfers to CSARF ¹ | Withdrawals | Net Escheat- ments | |
| 134 | Castro County | 1,343,666 | 96,876 | 1,045 | 91,572 | 29,602 | 33,822 | 118 | 1,469,617 |
| 635 | CAD of Johnson Co. | 494,498 | 85,133 | 40 | 34,427 | | 3,498 | | 610,599 |
| 602 | CAD of Taylor Co. | 883,431 | 77,891 | 10 | 61,827 | | | 200 | 1,022,959 |
| 648 | Cent. WCID — Angelina Co. | 23,204 | 6,642 | | 1,624 | | | | 31,471 |
| 712 | Central Tex. Reg. Mob. Auth. | | 5,010 | | | | | | 5,010 |
| 135 | Chambers County | 8,702,166 | 744,115 | 14,160 | 559,412 | 669,991 | 176,764 | | 9,173,098 |
| 531 | Chambers Co. AD | 274,085 | 33,107 | 66 | 18,787 | | 6,111 | | 319,935 |
| 548 | Chambers Co. Public HD | 378,150 | 68,016 | 168 | 25,678 | | 12,892 | | 459,120 |
| 136 | Cherokee County | 4,724,951 | 384,241 | 12,284 | 306,405 | 227,650 | 170,310 | 3,297 | 5,026,624 |
| 137 | Childress County | 257,108 | 53,297 | 441 | 17,150 | | 15,125 | 245 | 312,627 |
| 511 | Childress Co. AD | 12,471 | 4,082 | | 873 | | | | 17,426 |
| 582 | Childress Co. HD | 2,132,640 | 393,857 | 3,631 | 138,450 | 93,313 | 111,187 | | 2,464,078 |
| 465 | Cisco HD | 20,254 | | | 1,418 | | | | 21,672 |
| 138 | Clay County | 2,140,667 | 125,296 | 3,396 | 141,421 | 54,727 | 77,875 | | 2,278,177 |
| 485 | Clay Co. AD | 191,450 | 12,033 | 8 | 13,187 | | 4,255 | | 212,422 |
| 703 | Coastal Bend GCD | 1,764 | 4,044 | | 123 | | 245 | | 5,686 |
| 139 | Cochran County | 1,324,082 | 84,085 | 2,802 | 86,486 | 62,754 | 32,559 | | 1,402,143 |
| 477 | Cochran Co. AD | 57,565 | 6,115 | | 3,516 | | 7,330 | | 59,867 |
| 140 | Coke County | 917,701 | 51,964 | 476 | 62,606 | 47,412 | 11,811 | 419 | 973,105 |
| 141 | Coleman County | 1,237,976 | 74,215 | 888 | 85,145 | 133,354 | 26,441 | | 1,238,429 |
| 142 | Collin County | 36,047,557 | 4,439,766 | 69,507 | 2,360,941 | 2,065,814 | 712,889 | 21,142 | 40,117,925 |
| 457 | Collin Co. CAD | 2,927,927 | 214,056 | 3,491 | 198,721 | 80,840 | 13,962 | | 3,249,392 |
| 143 | Collingsworth County | 201,132 | 42,947 | 573 | 12,486 | 14,175 | 9,901 | 763 | 232,299 |
| 144 | Colorado County | 2,157,934 | 230,990 | 284 | 150,044 | 7,360 | 13,525 | | 2,518,367 |
| 623 | Comal AD | 374,792 | 43,850 | 193 | 23,922 | 32,367 | 1,323 | | 409,067 |
| 145 | Comal County | 8,283,684 | 1,173,645 | 11,030 | 559,340 | 278,483 | 139,033 | 2,244 | 9,607,939 |
| 146 | Comanche County | 1,424,440 | 138,656 | 5,791 | 87,888 | 125,609 | 55,697 | 2,337 | 1,473,133 |
| 147 | Concho County | 457,981 | 55,033 | 234 | 31,134 | 9,848 | 15,143 | 209 | 519,182 |
| 636 | Concho Co. HD | 217,214 | 23,199 | 1,072 | 11,600 | 27,661 | 27,168 | | 198,256 |
| 148 | Cooke County | 3,910,408 | 362,939 | 15,844 | 245,463 | 831,001 | 149,005 | | 3,554,650 |
| 487 | Cooke Co. AD | 376,779 | 33,016 | | 26,375 | | | | 436,169 |
| 149 | Conyell County | 3,491,806 | 313,640 | 13,031 | 218,635 | 480,093 | 106,695 | 277 | 3,450,047 |
| 150 | Cottle County | 241,195 | 24,405 | 588 | 15,492 | 13,843 | 6,254 | 712 | 260,870 |
| 151 | Crane County | 2,513,789 | 194,760 | 4,074 | 156,763 | 303,885 | 23,386 | 2,585 | 2,539,531 |
| 152 | Crockett County | 3,361,386 | 261,598 | 4,753 | 226,295 | 308,249 | 18,972 | 574 | 3,526,237 |
| 409 | Crockett Co. WCID #1 | 297,080 | 18,778 | 7 | 20,775 | | 303 | | 336,336 |
| 153 | Crosby County | 1,090,948 | 72,087 | 1,998 | 72,448 | 55,966 | 5,631 | | 1,175,884 |
| 532 | Crosby Co. AD | 19,729 | 2,919 | 108 | 270 | | 16,870 | | 6,155 |
| 603 | Crosby MUD | 91,606 | 23,593 | 545 | 5,585 | | 16,060 | | 105,270 |
| 710 | Cross Roads SUD | | 5,691 | | | | | | 5,691 |

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Annual Interest | Transfers to CSARF ¹ | Deductions | | Balances Dec. 31, 2004 |
|-----|-----------------------------------|--------------------------|--------------------|------------------------------|--------------------------|--------------------|------------------------------------|-------------|-------------|---------------------------|
| | | | Member Deposits | Partial- Year Interest | Net Escheat- ments | | | Withdrawals | | |
| 154 | Culberson County | 980,558 | 79,124 | 3,929 | 60,988 | 70,913 | 44,438 | | 1,009,248 | |
| 478 | Culberson Co. Hosp. | 64,915 | | | 4,544 | | | | 69,459 | |
| 550 | Culberson HD | 289,318 | 16,049 | 2,375 | 16,126 | | 62,124 | 4,066 | 257,678 | |
| 155 | Dallam County | 1,197,700 | 79,541 | 1,115 | 83,648 | | 4,413 | | 1,356,590 | |
| 467 | Dallas CAD | 12,765,556 | 800,898 | 16,216 | 852,022 | 941,966 | 176,986 | 4,093 | 13,311,648 | |
| 156 | Dallas County | 224,869,750 | 16,669,999 | 504,008 | 14,656,310 | 16,244,035 | 4,369,994 | 109,215 | 235,976,824 | |
| 430 | Dallas Co. Park Cities MUD | 834,551 | 65,738 | 2,317 | 55,250 | 42,040 | 5,549 | | 910,267 | |
| 687 | Dallas Co. WCID #6 | 74,143 | 62,357 | 85 | 4,857 | | 6,982 | | 134,460 | |
| 157 | Dawson County | 2,406,580 | 198,771 | 12,427 | 146,128 | 304,145 | 30,733 | 6,255 | 2,422,772 | |
| 463 | Dawson Co. CAD | 233,519 | 10,378 | | 16,346 | | | | 260,244 | |
| 158 | Deaf Smith County | 3,036,890 | 223,016 | 4,632 | 198,583 | 154,420 | 54,160 | | 3,254,542 | |
| 578 | Deaf Smith Co. HD | 1,451,662 | 240,018 | 4,232 | 93,935 | 56,159 | 59,569 | 3,387 | 1,670,730 | |
| 159 | Delta County | 421,993 | 51,453 | 443 | 28,156 | 50,721 | 14,773 | 180 | 436,371 | |
| 583 | Denco Area 911 Dist. — Denton Co. | 355,314 | 41,331 | | 24,872 | | | | 421,517 | |
| 482 | Denton CAD | 1,681,239 | 173,580 | 6,375 | 99,954 | 243,008 | 27,336 | | 1,690,804 | |
| 160 | Denton County | 29,513,894 | 4,128,514 | 51,135 | 1,952,780 | 2,124,929 | 1,072,934 | 20,470 | 32,427,990 | |
| 161 | DeWitt County | 1,984,637 | 170,656 | 536 | 137,559 | 81,912 | 23,914 | | 2,187,563 | |
| 466 | DeWitt Co. AD | 289,673 | 12,892 | 145 | 20,084 | | 3,262 | | 319,532 | |
| 162 | Dickens County | 506,366 | 48,633 | 312 | 34,696 | | 12,003 | | 578,005 | |
| 163 | Dimmit County | 569,794 | 86,658 | 171 | 39,417 | | 10,220 | 108 | 685,712 | |
| 164 | Donley County | 363,988 | 38,208 | 1,827 | 20,866 | 57,251 | 14,181 | | 353,457 | |
| 165 | Duval County | 1,481,130 | 145,700 | 2,252 | 97,763 | 50,990 | 14,153 | 8,959 | 1,652,742 | |
| 166 | Eastland County | 1,586,067 | 188,076 | 4,230 | 103,477 | 91,860 | 47,926 | | 1,742,063 | |
| 593 | Eastland Co. AD | 169,314 | 10,979 | | 11,852 | | | | 192,145 | |
| 167 | Ector County | 23,472,033 | 1,250,108 | 88,082 | 1,467,293 | 2,426,060 | 394,824 | 5,667 | 23,450,966 | |
| 580 | Ector Co. HD | 36,659,695 | 3,924,092 | 134,976 | 2,320,521 | 2,891,045 | 961,998 | 54,767 | 39,131,475 | |
| 448 | Edwards Aquifer Auth. — Bexar Co. | 1,384,448 | 79,902 | 265 | 96,568 | | 5,370 | | 1,555,813 | |
| 628 | Edwards CAD | 10,708 | 1,489 | | 750 | | | | 12,947 | |
| 168 | Edwards County | 224,154 | 36,513 | 719 | 13,830 | 22,970 | 6,114 | | 246,131 | |
| 170 | El Paso County | 64,217,148 | 7,285,055 | 139,111 | 4,239,445 | 2,875,365 | 1,392,734 | 41,680 | 71,570,980 | |
| 567 | El Paso Co. 911 Dist. | 359,550 | 23,214 | 4,804 | 19,927 | 84,367 | | | 323,129 | |
| 541 | El Paso Co. HD | 31,901,691 | 3,357,074 | 36,230 | 2,153,860 | 453,460 | 721,735 | 53,331 | 36,220,330 | |
| 169 | Ellis County | 7,290,865 | 1,024,866 | 18,190 | 476,299 | 407,296 | 355,679 | 9,461 | 8,037,785 | |
| 624 | ECD of Ector Co. | 129,589 | 10,998 | | 9,071 | | | | 149,658 | |
| 171 | Erath County | 3,190,781 | 312,752 | 6,702 | 210,250 | 186,395 | 65,998 | | 3,468,092 | |
| 172 | Falls County | 1,977,914 | 168,719 | 2,816 | 132,266 | 103,447 | 37,662 | 135 | 2,140,471 | |
| 563 | Falls Co. AD | 59,199 | 7,400 | 216 | 3,855 | | 5,218 | | 65,453 | |
| 173 | Fannin County | 2,345,181 | 234,506 | 2,140 | 161,365 | 53,949 | 48,948 | 388 | 2,639,906 | |
| 644 | Fannin Co. AD | 45,809 | 10,063 | 194 | 2,884 | | 6,279 | | 52,671 | |
| 174 | Fayette County | 6,022,459 | 381,704 | 6,956 | 407,735 | 444,678 | 74,996 | | 6,299,180 | |

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Deductions | | | Balances Dec. 31, 2004 |
|-----|------------------------------------|--------------------------|--------------------|------------------------------|--------------------|------------------------------------|-------------|--------------------------|---------------------------|
| | | | Member Deposits | Partial- Year Interest | Annual Interest | Transfers to CSARF ¹ | Withdrawals | Net Escheat- ments | |
| 175 | Fisher County | 621,302 | 50,812 | 1,666 | 39,185 | | 69,420 | 643,545 | |
| 432 | Fisher Co. HD | 690,731 | 91,345 | 2,870 | 44,812 | | 25,954 | 771,931 | |
| 176 | Floyd County | 1,205,821 | 92,762 | 429 | 83,506 | | 14,095 | 1,368,423 | |
| 474 | Fort Bend CAD | 1,939,119 | 132,925 | 140 | 135,298 | | 7,916 | 1,995,760 | |
| 178 | Fort Bend County | 51,822,557 | 4,695,999 | 68,321 | 3,461,607 | | 795,876 | 56,655,996 | |
| 179 | Franklin County | 986,347 | 116,916 | 801 | 66,081 | | 25,074 | 1,022,284 | |
| 180 | Freestone County | 2,623,334 | 235,997 | 6,265 | 171,679 | | 48,341 | 2,618,162 | |
| 693 | Freestone Co. AD | 16,288 | 17,634 | | 1,140 | | | 35,063 | |
| 181 | Frio County | 1,522,799 | 187,591 | 5,977 | 96,660 | | 117,108 | 1,655,225 | |
| 509 | Frio Co. AD | 316,592 | 16,387 | 536 | 20,875 | | 19,521 | 334,870 | |
| 182 | Gaines County | 4,181,997 | 311,702 | 4,402 | 282,157 | | 85,895 | 4,427,819 | |
| 546 | Galveston CAD | 1,765,555 | 117,776 | 1,407 | 117,498 | | 19,118 | 1,912,818 | |
| 183 | Galveston County | 35,661,259 | 2,638,275 | 76,930 | 2,293,725 | | 861,455 | 37,279,695 | |
| 547 | Galveston Co. Consol. DD | 381,453 | 32,837 | 755 | 21,789 | | 7,393 | 364,828 | |
| 464 | Galveston Co. DD #1 | 89,081 | 22,347 | | 6,236 | | 25,460 | 92,204 | |
| 433 | Galveston Co. DD #2 | 518,657 | 21,704 | | 36,306 | | | 576,667 | |
| 589 | Galveston Co. ECD | 156,227 | 21,005 | | 10,936 | | | 188,168 | |
| 407 | Galveston Co. WCID #1 | 1,143,586 | 101,810 | 944 | 78,698 | | 23,731 | 1,301,308 | |
| 473 | Garza CAD | 59,490 | 5,506 | | 4,164 | | | 69,160 | |
| 184 | Garza County | 1,274,947 | 102,688 | 3,030 | 83,077 | | 7,372 | 1,225,733 | |
| 185 | Gillespie County | 2,826,286 | 218,697 | 2,817 | 190,518 | | 44,745 | 2,977,702 | |
| 186 | Glasscock County | 901,539 | 45,481 | 1,223 | 60,001 | | 46,041 | 909,294 | |
| 187 | Goliad County | 1,631,911 | 137,016 | 1,754 | 107,894 | | 72,067 | 1,783,041 | |
| 188 | Gonzales County | 1,740,550 | 184,134 | 1,712 | 116,429 | | 50,311 | 1,890,606 | |
| 498 | Gonzales Co. AD | 186,765 | 19,908 | 10 | 12,952 | | 1,736 | 217,892 | |
| 189 | Gray County | 2,726,943 | 254,658 | 3,940 | 178,612 | | 110,912 | 2,942,978 | |
| 518 | Gray Co. AD | 320,838 | 21,483 | 181 | 21,736 | | 10,506 | 353,732 | |
| 190 | Grayson County | 10,631,108 | 1,029,241 | 23,536 | 689,953 | | 283,525 | 10,971,301 | |
| 475 | Grayson CAD | 947,780 | 64,317 | 11,578 | 43,111 | | 5,316 | 717,664 | |
| 528 | Greater Harris Co. 911 Emerg. Net. | 733,841 | 126,200 | 4,115 | 35,908 | | 9,114 | 669,478 | |
| 429 | Greenbelt MIWA — Donley Co. | 423,236 | 27,658 | 94 | 29,402 | | 3,301 | 477,088 | |
| 191 | Gregg County | 14,622,653 | 1,084,783 | 24,992 | 954,836 | | 273,015 | 15,507,107 | |
| 192 | Grimes County | 2,156,733 | 245,330 | 4,323 | 141,068 | | 116,060 | 2,094,119 | |
| 483 | Grimes Co. AD | 375,870 | 23,358 | | 26,311 | | | 425,540 | |
| 587 | Guadalupe AD | 258,864 | 44,020 | 37 | 18,065 | | 2,009 | 318,977 | |
| 193 | Guadalupe County | 6,412,233 | 955,484 | 13,646 | 415,921 | | 238,716 | 7,267,970 | |
| 526 | Gulf Coast WA — Galveston Co. | 2,452,463 | 139,128 | 225 | 171,287 | | 7,683 | 2,755,420 | |
| 194 | Hale County | 4,248,482 | 365,221 | 3,617 | 281,374 | | 42,682 | 4,424,747 | |
| 195 | Hall County | 647,577 | 58,896 | 78 | 45,195 | | 3,470 | 748,276 | |
| 196 | Hamilton County | 640,386 | 83,998 | 1,287 | 42,808 | | 4,303 | 735,575 | |

¹ Current Service Annuity Reserve Fund



OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Deductions | | | Balances Dec. 31, 2004 |
|-----|----------------------------------|--------------------------|--------------------|------------------------------|--------------------|------------------------------------|-------------|--------------------------|---------------------------|
| | | | Member Deposits | Partial- Year Interest | Annual Interest | Transfers to CSARF ¹ | Withdrawals | Net Escheat- ments | |
| 197 | Hansford County | 1,494,489 | 66,888 | 910 | 102,735 | 413,787 | 29,957 | 768 | 1,220,511 |
| 585 | Hansford Co. HD | 1,134,747 | 156,819 | 6,197 | 68,537 | 41,714 | 128,900 | 3,336 | 1,192,350 |
| 198 | Hardeman County | 1,005,463 | 81,222 | 2,964 | 63,712 | 129,154 | 102,691 | 245 | 921,271 |
| 199 | Hardin County | 4,891,021 | 476,405 | 3,813 | 334,126 | 114,111 | 60,659 | 541 | 5,530,054 |
| 527 | Hardin Co. AD | 315,236 | 25,686 | | 22,067 | | | | 362,988 |
| 571 | Harlingen ID Cameron Co. #1 | 575,789 | 57,470 | 538 | 36,856 | 38,243 | 13,201 | | 619,209 |
| 200 | Harris County | 577,933,012 | 44,209,226 | 965,750 | 37,882,940 | 31,503,668 | 7,545,960 | 183,442 | 621,757,858 |
| 598 | Harris Co. AD | 24,206,092 | 1,447,951 | 35,973 | 1,613,630 | 759,289 | 609,606 | 3,804 | 25,930,946 |
| 569 | Harris Co. WCID #1 | 350,966 | 28,967 | | 24,568 | | | | 404,500 |
| 625 | Harris Co. WCID #50 | 108,382 | 11,523 | 39 | 7,431 | | 2,354 | | 125,020 |
| 201 | Harrison County | 7,101,544 | 570,763 | 17,106 | 466,651 | 282,303 | 199,728 | 475 | 7,673,558 |
| 202 | Hartley County | 479,118 | 51,571 | 48 | 33,357 | 37,312 | 3,489 | | 523,293 |
| 520 | Hartley Co. AD | 56,742 | 3,977 | | 3,972 | | 44,692 | | 64,691 |
| 203 | Haskell County | 1,038,337 | 80,677 | 813 | 69,792 | 30,106 | | | 1,114,821 |
| 552 | Haskell Mem. HD | 640,730 | 69,751 | 1,185 | 41,853 | 30,265 | 15,053 | | 708,201 |
| 204 | Hays County | 14,829,562 | 1,647,338 | 25,607 | 989,488 | 679,661 | 387,679 | 10,357 | 16,414,297 |
| 205 | Hemphill County | 2,123,229 | 106,736 | 737 | 146,382 | 212,972 | 18,399 | | 2,145,713 |
| 640 | Hemphill Co. AD | 29,259 | 9,825 | | 2,048 | | | | 41,132 |
| 529 | Hemphill Co. HD | 1,113,003 | 106,006 | 3,109 | 66,704 | 102,117 | 69,501 | | 1,117,205 |
| 206 | Henderson County | 6,276,325 | 672,990 | 10,891 | 421,679 | 311,400 | 130,672 | 6,503 | 6,933,309 |
| 704 | Henderson Co. AD | 22,209 | 43,337 | 97 | 1,316 | 2,584 | 6,014 | | 58,360 |
| 414 | Hidalgo & Cameron Counties ID #9 | 1,166,334 | 59,413 | 2,758 | 70,567 | 109,019 | 55,420 | | 1,134,632 |
| 207 | Hidalgo County | 36,331,708 | 4,664,762 | 69,319 | 2,392,769 | 2,134,066 | 1,079,540 | 14,331 | 40,230,621 |
| 516 | Hidalgo Co. AD | 2,243,999 | 162,423 | 501 | 156,421 | | 10,800 | 109 | 2,552,434 |
| 401 | Hidalgo Co. DD #1 | 1,032,770 | 150,001 | 1,512 | 68,969 | 26,573 | 49,039 | 1,696 | 1,175,945 |
| 713 | Hidalgo Co. Irr. Dist. #1 | | 16,040 | | | | 185 | | 15,855 |
| 438 | Hidalgo Co. ID #2 | 1,208,209 | 66,553 | 316 | 82,712 | | 27,138 | 266 | 1,330,387 |
| 486 | Hidalgo Co. ID #6 | 458,303 | 40,257 | 108 | 30,838 | | 17,862 | | 511,644 |
| 674 | High Plains Underground WCD #1 | 67,421 | 34,438 | | 4,540 | | 2,624 | | 103,775 |
| 208 | Hill County | 2,886,348 | 292,762 | 4,812 | 192,130 | 136,785 | 61,235 | 30 | 3,178,003 |
| 209 | Hockley County | 3,690,905 | 206,943 | 2,432 | 245,651 | 683,698 | 33,936 | | 3,428,296 |
| 643 | Homestead MUD — El Paso Co. | 50,608 | 9,678 | 17 | 3,220 | | 4,251 | 377 | 58,894 |
| 210 | Hood County | 3,191,163 | 450,205 | 6,628 | 206,854 | 172,429 | 159,361 | 173 | 3,522,886 |
| 211 | Hopkins County | 3,128,871 | 365,883 | 6,121 | 202,187 | 182,706 | 79,599 | 6,308 | 3,434,448 |
| 661 | Hopkins Co. AD | 45,937 | 15,420 | 18 | 3,147 | | 1,673 | | 62,849 |
| 212 | Houston County | 1,359,119 | 171,082 | 299 | 93,957 | | 18,513 | 1,412 | 1,604,532 |
| 694 | Houston Co. AD | 14,339 | 15,115 | | 1,004 | | | | 30,457 |
| 213 | Howard County | 3,656,128 | 323,805 | 6,833 | 236,237 | 221,794 | 75,698 | 6,122 | 3,919,388 |
| 214 | Hudspeth County | 705,900 | 73,989 | 3,251 | 41,284 | 103,801 | 40,429 | 774 | 679,419 |
| 215 | Hunt County | 6,043,838 | 677,772 | 18,799 | 383,068 | 747,889 | 184,707 | | 6,190,881 |

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Annual Interest | Transfers to CSARF ¹ | Deductions | | Balances Dec. 31, 2004 |
|-----|----------------------------|--------------------------|--------------------|------------------------------|--------------------------|--------------------|------------------------------------|-------------|------------|---------------------------|
| | | | Member Deposits | Partial- Year Interest | Net Escheat- ments | | | Withdrawals | | |
| 216 | Hutchinson County | 4,568,548 | 309,582 | 11,038 | 293,540 | 373,728 | 21,442 | | 4,787,538 | |
| 711 | Iraan Gen. HD | | 29,374 | | | | | | 29,374 | |
| 217 | Iron County | 694,459 | 45,334 | 200 | 48,372 | 4,585 | | | 783,780 | |
| 218 | Jack County | 1,462,843 | 138,681 | 577 | 100,623 | | 29,074 | | 1,673,650 | |
| 592 | Jack Co. AD | 95,800 | 8,089 | | 6,706 | | | | 110,596 | |
| 219 | Jackson County | 3,004,187 | 198,661 | 1,569 | 207,271 | 103,568 | 47,895 | | 3,260,224 | |
| 441 | Jackson Co. County-Wide DD | 154,115 | 17,588 | | 10,788 | | | | 182,491 | |
| 220 | Jasper County | 3,384,978 | 300,665 | 3,492 | 231,181 | 184,816 | 86,724 | 154 | 3,648,621 | |
| 657 | Jasper Co. WCID #1 | 45,671 | 10,474 | | 3,197 | | | | 59,342 | |
| 221 | Jeff Davis County | 278,230 | 25,530 | 200 | 18,736 | | | | 335,861 | |
| 222 | Jefferson County | 49,800,066 | 3,267,136 | 51,132 | 3,357,866 | 2,044,630 | 855,974 | 5,506 | 53,570,089 | |
| 404 | Jefferson Co. DD #3 | 342,549 | 12,777 | | 23,978 | | | | 379,305 | |
| 408 | Jefferson Co. DD #6 | 2,572,617 | 216,630 | 6,634 | 171,565 | 110,878 | 23,584 | | 2,832,983 | |
| 405 | Jefferson Co. DD #7 | 5,248,384 | 263,108 | 3,139 | 363,620 | 163,260 | | | 5,714,991 | |
| 451 | Jefferson Co. WCID #10 | 54,452 | 19,763 | 443 | 3,213 | | 10,493 | | 67,378 | |
| 706 | Jefferson Co. Waterway ND | 8,100 | 16,021 | | 538 | | | | 24,659 | |
| 223 | Jim Hogg County | 1,218,612 | 126,884 | 1,521 | 82,705 | 3,584 | 40,746 | 1,022 | 1,384,368 | |
| 680 | Jim Hogg Co. AD | 7,969 | 5,222 | | 558 | | | | 13,749 | |
| 656 | Jim Hogg Co. FD #2 | 8,680 | 1,754 | | 608 | | | | 11,041 | |
| 641 | Jim Hogg Co. WCID #2 | 87,510 | 15,969 | | 6,126 | | | | 109,604 | |
| 224 | Jim Wells County | 4,050,455 | 347,261 | 11,380 | 259,026 | 315,250 | 171,233 | 424 | 4,181,216 | |
| 225 | Johnson County | 8,143,548 | 1,063,695 | 26,274 | 528,262 | 339,610 | 353,130 | 3,487 | 9,065,551 | |
| 584 | Johnson Co. Fresh WSD #1 | 79,727 | 18,990 | 674 | 4,807 | | 12,808 | | 91,390 | |
| 226 | Jones County | 1,740,776 | 137,004 | 515 | 116,999 | 147,269 | 27,277 | 370 | 1,820,378 | |
| 496 | Jones Co. AD | 249,387 | 12,229 | | 17,457 | | | | 279,073 | |
| 227 | Karnes County | 1,719,681 | 163,703 | 4,940 | 112,499 | 163,886 | 58,700 | 2,308 | 1,775,929 | |
| 524 | Karnes Co. AD | 88,066 | 8,158 | | 6,165 | | | | 102,388 | |
| 455 | Karnes Co. HD | 1,627,246 | 147,331 | 402 | 111,922 | 68,863 | 34,389 | | 1,783,648 | |
| 228 | Kaufman County | 5,719,543 | 836,861 | 13,841 | 359,947 | 684,625 | 186,126 | 2,967 | 6,056,475 | |
| 662 | Kaufman Co. AD | 139,260 | 43,840 | 16 | 9,553 | | 2,875 | | 189,795 | |
| 671 | Kendall AD | 57,747 | 21,920 | 1 | 4,035 | | 109 | | 83,594 | |
| 229 | Kendall County | 2,376,900 | 307,038 | 2,911 | 159,521 | 16,189 | 102,926 | 8,593 | 2,718,662 | |
| 619 | Kendall Co. WCID #1 | 134,878 | 15,030 | | 9,442 | | | | 159,350 | |
| 230 | Kenedy County | 953,553 | 76,752 | 2,549 | 62,454 | 47,565 | 17,053 | | 1,030,689 | |
| 231 | Kent County | 1,262,763 | 104,012 | 3,709 | 81,751 | 57,785 | 54,480 | | 1,339,971 | |
| 594 | Kent Co. Tax AD | 26,234 | 3,675 | | 1,836 | | | | 31,746 | |
| 232 | Kerr County | 5,215,022 | 643,923 | 18,965 | 326,389 | 373,416 | 230,945 | 4,091 | 5,595,847 | |
| 653 | Kerr Emerg. 911 Net. | 49,389 | 9,502 | 306 | 2,846 | | 9,035 | | 53,008 | |
| 233 | Kimble County | 443,187 | 66,671 | 1,010 | 28,231 | 6,275 | 37,622 | | 495,202 | |
| 234 | King County | 462,182 | 27,465 | | 32,353 | | | | 522,000 | |

¹ Current Service Annuity Reserve Fund



OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Deductions | | | Net Escheat- ments | Balances Dec. 31, 2004 |
|-----|--|--------------------------|--------------------|------------------------------|--------------------|------------------------------------|-------------|---------|--------------------------|---------------------------|
| | | | Member Deposits | Partial- Year Interest | Annual Interest | Transfers to CSARF ¹ | Withdrawals | | | |
| 235 | Kinney County | 696,841 | 72,256 | 671 | 47,093 | 23,677 | 2,871 | | 790,313 | |
| 579 | Kinney Co. AD | 23,241 | 5,395 | 322 | 1,197 | | 7,651 | | 22,504 | |
| 236 | Kleberg County | 4,879,589 | 481,549 | 16,229 | 316,504 | 345,571 | 193,943 | 1,888 | 5,152,469 | |
| 237 | Knox County | 558,452 | 50,019 | 3,755 | 31,708 | 82,646 | 28,162 | | 533,125 | |
| 519 | Knox Co. AD | 68,169 | 2,646 | 169 | 2,748 | 29,073 | | | 44,659 | |
| 241 | La Salle County | 1,005,311 | 79,009 | 2,208 | 62,093 | 206,538 | 42,099 | | 899,984 | |
| 540 | Laguna Madre WD — Cameron Co. | 1,338,965 | 125,075 | 3,158 | 89,316 | 32,935 | 35,048 | | 1,488,531 | |
| 514 | Lakeway MUD — Travis Co. | 566,323 | 59,768 | 274 | 39,175 | | 9,176 | | 656,364 | |
| 238 | Lamar County | 3,753,537 | 386,222 | 4,290 | 251,328 | 80,906 | 116,430 | (1,392) | 4,199,433 | |
| 239 | Lamb County | 2,227,320 | 181,400 | 5,115 | 145,775 | 211,646 | 70,713 | | 2,277,252 | |
| 240 | Lampasas County | 1,616,489 | 175,598 | 2,542 | 106,315 | 85,555 | 5,192 | | 1,810,197 | |
| 650 | Lampasas Co. AD | 40,448 | 10,836 | | 2,831 | | | | 54,115 | |
| 439 | Lavaca-Navidad River Auth. — Jackson Co. | 1,329,171 | 121,313 | 690 | 87,692 | 60,712 | 17,134 | | 1,461,020 | |
| 242 | Lavaca County | 4,582,938 | 310,174 | 1,974 | 312,679 | 568,415 | 22,195 | 2,087 | 4,615,068 | |
| 243 | Lee County | 2,169,682 | 114,386 | 4,961 | 143,594 | 122,038 | 7,974 | | 2,302,611 | |
| 244 | Leon County | 1,521,270 | 180,332 | 4,012 | 96,089 | 147,143 | 31,872 | 783 | 1,621,906 | |
| 468 | Leon Co. CAD | 213,062 | 13,081 | 546 | 14,319 | | | | 241,008 | |
| 245 | Liberty County | 6,712,036 | 624,642 | 9,439 | 442,503 | 356,906 | 90,478 | 7,234 | 7,334,003 | |
| 481 | Liberty Co. CAD | 471,948 | 52,223 | 1,257 | 31,541 | 21,595 | 2,061 | | 533,313 | |
| 246 | Limestone County | 3,184,015 | 314,190 | 6,321 | 204,668 | 377,253 | 69,427 | 93 | 3,262,423 | |
| 695 | Limestone Co. AD | 15,767 | 16,589 | | 1,104 | | | | 33,460 | |
| 247 | Lipscomb County | 1,255,861 | 80,071 | 1,234 | 83,814 | | 60,824 | | 1,360,156 | |
| 248 | Live Oak County | 1,484,588 | 127,186 | 3,592 | 94,795 | 72,412 | 65,301 | 1,268 | 1,571,180 | |
| 591 | Live Oak Co. AD | 104,746 | 13,338 | 184 | 7,095 | | | 3,576 | 121,787 | |
| 431 | Livingston HD | 38,974 | | | 2,728 | | | | 41,702 | |
| 249 | Llano County | 2,450,338 | 224,938 | 7,464 | 157,829 | 104,302 | 107,129 | 906 | 2,628,232 | |
| 654 | Llano Co. Hosp. Auth. | 291,199 | | 179 | 19,791 | 2,337 | 3,033 | 1,630 | 304,169 | |
| 436 | Llano Mem. Hosp. | 832,591 | | 104 | 57,932 | 2,586 | 2,510 | | 885,531 | |
| 250 | Loving County | 641,057 | 29,805 | 65 | 44,776 | 44,092 | 1,460 | | 670,151 | |
| 513 | Loving Co. AD | 3,869 | 2,843 | | 271 | | | | 6,983 | |
| 714 | Lower Valley WD | | 19,793 | | | | | | 19,793 | |
| 499 | Lubbock CAD | 2,098,324 | 116,840 | 5,781 | 128,655 | 265,984 | 5,883 | | 2,077,732 | |
| 251 | Lubbock County | 18,960,412 | 1,863,029 | 33,604 | 1,254,943 | 818,543 | 371,510 | 13,783 | 20,908,152 | |
| 425 | Lubbock Co. WCID #1 | 100,538 | 14,145 | 708 | 5,958 | | 17,842 | | 103,507 | |
| 558 | Lubbock ECD | 188,723 | 15,042 | 63 | 12,984 | | 3,518 | | 213,295 | |
| 647 | Lubbock Reese Redev. Auth. | 99,526 | 22,367 | 238 | 5,787 | 15,625 | 3,464 | | 108,829 | |
| 639 | Lumberton MUD | 164,746 | 41,652 | 231 | 11,116 | | 4,391 | 2,891 | 210,463 | |
| 252 | Lynn County | 508,852 | 57,227 | 866 | 32,401 | 24,986 | 24,260 | | 550,101 | |
| 497 | Lynn Co. AD | 34,323 | 3,057 | | 2,403 | | | | 39,783 | |
| 442 | Lynn Co. HD | 907,858 | 119,465 | 966 | 60,683 | | 48,413 | 39 | 1,040,519 | |

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Annual Interest | Transfers to CSARF ¹ | Deductions | | Balances Dec. 31, 2004 |
|-----|------------------------------------|-----------------------|-----------------|-----------------------|-------------|-----------------|---------------------------------|------------------|--------|------------------------|
| | | | Member Deposits | Partial-Year Interest | Withdrawals | | | Net Escheatments | | |
| 630 | Macedonia-Eylau MUD — Bowie Co. | 134,953 | 17,890 | | 9,447 | | | | | 162,290 |
| 500 | Mackenzie MWA — Briscoe Co. | 318,723 | 7,866 | 541 | 19,065 | 47,272 | | | | 298,922 |
| 256 | Madison County | 604,699 | 93,351 | 1,137 | 40,005 | 66,038 | | 33,737 | 225 | 639,192 |
| 596 | Madison Co. AD | 64,924 | 5,990 | | 4,545 | | | | | 75,459 |
| 434 | Mainland Center Hosp. | 6,207,131 | 95,297 | 21,382 | 380,965 | 761,986 | | 116,549 | | 5,730,943 |
| 257 | Marion County | 1,195,670 | 95,297 | 4,081 | 78,781 | 140,318 | | 20,809 | 1,209 | 1,211,493 |
| 675 | Marion Co. AD | 18,116 | 11,689 | | 1,268 | | | | | 31,073 |
| 658 | Marshall-Harrison Co. Health Dist. | 53,077 | 6,367 | 1,258 | 1,724 | 16,093 | | 17,060 | | 29,274 |
| 258 | Martin County | 1,326,404 | 87,986 | 922 | 90,099 | 39,908 | | 1,697 | | 1,463,806 |
| 595 | Martin Co. AD | 46,986 | 5,166 | | 3,289 | | | | | 55,440 |
| 259 | Mason County | 638,069 | 54,201 | 790 | 42,665 | | | 10,316 | | 704,294 |
| 260 | Matagorda County | 6,837,315 | 447,340 | 23,893 | 426,636 | 825,206 | | 174,060 | 10,408 | 6,725,509 |
| 678 | Matagorda Co. DD | 34,256 | 17,521 | 12,412 | 2,398 | | | 162,241 | | 54,175 |
| 440 | Matagorda Co. HD | 5,600,150 | 543,715 | | 369,950 | 308,176 | | | | 6,045,190 |
| 677 | Matagorda Co. ND #1 | 20,875 | 12,893 | 438 | 518 | 14,400 | | 2,394 | | 17,929 |
| 261 | Maverick County | 2,544,192 | 309,428 | 1,084 | 174,021 | 16,083 | | 45,978 | 1,405 | 2,965,260 |
| 453 | Maverick Co. WCID #1 | 771,506 | 39,415 | | 50,454 | | | 50,734 | | 810,641 |
| 452 | McCamey CHD — Upton Co. | 276,165 | 9,832 | | 19,332 | | | | | 305,328 |
| 253 | McCulloch County | 622,602 | 60,309 | 5,540 | 35,882 | 80,445 | | 72,837 | | 571,052 |
| 512 | McCulloch Co. AD | 142,620 | 6,801 | | 9,983 | | | | | 159,405 |
| 254 | McLennan County | 24,359,653 | 2,005,516 | 77,229 | 1,575,869 | 1,871,125 | | 475,255 | 15,205 | 25,656,683 |
| 491 | McLennan Co. AD | 1,728,656 | 110,129 | 14,143 | 98,607 | 342,063 | | 2,384 | | 1,607,087 |
| 679 | McLennan Co. WCID #2 | 6,141 | 4,010 | | 430 | | | | | 10,582 |
| 255 | McMullen County | 924,424 | 41,614 | 73 | 64,270 | 162,613 | | 6,355 | | 861,414 |
| 701 | Meadowlakes MUD | 10,675 | 15,120 | | 747 | | | | | 26,542 |
| 599 | Med. Arts Hosp. — Dawson Co. | 1,164,793 | 77,045 | 4,011 | 75,347 | 54,892 | | 34,458 | 6,327 | 1,225,519 |
| 262 | Medina County | 2,543,032 | 253,414 | 4,426 | 167,800 | 256,456 | | 51,404 | 1,036 | 2,659,776 |
| 705 | Medina Co. 911 Dist. | 1,936 | 4,362 | | 136 | | | | | 6,434 |
| 535 | Medina Co. AD | 348,950 | 19,694 | | 24,426 | | | | | 393,071 |
| 419 | Mem. Med. Center — Calhoun Co. | 3,856,439 | 422,081 | 5,034 | 257,116 | 91,494 | | 163,335 | 16,823 | 4,269,018 |
| 263 | Menard County | 542,215 | 46,698 | 5,255 | 30,623 | 102,005 | | 24,597 | | 498,190 |
| 669 | Mid. Rio Grande Dev. Council | 787,129 | 250,218 | 2,704 | 48,673 | 8,185 | | 96,526 | | 984,014 |
| 492 | Midland CAD | 1,781,629 | 67,268 | 11,545 | 109,286 | 236,872 | | 1,537 | | 1,731,318 |
| 264 | Midland County | 15,002,912 | 1,183,294 | 26,899 | 988,900 | 684,425 | | 420,175 | 5,051 | 16,092,352 |
| 570 | Midland ECD | 142,186 | 10,108 | | 9,953 | | | | | 162,246 |
| 265 | Milam County | 2,854,194 | 249,606 | 2,696 | 192,277 | 124,268 | | 25,508 | | 3,148,997 |
| 266 | Mills County | 567,502 | 63,541 | 187 | 36,960 | | | 39,454 | 512 | 628,225 |
| 617 | Mills Co. AD | 25,493 | 3,900 | | 1,784 | | | | | 31,177 |
| 267 | Mitchell County | 1,618,802 | 123,469 | 443 | 112,133 | 106,954 | | 18,386 | | 1,729,507 |
| 484 | Mitchell Co. AD | 61,237 | 6,652 | | 4,287 | | | | | 72,175 |

¹ Current Service Annuity Reserve Fund



OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Deductions | | | Balances Dec. 31, 2004 |
|-----|---------------------------------|--------------------------|--------------------|------------------------------|--------------------|------------------------------------|-------------|--------------------------|---------------------------|
| | | | Member Deposits | Partial- Year Interest | Annual Interest | Transfers to CSARF ¹ | Withdrawals | Net Escheat- ments | |
| 268 | Montague County | 2,203,901 | 171,818 | 4,971 | 144,899 | 159,596 | 53,317 | 4,442 | 2,308,234 |
| 504 | Montague Co. Tax AD | 256,128 | 10,767 | | 17,929 | | | | 284,824 |
| 605 | Montgomery CAD | 1,456,837 | 156,518 | 79 | 101,478 | | 7,581 | | 1,707,331 |
| 269 | Montgomery County | 32,894,683 | 3,352,834 | 50,251 | 2,186,625 | 1,903,822 | 582,498 | 6,766 | 35,991,307 |
| 667 | Montgomery Co. ECD | 180,454 | 71,216 | 1,989 | 9,922 | 19,796 | 30,947 | | 212,839 |
| 651 | Montgomery Co. ESD #1 | 84,927 | 24,456 | | 5,958 | | | | 115,341 |
| 696 | Montgomery Co. ESD #3 | 11,280 | 15,604 | 34 | 722 | | 1,386 | | 26,253 |
| 270 | Moore County | 3,715,063 | 289,367 | 13,876 | 231,664 | 667,484 | 78,887 | | 3,503,600 |
| 412 | Moore Co. HD | 3,536,967 | 579,129 | 10,031 | 223,695 | 132,580 | 241,566 | 5,751 | 3,969,926 |
| 271 | Morris County | 2,067,496 | 127,028 | 2,089 | 138,011 | 66,255 | 34,899 | 488 | 2,232,981 |
| 273 | Nacogdoches County | 5,560,108 | 509,367 | 10,531 | 365,110 | 282,233 | 220,091 | 126 | 5,942,666 |
| 515 | Navarro CAD | 424,690 | 22,266 | 437 | 24,488 | 75,477 | | | 396,404 |
| 274 | Navarro County | 7,017,877 | 587,566 | 11,198 | 468,278 | 131,175 | 223,600 | | 7,730,145 |
| 572 | Newton CAD | 265,691 | 16,656 | | 18,598 | | | | 300,945 |
| 275 | Newton County | 1,140,731 | 119,440 | 4,902 | 65,015 | 266,822 | 39,949 | | 1,023,317 |
| 510 | Newton Co. Mem. Hosp. | 2,833 | | | 198 | | | | 3,032 |
| 276 | Nolan County | 2,123,649 | 180,432 | 3,066 | 143,690 | 160,008 | 28,358 | 3,235 | 2,259,236 |
| 556 | North Cent. Tex. MWA | 316,640 | 18,865 | | 22,165 | | | | 357,670 |
| 415 | North Plains HD | 8,025 | | | 562 | | | | 8,587 |
| 646 | North Tex. Tollway Auth. | 4,093,377 | 1,234,307 | 8,910 | 266,253 | 72,230 | 263,885 | 1,828 | 5,264,906 |
| 562 | Northeast Tex. MWD | 354,260 | 43,539 | 2,618 | 15,973 | 131,294 | | | 285,096 |
| 277 | Nueces County | 42,603,659 | 2,721,209 | 136,997 | 2,654,209 | 3,877,919 | 1,225,847 | 35,749 | 42,976,559 |
| 683 | Nueces Co. AD | 214,978 | 160,853 | 21 | 14,754 | 379 | 4,543 | | 385,684 |
| 400 | Nueces Co. DD #2 | 217,994 | 16,089 | 555 | 14,420 | | 13,286 | | 235,772 |
| 416 | Nueces Co. WCID #3 | 1,052,785 | 46,991 | 79 | 73,509 | | 3,003 | 582 | 1,169,779 |
| 450 | Nueces Co. WCID #4 | 680,095 | 38,435 | | 47,607 | | | | 766,137 |
| 538 | Nueces River Auth. — Uvalde Co. | 223,100 | 8,307 | 40 | 15,496 | | 1,770 | | 245,174 |
| 278 | Ochiltree County | 1,938,545 | 133,609 | 3,011 | 132,325 | 42,837 | 11,950 | 335 | 2,152,369 |
| 279 | Oldham County | 828,073 | 57,308 | 770 | 48,728 | 132,916 | | | 801,964 |
| 517 | Oldham Co. AD | 103,820 | 3,472 | | 7,267 | | | | 114,559 |
| 280 | Orange County | 12,531,337 | 992,614 | 34,323 | 799,576 | 963,750 | 202,756 | 6,480 | 13,184,865 |
| 490 | Orange Co. AD | 878,627 | 38,132 | 2,782 | 41,817 | 287,813 | | | 673,545 |
| 421 | Orange Co. DD | 1,384,357 | 125,680 | 1,718 | 93,210 | | 41,581 | 12,917 | 1,550,469 |
| 665 | Orange Co. ESD #1 | 26,264 | 10,154 | 45 | 1,657 | | 2,961 | | 35,159 |
| 660 | Orange Co. Nav. & Port Dist. | 201,283 | 18,449 | | 14,090 | | | | 233,822 |
| 631 | Orange Co. WCID #1 | 303,068 | 46,838 | 240 | 20,264 | | 15,700 | | 354,710 |
| 281 | Palo Pinto County | 3,568,305 | 301,094 | 20,223 | 205,475 | 662,067 | 87,540 | | 3,345,489 |
| 282 | Panola County | 4,324,645 | 312,313 | 12,810 | 273,233 | 433,975 | 92,628 | | 4,396,398 |
| 283 | Parker County | 6,439,426 | 740,571 | 10,506 | 433,799 | 193,072 | 153,882 | 5,223 | 7,272,126 |
| 284 | Parmer County | 1,030,206 | 93,136 | 5,768 | 60,643 | 121,695 | 55,159 | | 1,012,899 |

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Deductions | | | Balances Dec. 31, 2004 |
|-----|-------------------------------|--------------------------|--------------------|------------------------------|--------------------|------------------------------------|-------------|--------------------------|---------------------------|
| | | | Member Deposits | Partial- Year Interest | Annual Interest | Transfers to CSARF ¹ | Withdrawals | Net Escheat- ments | |
| 285 | Pecos County | 8,068,483 | 765,201 | 18,720 | 514,706 | 357,622 | 430,480 | 922 | 8,578,085 |
| 494 | Pecos Co. AD | 136,589 | 11,928 | | 9,561 | 72,045 | | | 86,033 |
| 673 | Permian Reg. Med Ctr. | 1,010,798 | 619,919 | 1,554 | 66,721 | 3,931 | 74,159 | | 1,620,901 |
| 707 | Pineywoods GCD | 1,936 | 3,590 | | 136 | | | | 5,661 |
| 697 | Polk CAD | 22,979 | 28,645 | 81 | 1,333 | | 6,348 | | 46,689 |
| 286 | Polk County | 4,739,324 | 528,420 | 9,269 | 308,341 | 321,180 | 186,292 | | 5,077,882 |
| 676 | Port of Bay City Auth. | 4,493 | 3,852 | 9 | 294 | | 675 | | 7,973 |
| 449 | Port of Beaumont ND | 2,229,076 | 122,635 | 113 | 155,764 | | 4,885 | | 2,502,702 |
| 620 | Port of Corpus Christi Auth. | 4,313,969 | 554,295 | 272 | 300,858 | 228,945 | 19,757 | | 4,920,693 |
| 622 | Port of Port Arthur ND | 500,931 | 64,814 | 180 | 34,367 | 8,953 | 3,085 | | 588,255 |
| 287 | Potter County | 17,389,342 | 1,389,415 | 28,634 | 1,155,059 | 778,350 | 381,656 | 2,483 | 18,799,961 |
| 489 | Potter Co. AD | 710,868 | | | 49,761 | | | | 760,629 |
| 560 | Potter-Randall Co. ECD | 119,253 | 16,596 | 147 | 8,151 | | 3,824 | | 140,324 |
| 626 | Presidio AD | 31,549 | 3,655 | | 2,208 | | | | 37,413 |
| 288 | Presidio County | 796,035 | 84,792 | 1,075 | 53,153 | | 40,736 | | 894,320 |
| 289 | Rains County | 613,641 | 89,717 | 1,305 | 39,390 | 23,792 | 31,688 | | 688,573 |
| 537 | Rains Co. AD | 116,166 | 11,391 | 16 | 7,785 | | 5,443 | | 129,915 |
| 290 | Randall County | 8,936,680 | 1,050,841 | 21,677 | 590,608 | 439,460 | 242,731 | 499 | 9,917,116 |
| 564 | Randall Co. AD | 1,738,477 | 116,523 | 3,084 | 118,982 | 63,848 | | | 1,933,218 |
| 406 | Rankin CHD — Upton Co. | 459,011 | 52,663 | 2,626 | 24,557 | 80,706 | 34,502 | | 423,648 |
| 291 | Reagan County | 1,446,294 | 108,062 | 758 | 99,831 | | 22,613 | | 1,632,333 |
| 445 | Reagan HD | 694,153 | 50,054 | | 48,591 | | | | 792,798 |
| 292 | Real County | 511,971 | 47,281 | | 35,834 | 858 | 275 | | 593,953 |
| 505 | Red Bluff WPCD — Reeves Co. | 51,183 | 9,432 | | 3,583 | | | | 64,198 |
| 435 | Red River Auth. — Wichita Co. | 592,757 | 59,778 | 1,275 | 38,891 | | 42,919 | 1,403 | 648,379 |
| 293 | Red River County | 1,107,314 | 105,289 | 2,059 | 73,210 | 40,859 | 59,495 | (3,563) | 1,191,081 |
| 294 | Reeves County | 6,373,002 | 1,186,845 | 24,040 | 392,968 | 420,939 | 551,420 | 2,275 | 7,002,221 |
| 588 | Reeves Co. HD | 2,031,023 | 254,956 | 4,593 | 132,431 | 121,756 | 25,611 | 3,613 | 2,272,024 |
| 295 | Refugio County | 2,445,985 | 168,541 | 8,299 | 156,112 | 334,525 | 76,516 | 2,161 | 2,365,736 |
| 543 | Refugio Co. DD #1 | 86,700 | 9,225 | 64 | 5,823 | | 3,381 | | 98,430 |
| 296 | Roberts County | 717,578 | 48,952 | 658 | 49,154 | | 19,690 | | 796,652 |
| 480 | Roberts Co. AD | 120,348 | | | 8,424 | | | | 128,772 |
| 297 | Robertson County | 2,035,973 | 218,569 | 2,803 | 132,590 | 185,179 | 36,924 | | 2,167,832 |
| 698 | Rockwall CAD | 40,505 | 38,928 | 110 | 2,647 | | 4,345 | | 77,845 |
| 298 | Rockwall County | 3,865,271 | 571,900 | 3,964 | 258,328 | 181,068 | 50,604 | 997 | 4,466,796 |
| 299 | Runnels County | 2,242,041 | 143,597 | 14,091 | 128,536 | 468,509 | 13,744 | | 2,046,011 |
| 300 | Rusk County | 5,315,147 | 460,302 | 4,457 | 361,520 | 148,088 | 93,313 | 3,438 | 5,896,587 |
| 612 | Rusk Co. AD | 78,356 | 26,866 | | 5,485 | | | | 110,708 |
| 301 | Sabine County | 785,325 | 97,847 | 1,206 | 53,288 | 14,692 | 13,522 | | 909,453 |
| 568 | Sabine Pass Port Auth. | 141,051 | 11,030 | | 9,874 | | | | 161,954 |

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Deductions | | | Balances Dec. 31, 2004 |
|-----|-------------------------------|--------------------------|--------------------|------------------------------|--------------------|------------------------------------|-------------|--------------------------|---------------------------|
| | | | Member Deposits | Partial- Year Interest | Annual Interest | Transfers to CSARF ¹ | Withdrawals | Net Escheat- ments | |
| 302 | San Augustine County | 646,471 | 56,698 | 413 | 44,540 | 14,273 | 14,157 | 719,690 | |
| 303 | San Jacinto County | 1,851,703 | 200,730 | 2,571 | 123,481 | 119,480 | 99,798 | 1,959,148 | |
| 553 | San Jacinto Co. CAD | 152,665 | 22,071 | 56 | 10,481 | | 3,248 | 182,025 | |
| 304 | San Patricio County | 11,289,459 | 859,778 | 14,310 | 755,610 | 260,771 | 467,630 | 12,186,929 | |
| 495 | San Patricio Co. AD | 367,480 | 19,320 | 12 | 25,706 | | 913 | 411,605 | |
| 426 | San Patricio Co. DD | 899,566 | 22,015 | 1,791 | 60,540 | 36,786 | 708 | 946,417 | |
| 422 | San Patricio MWD | 943,420 | 101,017 | | 66,039 | | | 1,110,477 | |
| 305 | San Saba County | 848,819 | 58,127 | 2,439 | 55,505 | 53,384 | 35,145 | 875,985 | |
| 306 | Schleicher County | 1,016,000 | 61,958 | 1,953 | 65,741 | 141,820 | 15,607 | 988,225 | |
| 307 | Scurry County | 6,824,556 | 613,771 | 14,156 | 436,819 | 553,490 | 269,021 | 7,062,993 | |
| 308 | Shackelford County | 629,457 | 50,255 | 16 | 43,875 | 21,013 | 2,680 | 699,909 | |
| 470 | Shackelford Co. AD | 140,017 | 5,175 | 223 | 7,121 | 38,518 | | 114,019 | |
| 309 | Shelby County | 1,515,230 | 188,668 | 9,684 | 90,410 | 104,511 | 143,372 | 1,554,853 | |
| 627 | Shelby Co. AD | 99,625 | 8,240 | | 6,382 | | 8,459 | 105,789 | |
| 310 | Sherman County | 1,186,112 | 73,807 | 44 | 82,897 | | 2,032 | 1,340,828 | |
| 469 | Sherman Co. AD | 154,646 | 7,186 | | 10,825 | | 644,032 | 172,658 | |
| 311 | Smith County | 14,249,277 | 1,542,373 | 38,817 | 906,523 | 1,001,058 | 644,032 | 15,089,577 | |
| 555 | Smith Co. 911 Comm. Dist. | 281,226 | 70,096 | 1,553 | 16,381 | | 64,122 | 305,134 | |
| 606 | Smith Co. AD | 888,084 | 97,901 | 707 | 61,155 | | 20,045 | 1,027,802 | |
| 632 | Smith Co. Public Health Dist. | 1,046,881 | 188,734 | 1,873 | 68,926 | 20,295 | 45,858 | 1,239,724 | |
| 312 | Somervell County | 3,036,123 | 277,856 | 5,946 | 201,920 | 55,755 | 113,996 | 3,352,093 | |
| 507 | Somervell Co. CAD | 35,781 | 11,502 | | 2,505 | | | 49,787 | |
| 699 | Somervell Co. Water Dist. | 5,178 | 6,228 | | 362 | | | 11,768 | |
| 645 | South Tex. Dev. Council | 275,332 | 46,993 | 1,318 | 17,013 | 34,025 | 2,355 | 304,276 | |
| 313 | Starr County | 3,128,455 | 407,601 | 7,460 | 203,730 | 80,806 | 148,199 | 3,512,401 | |
| 536 | Starr Co. AD | 330,565 | 22,160 | | 23,140 | | | 375,865 | |
| 314 | Stephens County | 1,647,053 | 96,093 | 271 | 114,857 | 259,559 | 8,476 | 1,590,239 | |
| 315 | Sterling County | 719,226 | 80,431 | 170 | 49,962 | | 10,586 | 839,162 | |
| 316 | Stonewall County | 560,654 | 36,563 | 119 | 38,073 | | 16,922 | 618,484 | |
| 458 | Stonewall Mem. HD | 434,496 | 45,678 | 974 | 28,023 | 2,786 | 33,289 | 473,043 | |
| 539 | Stratford HD — Sherman Co. | 256,680 | 48,832 | 529 | 16,554 | | 26,012 | 296,495 | |
| 317 | Sutton County | 1,799,112 | 123,682 | 2,499 | 119,885 | 82,315 | 9,934 | 1,952,930 | |
| 573 | Sutton Co. HD | 334,163 | 49,391 | 1,646 | 19,244 | 55,815 | 29,204 | 312,272 | |
| 318 | Swisher County | 820,293 | 74,490 | 1,045 | 52,414 | 65,594 | 9,595 | 873,054 | |
| 460 | Swisher Co. AD | 210,885 | 7,921 | | 14,762 | 107,978 | | 125,590 | |
| 534 | Swisher Mem. HD | 549,275 | 104,795 | 1,161 | 35,154 | | 50,147 | 638,079 | |
| 607 | Tarrant AD | 6,529,703 | 617,165 | 2,989 | 443,366 | 87,562 | 118,908 | 7,386,704 | |
| 319 | Tarrant County | 148,660,586 | 12,607,760 | 271,774 | 9,814,688 | 8,270,910 | 1,728,994 | 161,307,362 | |
| 545 | Tarrant Co. 911 EAD | 791,714 | 73,670 | | 55,420 | | | 920,803 | |
| 574 | Tax AD of Cottle Co. | 29,938 | 1,965 | | 2,096 | | | 33,999 | |

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Deductions | | | Balances Dec. 31, 2004 |
|-----|---------------------------------|--------------------------|--------------------|------------------------------|--------------------|------------------------------------|-------------|--------------------------|---------------------------|
| | | | Member Deposits | Partial- Year Interest | Annual Interest | Transfers to CSARF ¹ | Withdrawals | Net Escheat- ments | |
| 320 | Taylor County | 14,453,995 | 1,094,688 | 35,473 | 927,862 | 1,175,829 | 206,147 | 15,693 | 15,114,348 |
| 321 | Terrell County | 588,592 | 51,385 | 338 | 40,722 | | 8,309 | | 672,729 |
| 322 | Terry County | 2,270,031 | 205,758 | 2,239 | 153,214 | 273,337 | 64,625 | | 2,293,280 |
| 402 | Terry Mem. HD | 2,284,297 | 205,097 | 6,015 | 147,829 | 38,554 | 153,536 | 1,480 | 2,449,670 |
| 437 | Tex. Assoc. of Counties | 4,157,340 | 461,455 | 793 | 289,635 | | 27,310 | | 4,881,913 |
| 354 | TCDRS | 2,631,010 | 362,964 | 4,287 | 174,414 | 17,917 | 128,791 | | 3,025,967 |
| 634 | Tex. Eastern 911 Net. | 65,798 | 9,611 | | 4,606 | | | | 80,015 |
| 323 | Throckmorton County | 463,121 | 35,756 | 137 | 29,246 | | 21,800 | | 506,460 |
| 324 | Titus County | 2,696,980 | 242,076 | 7,868 | 170,655 | 128,753 | 142,685 | 4,132 | 2,842,009 |
| 501 | Titus Co. Fresh WSD | 299,708 | 23,646 | 682 | 13,819 | 24,773 | 103,137 | | 209,945 |
| 325 | Tom Green County | 11,100,412 | 1,067,269 | 19,629 | 734,938 | 453,056 | 276,115 | 4,585 | 12,188,492 |
| 601 | Travis CAD | 3,486,460 | 301,741 | 2,786 | 235,251 | 2,995 | 132,669 | 1,574 | 3,889,000 |
| 326 | Travis County | 132,914,910 | 11,902,379 | 188,778 | 8,817,797 | 5,846,889 | 2,449,150 | 127,315 | 145,400,509 |
| 666 | Travis Co. WCID — Point Venture | 17,469 | 7,940 | | 1,223 | | | | 26,632 |
| 549 | Travis Co. WCID #18 | 43,539 | | | 3,048 | | | | 46,587 |
| 659 | Tri-Co. SUD | 24,441 | 11,708 | | 1,711 | 12,354 | 242 | | 37,860 |
| 633 | Trinity Bay Cons. Dist. | 368,803 | 47,600 | | 25,816 | | | | 429,624 |
| 327 | Trinity County | 1,322,472 | 84,836 | 6,223 | 80,029 | 115,273 | 75,540 | | 1,302,747 |
| 328 | Tyler County | 2,162,479 | 185,087 | 4,456 | 141,884 | 126,434 | 41,459 | | 2,326,014 |
| 471 | Tyler Co. AD | 234,196 | 20,904 | 879 | 15,075 | 21,016 | | | 250,039 |
| 561 | United ID — Hidalgo Co. | 414,574 | 53,706 | 78 | 28,662 | 3,767 | 1,590 | | 491,662 |
| 329 | Upshur County | 3,854,157 | 411,045 | 5,181 | 256,950 | 112,194 | 89,321 | (1,022) | 4,326,838 |
| 330 | Upton County | 2,224,833 | 160,279 | 3,456 | 148,990 | 124,668 | 23,215 | 1,061 | 2,388,615 |
| 682 | Upton Co. AD | 18,120 | 10,446 | | 1,268 | | | | 29,834 |
| 331 | Uvalde County | 3,546,821 | 342,910 | 12,201 | 222,062 | 245,829 | 163,844 | 367 | 3,713,953 |
| 332 | Val Verde County | 4,749,675 | 421,781 | 6,372 | 312,625 | 285,202 | 99,295 | 10,346 | 5,095,611 |
| 663 | Valley MUD #2 — Cameron Co. | 49,131 | 14,231 | 267 | 3,148 | | 5,518 | | 61,260 |
| 586 | Valwood Imp. Auth. — Dallas Co. | 180,631 | 14,277 | | 12,534 | | 1,572 | | 205,871 |
| 333 | Van Zandt County | 3,233,227 | 348,501 | 4,494 | 210,199 | 161,064 | 112,443 | (1,793) | 3,524,707 |
| 672 | Van Zandt Co. AD | 62,031 | 28,158 | 623 | 3,663 | | 10,329 | | 84,145 |
| 420 | Velasco DD — Brazoria Co. | 1,600,500 | 73,050 | | 112,035 | | | | 1,785,585 |
| 334 | Victoria County | 15,689,949 | 1,248,849 | 34,991 | 1,001,427 | 1,066,998 | 393,727 | 14,777 | 16,499,714 |
| 423 | Victoria Co. DD #3 | 305,600 | 6,567 | | 21,392 | | | | 333,559 |
| 637 | Victoria Co. WCID # 1 | 31,546 | 4,924 | | 2,208 | | | | 38,677 |
| 335 | Walker County | 6,054,155 | 701,863 | 16,347 | 391,127 | 451,734 | 244,517 | 14,644 | 6,452,597 |
| 336 | Walker County | 4,602,640 | 438,029 | 4,678 | 310,991 | 303,018 | 42,955 | 1,239 | 5,009,126 |
| 337 | Ward County | 2,779,872 | 256,298 | 5,733 | 180,796 | 75,757 | 138,939 | | 3,008,004 |
| 565 | Ward Co. CAD | 148,105 | 7,464 | | 10,210 | | 2,242 | | 163,538 |
| 444 | Ward Mem. Hosp. | 1,967,925 | 237,226 | 10,122 | 116,912 | 210,417 | 96,909 | 13,860 | 2,010,999 |
| 338 | Washington County | 3,512,487 | 388,689 | 1,829 | 243,234 | | 27,829 | 275 | 4,118,136 |

¹ Current Service Annuity Reserve Fund



OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | | Deductions | | | Balances Dec. 31, 2004 |
|---------------|---------------------------------------|--------------------------|-----------------------|------------------------------|-----------------------|------------------------------------|----------------------|--------------------------|---------------------------|
| | | | Member Deposits | Partial- Year Interest | Annual Interest | Transfers to CSARF ¹ | Withdrawals | Net Escheat- ments | |
| 339 | Webb County | 20,700,542 | 2,437,204 | 36,435 | 1,360,697 | 1,478,202 | 497,756 | 15,812 | 22,543,106 |
| 604 | Webb Co. AD | 667,710 | 88,411 | 2,467 | 42,315 | 21,174 | 41,918 | 3,405 | 734,405 |
| 443 | West Cent. Tex. COG | 1,995,301 | 180,623 | 3,350 | 131,411 | 19,207 | 118,014 | | 2,173,463 |
| 410 | West Cent. Tex. MWD | 439,608 | 45,495 | 1,611 | 28,431 | 27,546 | 10,231 | | 477,367 |
| 454 | West Jefferson Co. MWD | 303,891 | 17,853 | | 21,272 | | | | 343,017 |
| 688 | West Nueces-Las Moras Soil & WCD #236 | 3,588 | 2,290 | | 251 | | | | 6,129 |
| 340 | Wharton County | 5,964,203 | 387,039 | 8,144 | 398,966 | 97,559 | 180,977 | 4,456 | 6,475,360 |
| 621 | Wharton Co. WCID #1 | 20,060 | 2,041 | 1,404 | 1,404 | | | | 23,506 |
| 341 | Wheeler County | 1,122,881 | 79,123 | 2,198 | 74,572 | 141,302 | 37,920 | 925 | 1,098,627 |
| 476 | Wheeler Co. AD | 113,876 | 7,621 | | 7,971 | | | | 129,468 |
| 427 | White River MWD — Dickens Co. | 521,163 | 23,621 | 6,905 | 18,065 | 254,443 | 19,567 | | 295,745 |
| 342 | Wichita County | 12,216,812 | 923,806 | 14,692 | 823,633 | 221,935 | 298,774 | 13,502 | 13,444,731 |
| 446 | Wichita Co. WID #2 | 829,191 | 35,365 | | 58,043 | 205,120 | | | 717,480 |
| 559 | Wichita-Wilbarger 911 Dist. | 204,362 | 16,413 | | 14,305 | | | | 235,080 |
| 655 | Wickson Creek SUD — Brazos Co. | 89,651 | 22,260 | 200 | 5,933 | | 6,015 | | 112,028 |
| 343 | Wilbarger County | 2,225,992 | 161,478 | 6,088 | 145,880 | 156,806 | 84,538 | | 2,298,094 |
| 530 | Wilbarger Co. HD | 2,145,337 | 214,627 | 3,956 | 141,024 | 126,289 | 11,870 | 1,623 | 2,365,162 |
| 344 | Willacy County | 1,971,713 | 146,254 | 4,767 | 121,619 | 262,026 | 100,960 | 624 | 1,880,742 |
| 575 | Willacy Co. AD | 105,977 | 9,630 | | 7,418 | | | | 123,026 |
| 652 | Willacy Co. Housing Auth. | 22,558 | 4,608 | | 1,579 | | | | 28,746 |
| 345 | Williamson County | 24,481,723 | 3,359,822 | 34,189 | 1,619,341 | 936,317 | 707,088 | 2,971 | 27,848,699 |
| 608 | Williamson Co. AD | 1,428,821 | 183,818 | 365 | 98,229 | 21,528 | 3,509 | 1,365 | 1,684,831 |
| 346 | Wilson County | 2,342,407 | 261,213 | 2,524 | 155,166 | 84,422 | 65,093 | 500 | 2,611,295 |
| 479 | Wilson Co. AD | 320,519 | 24,956 | 352 | 21,106 | | 21,353 | | 345,580 |
| 347 | Winkler County | 3,149,121 | 278,571 | 9,308 | 204,193 | 168,361 | 82,478 | 961 | 3,389,392 |
| 533 | Winkler Co. AD | 50,089 | 5,132 | | 3,506 | | | | 58,728 |
| 348 | Wise County | 4,492,150 | 651,642 | 5,697 | 296,529 | 242,572 | 170,379 | 1,355 | 5,031,710 |
| 493 | Wise Co. AD | 297,142 | 30,752 | 1,997 | 17,142 | 14,170 | 43,111 | | 289,751 |
| 349 | Wood County | 4,132,383 | 365,983 | 12,623 | 268,472 | 499,781 | 71,628 | | 4,208,053 |
| 700 | Wood Co. AD | 24,548 | 28,520 | 11 | 1,700 | | 1,134 | | 53,644 |
| 350 | Yoakum County | 5,642,814 | 501,832 | 18,475 | 343,464 | 970,510 | 157,494 | 1,582 | 5,376,999 |
| 351 | Young County | 2,630,961 | 188,557 | 5,077 | 174,796 | 267,877 | 50,796 | | 2,680,719 |
| 352 | Zapata County | 4,080,935 | 416,282 | 6,257 | 264,006 | 213,371 | 143,851 | | 4,410,258 |
| 649 | Zapata Co. AD | 33,438 | 5,942 | | 2,341 | | | | 41,721 |
| 353 | Zavala County | 908,616 | 77,345 | 131 | 63,289 | 4,618 | | | 1,044,763 |
| 566 | Zavala Co. AD | 127,722 | 12,636 | 178 | 8,728 | | 3,786 | | 145,477 |
| Totals | | \$ 2,825,128,768 | \$ 249,968,480 | \$ 5,471,630 | \$ 185,148,258 | \$ 171,010,596 | \$ 58,642,242 | \$ 1,497,137 | \$ 3,034,567,161 |

¹ Current Service Annuity Reserve Fund
Due to rounding, totals and detail may not equal.

See accompanying independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued on subsequent pages

| No. | Employer Name | Balances | | Additions | | Deductions | | Balances Dec. 31, 2004 |
|-----|----------------------------------|--------------|------------------------|--------------------|---------------------------------------|---------------------------------|-----------------------|---------------------------|
| | | Jan. 1, 2004 | Employer Contributions | Allocated Net Gain | Endowment Fund Transfers ¹ | Transfers to CSARF ² | Retirement Allowances | |
| 638 | Acton MUD | \$ 231,913 | \$ 25,678 | \$ 20,872 | | \$ 4,624 | \$ 273,839 | |
| 615 | Alamo Area COG | 2,787,517 | 334,594 | 250,877 | | 85,755 | 3,287,232 | |
| 100 | Anderson County | 5,871,562 | 518,771 | 528,441 | 7,448 | 411,054 | 6,284,331 | |
| 691 | Anderson Co. CAD | 17,441 | 18,500 | 1,570 | | | 37,510 | |
| 101 | Andrews County | 17,040,830 | 716,531 | 1,533,675 | 10,791 | 813,953 | 17,558,933 | |
| 102 | Angelina County | 10,684,758 | 900,555 | 961,628 | 4,047 | 398,722 | 11,654,707 | |
| 502 | Angelina Co. AD | 1,421,093 | 32,254 | 127,898 | 3,468 | 79,719 | 1,494,108 | |
| 684 | Angelina/Nacogdoches Co. WCID #1 | 10,412 | 6,708 | 937 | | | 18,058 | |
| 576 | Angleton DD | 378,638 | 32,562 | 34,077 | | | 435,596 | |
| 614 | Aquilla WSD — Hill Co. | 127,460 | 17,123 | 11,471 | | | 153,424 | |
| 103 | Aranas County | 4,649,042 | 245,052 | 418,414 | 1,319 | 123,730 | 5,074,038 | |
| 459 | Aranas Co. AD | 624,471 | 29,513 | 56,202 | | | 704,985 | |
| 668 | Aranas Co. ND #1 | 62,527 | 17,775 | 5,627 | | | 85,930 | |
| 104 | Archer County | 1,471,844 | 117,432 | 132,466 | | 6,880 | 1,638,388 | |
| 503 | Archer Co. AD | 293,366 | 4,713 | 26,403 | 634 | 36,872 | 284,273 | |
| 105 | Armstrong County | 618,240 | 17,507 | 55,642 | | 16,725 | 674,664 | |
| 106 | Atascosa County | 6,889,172 | 315,251 | 620,026 | 1,743 | 57,922 | 7,649,900 | |
| 551 | Atascosa Co. AD | 345,412 | 27,748 | 31,087 | | | 393,855 | |
| 107 | Austin County | 5,200,179 | 342,919 | 468,016 | 2,525 | 254,672 | 5,661,955 | |
| 461 | Austin Co. AD | 798,482 | 19,802 | 71,863 | | 16,169 | 866,325 | |
| 597 | Bacliff MUD | 230,125 | 19,766 | 20,711 | | | 270,603 | |
| 108 | Bailey County | 914,660 | 85,247 | 82,319 | | | 1,026,877 | |
| 109 | Bandera County | 3,019,144 | 277,728 | 271,723 | 2,960 | 97,635 | 3,374,934 | |
| 411 | Bandera Co. WCID #1 | 2,747 | | 247 | | | 2,393 | |
| 110 | Bastrop County | 12,759,068 | 1,115,571 | 1,148,316 | 3,140 | 371,648 | 14,324,683 | |
| 111 | Baylor County | 970,119 | 68,562 | 87,311 | 1,405 | 51,168 | 1,042,305 | |
| 685 | Baylor Co. AD | 7,804 | 4,813 | 702 | | | 13,320 | |
| 613 | Bayview ID #11 | 62,458 | 9,804 | 5,621 | 1,175 | 20,369 | 58,463 | |
| 690 | Bayview MUD | 5,619 | 3,922 | 506 | | | 10,046 | |
| 112 | Bee County | 5,048,201 | 354,420 | 454,338 | 7,717 | 344,722 | 5,448,259 | |
| 113 | Bell County | 42,876,507 | 2,977,316 | 3,858,886 | 33,622 | 1,436,523 | 46,982,860 | |
| 506 | Bell Co. AD | 2,467,940 | 127,062 | 222,115 | 509 | 30,320 | 2,726,366 | |
| 418 | Bell Co. WCID #1 | 1,035,939 | 99,341 | 93,234 | 1,118 | 97,268 | 1,047,452 | |
| 708 | Benbrook Water and Sewer Auth. | 24,017 | 93,572 | 2,162 | | | 119,750 | |
| 472 | Bexar AD | 13,090,735 | 603,526 | 1,178,166 | 14,186 | 387,712 | 14,311,950 | |
| 114 | Bexar County | 237,739,402 | 15,469,748 | 21,396,546 | 295,548 | 10,943,064 | 258,201,668 | |
| 544 | Bexar Co. WCID #10 | 159,387 | 14,804 | 14,345 | | | 181,316 | |
| 616 | Bistone MWSD — Limestone Co. | 284,086 | 19,885 | 25,568 | 388 | 17,029 | 310,508 | |
| 115 | Blanco County | 1,092,209 | 103,815 | 98,299 | 309 | 27,142 | 1,225,530 | |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Deductions | | | Balances Dec. 31, 2004 |
|-----|-----------------------------------|--------------------------|---------------------------|-----------------------|--|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | Endowment Fund Transfers ¹ | Transfers to CSARF ² | Retirement Allowances | |
| 116 | Borden County | 538,318 | 46,458 | 48,449 | | | 29,479 | 603,747 |
| 525 | Borden Co. AD | 2,184 | 1,111 | 197 | | | | 3,491 |
| 117 | Bosque County | 1,676,985 | 104,175 | 150,929 | 1,894 | | 119,852 | 1,783,513 |
| 521 | Bosque Co. CAD | 334,351 | 21,639 | 30,092 | | | | 386,082 |
| 118 | Bowie County | 15,983,444 | 670,609 | 1,438,510 | 10,044 | | 756,007 | 16,888,253 |
| 119 | Brazoria County | 55,991,036 | 4,007,716 | 5,039,193 | 30,125 | | 2,454,068 | 61,188,473 |
| 508 | Brazoria Co. AD | 2,004,801 | 99,046 | 180,432 | 1,314 | | 142,675 | 2,092,485 |
| 413 | Brazoria Co. CRD #3 | 1,288,594 | 160,693 | 115,973 | | | 29,019 | 1,536,242 |
| 424 | Brazoria Co. DD #4 | 1,349,027 | 262,652 | 121,412 | 2,607 | | 76,912 | 1,831,408 |
| | Lump-sum contribution | | 250,000 | | | | | |
| 681 | Brazoria Co. DD #5 | 8,023 | 5,404 | 722 | | | | |
| | Late-reporting penalty | (503) | | | | | | |
| 120 | Brazos County | 33,093,393 | 2,552,752 | 2,978,405 | 53,877 | | 1,959,264 | 35,754,124 |
| 689 | Brazos Co. AD | 145,714 | 116,117 | 13,114 | | | | 274,945 |
| 600 | Brazos Co. ECD | 1,050,074 | 81,408 | 94,507 | | | 8,607 | 1,217,382 |
| 121 | Brewster County | 1,369,412 | 140,204 | 123,247 | | | 61,159 | 1,571,704 |
| 581 | Brewster Co. AD | 87,009 | 6,744 | 7,831 | | | 3,156 | 98,429 |
| 122 | Briscoe County | 348,553 | 21,599 | 31,370 | 1,891 | | 10,191 | 391,330 |
| 123 | Brooks County | 6,319,662 | 137,893 | 568,770 | | | 197,644 | 6,719,076 |
| 554 | Brookshire — Katy DD | 201,295 | 11,219 | 18,117 | | | 1,198 | 229,432 |
| 522 | Brookshire MWD | 454,768 | 27,228 | 40,929 | | | 11,732 | 511,194 |
| 124 | Brown County | 3,619,947 | 250,480 | 325,795 | 2,020 | | 60,425 | 4,061,099 |
| 702 | Brownville ID | 12,685 | 18,266 | 1,142 | | | 2,504 | 29,589 |
| 642 | Brushy Creek MUD — Williamson Co. | 195,453 | 70,908 | 17,591 | | | 8,900 | 275,053 |
| 125 | Burleson County | 1,803,986 | 187,749 | 162,359 | | | 172,852 | 1,903,241 |
| 126 | Burnet County | 5,432,741 | 574,547 | 488,947 | 3,908 | | 373,214 | 5,877,145 |
| 609 | Burnet Co. AD | 626,135 | 60,828 | 56,352 | | | 895 | 742,421 |
| 127 | Caldwell County | 2,726,276 | 169,571 | 245,365 | 2,179 | | 128,611 | 2,935,192 |
| 128 | Calhoun County | 6,158,137 | 477,674 | 554,232 | 5,182 | | 241,328 | 6,748,079 |
| 709 | Calhoun Co. AD | | 26,553 | | | | 706 | 25,834 |
| 129 | Callahan County | 1,061,068 | 67,014 | 95,496 | 2,012 | | 62,316 | 1,123,877 |
| 542 | Callahan Co. AD | 168,646 | 7,658 | 15,178 | | | 3,559 | 187,924 |
| 130 | Cameron County | 49,568,132 | 3,498,510 | 4,461,132 | 40,412 | | 1,587,452 | 54,730,369 |
| 618 | Cameron Co. AD | 1,622,438 | 135,934 | 146,019 | 2,484 | | 39,292 | 1,859,876 |
| 692 | Cameron Co. DD #1 | 9,397 | 14,313 | 846 | | | | |
| | Late-reporting penalty | (503) | | | | | | |
| 664 | Cameron Co. DD #3 | 59,356 | 17,674 | 5,342 | | | | 24,053 |
| | Late-reporting penalty | (501) | | | | | | |
| 686 | Cameron Co. DD #5 | 7,448 | 4,637 | 670 | | | | 81,871 |
| | | | | | | | | 12,755 |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Endowment Fund Transfers ¹ | Deductions | | Balances Dec. 31, 2004 |
|-----|------------------------------|--------------------------|---------------------------|-----------------------|--|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | | Transfers to CSARF ² | Retirement Allowances | |
| 462 | Cameron Co. ID #2 | 745,550 | 48,787 | 67,100 | | | 40,973 | 820,464 |
| 590 | Cameron Co. ID #6 | 164,851 | 8,562 | 14,837 | | | 5,240 | 183,009 |
| 670 | Camp CAD | 26,654 | 7,375 | 2,399 | | | | 36,428 |
| 131 | Camp County | 1,559,387 | 125,747 | 140,345 | 1,641 | 143,728 | 61,708 | 1,621,685 |
| 132 | Carson County | 1,074,120 | 106,556 | 96,671 | 610 | 14,592 | 55,998 | 1,207,367 |
| 133 | Cass County | 4,906,791 | 369,400 | 441,611 | 2,005 | 51,582 | 206,996 | 5,461,229 |
| 610 | Cass Co. AD | 270,040 | 29,026 | 24,304 | 489 | 44,051 | 3,683 | 276,125 |
| 134 | Castro County | 2,310,805 | 122,616 | 207,972 | 122 | 29,602 | 43,076 | 2,568,838 |
| 635 | CAD of Johnson Co. | 706,944 | 141,442 | 63,625 | | | 11,487 | 900,525 |
| 602 | CAD of Taylor Co. | 1,248,319 | 106,377 | 112,349 | | | 31,857 | 1,435,187 |
| 712 | Central Tex. Reg. Mob. Auth. | | 9,984 | | | | | 9,984 |
| 648 | Cent. WCID — Angelina Co. | 27,389 | 9,532 | 2,465 | | | 4,372 | 35,015 |
| 135 | Chambers County | 16,848,041 | 951,365 | 1,516,324 | 11,987 | 656,475 | 669,650 | 18,001,592 |
| 531 | Chambers Co. AD | 716,279 | 66,215 | 64,465 | | | 23,738 | |
| | Lump-sum contribution | | 101,617 | | | | | 924,838 |
| 548 | Chambers Co. Public HD | 883,094 | 46,523 | 79,478 | | | 13,474 | 995,621 |
| 136 | Cherokee County | 6,184,579 | 478,654 | 556,612 | 7,012 | 227,650 | 221,123 | 6,778,084 |
| 137 | Childress County | 336,852 | 55,749 | 30,317 | | | 17,330 | 405,587 |
| 511 | Childress Co. AD | 34,998 | 4,243 | 3,150 | | | 6,030 | 36,361 |
| 582 | Childress Co. HD | 3,454,913 | 267,577 | 310,942 | 1,196 | 92,604 | 67,317 | 3,874,706 |
| 465 | Cisco HD | 126,881 | | 11,419 | | | 7,879 | 130,421 |
| 138 | Clay County | 2,389,595 | 196,893 | 215,064 | 680 | 54,353 | 105,958 | 2,641,921 |
| 485 | Clay Co. AD | 404,775 | 15,008 | 36,430 | | | 8,542 | 447,670 |
| 703 | Coastal Bend GCD | 1,290 | 2,958 | 116 | | | | 4,364 |
| 139 | Cochran County | 1,769,517 | 144,146 | 159,257 | 2,172 | 53,400 | 115,872 | |
| | Lump-sum contribution | | 50,000 | | | | | 1,955,819 |
| 477 | Cochran Co. AD | 97,254 | 3,844 | 8,753 | | | 3,391 | 106,460 |
| 140 | Coke County | 609,073 | 81,342 | 54,817 | 216 | 44,584 | 21,481 | 679,383 |
| 141 | Coleman County | 1,407,834 | 82,803 | 126,705 | | 133,354 | 32,975 | 1,451,013 |
| 142 | Collin County | 71,351,581 | 7,561,577 | 6,421,642 | 52,781 | 2,042,827 | 1,841,467 | 81,503,287 |
| 457 | Collin Co. CAD | 5,263,516 | 279,801 | 473,716 | 2,813 | 80,840 | 47,899 | 5,891,109 |
| 143 | Collingsworth County | 295,964 | 33,377 | 26,637 | 302 | 12,020 | 2,459 | 341,801 |
| 144 | Colorado County | 2,468,789 | 245,505 | 222,191 | 142 | 7,360 | 74,729 | 2,854,539 |
| 623 | Comal AD | 488,166 | 90,205 | 43,935 | 186 | 32,367 | 12,121 | 578,005 |
| 145 | Comal County | 13,352,057 | 1,413,404 | 1,201,685 | 6,881 | 277,791 | 357,198 | 15,339,037 |
| 146 | Comanche County | 2,054,425 | 156,127 | 184,898 | 3,911 | 121,907 | 77,808 | |
| | Late-reporting penalty | | (508) | | | | | 2,199,137 |
| 147 | Concho County | 961,201 | 54,894 | 86,508 | | 9,848 | 15,143 | 1,077,613 |
| 636 | Concho Co. HD | 391,231 | 29,753 | 35,211 | 467 | 27,661 | 26,385 | 402,616 |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund



OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Endowment Fund Transfers ¹ | Deductions | | Balances Dec. 31, 2004 |
|-----|-----------------------------------|--------------------------|---------------------------|-----------------------|--|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | | Transfers to CSARF ² | Retirement Allowances | |
| 148 | Cooke County | 5,475,317 | 413,747 | 492,779 | 11,910 | 813,307 | 99,062 | 5,481,383 |
| 487 | Cooke Co. AD | 926,604 | 34,995 | 83,394 | | | 21,504 | 1,023,490 |
| 149 | Coyell County | 5,088,332 | 381,745 | 457,950 | 11,359 | 469,925 | 123,524 | 5,345,937 |
| 150 | Cottle County | 282,914 | 24,422 | 25,462 | 352 | 13,843 | 16,059 | 303,248 |
| 151 | Crane County | 4,080,898 | 192,256 | 367,281 | 3,923 | 303,885 | 155,974 | 4,184,500 |
| 152 | Crockett County | 5,623,188 | 352,784 | 506,087 | 4,392 | 308,249 | 200,476 | 5,977,726 |
| 409 | Crockett Co. WCID #1 | 460,446 | 17,007 | 41,440 | | | 20,782 | 498,111 |
| 153 | Crosby County | 996,450 | 102,879 | 89,681 | 1,871 | 55,966 | 71,043 | 1,063,872 |
| 532 | Crosby Co. AD | 92,648 | 734 | 8,338 | | | 3,216 | 98,504 |
| 603 | Crosby MUD | 250,881 | 23,593 | 22,579 | | | 3,843 | 293,210 |
| 710 | Cross Roads SUD | | 6,415 | | | | | 6,415 |
| 154 | Culberson County | 1,627,439 | 79,124 | 146,470 | 1,951 | 70,913 | 28,043 | 1,756,028 |
| 478 | Culberson Co. Hosp. | 188,057 | | 16,925 | | | 6,250 | 198,732 |
| 550 | Culberson HD | 737,499 | 6,781 | 66,375 | | | 1,609 | |
| | Late-reporting penalty | | (502) | | | | | 808,543 |
| 155 | Dallam County | 1,632,837 | 78,632 | 146,955 | | | 56,514 | 1,801,910 |
| 467 | Dallas CAD | 26,571,490 | 1,175,032 | 2,391,434 | 10,729 | 941,966 | 366,886 | 28,839,833 |
| 156 | Dallas County | 400,057,818 | 19,967,622 | 36,005,204 | 376,082 | 16,113,075 | 10,704,317 | 429,589,333 |
| 430 | Dallas Co. Park Cities MUD | 1,183,465 | 84,991 | 106,512 | 2,317 | 42,040 | 29,019 | |
| | Late-reporting penalty | | (504) | | | | | 1,305,722 |
| 687 | Dallas Co. WCID #6 | 61,871 | 45,770 | 5,568 | | | | 113,209 |
| 157 | Dawson County | 1,991,951 | 288,976 | 179,276 | 11,232 | 304,145 | 151,001 | 2,016,288 |
| 463 | Dawson Co. CAD | 457,791 | 10,378 | 41,201 | | | 3,353 | 506,017 |
| 158 | Deaf Smith County | 4,567,320 | 299,497 | 411,059 | 3,412 | 154,420 | 172,037 | 4,954,830 |
| 578 | Deaf Smith Co. HD | 2,914,815 | 56,404 | 262,333 | 2,358 | 53,109 | 42,448 | 3,140,353 |
| 159 | Delta County | 586,166 | 56,322 | 52,755 | 150 | 50,721 | 38,408 | 606,264 |
| 583 | Denco Area 911 Dist. — Denton Co. | 429,924 | 41,331 | 38,693 | | | | 509,948 |
| 482 | Denton CAD | 3,283,294 | 285,828 | 295,496 | 5,759 | 243,008 | 55,355 | 3,572,015 |
| 160 | Denton County | 50,347,039 | 4,993,606 | 4,531,234 | 22,493 | 2,115,148 | 774,200 | 57,005,023 |
| 161 | DeWitt County | 2,418,953 | 181,406 | 217,706 | | 81,912 | 94,717 | 2,641,436 |
| 466 | DeWitt Co. AD | 391,321 | 12,892 | 35,219 | | | 1,660 | 437,772 |
| 162 | Dickens County | 574,559 | 60,315 | 51,710 | | | 12,542 | 674,042 |
| 163 | Dimmit County | 1,252,848 | 98,419 | 112,756 | | | 27,172 | 1,436,851 |
| 164 | Donley County | 474,445 | 43,855 | 42,700 | 1,501 | 57,251 | 28,614 | 476,636 |
| 165 | Duval County | 2,503,313 | 247,327 | 225,298 | 1,552 | 50,990 | 161,722 | 2,764,778 |
| 166 | Eastland County | 2,782,156 | 234,242 | 250,394 | 2,979 | 91,860 | 150,802 | 3,027,108 |
| 593 | Eastland Co. AD | 274,735 | 21,847 | 24,726 | | | 2,251 | 319,057 |
| 167 | Ector County | 72,828,198 | 1,148,851 | 6,554,538 | 76,789 | 2,424,684 | 3,505,165 | 75,868,587 |
| | Transfer from Ector Co. HD #580 | | 1,190,061 | | | | | |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Endowment Fund Transfers ¹ | Deductions | | Balances Dec. 31, 2004 |
|-----|-----------------------------------|--------------------------|---------------------------|-----------------------|--|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | | Transfers to CSARF ² | Retirement Allowances | |
| 580 | Ector Co. HD | 64,675,567 | 6,664,231 | 5,820,801 | 107,924 | 2,886,654 | 873,259 | 72,318,549 |
| 448 | Transfer to Ector County #167 | | (1,190,061) | | | | | |
| | Edwards Aquifer Auth. — Bexar Co. | 1,957,800 | 81,100 | 176,202 | | | 20,910 | 2,194,192 |
| 628 | Edwards CAD | 17,776 | 479 | 1,600 | | | | 19,855 |
| 168 | Edwards County | 290,124 | 44,120 | 26,111 | 621 | 14,003 | 9,275 | 337,699 |
| 170 | El Paso County | 131,180,531 | 10,901,043 | 11,806,248 | 95,627 | 3,992,847 | 2,848,392 | 147,142,210 |
| 567 | El Paso Co. 911 Dist. | 510,178 | 41,320 | 45,916 | 4,804 | 84,367 | 678 | 517,173 |
| 541 | El Paso Co. HD | 47,691,479 | 3,874,064 | 4,292,233 | 15,814 | 453,460 | 1,201,376 | 54,218,754 |
| 456 | El Paso WCID Westway | 19,990 | | 1,799 | | | 845 | 20,944 |
| 169 | Ellis County | 12,076,420 | 1,288,423 | 1,086,878 | 7,605 | 403,137 | 256,343 | 13,799,846 |
| 624 | ECD of Ector Co. | 196,084 | 24,399 | 17,648 | | | | 238,131 |
| 171 | Erath County | 4,472,936 | 349,894 | 402,564 | 5,535 | 186,395 | 92,466 | 4,952,069 |
| 172 | Falls County | 2,949,252 | 218,371 | 265,433 | 1,896 | 103,447 | 131,782 | 3,199,722 |
| 563 | Falls Co. AD | 114,740 | 7,400 | 10,327 | | | 6,181 | 126,286 |
| 173 | Fannin County | 3,678,492 | 312,668 | 331,064 | | 53,949 | 91,079 | 4,177,196 |
| 644 | Fannin Co. AD | 92,725 | 10,056 | 8,345 | | | | 111,126 |
| 174 | Fayette County | 7,513,363 | 486,946 | 676,203 | 4,778 | 444,678 | 168,534 | 8,068,077 |
| 175 | Fisher County | 522,655 | 67,362 | 47,039 | | | 41,879 | 595,177 |
| 432 | Fisher Co. HD | 1,705,882 | 49,749 | 153,529 | 1,798 | 31,869 | 32,289 | 1,846,801 |
| 176 | Floyd County | 1,322,079 | 119,791 | 118,987 | | | 56,594 | 1,504,262 |
| 474 | Fort Bend CAD | 3,652,884 | 189,893 | 328,760 | | 203,807 | 61,377 | 3,906,353 |
| 178 | Fort Bend County | 80,848,993 | 7,028,161 | 7,276,409 | 51,340 | 2,528,879 | 1,953,749 | 90,722,275 |
| 179 | Franklin County | 2,104,390 | 145,142 | 189,395 | 361 | 122,786 | 97,657 | 2,218,845 |
| 180 | Freestone County | 3,839,444 | 274,428 | 345,550 | 5,136 | 370,773 | 132,881 | 3,960,905 |
| 693 | Freestone Co. AD | 19,360 | 20,963 | 1,742 | | | | 42,065 |
| 181 | Frio County | 3,593,610 | 130,386 | 323,425 | 2,232 | 40,496 | 102,808 | 3,906,349 |
| 509 | Frio Co. AD | 530,948 | 22,669 | 47,785 | 536 | 19,521 | 1,060 | 581,357 |
| 182 | Gaines County | 4,800,956 | 420,352 | 432,086 | 2,482 | 263,515 | 177,672 | 5,214,690 |
| 546 | Galveston CAD | 3,323,818 | 222,934 | 299,144 | 762 | 66,054 | 37,716 | 3,742,887 |
| 183 | Galveston County | 78,659,250 | 3,762,593 | 7,079,332 | 77,139 | 4,731,296 | 2,385,652 | 82,461,366 |
| 547 | Galveston Co. Consol. DD | 539,439 | 57,798 | 48,550 | 713 | 64,613 | 15,082 | 566,805 |
| 464 | Galveston Co. DD #1 | 395,318 | 19,122 | 35,579 | | 25,460 | 17,223 | 407,336 |
| 433 | Galveston Co. DD #2 | 1,056,121 | 36,648 | 95,051 | | | 24,764 | |
| | Lump-sum contribution | | 100,000 | | | | | 1,263,056 |
| 589 | Galveston Co. ECD | 288,358 | 35,229 | 25,952 | | | | 349,539 |
| 407 | Galveston Co. WCID #1 | 1,935,108 | 162,896 | 174,160 | | | 124,237 | 2,147,927 |
| 473 | Garza CAD | 98,643 | 7,244 | 8,878 | | | 4,083 | 110,682 |
| 184 | Garza County | 1,992,922 | 108,309 | 179,363 | 2,898 | 230,637 | 48,012 | 2,004,843 |
| 185 | Gillespie County | 3,350,921 | 306,178 | 301,583 | 1,409 | 212,755 | 105,092 | 3,642,243 |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund



OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Endowment Fund Transfers ¹ | Deductions | | Balances Dec. 31, 2004 |
|-----|------------------------------------|--------------------------|---------------------------|-----------------------|--|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | | Transfers to CSARF ² | Retirement Allowances | |
| 186 | Glasscock County | 1,132,748 | 75,367 | 101,947 | | 52,909 | 35,067 | 1,222,087 |
| 187 | Goliad County | 3,126,660 | 102,566 | 281,399 | 352 | 15,935 | 103,210 | 3,391,833 |
| 188 | Gonzales County | 2,465,133 | 203,857 | 221,862 | 213 | 101,907 | 106,075 | 2,683,083 |
| 498 | Gonzales Co. AD | 385,661 | 19,908 | 34,709 | | | 511 | 439,767 |
| 189 | Gray County | 3,892,994 | 255,381 | 350,369 | 2,046 | 107,017 | 147,748 | 4,246,026 |
| 518 | Gray Co. AD | 733,282 | 14,521 | 65,995 | | | 4,884 | 808,914 |
| 190 | Grayson County | 17,259,001 | 1,657,627 | 1,553,310 | 13,696 | 1,114,562 | 570,080 | 18,798,992 |
| 475 | Grayson CAD | 1,560,252 | 90,505 | 140,423 | 11,276 | 343,507 | 50,689 | 1,408,261 |
| 528 | Greater Harris Co. 911 Emerg. Net. | 1,247,304 | 193,086 | 112,257 | 3,740 | 161,030 | 36,630 | 1,358,727 |
| 429 | Greenbelt MIWA — Donley Co. | 592,397 | 34,770 | 53,316 | | | 20,940 | 659,542 |
| 191 | Gregg County | 20,741,179 | 1,473,131 | 1,866,706 | 18,204 | 906,983 | 731,413 | 22,460,824 |
| 192 | Grimes County | 3,684,178 | 239,548 | 331,576 | 1,816 | 307,380 | 83,229 | 3,865,997 |
| | Late-reporting penalty | (512) | | | | | | |
| 483 | Grimes Co. AD | 566,717 | 40,810 | 51,005 | | | 5,065 | 653,467 |
| 193 | Guadalupe County | 9,965,349 | 1,226,673 | 896,881 | 8,155 | 290,599 | 277,011 | 11,529,448 |
| 587 | Guadalupe AD | 395,566 | 44,020 | 35,601 | | | 938 | 474,249 |
| 526 | Gulf Coast WA — Galveston Co. | 4,562,784 | 139,128 | 410,651 | | | 96,262 | 5,016,301 |
| 194 | Hale County | 6,764,622 | 406,204 | 608,816 | 2,713 | 425,857 | 289,277 | 7,067,220 |
| 195 | Hall County | 892,105 | 73,321 | 80,289 | | | 33,221 | 1,012,494 |
| 196 | Hamilton County | 784,645 | 83,110 | 70,618 | 1,203 | 27,991 | 27,753 | 883,833 |
| 197 | Hansford County | 1,299,156 | 101,384 | 116,924 | | | 52,040 | 1,051,636 |
| 585 | Hansford Co. HD | 2,023,101 | 156,819 | 182,079 | 1,869 | 41,714 | 51,081 | 2,271,072 |
| 198 | Hardeman County | 1,342,617 | 81,222 | 120,836 | | | 32,431 | 1,383,090 |
| 199 | Hardin County | 8,022,023 | 537,661 | 721,982 | 2,598 | 114,111 | 364,769 | 8,805,385 |
| 527 | Hardin Co. AD | 595,558 | 36,217 | 53,600 | | | 9,456 | 675,919 |
| 571 | Harlingen ID Cameron Co. #1 | 673,625 | 57,470 | 60,626 | 220 | 38,243 | 18,576 | 735,121 |
| 200 | Harris County | 1,063,031,674 | 65,642,610 | 95,672,851 | 773,169 | 31,258,961 | 25,754,761 | 1,168,106,582 |
| 598 | Harris Co. AD | 22,055,207 | 1,601,031 | 1,984,969 | 17,601 | 383,935 | 381,723 | 24,893,150 |
| 569 | Harris Co. WCID #1 | 463,471 | 23,422 | 41,712 | | | 6,094 | 522,511 |
| 625 | Harris Co. WCID #50 | 151,860 | 12,781 | 13,667 | | | 2,864 | 175,444 |
| 201 | Harrison County | 9,691,903 | 807,255 | 872,271 | 10,244 | 282,303 | 314,070 | 10,785,300 |
| 202 | Hartley County | 1,000,241 | 62,252 | 90,022 | | | 45,134 | 1,070,069 |
| 520 | Hartley Co. AD | 147,551 | 5,681 | 13,280 | | | 6,709 | 159,803 |
| 203 | Haskell County | 1,029,596 | 114,215 | 92,664 | 993 | 30,106 | 59,616 | 1,146,753 |
| 552 | Haskell Mem. HD | 1,142,495 | 69,751 | 102,825 | | | 14,268 | 1,271,531 |
| 204 | Hays County | 26,055,167 | 2,112,576 | 2,344,965 | 14,015 | 679,661 | 441,318 | 29,405,743 |
| 205 | Hemphill County | 3,381,195 | 222,773 | 304,308 | 286 | 212,972 | 141,622 | 3,553,968 |
| 640 | Hemphill Co. AD | 43,600 | 9,583 | 3,924 | | | 178 | 56,928 |
| 529 | Hemphill Co. HD | 2,177,594 | 143,869 | 195,983 | 1,736 | 102,117 | 33,483 | 2,383,582 |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Deductions | | Balances Dec. 31, 2004 |
|-----|----------------------------------|--------------------------|---------------------------|-----------------------|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | Transfers to CSARF ² | Retirement Allowances | |
| 206 | Henderson County | 12,777,904 | 1,006,672 | 1,150,011 | 288,100 | 439,912 | 14,212,097 |
| 704 | Henderson Co. AD | 21,865 | 42,645 | 1,968 | 2,584 | | 63,894 |
| 414 | Hidalgo & Cameron Counties ID #9 | 1,180,926 | 59,413 | 106,283 | 94,344 | 16,843 | 1,237,671 |
| 207 | Hidalgo County | 66,651,538 | 5,489,081 | 5,998,638 | 2,134,066 | 1,828,954 | 74,217,743 |
| 516 | Hidalgo Co. AD | 3,819,198 | 221,823 | 343,728 | | 50,633 | 4,334,116 |
| 401 | Hidalgo Co. DD #1 | 1,975,340 | 214,075 | 177,781 | 26,573 | 43,941 | 2,296,681 |
| 713 | Hidalgo Co. ID #1 | 15,431 | | | | | 15,431 |
| 438 | Hidalgo Co. ID #2 | 1,414,924 | 88,325 | 127,343 | | 57,611 | 1,572,981 |
| 486 | Hidalgo Co. ID #6 | 699,498 | 40,257 | 62,955 | | 11,085 | 791,626 |
| 674 | High Plains Underground WCD #1 | 63,529 | 27,551 | 5,718 | | | 96,797 |
| 208 | Hill County | 3,642,767 | 331,628 | 327,849 | 135,179 | 127,209 | 4,043,284 |
| 209 | Hockley County | 4,333,925 | 336,133 | 390,053 | 655,073 | 171,080 | 4,235,779 |
| 643 | Homestead MUD — El Paso Co. | 83,983 | 9,678 | 7,558 | | | 101,220 |
| 210 | Hood County | 4,540,669 | 450,954 | 408,660 | 172,429 | 129,341 | 5,100,936 |
| 211 | Hopkins County | 5,048,240 | 460,825 | 454,342 | 182,706 | 139,898 | 5,644,578 |
| 661 | Hopkins Co. AD | 68,593 | 15,420 | 6,173 | | | 90,186 |
| 557 | Horizon Reg. MUD | 38,018 | | 3,422 | | 2,539 | 38,900 |
| 212 | Houston County | 1,783,790 | 112,426 | 160,541 | | 34,455 | 2,022,302 |
| 694 | Houston Co. AD | 14,339 | 15,115 | 1,291 | | | 30,744 |
| 213 | Howard County | 5,273,187 | 441,644 | 474,587 | 219,489 | 307,017 | 5,668,693 |
| 214 | Hudspeth County | 1,278,886 | 73,989 | 115,100 | 103,801 | 39,983 | |
| | Late-reporting penalty | (504) | | | | | |
| 215 | Hunt County | 9,725,008 | 875,142 | 875,251 | 738,804 | 283,148 | 10,466,489 |
| 216 | Hutchinson County | 6,310,003 | 347,179 | 567,900 | 372,725 | 189,608 | 6,673,518 |
| 711 | Iraan Gen. HD | 30,633 | | | | | 30,633 |
| 217 | Irion County | 1,287,388 | 52,586 | 115,865 | 2,627 | 13,527 | 1,439,884 |
| 218 | Jack County | 2,186,555 | 165,428 | 196,790 | | 98,960 | 2,449,813 |
| 592 | Jack Co. AD | 128,895 | 9,707 | 11,601 | | 6,161 | 144,042 |
| 219 | Jackson County | 4,014,856 | 216,542 | 361,337 | 103,568 | 112,401 | 4,376,766 |
| 441 | Jackson Co. County-Wide DD | 473,952 | 26,382 | 42,656 | | 19,930 | 523,059 |
| 220 | Jasper County | 5,146,942 | 625,383 | 463,225 | 178,686 | 293,885 | 5,763,031 |
| 657 | Jasper Co. WCID #1 | 49,318 | 10,476 | 4,439 | | | 64,233 |
| 221 | Jeff Davis County | 398,733 | 25,530 | 35,886 | | 14,201 | 445,948 |
| 222 | Jefferson County | 67,033,271 | 5,021,990 | 6,032,994 | 2,041,292 | 2,396,785 | 73,680,470 |
| 404 | Jefferson Co. DD #3 | 302,614 | 16,062 | 27,235 | | 7,086 | 338,826 |
| 408 | Jefferson Co. DD #6 | 5,580,491 | 332,991 | 502,244 | 110,878 | 195,609 | 6,115,184 |
| 405 | Jefferson Co. DD #7 | 5,883,402 | 389,480 | 529,506 | 163,260 | 156,184 | 6,486,082 |
| 451 | Jefferson Co. WCID #10 | 427,392 | 13,439 | 38,465 | | 26,091 | 453,205 |
| 706 | Jefferson Co. Waterway NID | 9,231 | 24,082 | 831 | | | 34,145 |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund



OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Endowment Fund Transfers ¹ | Deductions | | Balances Dec. 31, 2004 |
|-----|--|--------------------------|---------------------------|-----------------------|--|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | | Transfers to CSARF ² | Retirement Allowances | |
| 223 | Jim Hogg County | 1,640,000 | 177,637 | 147,600 | | 3,584 | 75,102 | 1,886,550 |
| 680 | Jim Hogg Co. AD | 8,952 | 5,222 | 806 | | | | 14,980 |
| 656 | Jim Hogg Co. FD #2 | 10,289 | 1,057 | 926 | | | | 12,272 |
| 641 | Jim Hogg Co. WCID #2 | 134,639 | 17,062 | 12,118 | | | 662 | 163,156 |
| 224 | Jim Wells County | 7,470,726 | 424,237 | 672,365 | 5,194 | 304,075 | 205,668 | 8,062,780 |
| 225 | Johnson County | 14,600,417 | 1,112,418 | 1,314,037 | 16,488 | 339,610 | 378,207 | 16,325,543 |
| 584 | Johnson Co. Fresh WSD #1 | 136,755 | 24,416 | 12,308 | | | 5,274 | 168,205 |
| 226 | Jones County | 2,544,465 | 199,040 | 229,002 | 261 | 147,269 | 130,180 | 2,695,318 |
| 496 | Jones Co. AD | 311,626 | 14,551 | 28,046 | | | 6,525 | 347,699 |
| 227 | Karnes County | 2,431,665 | 191,765 | 218,850 | 2,655 | 163,886 | 94,909 | 2,586,140 |
| 524 | Karnes Co. AD | 149,026 | 8,811 | 13,412 | | | 5,713 | 165,536 |
| 455 | Karnes Co. HD | 3,292,686 | 147,331 | 296,342 | | 68,863 | 57,727 | 3,609,767 |
| 228 | Kaufman County | 10,991,791 | 894,544 | 989,261 | 8,989 | 684,625 | 301,066 | 11,898,894 |
| 662 | Kaufman Co. AD | 279,861 | 57,868 | 25,187 | | | 5,398 | 357,518 |
| 671 | Kendall AD | 101,533 | 29,636 | 9,138 | | | | 140,307 |
| 229 | Kendall County | 2,940,569 | 314,825 | 264,651 | | 16,189 | 74,347 | 3,429,509 |
| 619 | Kendall Co. WCID #1 | 206,700 | 17,349 | 18,603 | | | | 242,652 |
| 230 | Kenedy County | 1,222,478 | 220,166 | 110,023 | 1,866 | 47,565 | 24,090 | 1,482,878 |
| 231 | Kent County | 1,249,344 | 111,441 | 112,441 | 2,089 | 57,785 | 33,688 | 1,383,843 |
| 594 | Kent Co. Tax AD | 52,630 | 6,542 | 4,737 | | | 5,022 | 58,886 |
| 232 | Kerr County | 7,785,374 | 706,967 | 700,684 | 13,242 | 362,506 | 178,644 | 8,665,117 |
| 653 | Kerr Emerg. 911 Net. | 72,294 | 9,502 | 6,506 | | | | 88,303 |
| 233 | Kimble County | 614,014 | 44,385 | 55,261 | 36 | 6,275 | 14,042 | 693,380 |
| 234 | King County | 718,814 | 25,909 | 64,693 | | | 13,682 | 795,734 |
| 235 | Kinney County | 1,376,107 | 67,714 | 123,850 | 613 | 23,677 | 17,525 | 1,527,081 |
| 579 | Kinney Co. AD | 36,864 | 6,559 | 3,318 | | | 4,638 | 42,102 |
| 236 | Kleberg County | 12,855,259 | 529,035 | 1,156,973 | | 340,933 | 505,275 | 13,695,059 |
| 237 | Knox County | 842,972 | 50,018 | 75,867 | 3,392 | 82,646 | 9,275 | 880,328 |
| 519 | Knox Co. AD | 130,923 | 3,482 | 11,783 | 169 | 29,073 | 4,088 | 113,196 |
| 241 | La Salle County | 2,218,415 | 114,467 | 199,657 | 563 | 206,538 | 56,202 | 2,270,363 |
| 540 | Laguna Madre WD — Cameron Co. | 1,963,008 | 233,533 | 176,671 | 1,759 | 32,935 | 51,812 | 2,290,224 |
| 514 | Lakeway MUD — Travis Co. | 772,364 | 61,304 | 69,513 | | | 27,578 | 875,604 |
| 238 | Lamar County | 6,964,358 | 473,415 | 626,792 | 1,812 | 80,906 | 169,662 | 7,815,808 |
| 239 | Lamb County | 3,073,483 | 226,490 | 276,614 | 2,750 | 211,646 | 93,897 | 3,273,795 |
| 240 | Lampasas County | 2,392,664 | 345,176 | 215,340 | 2,438 | 80,583 | 68,638 | 2,806,397 |
| 650 | Lampasas Co. AD | 50,342 | 15,747 | 4,531 | | | | 70,619 |
| 439 | Lavaca-Navidad River Auth. — Jackson Co. | 2,125,777 | 185,436 | 191,320 | 352 | 60,712 | 45,091 | 2,397,082 |
| 242 | Lavaca County | 5,277,727 | 370,879 | 474,995 | 1,140 | 568,415 | 94,735 | 5,461,592 |
| 243 | Lee County | 2,873,631 | 183,018 | 258,627 | 4,565 | 122,038 | 64,460 | 3,133,344 |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Deductions | | Balances Dec. 31, 2004 |
|-----|------------------------------------|--------------------------|---------------------------|-----------------------|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | Transfers to CSARF ² | Retirement Allowances | |
| 244 | Leon County | 2,018,996 | 180,332 | 181,710 | 147,143 | 26,886 | 2,210,483 |
| 468 | Leon Co. CAD | 282,501 | 523 | 25,425 | | | 308,449 |
| 245 | Liberty County | 12,477,870 | 1,245,130 | 1,123,008 | 356,458 | 457,780 | 14,038,938 |
| 481 | Liberty Co. CAD | 1,168,190 | 57,968 | 105,137 | 21,595 | 25,134 | 1,285,698 |
| 246 | Limestone County | 4,864,038 | 308,999 | 437,763 | 377,253 | 87,673 | 5,150,301 |
| 695 | Limestone Co. AD | 20,070 | 21,115 | 1,806 | | | 42,991 |
| 247 | Lipscomb County | 1,404,721 | 98,484 | 126,425 | | 38,439 | 1,591,190 |
| 248 | Live Oak County | 2,107,474 | 192,234 | 189,673 | 72,412 | 115,175 | 2,304,472 |
| 591 | Live Oak Co. AD | 219,834 | 21,532 | 19,785 | | 9,778 | 251,373 |
| 431 | Livingston HD | 1,240,291 | | 111,626 | | 73,883 | 1,278,035 |
| 249 | Llano County | 3,152,387 | 254,822 | 283,715 | 104,302 | 79,394 | 3,511,474 |
| 654 | Llano Co. Hosp. Auth. | 1,026,408 | | 92,377 | 2,337 | 9,225 | 1,107,237 |
| 436 | Llano Mem. Hosp. | 2,816,448 | 60,420 | 253,480 | 2,586 | 118,262 | 2,949,095 |
| 250 | Loving County | 822,341 | | 74,011 | 44,092 | 34,396 | 878,284 |
| 513 | Loving Co. AD | 7,927 | 5,284 | 713 | | 2,428 | 11,496 |
| 714 | Lower Valley WD | | 31,207 | | | | 31,207 |
| 499 | Lubbock CAD | 3,840,668 | 151,893 | 345,660 | 265,984 | 67,693 | 4,010,130 |
| 251 | Lubbock County | 32,884,526 | 2,399,873 | 2,959,607 | 818,543 | 1,119,219 | 36,330,766 |
| 425 | Lubbock Co. WCID #1 | 378,423 | 8,002 | 34,058 | | 6,377 | 414,107 |
| 558 | Lubbock ECD | 259,742 | 18,080 | 23,377 | | | 301,199 |
| 647 | Lubbock Reese Redev. Auth. | 199,833 | 13,420 | 17,985 | 6,933 | | 224,472 |
| 639 | Lumberton MUD | 175,838 | 35,404 | 15,825 | | | 227,068 |
| 252 | Lynn County | 821,463 | 68,673 | 73,932 | 24,986 | 24,137 | 915,377 |
| 497 | Lynn Co. AD | 53,035 | 3,271 | 4,773 | | 1,909 | 59,170 |
| 442 | Lynn Co. HD | 2,591,905 | 120,461 | 233,271 | | 96,615 | 2,849,022 |
| 630 | Macedonia-Eylau MUD — Bowie Co. | 204,202 | 20,446 | 18,378 | | | 243,025 |
| 500 | Mackenzie MWA — Briscoe Co. | 589,800 | 10,114 | 53,082 | 47,272 | 7,083 | 599,181 |
| 256 | Madison County | 877,053 | 94,907 | 78,935 | 66,038 | 45,894 | 939,218 |
| 596 | Madison Co. AD | 84,935 | 7,338 | 7,644 | | 99,917 | |
| 257 | Marion County | 2,502,609 | 118,986 | 225,235 | 140,318 | 63,088 | 2,646,790 |
| 675 | Marion Co. AD | 25,841 | 11,906 | 2,326 | | | 40,073 |
| 658 | Marshall-Harrison Co. Health Dist. | 77,534 | 5,703 | 6,978 | 16,093 | 297 | 74,466 |
| 258 | Martin County | 2,168,059 | 134,366 | 195,125 | 39,908 | 84,888 | 2,373,648 |
| 595 | Martin Co. AD | 54,909 | 5,269 | 4,942 | | 1,100 | 64,020 |
| 259 | Mason County | 740,787 | 54,271 | 66,671 | 21,115 | 9,769 | 831,630 |
| 260 | Matagorda County | 8,842,651 | 746,118 | 795,839 | 810,313 | 264,879 | 9,328,295 |
| 678 | Matagorda Co. DD | 54,112 | 23,128 | 4,870 | | | 82,110 |
| 440 | Matagorda Co. HD | 11,783,881 | 245,579 | 1,060,549 | 308,176 | 310,401 | 12,479,068 |
| 677 | Matagorda Co. ND #1 | 40,225 | 19,523 | 3,620 | 14,400 | 834 | 48,504 |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Endowment Fund Transfers ¹ | Deductions | | Balances Dec. 31, 2004 |
|-----|--------------------------------|--------------------------|---------------------------|-----------------------|--|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | | Transfers to CSARF ² | Retirement Allowances | |
| 261 | Maverick County | 5,301,369 | 372,695 | 477,123 | 93 | 16,083 | 116,504 | 6,018,694 |
| 453 | Maverick Co. WCID #1 | 801,214 | 39,415 | 72,109 | | | 21,834 | 890,905 |
| 452 | McCamey CHD — Upton Co. | 1,497,880 | 7,590 | 134,809 | | | 15,163 | 1,625,116 |
| 253 | McCulloch County | 1,367,545 | 60,309 | 123,079 | 2,429 | 80,445 | 42,293 | 1,430,625 |
| 512 | McCulloch Co. AD | 251,990 | 6,695 | 22,679 | | | | 281,364 |
| 254 | McLennan County | 45,956,524 | 3,984,421 | 4,136,087 | 61,987 | 1,857,389 | 1,832,838 | 50,448,792 |
| 491 | McLennan Co. AD | 2,940,895 | 209,402 | 264,681 | 14,086 | 342,063 | 105,289 | |
| | Lump-sum contribution | | 20,000 | | | | | 3,001,712 |
| 679 | McLennan Co. WCID #2 | 6,112 | 3,529 | 550 | | | | 10,191 |
| 255 | McMullen County | 847,016 | 56,187 | 76,231 | | 162,613 | 10,973 | 805,849 |
| 701 | Meadowlakes MUD | 8,509 | 12,053 | 766 | | | | 21,328 |
| 599 | Med. Arts Hosp. — Dawson Co. | 2,277,187 | 32,744 | 204,947 | 2,961 | 54,892 | 47,619 | 2,415,328 |
| 262 | Medina County | 4,120,652 | 295,653 | 370,859 | 3,198 | 256,456 | 102,192 | 4,431,714 |
| 705 | Medina Co. 911 Dist. | 2,243 | 5,053 | 202 | | | | 7,498 |
| 535 | Medina Co. AD | 436,929 | 25,275 | 39,324 | | | 3,270 | 498,257 |
| 419 | Mem. Med. Center — Calhoun Co. | 6,653,782 | 249,027 | 598,840 | 1,172 | 91,494 | 105,173 | 7,306,154 |
| 263 | Menard County | 698,009 | 57,905 | 62,821 | 4,745 | 102,005 | 20,070 | 701,405 |
| 669 | Mid. Rio Grande Dev. Council | 1,568,184 | 395,345 | 141,137 | 247 | 8,185 | 618 | 2,096,109 |
| 492 | Midland CAD | 2,978,306 | 86,679 | 268,048 | 11,493 | 133,282 | 21,529 | 3,189,715 |
| 264 | Midland County | 25,570,858 | 1,545,643 | 2,301,377 | 15,994 | 671,955 | 874,604 | 27,887,314 |
| 570 | Midland ECD | 171,275 | 10,786 | 15,415 | | | | 197,476 |
| 265 | Milam County | 4,348,639 | 320,919 | 391,378 | 1,829 | 114,357 | 127,049 | 4,821,360 |
| 266 | Mills County | 891,109 | 61,726 | 80,200 | | | 30,143 | 1,002,891 |
| 617 | Mills Co. AD | 61,392 | 3,900 | 5,525 | | | | 70,817 |
| 267 | Mitchell County | 1,848,713 | 141,638 | 166,384 | | 106,954 | 55,468 | 1,994,315 |
| 484 | Mitchell Co. AD | 128,570 | 8,239 | 11,571 | | | 3,934 | 144,447 |
| 268 | Montague County | 3,016,767 | 304,605 | 271,509 | 3,538 | 159,596 | 114,334 | 3,322,489 |
| 504 | Montague Co. Tax AD | 441,496 | 16,612 | 39,735 | | | 8,896 | 488,946 |
| 605 | Montgomery CAD | 2,432,969 | 391,296 | 218,967 | | | 42,908 | |
| | Lump-sum contribution | | 60,000 | | | | | 3,060,324 |
| 269 | Montgomery County | 69,335,689 | 5,175,365 | 6,240,212 | 37,530 | 1,901,379 | 1,745,927 | 77,141,490 |
| 667 | Montgomery Co. ECD | 179,321 | 80,779 | 16,139 | 807 | 19,796 | 3,205 | 254,046 |
| 651 | Montgomery Co. ESD #1 | 101,220 | 21,486 | 9,110 | | | | 131,816 |
| 696 | Montgomery Co. ESD #3 | 7,670 | 10,611 | 690 | | | | 18,971 |
| 270 | Moore County | 5,261,264 | 413,381 | 473,514 | 11,757 | 667,484 | 225,254 | 5,267,179 |
| 412 | Moore Co. HD | 7,062,354 | 302,646 | 635,612 | 3,846 | 132,580 | 97,198 | 7,774,680 |
| 271 | Morris County | 3,011,755 | 146,806 | 271,058 | 1,134 | 66,255 | 146,958 | 3,217,541 |
| 273 | Nacogdoches County | 9,022,537 | 598,450 | 812,028 | 4,611 | 282,233 | 207,954 | 9,947,439 |
| 515 | Navarro CAD | 671,538 | 33,653 | 60,438 | 437 | 75,477 | 11,551 | 679,039 |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Endowment Fund Transfers ¹ | Deductions | | Balances Dec. 31, 2004 |
|-----|---------------------------------|--------------------------|---------------------------|-----------------------|--|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | | Transfers to CSARF ² | Retirement Allowances | |
| 274 | Navarro County | 10,214,164 | 705,141 | 919,275 | 5,571 | 131,175 | 172,656 | 11,540,320 |
| 572 | Newton CAD | 423,907 | 28,197 | 38,152 | | | 1,696 | 488,560 |
| 275 | Newton County | 1,982,442 | 129,638 | 178,420 | 5,055 | 259,332 | 81,591 | 1,954,631 |
| 510 | Newton Co. Mem. Hosp. | 48,144 | | 4,333 | | | 6,416 | 46,061 |
| 276 | Nolan County | 3,296,852 | 233,531 | 296,717 | 2,451 | 160,008 | 139,737 | 3,529,805 |
| 556 | North Cent. Tex. MWA | 337,678 | 26,142 | 30,391 | | | 9,333 | 384,878 |
| 415 | North Plains HD | 1,227,155 | | 110,444 | | | 77,105 | 1,260,493 |
| 646 | North Tex. Tollway Auth. | 7,085,258 | 1,812,375 | 637,673 | 1,529 | 72,230 | 33,838 | 9,430,767 |
| 562 | Northeast Tex. MWD | 460,158 | 32,415 | 41,414 | 2,618 | 131,294 | 18,202 | |
| | Lump-sum contribution | | 2,117 | | | | | 389,225 |
| 277 | Nueces County | 81,200,105 | 3,476,595 | 7,308,009 | 106,067 | 3,851,009 | 2,494,769 | 85,744,999 |
| 683 | Nueces Co. AD | 344,382 | 228,719 | 30,994 | | 379 | 436 | 603,280 |
| 400 | Nueces Co. DD #2 | 309,537 | 8,045 | 27,858 | | | 7,800 | 337,640 |
| 416 | Nueces Co. WCID #3 | 938,637 | 52,563 | 84,477 | | | 16,481 | 1,059,196 |
| 450 | Nueces Co. WCID #4 | 1,217,678 | 38,435 | 109,591 | | | 14,109 | 1,351,595 |
| 538 | Nueces River Auth. — Uvalde Co. | 296,611 | 8,307 | 26,695 | | | 829 | 330,784 |
| 278 | Ochiltree County | 2,648,598 | 170,442 | 238,374 | 2,473 | 42,837 | 104,239 | 2,912,811 |
| 279 | Oldham County | 1,531,103 | 64,431 | 137,799 | 770 | 132,916 | 67,069 | 1,534,117 |
| 517 | Oldham Co. AD | 158,819 | 6,248 | 14,294 | | | | 179,361 |
| 280 | Orange County | 21,767,595 | 1,435,036 | 1,959,084 | 29,103 | 963,750 | 804,694 | 23,422,373 |
| 490 | Orange Co. AD | 1,658,582 | 41,781 | 149,272 | 2,782 | 287,813 | 24,970 | 1,539,635 |
| 421 | Orange Co. DD | 2,376,753 | 203,782 | 213,908 | | | 80,246 | 2,714,197 |
| 665 | Orange Co. ESD #1 | 23,671 | 6,661 | 2,130 | | | | 32,462 |
| 660 | Orange Co. Nav. & Port Dist. | 83,988 | 17,685 | 7,559 | | | 1,824 | 107,407 |
| 631 | Orange Co. WCID #1 | 462,921 | 46,838 | 41,663 | | | 4,453 | 546,969 |
| 281 | Palo Pinto County | 4,988,724 | 370,344 | 448,985 | 17,363 | 662,067 | 138,679 | 5,024,670 |
| 282 | Panola County | 4,825,254 | 919,179 | 434,273 | 10,285 | 433,975 | 329,034 | 5,425,982 |
| 283 | Parker County | 12,257,961 | 1,001,996 | 1,103,217 | 5,230 | 185,662 | 245,956 | 13,936,786 |
| 284 | Parmer County | 1,429,460 | 118,548 | 128,651 | 4,266 | 121,695 | 73,372 | 1,485,859 |
| 285 | Pecos County | 13,955,079 | 808,967 | 1,255,957 | 9,449 | 354,073 | 486,296 | 15,189,083 |
| 494 | Pecos Co. AD | 309,870 | 9,151 | 27,888 | | 72,045 | 4,139 | 270,725 |
| 673 | Permian Reg. Med Ctr. | 1,499,363 | 691,653 | 134,943 | 117 | 3,931 | 1,101 | 2,321,043 |
| 707 | Pineywoods GCD | 2,967 | 5,502 | 267 | | | | 8,737 |
| 697 | Polk CAD | 36,946 | 40,307 | 3,325 | | | | 80,578 |
| 286 | Polk County | 11,295,246 | 519,361 | 1,016,572 | 4,664 | 317,076 | 255,133 | 12,263,633 |
| 676 | Port of Bay City Auth. | 6,370 | 5,443 | 573 | | | | 12,387 |
| 449 | Port of Beaumont ND | 2,180,915 | 210,231 | 196,282 | | | 107,773 | 2,479,656 |
| 620 | Port of Corpus Christi Auth. | 6,414,500 | 871,036 | 577,305 | | 115,521 | 480,725 | 7,266,595 |
| 622 | Port of Port Arthur ND | 785,809 | 57,963 | 70,723 | 102 | 8,953 | 47,596 | 858,047 |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund



OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Endowment Fund Transfers ¹ | Transfers to CSARF ² | Deductions | | Balances Dec. 31, 2004 |
|-----|-------------------------------|--------------------------|---------------------------|-----------------------|--|------------------------------------|--------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | | | Retirement Allowances | Retirement Allowances | |
| 287 | Potter County | 29,732,269 | 1,931,276 | 2,675,904 | 17,979 | 778,350 | 810,713 | 32,768,365 | |
| 489 | Potter Co. AD | 1,526,897 | 37,200 | 137,421 | | | 58,678 | 1,605,640 | |
| 560 | Potter-Randall Co. ECD | 191,816 | 2,211 | 17,263 | | | | 246,280 | |
| 626 | Presidio AD | 33,362 | 84,781 | 3,003 | | | | 38,576 | |
| 288 | Presidio County | 1,448,212 | 89,717 | 130,339 | 315 | 23,792 | 16,399 | 1,646,933 | |
| 289 | Rains County | 1,288,918 | 9,812 | 116,003 | | | 2,188 | 1,439,735 | |
| 537 | Rains Co. AD | 228,558 | 1,244,834 | 20,570 | 14,030 | 439,460 | 339,870 | 256,752 | |
| 290 | Randall County | 15,387,038 | 199,754 | 1,384,833 | 3,084 | 63,848 | | 17,251,406 | |
| 564 | Randall Co. AD | 3,174,000 | 48,291 | 285,660 | 1,375 | 80,706 | 38,534 | 3,560,116 | |
| 406 | Rankin CHD — Upton Co. | 1,256,006 | 178,302 | 113,041 | | | 55,667 | 1,282,338 | |
| 291 | Reagan County | 1,982,361 | 76,655 | 178,413 | 6,663 | 334,525 | 55,446 | 2,283,630 | |
| 445 | Reagan HD | 821,708 | 61,127 | 73,954 | | 858 | 28,938 | 943,378 | |
| 292 | Real County | 1,407,483 | 9,688 | 126,673 | | | 44,675 | 1,549,750 | |
| 505 | Red Bluff WPCD — Reeves Co. | 47,577 | 60,005 | 4,282 | | | 4,058 | 57,490 | |
| 435 | Red River Auth. — Wichita Co. | 1,614,396 | 110,558 | 145,296 | 692 | 40,859 | 39,248 | 1,780,448 | |
| 293 | Red River County | 2,059,974 | 1,186,717 | 185,398 | 12,540 | 409,387 | 55,346 | 2,260,416 | |
| 294 | Reeves County | 11,356,858 | 254,956 | 1,022,117 | 4,074 | 116,618 | 197,327 | 12,971,518 | |
| 588 | Reeves Co. HD | 3,488,975 | 170,710 | 314,008 | | | 9,042 | 3,936,354 | |
| 295 | Refugio County | 2,431,252 | 9,225 | 218,813 | 6,663 | 334,525 | 52,015 | 2,440,898 | |
| 543 | Refugio Co. DD #1 | 109,070 | (1,002) | 9,816 | | | 11,660 | | |
| | Late-reporting penalty | | | | | | | 115,449 | |
| 296 | Roberts County | 980,336 | 50,840 | 88,230 | | | 27,985 | 1,091,420 | |
| 480 | Roberts Co. AD | 151,886 | 197,961 | 13,670 | | | 165,555 | | |
| 297 | Robertson County | 3,035,958 | 46,769 | 273,236 | 2,293 | 185,179 | 87,095 | 3,237,173 | |
| 698 | Rockwall CAD | 48,664 | 693,696 | 4,380 | | | | 99,813 | |
| 298 | Rockwall County | 5,833,452 | 131,903 | 525,011 | 2,459 | 181,068 | 153,664 | 6,719,886 | |
| 299 | Runnels County | 2,097,774 | 466,878 | 188,800 | 17,620 | 445,794 | 43,059 | 1,947,244 | |
| 300 | Rusk County | 7,196,257 | 33,391 | 647,663 | 1,632 | 147,513 | 236,804 | 7,928,112 | |
| 612 | Rusk Co. AD | 91,976 | 52,418 | 8,278 | | | 2,579 | 131,065 | |
| 301 | Sabine County | 1,727,583 | 12,448 | 155,482 | 811 | 14,692 | 19,483 | 1,902,120 | |
| 568 | Sabine Pass Port Auth. | 118,356 | 56,017 | 10,652 | | | 3,085 | 138,372 | |
| 302 | San Augustine County | 1,535,735 | 209,907 | 138,216 | | 14,273 | 18,778 | 1,696,917 | |
| 303 | San Jacinto County | 2,703,259 | 20,116 | 243,293 | | 119,480 | 83,016 | 2,953,963 | |
| 553 | San Jacinto Co. CAD | 317,734 | 885,567 | 28,596 | 2,504 | 260,771 | 6,338 | 360,108 | |
| 304 | San Patricio County | 17,892,469 | 19,375 | 1,610,322 | | | 366,533 | 19,763,559 | |
| 495 | San Patricio Co. AD | 732,320 | 108,699 | 65,909 | | | 10,485 | 807,119 | |
| 426 | San Patricio Co. DD | 1,986,477 | 104,769 | 178,783 | 1,787 | 32,205 | 120,682 | 2,122,860 | |
| 422 | San Patricio MWD | 864,727 | 62,196 | 77,825 | | | 25,287 | 1,022,034 | |
| 305 | San Saba County | 1,281,989 | | 115,379 | 1,500 | 53,384 | 24,735 | 1,382,944 | |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Endowment Fund Transfers ¹ | Deductions | | Balances Dec. 31, 2004 |
|-----|-------------------------------|--------------------------|---------------------------|-----------------------|--|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | | Transfers to CSARF ² | Retirement Allowances | |
| 306 | Schleicher County | 1,726,129 | 82,227 | 155,352 | 1,116 | 141,820 | 27,658 | 1,795,346 |
| 307 | Scurry County | 12,066,295 | 560,286 | 1,085,967 | 8,006 | 514,243 | 393,288 | 12,813,022 |
| 308 | Shackelford County | 910,874 | 51,403 | 81,979 | | 21,013 | 26,669 | 996,574 |
| 470 | Shackelford Co. AD | 202,664 | 5,833 | 18,240 | 223 | 38,518 | 9,381 | 179,062 |
| 309 | Shelby County | 2,476,933 | 214,273 | 222,924 | 4,856 | 57,308 | 109,983 | 2,751,696 |
| 627 | Shelby Co. AD | 112,314 | 8,240 | 10,108 | | | 1,416 | 129,246 |
| 523 | Shelby Co. Gen. Hosp. | 147,064 | | 13,236 | | | 21,125 | 139,174 |
| 310 | Sherman County | 1,747,451 | 175,547 | 157,271 | | | 51,836 | 2,028,432 |
| 469 | Sherman Co. AD | 176,163 | 8,870 | 15,855 | | | 4,104 | 196,783 |
| 311 | Smith County | 24,750,363 | 2,126,904 | 2,227,533 | 22,335 | 970,727 | 1,009,663 | 27,146,745 |
| 555 | Smith Co. 911 Comm. Dist. | 413,889 | 79,344 | 37,250 | | | 499 | 529,983 |
| 606 | Smith Co. AD | 2,108,181 | 195,802 | 189,736 | | | 7,349 | 2,486,370 |
| 632 | Smith Co. Public Health Dist. | 1,843,442 | 198,138 | 165,910 | 942 | 20,295 | 6,749 | 2,181,387 |
| 312 | Somervell County | 5,839,824 | 430,644 | 525,584 | 2,432 | 55,755 | 153,844 | 6,588,885 |
| 507 | Somervell Co. CAD | 140,689 | 11,607 | 12,662 | | | 6,691 | 158,266 |
| 699 | Somervell Co. Water Dist. | 5,178 | 6,228 | 466 | | | | 11,872 |
| 645 | South Tex. Dev. Council | 475,299 | 64,112 | 42,777 | 1,291 | 34,025 | 5,872 | 543,582 |
| 313 | Starr County | 5,065,041 | 550,261 | 455,854 | 2,226 | 77,981 | 253,570 | 5,741,832 |
| 536 | Starr Co. AD | 555,038 | 32,037 | 49,953 | | | 9,817 | 627,212 |
| 314 | Stephens County | 2,526,407 | 143,865 | 227,377 | | 259,559 | 65,098 | 2,572,991 |
| 315 | Sterling County | 1,498,889 | 80,431 | 134,900 | | | 44,446 | 1,669,774 |
| 316 | Stonewall County | 891,136 | 31,340 | 80,202 | | | 29,482 | 973,196 |
| 458 | Stonewall Mem. HD | 885,963 | 3,197 | 79,737 | 139 | 2,786 | 23,592 | 942,659 |
| 539 | Stratford HD — Sherman Co. | 490,819 | 27,248 | 44,174 | | | 3,779 | 558,462 |
| 317 | Sutton County | 2,925,597 | 123,682 | 263,304 | 2,298 | 82,315 | 70,201 | 3,162,365 |
| 573 | Sutton Co. HD | 844,536 | 1,850 | 76,008 | 1,274 | 55,815 | 4,524 | 863,329 |
| 318 | Swisher County | 1,476,860 | 96,919 | 132,917 | 851 | 63,249 | 86,472 | 1,557,826 |
| 460 | Swisher Co. AD | 358,801 | 11,530 | 32,292 | | 107,978 | 3,861 | 290,785 |
| 534 | Swisher Mem. HD | 824,599 | 35,892 | 74,214 | | | 9,748 | 924,957 |
| 607 | Tarrant AD | 10,895,256 | 969,831 | 980,573 | 1,473 | 87,562 | 247,170 | 12,512,401 |
| 319 | Tarrant County | 236,845,585 | 18,035,533 | 21,316,103 | 218,170 | 8,124,874 | 7,035,509 | 261,255,007 |
| 545 | Tarrant Co. 911 EAD | 938,787 | 73,670 | 84,491 | | | | 1,096,948 |
| 574 | Tax AD of Cottle Co. | 31,270 | 1,965 | 2,814 | | | 279 | 35,770 |
| 320 | Taylor County | 18,529,358 | 1,327,705 | 1,667,642 | 29,605 | 1,157,972 | 601,458 | 19,794,879 |
| 321 | Terrell County | 508,845 | 71,426 | 45,796 | | | 25,801 | 600,265 |
| 322 | Terry County | 2,232,750 | 218,104 | 200,948 | 286 | 273,337 | 94,248 | 2,284,504 |
| 402 | Terry Mem. HD | 6,433,842 | 99,836 | 579,046 | 1,489 | 38,554 | 196,728 | 6,878,931 |
| 437 | Tex. Assoc. of Counties | 6,810,494 | 605,826 | 612,944 | | | 22,975 | 8,206,289 |
| | Lump-sum contribution | | 200,000 | | | | | |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund



OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Endowment Fund Transfers ¹ | Deductions | | Balances Dec. 31, 2004 |
|-----|---------------------------------|--------------------------|---------------------------|-----------------------|--|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | | Transfers to CSARF ² | Retirement Allowances | |
| 354 | TCDRS | 4,665,339 | 492,594 | 419,880 | 1,080 | 14,605 | 172,421 | 5,391,866 |
| 634 | Tex. Eastern 911 Net. | 85,987 | 13,730 | 7,739 | | | | 107,456 |
| 323 | Throckmorton County | 525,958 | 40,148 | 47,336 | | | 24,506 | 588,937 |
| 324 | Titus County | 6,405,895 | 271,141 | 576,531 | 4,541 | 128,753 | 128,231 | 7,001,123 |
| 501 | Titus Co. Fresh WSD | 460,007 | 23,646 | 41,401 | | 24,773 | 7,318 | 492,963 |
| 325 | Tom Green County | 16,422,415 | 1,143,311 | 1,478,017 | 12,456 | 453,056 | 546,102 | 18,057,040 |
| 601 | Travis CAD | 4,583,006 | 331,053 | 412,471 | | 2,995 | 67,170 | 5,256,366 |
| 326 | Travis County | 252,554,490 | 16,543,941 | 22,729,904 | 121,489 | 6,835,245 | 4,758,770 | 280,355,808 |
| 666 | Travis Co. WCID — Point Venture | 19,477 | 7,369 | 1,753 | | | 1,361 | 27,238 |
| 549 | Travis Co. WCID #18 | 105,442 | | 9,490 | | | 199 | 114,732 |
| 659 | Tri-Co. SUD | 35,857 | 8,644 | 3,227 | | | | 47,728 |
| 633 | Trinity Bay Cons. Dist. | 927,950 | 99,246 | 83,516 | | 12,354 | 25,563 | 1,072,794 |
| 327 | Trinity County | 1,587,503 | 113,178 | 142,875 | 4,156 | 115,273 | 69,438 | 1,663,000 |
| 328 | Tyler County | 4,017,746 | 215,225 | 361,597 | 3,092 | 120,306 | 118,124 | 4,359,229 |
| 471 | Tyler Co. AD | 666,157 | 20,904 | 59,954 | 879 | 21,016 | 2,703 | 724,175 |
| 561 | United ID — Hidalgo Co. | 668,528 | 53,706 | 60,168 | 65 | 3,767 | 17,753 | 760,946 |
| 329 | Upshur County | 7,278,211 | 499,461 | 655,039 | 2,737 | 112,194 | 236,617 | 8,086,637 |
| 330 | Upton County | 2,245,888 | 172,874 | 202,130 | 52 | 124,668 | 72,606 | 2,423,669 |
| 682 | Upton Co. AD | 25,189 | 12,878 | 2,267 | | | | 40,334 |
| 331 | Uvalde County | 6,221,934 | 391,893 | 559,974 | 5,630 | 245,829 | 145,925 | 6,787,678 |
| 332 | Val Verde County | 8,807,834 | 545,908 | 792,705 | 3,761 | 285,202 | 175,500 | 9,689,507 |
| 663 | Valley MUD #2 — Cameron Co. | 53,414 | 11,536 | 4,807 | | | 425 | 69,332 |
| 586 | Valwood Imp. Auth. — Dallas Co. | 234,092 | 14,420 | 21,068 | | | | 269,580 |
| 333 | Van Zandt County | 4,879,247 | 357,272 | 439,132 | 2,158 | 161,064 | 142,319 | 5,374,426 |
| 672 | Van Zandt Co. AD | 125,505 | 29,446 | 11,295 | | | | 166,246 |
| 420 | Velasco DD — Brazoria Co. | 1,769,273 | 89,748 | 159,235 | | | 46,775 | 1,971,481 |
| 334 | Victoria County | 23,501,244 | 1,629,307 | 2,115,112 | 14,079 | 1,066,998 | 713,940 | 25,478,804 |
| 423 | Victoria Co. DD #3 | 345,893 | 5,661 | 31,130 | | | 3,675 | 379,009 |
| 637 | Victoria Co. WCID # 1 | 50,445 | 3,570 | 4,540 | | | | 58,555 |
| 335 | Walker County | 9,252,350 | 869,308 | 832,711 | 8,565 | 451,734 | 338,870 | 10,172,330 |
| 336 | Waller County | 6,893,099 | 428,183 | 620,379 | 3,404 | 303,018 | 200,888 | 7,441,159 |
| 337 | Ward County | 5,299,403 | 369,067 | 476,946 | 1,687 | 75,757 | 274,531 | 5,796,816 |
| 565 | Ward Co. CAD | 213,498 | 4,553 | 19,215 | | | | 237,266 |
| 444 | Ward Mem. Hosp. | 4,598,479 | 129,861 | 413,863 | 6,772 | 210,417 | 120,058 | 4,818,499 |
| 338 | Washington County | 4,956,452 | 421,449 | 446,081 | | | 158,579 | 5,665,402 |
| 339 | Webb County | 40,470,274 | 3,042,350 | 3,642,325 | 22,671 | 1,444,802 | 656,860 | 45,075,958 |
| 604 | Webb Co. AD | 843,412 | 69,336 | 75,907 | 1,277 | 21,174 | 7,539 | 961,220 |
| 443 | West Cent. Tex. COG | 5,007,000 | 282,665 | 450,630 | 109 | 19,207 | 181,871 | 5,539,325 |
| 410 | West Cent. Tex. MWD | 725,198 | 49,589 | 65,268 | 1,270 | 27,546 | 31,885 | 781,893 |

¹ Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

² Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued

| No. | Employer Name | Balances Jan. 1, 2004 | Additions | | Deductions | | Balances Dec. 31, 2004 |
|-----|---------------------------------------|--------------------------|---------------------------|-----------------------|------------------------------------|--------------------------|---------------------------|
| | | | Employer Contributions | Allocated Net Gain | Transfers to CSARF ² | Retirement Allowances | |
| 454 | West Jefferson Co. MWD | 538,325 | 38,146 | 48,449 | | 17,088 | 607,833 |
| 688 | West Nueces-Las Moras Soil & WCD #236 | 3,659 | 2,133 | 329 | | | 6,121 |
| 340 | Wharton County | 8,427,548 | 638,614 | 758,479 | 2,141 | 97,559 | 9,366,643 |
| 621 | Wharton Co. WCID #1 | 31,235 | 2,215 | 2,811 | | | 36,260 |
| 341 | Wheeler County | 1,354,420 | 111,111 | 121,898 | 1,179 | 141,302 | 1,385,818 |
| 476 | Wheeler Co. AD | 223,182 | 10,266 | 20,086 | | | 3,929 |
| 427 | White River MWD — Dickens Co. | 674,505 | 23,621 | 60,705 | 6,577 | 254,443 | 496,072 |
| 342 | Wichita County | 15,978,648 | 1,183,791 | 1,438,078 | 7,093 | 221,724 | 17,971,678 |
| 446 | Wichita Co. WID #2 | 833,195 | 60,525 | 74,988 | | 205,120 | 743,098 |
| 559 | Wichita-Wilbarger 911 Dist. | 297,614 | 29,871 | 26,785 | | | 353,116 |
| 655 | Wickson Creek SUD — Brazos Co. | 149,522 | 31,609 | 13,457 | | | 194,587 |
| 343 | Wilbarger County | 3,470,807 | 223,068 | 312,373 | 2,701 | 156,806 | 3,720,017 |
| 530 | Wilbarger Co. HD | 3,564,370 | 214,627 | 320,793 | 3,661 | 126,289 | 3,899,694 |
| 344 | Willacy County | 3,483,002 | 140,956 | 313,470 | 2,867 | 262,026 | 100,313 |
| | Late-reporting penalty | (604) | | | | | |
| 575 | Willacy Co. AD | 192,596 | 17,720 | 17,334 | | | 3,577,353 |
| 652 | Willacy Co. Housing Auth. | 29,821 | 5,841 | 2,684 | | | 227,650 |
| 345 | Williamson County | 42,704,544 | 4,998,932 | 3,843,409 | 21,936 | 936,317 | 49,881,814 |
| 608 | Williamson Co. AD | 2,414,531 | 341,901 | 217,308 | 248 | 21,528 | 2,881,841 |
| 346 | Wilson County | 3,114,545 | 261,147 | 280,309 | 801 | 84,422 | 3,474,377 |
| 479 | Wilson Co. AD | 536,908 | 29,199 | 48,322 | | | 604,383 |
| 347 | Winkler County | 6,082,968 | 374,877 | 547,467 | 7,507 | 168,361 | 6,535,578 |
| 533 | Winkler Co. AD | 74,628 | 7,669 | 6,717 | | | 86,501 |
| 348 | Wise County | 8,215,385 | 797,498 | 739,385 | 1,375 | 242,572 | 9,330,657 |
| 493 | Wise Co. AD | 664,729 | 16,166 | 59,826 | 639 | 14,170 | 722,126 |
| 349 | Wood County | 6,080,897 | 503,921 | 547,281 | 9,907 | 499,781 | 6,426,532 |
| 700 | Wood Co. AD | 32,348 | 36,668 | 2,911 | | | 71,927 |
| 350 | Yoakum County | 8,987,672 | 702,749 | 808,891 | 14,230 | 970,510 | 8,960,311 |
| 351 | Young County | 3,911,018 | 229,747 | 351,992 | 3,697 | 267,877 | 4,064,651 |
| 352 | Zapata County | 9,021,329 | 437,687 | 811,920 | 2,791 | 213,371 | 9,960,591 |
| 649 | Zapata Co. AD | 42,889 | 7,978 | 3,860 | | | 54,726 |
| 353 | Zavala County | 3,571,734 | 77,345 | 321,456 | 131 | 4,618 | 3,847,251 |
| 566 | Zavala Co. AD | 238,587 | 12,636 | 21,473 | | | 267,282 |
| | Totals | \$ 4,909,288,001 | \$ 338,116,653 | \$ 441,835,920 | \$ 3,865,667 | \$ 172,564,474 | \$ 5,389,359,165 |

¹Transfers from the General Reserves Account of the Endowment Fund to match partial-year interest allocations to certain retiring employees.

²Current Service Annuity Reserve Fund

Due to rounding, totals and detail may not equal.

See accompanying independent auditor's report.





FAMOUS BRANDS, POST-STATEHOOD

During the time of the Republic and early statehood, Texas was mainly a land of cotton plantations and small farms. Most of the large ranches were in South Texas, where the land was too dry to raise crops. Without refrigeration, moving the beef to out-of-state markets was difficult at best and dangerous all of the time. Many of Texas' larger-than-life characters had deep roots in the cattle industry.

X Sam Houston registered his brand in Waller County in 1857. Houston never amassed the fortune in Texas that he had hoped. When he died on July 26, 1863, he owned five horses, four cows, \$250 in cash, had 11 children, and was deeply in debt.

DA.H. "Shanghai" Pierce was one of Texas' most colorful cowmen. He came to Texas from Rhode Island in 1853 and with his brother, Jonathan, built a cattle empire that survives in Wharton, Matagorda and Brazoria counties. Pierce worked his way up in the cattle business from cowboy to trail driver to ranch owner and banker. When he died in 1900, he owned 200,000 acres and 20,000 head of cattle.

OL Oliver Loving came to Texas in 1845 and became one of the pioneers of the cattle industry. He blazed several of the cattle trails to markets – first to Illinois and later to Colorado – from his ranch in Palo Pinto County. En route to Colorado in 1868, he died from wounds suffered in an Indian attack in New Mexico. His remains were later moved to Weatherford.

T Charles Goodnight came to Milam County as an illiterate 9-year-old boy in 1845. Ten years later he was running cattle in the wilds of Palo Pinto County, where he met Oliver Loving. After serving in the Texas Rangers, the two trailed cattle to New Mexico and Colorado until Loving was killed by Indians. Goodnight went broke ranching in Colorado, so he returned to the Texas Panhandle where he began building a ranch in Palo Duro Canyon, south of present-day Amarillo. In 1877, he joined Englishman John Adair to form the JA Ranch. He later moved to his own ranch in Armstrong County, where Goodnight preserved the last herds of bison and longhorns.

INVESTMENT SECTION

J- President Lyndon B. Johnson's family came to Central Texas after the Civil War to take advantage of the cattle wandering the open range. His grandfather and great-uncles built cattle holding pens where Johnson City now stands. Through a series of financial setbacks, the Johnson family lost their ranch land and became city dwellers. While a representative and senator in Washington, Lyndon rebuilt the family ranching legacy. The Bar-J-Bar brand was the official brand for the LBJ ranch, but an unofficial LBJ brand was occasionally used. The ranch's Herefords are horn branded, not flank branded. The brand was put on the cow's right horn and the cow's number was branded on its left horn.



May 2005

Board of Trustees
Texas County & District Retirement System
P.O. Box 2034
Austin, TX 78768-2034

To the members of the Board:

It is a pleasure to report on the investment activities of the Texas County and District Retirement System (TCDRS) for 2004. Retained in 1996, Wilshire Associates provides on-going investment consulting services to the Board, including investment policy development and review, asset allocation analysis, asset class structure analysis, investment manager searches and performance evaluation. Wilshire Associates prepares and presents its performance measurement reports to TCDRS on a quarterly basis using time-weighted rates of return based on custodian market values. The methodology is in compliance with the Global Investment Performance Standards of the CFA Institute.

In 2004, equity markets posted a positive return, with almost all of the annual gain occurring in the last two months of the year. The broad DJWilshire 5000 index of U.S. stocks returned 12.5 percent for the year while the international equity market index returned 21.4 percent. U.S. equity returns for much of the year were flat as economic growth decelerated, until November, when markets rose on a clear election outcome, receding oil prices and more reassuring economic news. Additionally, International equity returns were helped by a falling dollar. As fear of inflation began to dominate the fear of economic weakness, the Federal Reserve began raising short term rates from a generational low of 1.0 percent in June, to 2.25 percent by year end. Despite higher short term rates, bond markets didn't suffer much because long term rates actually ended the year lower than at the start, with an implied outlook of modest growth and modest inflation. Bond returns, as measured by the Lehman Aggregate Bond Index, were 4.3 percent.

The \$12.4 billion TCDRS fund had a total return of 12.8 percent before fees, exceeding the Wilshire median public fund return of 10.0 percent. TCDRS ranked in the 13th percentile of the Wilshire public fund universe for 2004 returns. TCDRS' return after fees was 12.7 percent and exceeded the Board's investment policy return of 12.2 percent.

At the asset class level, TCDRS' passively-managed U.S. equities portfolio comprised 35.7 percent of the total fund at year end and returned 12.5 percent for the year, before fees, which was in line with the 12.5 percent return of the benchmark, the DJWilshire 5000 Index. International equities, which represent 16.9 percent of the total fund, returned 20.3 percent approximating the benchmark return of 20.2 percent. The core fixed income portfolio, which represents 32.4 percent of the total fund and is 66 percent managed internally by TCDRS staff, returned 6.8 percent for the year versus the Citigroup LPF Index return of 6.6 percent. Over five and ten year periods, the fixed income portfolio annualized returns have exceeded their benchmark by more than 100 basis points. The actively-managed high yield bond portfolio, which comprises 9.8 percent of the portfolio, returned 8.5 percent versus the Merrill Lynch High Yield Master II Total Return Index's return of 10.9 percent. The shortfall is attributable to the policy that precludes these managers from holding bonds rated CCC or below. This is a generally poorer performing segment which makes up 15% of the high yield market but outperformed the higher quality high yield issues by over 5 percentage points in 2004. TCDRS' actively-managed real estate investment trust portfolio, representing 5.1 percent of the portfolio, returned 40.4 percent for the year, outperforming the DJWilshire Real Estate Securities Index return of 34.8 percent.

Disciplined dollar cost averaging into U.S. and international equities, and high yield bonds, according to the Board's 1999 approved strategic asset allocation, was completed with these asset classes reaching their desired strategic policy allocations in the 2nd quarter. Additionally, the Board further increased its allocation to international equities and reduced its allocation to fixed income with the addition of an emerging markets portfolio. Acadian Asset Management was retained after a comprehensive evaluation of emerging markets managers. Wilshire continues to work with the Board in the evaluation of additional asset classes, such as private equity and private real estate, in order to improve the overall fund's return/risk trade-off and maintain an expected return in line with the fund's liability growth rate.

We believe the direction and depth of capital market returns are impossible to forecast on a consistent basis. As such, prudent institutional investors have chosen to develop long-term investment policies and diversified strategies to achieve the investment objectives that meet the needs of participating employers and employees. This approach has served participants very well in the past and is likely to serve them well in the future.

Respectfully submitted,

Handwritten signature of Eileen Neill in cursive.

Eileen Neill, CFA
Managing Director

Handwritten signature of James Rice in cursive.

James Rice, CFA
Vice President

A: THE TCDRS ACT AND INVESTMENT POLICY

Texas County & District Retirement System (TCDRS or system) was established in 1967 by an act of the Texas Legislature. Investment decisions of the TCDRS Board of Trustees (board) are subject to the “prudent person” standard of care as outlined in Section 67, Article XVI of the Texas Constitution, and to the applicable statutory provisions of the Texas Trust Code that provide for a “prudent investor” standard of care.

Additionally, the board has adopted and periodically reviews an investment policy that defines and restricts investment authority and emphasizes the importance of a long-term investment philosophy with minimization of risk.

B: INVESTMENT PHILOSOPHY AND STRATEGY

In 1992, the TCDRS Board of Trustees targeted 8% as the investment return requirement. In 1996, the board concluded that a diversified portfolio would offer the best opportunity to produce the desired investment return of 8%. Accordingly, the TCDRS portfolio now includes fixed-income securities (core fixed income); domestic equity securities; international equity securities; domestic, high-yield, fixed-income securities (high-yield bonds); and real estate investment trust equity securities (REITs). For more information on these types of securities and investment terminology, please see the Glossary on page 85.

C: ASSET ALLOCATION

The board uses a long-term, strategic approach to asset allocation based upon capital market assumptions that are reviewed and adopted annually. The assumptions adopted in March 2005 are shown in Table 1. Included for each asset class are the long-term, expected returns; the levels of risk associated with the expected returns (as represented by the standard deviation of returns); and the expected cash yield.

The board has established asset allocation targets for each asset class within the portfolio. Table 2 outlines those targets together with a range of minimum and maximum allocations for each class. The investment officer allocates funds to the asset classes based upon these limits.

D: ASSET CLASSES, INVESTMENT STYLES AND INVESTMENT MANAGERS

The core fixed-income investments are actively managed. Domestic equities and one of the international equity portfolios are managed using passive styles, while two international equity portfolios are managed using active styles. High-yield bonds and REITs are managed using active styles. Cash generated from any externally managed portfolio is held by the investment professional responsible for the portfolio in interest-bearing instruments or accounts until reinvested. The TCDRS investment officer manages cash generated from the internally managed core fixed-income portfolio together with new contributions (Short-Term Investment Fund) until allocated to a portfolio.

Core Fixed-Income Holdings

For convenience, the core fixed-income holdings

TABLE 1: CAPITAL MARKET ASSUMPTIONS

| Asset Category (Portfolio) | Expected Return | Standard Deviation | Expected Yield |
|---|-----------------|--------------------|----------------|
| Core Fixed Income | 5.25% | 7% | 5.25% |
| Domestic Equities | 8.00 | 17 | 1.70 |
| International Equities—Developed | 8.00 | 19 | 2.50 |
| International Equities—Emerging | 8.00 | 25 | 2.50 |
| High-Yield Bonds | 6.25 | 10 | 6.25 |
| REITs | 7.00 | 16 | 4.50 |
| Short-Term Investment Fund ¹ | 3.00 | 1 | 3.00 |

¹ The Short-Term Investment Fund is moneys awaiting allocation to an asset category and deposited with the system’s custodian.

TABLE 2: ASSET ALLOCATION TARGETS

| Asset Category | Allocation Percentages | | |
|----------------------------------|------------------------|---------|--------|
| | Minimum | Maximum | Target |
| Core Fixed Income | 30% | 40% | 35% |
| Domestic Equities | 30 | 40 | 35 |
| International Equities—Developed | 10 | 16 | 13 |
| International Equities—Emerging | 0 | 4 | 2 |
| High-Yield Bonds | 7 | 13 | 10 |
| REITs | 3 | 7 | 5 |
| Short-Term Investment Fund | 0 | 5 | 0 |

have been subdivided into two portfolios. The first contains U.S. government and mortgage-related instruments. The second contains instruments of higher credit exposure, such as corporate debt (credit portfolio). Table 3 identifies the targeted composition of the core fixed-income holdings.

The TCDRS investment officer manages the system's core fixed-income holdings of U.S. government and mortgage-related bonds. U.S. government instruments are securities issued by the United States Treasury or an agency or government-sponsored entity (GSE) of the United States (U.S. governments). Mortgage-related instruments include collateralized mortgage obligations (CMOs); real estate mortgage investment conduits (REMICs); and GNMA project loans and pools. CMOs and REMICs are securities guaranteed by the United States government, or a government-sponsored entity. These instruments represent ownership in

mortgages that are guaranteed by such agencies. Likewise, GNMA loans represent ownership in mortgages guaranteed by GNMA.

Management of the core fixed-income credit portfolio is divided among BlackRock Financial Management, Inc. (BlackRock); Loomis, Sayles & Company, L.P. (Loomis); and Prudential Investment Management, Inc. (Prudential). Each manager's portfolio consists of debt securities issued by domestic corporations or U.S. dollar-denominated debt issued by foreign sovereigns, supranationals or corporations, and should exhibit a dollar-weighted average quality rating of BBB-/Baa3 or better from Moody's Investors Service (Moody's), the Standard & Poor's Corporation (S&P), or Fitch Investor's Services (Fitch). Additionally, these portfolios may contain minimal investments in short-term instruments, non-rated securities, private placement securities, convertible bonds and preferred stock.

TABLE 3: CORE FIXED-INCOME SUBCLASS ALLOCATION TARGETS

| Subclass | Percentage of Asset Category Target |
|------------------------------|-------------------------------------|
| U.S. Government | 40% |
| Mortgage-Related Instruments | 30 |
| Credit Portfolio | 30 |

Equity Holdings

The system's domestic equities and a portion of its international equities are passively managed by State Street Global Advisors (SSgA) in a commingled Dow Jones Wilshire 5000 Index fund and in a commingled Morgan Stanley Capital International Europe, Australasia and Far East Index (MSCI EAFE) fund. Capital Guardian Trust Company

TABLE 4: BENCHMARK PORTFOLIOS FOR PERFORMANCE MEASUREMENT

| Asset Category | Benchmark Portfolio |
|------------------------|---|
| Core Fixed Income | Core Fixed Income Index Citigroup Large Pension Fund (Jan. 2004 through Dec. 2004) Lehman Brothers Aggregate Index (Jan. 1983 through Dec. 2003) |
| Domestic Equities | Domestic Equity Index Dow Jones Wilshire 5000 Index ¹ (Jan. 2000 through Dec. 2004) S&P 500 Index (Jan. 1997 through Dec. 1999) |
| International Equities | International Equity Index MSCI ACWI x US (Sep. 2004 through Dec. 2004) MSCI EAFE Index (Nov. 1999 through Aug. 2004) |
| High-Yield Bonds | High-Yield Bond Index Merrill Lynch High Yield Master II Index (Jan. 2003 through Dec. 2004) CSFB Developed Countries High Yield Index ² (Jan. 1999 through Dec. 2002) |
| REITs | REIT Index Dow Jones Wilshire Real Estate Securities Index ¹ (July 2002 through Dec. 2004) Wilshire REIT Index (Oct. 1998 through June 2002) |

¹ Prior to April 2004, these indices were called "Wilshire 5000 Index" and "Wilshire Real Estate Securities Index", respectively.

² Until mid-2001, this index was called "First Boston Domestic + High Yield Index."

(Cap Guardian) maintained a separately managed account for its actively managed equity portfolio of securities in developed markets until their services were terminated in the first quarter of 2005. At that time the assets were rolled into the SSgA EAFE fund. Acadian Asset Management, Inc. (Acadian) actively manages a commingled Emerging Markets Equity Fund. Acadian was retained during the third quarter of 2004.

High-Yield Bonds

Management of the system's high-yield bonds is divided among three investment managers: W. R. Huff Asset Management Co., LLC (Huff); Oaktree Capital Management, LLC (Oaktree); and Shenkman Capital Management, Inc. (Shenkman). During the first quarter of 2005, Huff's services were terminated and Post Advisory Group was hired to manage the remaining assets.

REITs

Management of the system's REITs is divided between two investment managers: Cohen & Steers Capital Management, Inc. (Cohen & Steers), and Wellington Management Company, LLP (Wellington).

E: INVESTMENT RESULTS

TCDRS retains two professional performance measurement consulting firms that regularly report investment performance to the board for each investment manager, for the aggregate of all managers in each asset class and for the total portfolio.

Investment Manager Performance Reporting

Performance of each investment manager is measured against the performance of similar assets contained within a benchmark portfolio, as represented by a specific index. Comparisons indicate the

value added by each manager, if any, in excess of the performance that was experienced by the specific benchmark index.

Asset Class Performance Reporting

When multiple investment managers are retained within a particular asset class, a benchmark portfolio is selected for measurement of the performance of the entire asset class. Table 4, on page 78, relates the associated benchmark portfolio with each asset class contained within the TCDRS investment portfolio.

Total Portfolio Performance Reporting

According to Keith Ambachtsheer and Don Ezra in their book *Pension Fund Excellence: Creating Value for Stakeholders* (John Wiley & Sons, Inc., New York, N.Y., 1998), studies have shown that the asset allocation decision made by a portfolio's investment board accounts for most of the portfolio's performance.

Assessing the impact of the asset allocation decision on the performance of the entire TCDRS portfolio first requires construction of a portfolio (Policy Benchmark Portfolio) that contains only those asset classes authorized for investment and only in the proportion that such classes are authorized in the asset allocation plan. Once constructed, each asset class is assigned an appropriate index to track the passively managed growth of that asset class. Performance of the Policy Benchmark Portfolio represents the performance of each asset class (as reflected by its index) weighted by the percentage of that asset class within the asset allocation plan.

Table 5 contains the weights given each asset class in the creation of the quarterly Policy Benchmark Portfolios for 2004. As expected, the implementation horizon of the asset allocation plan is reflected in the quarterly construction of the Policy Benchmark Portfolios. Table 6, on page 80, contains an approximation of the weights that are included in

TABLE 5: POLICY BENCHMARK — PORTFOLIO COMPOSITION

| Benchmark Portfolio | Calendar Quarters of 2004 | | | |
|---|---------------------------|---------------|---------------|---------------|
| | 1st | 2nd | 3rd | 4th |
| Core Fixed Income Index | 40.5% | 38.2% | 38.0% | 35.0% |
| Domestic Equity Index | 33.8 | 35.0 | 35.0 | 35.0 |
| International Equity Index | 11.2 | 11.8 | 12.0 | 15.0 |
| High-Yield Bond Index | 9.5 | 10.0 | 10.0 | 10.0 |
| REIT Index | 5.0 | 5.0 | 5.0 | 5.0 |
| Total TCDRS Policy Benchmark Portfolio | 100.0% | 100.0% | 100.0% | 100.0% |

TABLE 6: POLICY BENCHMARK — PORTFOLIO ESTIMATED COMPOSITION

Periods ended Dec. 31, 2004

| Benchmark Portfolio | 1 Year | 3 Year | 5 Year | 10 Year |
|---|---------------|---------------|---------------|----------------|
| Core Fixed Income Index | 37.9% | 45.8% | 52.2% | 72.8% |
| Domestic Equity Index | 34.7 | 31.0 | 28.5 | 17.2 |
| International Equity Index | 12.5 | 10.0 | 7.9 | 4.0 |
| High-Yield Bond Index | 9.9 | 8.2 | 6.6 | 3.4 |
| REIT Index | 5.0 | 5.0 | 4.8 | 2.6 |
| Total TCDRS Policy Benchmark Portfolio | 100.0% | 100.0% | 100.0% | 100.0% |

the Policy Benchmark Portfolios for the one, three, five and ten-year periods ended Dec. 31, 2004.

Performance Results

As shown in Table 7, the TCDRS portfolio has outperformed the Policy Benchmark Portfolio over the investment horizons of one, three, five and ten years.

For each period, the performance of the REIT and core fixed-income portfolios contributed to the positive performance when compared to the Policy Benchmark Portfolio, but the performance of the high-yield portfolio trailed that of its benchmark during each period.

Figure 1, on page 81, compares the duration of the TCDRS core fixed-income portfolio to that of the benchmark. Duration measures a debt investment's exposure to fair value changes arising from changing interest rates. When comparing two similar portfolios of fixed-income securities, the one with the longer duration experiences greater changes in fair value whenever the interest rates change in the fixed-income market. In 2004, the duration of the core fixed-income portfolio was similar to the duration of the benchmark resulting in performance similar to the benchmark.

The REIT portfolio returned 560 basis points more

TABLE 7: RESULTS FROM INVESTING ACTIVITIES¹

Periods Ended Dec. 31, 2004

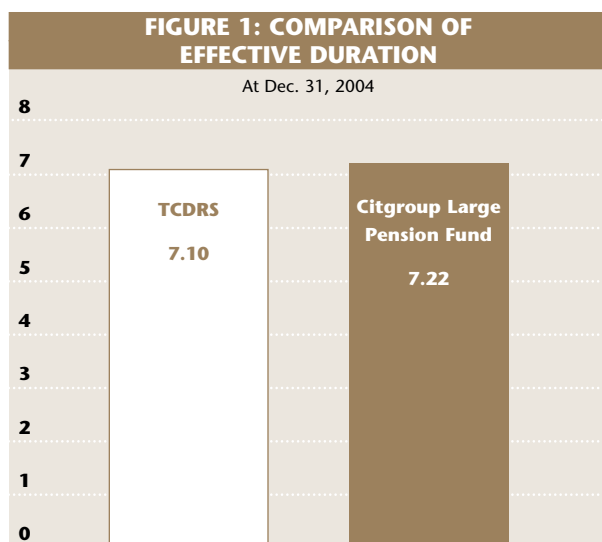
| TCDRS Portfolio/Benchmark Portfolio | 2004 Return | Annualized Returns | | |
|--|--------------------|---------------------------|---------------|----------------|
| | | 3 Year | 5 Year | 10 Year |
| Total Fund | 12.8% | 11.3% | 9.2% | 9.6% |
| Policy Benchmark Portfolio ² | 12.6 | 10.3 | 7.7 | 8.4 |
| Core Fixed Income | 6.8 | 7.8 | 9.2 | 9.1 |
| Core Fixed Income Index Portfolio | 6.6 | 7.0 | 8.2 | 8.0 |
| Domestic Equities | 12.5 | 5.3 | -1.5 | — |
| Domestic Equity Index Benchmark Portfolio | 12.5 | 5.4 | -1.5 | 12.6 |
| International Equities | 20.3 | 12.0 | -1.0 | — |
| International Equity Benchmark Portfolio | 20.3 | 11.9 | -1.2 | 5.6 |
| High-Yield Bonds | 8.5 | 10.7 | 7.8 | — |
| High Yield Bond Index Benchmark Portfolio ³ | 10.9 | 13.6 | 7.9 | — |
| REITs | 40.4 | 27.3 | 24.2 | — |
| REIT Index Benchmark Portfolio | 34.8 | 23.9 | 22.9 | 15.3 |

¹ Calculations of performance were prepared using time-weighted rates of return based upon the market rates of return in accordance with AIMR's performance presentation standards.

² See Table 5 on page 79 and Table 6 for composition of Policy Benchmark Portfolio.

³ Inception date of index within the Benchmark Portfolio is March 31, 1999; therefore, returns for periods exceeding 69 months are unavailable.

Source: Wilshire Associates, Performance Report, December 2004



Source: Wilshire Associates Performance Report, December 2004

than the benchmark in 2004 due to manager stock selection and sector allocation decisions.

Underperformance of the high-yield bond portfolio in 2004 is attributable to the composition of the portfolio. The benchmark contains 15% of lower rated (CCC and below) issues that significantly

TABLE 8: EXTERNALLY MANAGED HOLDINGS

At Dec. 31, 2004 (\$ Millions)

| Fund/Asset Class Description | Total Value ¹ |
|---|--------------------------|
| BlackRock Credit Portfolio | \$ 452.9 |
| Loomis Credit Portfolio | 448.4 |
| Prudential Credit Portfolio | 457.2 |
| <i>Total Core Fixed Income — Credit Portfolio</i> | <i>1,358.5</i> |
| SSgA Dow Jones Wilshire 5000 Index Fund | 4,420.1 |
| <i>Total Domestic Equities</i> | <i>4,420.1</i> |
| SSgA MSCI EAFE Index Fund (Developed) | 1,723.4 |
| Cap Guardian Developed Markets | 134.0 |
| Acadian Emerging Markets | 237.8 |
| <i>Total International Equities</i> | <i>2,095.2</i> |
| Huff High-Yield Bond Fund | 442.3 |
| Oaktree High-Yield Bond Fund | 445.7 |
| Shenkman High-Yield Bond Fund | 324.8 |
| <i>Total High-Yield Bonds</i> | <i>1,212.8</i> |
| Cohen & Steers REIT Equity Fund | 304.2 |
| Wellington REIT Equity Fund | 327.6 |
| <i>Total REITs</i> | <i>631.8</i> |

¹ Includes short-term investments, interest and dividends receivable and other net receivables.

outperformed the higher rated issues during 2004 and 2003. Investment guidelines of TCDRS high-yield managers preclude purchasing these lower rated issues.

F: LISTS OF LARGEST HOLDINGS

Externally Managed Holdings

TCDRS retains external investment managers to administer 12 portfolios. Table 8 shows the value of these externally managed holdings at year end.

Equity Holdings

Most of the system's exposure to equity markets is achieved indirectly through participation in commingled investment pools, such as the SSgA Dow Jones Wilshire 5000 Index fund. At Dec. 31, 2004, TCDRS owned a 98% undivided interest in this fund and the fund, in turn, owned equity shares in more than 4,900 domestic companies. Even though TCDRS does not directly own any shares of these companies, one may approximate the exposure to the largest companies within that index by prorating the ownership percentage against that fund's holdings. Table 9 displays our exposure to the 10 largest equity holdings in that fund.

Core Fixed-Income Holdings

Table 10, on page 82, presents the top 10 fixed-income securities owned by TCDRS. Nine of the 10 largest fixed-income securities are contained within the internally managed core fixed-income portfolio. At Dec. 31, 2004, that portfolio con-

TABLE 9: LIST OF LARGEST EQUITY HOLDINGS¹

At Dec. 31, 2004 (\$ Millions)

| Percent of Fund Represented | Company | Prorated Market Value |
|-----------------------------|---------------------------------|-----------------------|
| 2.7% | General Electric Company | \$119.0 |
| 2.3 | Exxon Mobil Corporation | 101.9 |
| 1.7 | Citigroup Incorporated | 77.0 |
| 1.7 | Microsoft Corporation | 76.3 |
| 1.4 | Pfizer Incorporated | 62.5 |
| 1.3 | BankAmerica Corp | 58.6 |
| 1.3 | Johnson & Johnson | 58.1 |
| 1.2 | American International Group | 52.7 |
| 1.2 | International Business Machines | 50.8 |
| 1.0 | Intel Corporation | 45.7 |

¹ TCDRS owns a 98% undivided interest in a Dow Jones Wilshire 5000 Index fund which in turn owns equity shares in over 4,900 domestic companies. Even though TCDRS does not own any shares of the above companies directly, our undivided interest in each company within the index is shown above.

**TABLE 10: LIST OF LARGEST
FIXED-INCOME HOLDINGS**

At Dec. 31, 2004 (\$ Millions)

| Description | Maturity | Interest Rate | Fair Value |
|-----------------------|------------|---------------|------------|
| U.S. Treasury Bond | 02/15/2023 | 7.125% | \$ 344.6 |
| U.S. Treasury Bond | 08/15/2022 | 7.25 | 290.0 |
| U.S. Treasury Bond | 05/15/2016 | 7.25 | 281.7 |
| U.S. Treasury Bond | 11/15/2016 | 7.50 | 274.8 |
| FNMA Benchmark Note | 10/15/2013 | 4.625 | 83.7 |
| VENDEE Series 93-2 ZB | 06/15/2023 | 6.75 | 81.5 |
| FHLMC 2861 Z | 09/15/2034 | 5.50 | 74.0 |
| TVA Bond | 05/23/2012 | 6.79 | 73.3 |
| U.S. Treasury Bond | 02/15/2016 | 9.25 | 71.4 |
| U.S. Treasury Bond | 02/15/2031 | 5.375 | 67.9 |

tained 77 securities with an aggregate fair value of \$2,619,253,742. The remaining security is contained in the credit portfolio. At Dec. 31, 2004, that portfolio contained 454 securities with an aggregate fair value of \$1,341,165,688. A complete listing of all securities TCDRS owned at Dec. 31, 2004, is available upon written request.

G: RESULTS OF SECURITIES-LENDING ACTIVITIES

TCDRS retains Metropolitan West Securities, Inc. as securities-lending agent to engage in lending securities from the core fixed-income portfolio. The aggregate income and expenses attributable to this securities-lending activity and net lending income of \$3.5 million are shown in Table 11.

TABLE 11: SECURITIES-LENDING ACTIVITY

Year Ended Dec. 31, 2004

| Elements of Securities-Lending Activity | Amount |
|--|---------------------|
| Core Fixed Income | |
| Gross Earnings | \$ 29,987,508 |
| Rebates Paid to Lenders and Lending Agent's Share of Income | 26,465,576 |
| Net Securities-Lending Income (Core Fixed Income) | 3,521,932 |
| Equity Portfolios | |
| Net Securities-Lending Income (Equity Portfolios) | 1,829,288 |
| Net Securities-Lending Income | \$ 5,351,220 |

Additionally, SSgA manages domestic and international equity portfolios of TCDRS in commingled funds. The securities in these funds participate in the securities-lending program of SSgA with TCDRS receiving a proportionate share of the securities-lending income generated from this activity. Also shown in Table 11 is income of \$1.8 million representing TCDRS' share of the 2004 equity portfolios' securities-lending income.

H: FEES AND COMMISSIONS

Table 12 presents the 2004 investment-manager fees TCDRS incurred, excluding securities-lending fees. The average fee expended for investment management of the entire portfolio (averaging \$11,418.9 million) was 11.01 basis points.

TABLE 12: INVESTMENT MANAGERS' FEES

Year Ended Dec. 31, 2004

| Asset Class | Average of Fair Value (\$ Millions) | Fees | Cost Rate (in bps) ¹ |
|--|--|----------------------|---------------------------------|
| Internally Managed Core Fixed Income Plus Short-Term Investment Fund ² | \$ 2,709.9 | \$ 1,150,337 | 4.24 |
| Core Fixed Income — Credit Portfolio | 1,192.3 | 2,131,050 | 17.87 |
| Total Core Fixed Income | 3,902.2 | 3,281,387 | 8.41 |
| Domestic Equities | 4,106.6 | 254,477 | 0.62 |
| International Equities | 1,633.2 | 1,200,243 | 7.35 |
| High-Yield Bonds | 1,131.8 | 5,155,064 | 45.55 |
| Total REITs | 645.1 | 2,677,888 | 41.51 |
| Totals/Average Cost Rate | \$ 11,418.9 | \$ 12,569,059 | 11.01 |

¹ One hundred basis points (bps) equal 1%.

² Fees represent the Investment department expenses shown in the Financial Section.

Table 13 presents the total cost of investment-related fees (excluding securities-lending fees), which is just over \$13.3 million. Based upon an average market value of \$11.4 billion, this represents a cost of 11.66 basis points expended to manage and administer TCDRS' investment assets.

Table 14 presents the brokerage commissions paid by the system's equity managers. The managers executed trades of 21.4 million shares through 96 brokers. The commissions earned by these brokers represent \$.04 per share traded.

I: ASSET GROWTH OF THE SYSTEM

As shown in Figure 2, the fair value of TCDRS investment assets, including accrued interest and dividends, has increased by \$5.06 billion over the past five years (from \$7.31 billion at Dec. 31, 1999, to \$12.37 billion at Dec. 31, 2004). Figure

TABLE 13: INVESTMENT-RELATED FEES

Year Ended Dec. 31, 2004

| | Fees |
|--------------------------------------|----------------------|
| Investment Managers' Fees (Table 12) | \$ 12,569,059 |
| Custodian | 562,846 |
| Investment Consultants | 185,000 |
| Total Investment-Related Fees | \$ 13,316,905 |

TABLE 14: BROKER COMMISSIONS PAID BY EQUITY MANAGERS

Year Ended Dec. 31, 2004

| Brokerage Firm | Shares Traded (thousands) | Commissions | |
|---------------------------------|---------------------------|---------------|----------------|
| | | (\$1,000s) | per Share |
| Lehman Bros. | 2,088 | \$ 100 | \$ 0.05 |
| Morgan Stanley & Co., Inc. | 1,672 | 45 | 0.03 |
| UBS Securities | 1,568 | 63 | 0.04 |
| Merrill Lynch | 1,463 | 53 | 0.04 |
| Goldman Sachs & Co. | 989 | 43 | 0.04 |
| Jefferies & Company | 954 | 52 | 0.05 |
| Legg Mason Wood | 926 | 54 | 0.06 |
| Citigroup Global Markets | 912 | 44 | 0.05 |
| Banc of America Securities | 908 | 43 | 0.05 |
| Wedbush Morgan Securities, Inc. | 852 | 34 | 0.04 |
| Credit Suisse First Boston | 772 | 20 | 0.03 |
| Summary of 85 other firms | 8,296 | 326 | 0.04 |
| Totals | 21,400 | \$ 877 | \$ 0.04 |

3 identifies the components of investment asset growth, the largest of which is investment return that accounts for 83% of the portfolio growth (\$4.21 billion). The remaining component (\$858 million) is employee deposits and employer contributions net of pension payments and refunds.

FIGURE 2: GROWTH IN SYSTEM ASSETS

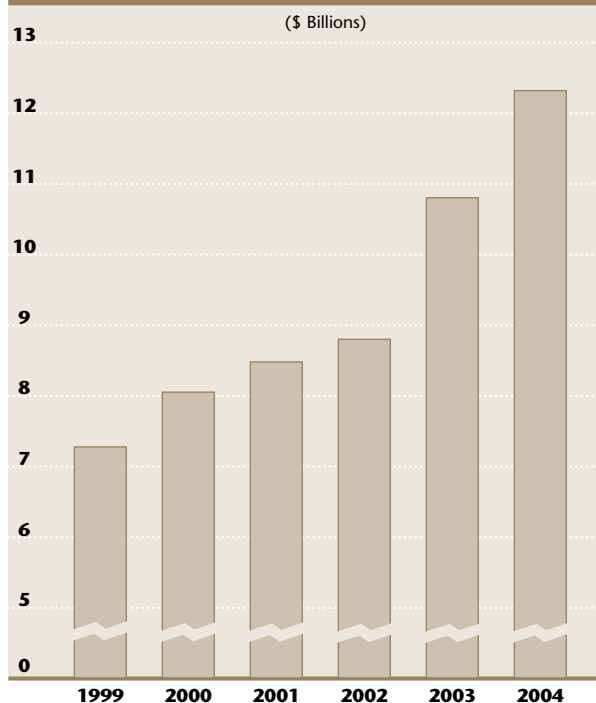
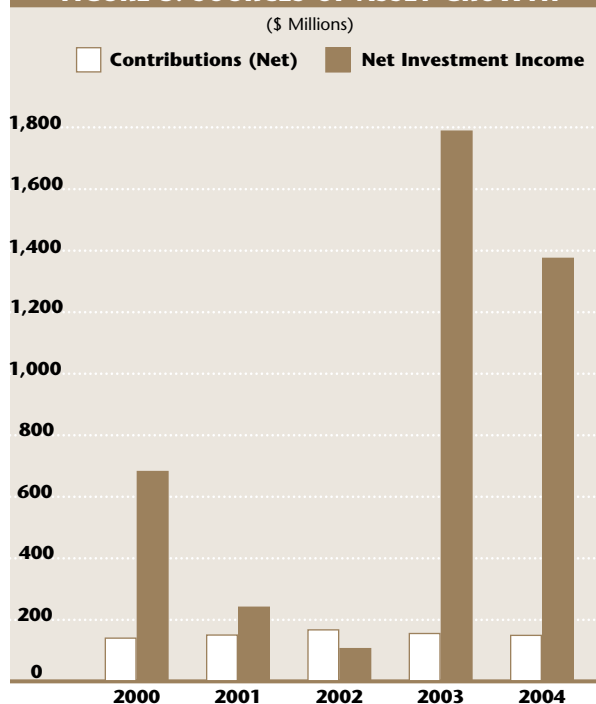


FIGURE 3: SOURCES OF ASSET GROWTH



J: INVESTMENT SUMMARY

Based upon the total value of the portfolio (which is the sum of the fair value of the portfolio and accrued interest) at Dec. 31, 2004, Table 15 reflects TCDRS diversification efforts with 35.7% invested in domestic equities, 16.9% invested in international equities, 9.8% invested in high-yield bonds and 5.1% invested in REITs. Core fixed income repre-

sented 32.4% of the entire portfolio with roughly one third (11.0% of the total portfolio) invested in the credit portfolio. The values shown in each portfolio under the column labeled "Fair Value" are the investment amounts presented in the Statements of Plan Net Assets shown on page 24 in the Financial Section of this CAFR.

TABLE 15: INVESTMENTS BY ASSET SUBCLASS

At Dec. 31, 2004

| Type of Investment | Fair Value | Interest, Dividends and Other Receivables ² | Total Value | % of Total Value |
|---|--------------------------|--|--------------------------|------------------|
| Core Fixed Income | | | | |
| U.S. Government | \$ 1,636,231,292 | \$ 23,423,563 | \$ 1,659,654,855 | 13.4% |
| Mortgage-Related | 983,022,450 | 5,196,935 | 988,219,385 | 8.0 |
| Credit Portfolio | 1,341,165,688 | 17,281,577 | 1,358,447,265 | 11.0 |
| Total Core Fixed Income | 3,960,419,430 | 45,902,075 | 4,006,321,505 | 32.4 |
| Domestic Equities | 4,420,106,944 | 0 | 4,420,106,944 | 35.7 |
| International Equities | 2,095,064,732 | 128,776 | 2,095,193,508 | 16.9 |
| High-Yield Bonds | 1,192,573,588 | 20,161,293 | 1,212,734,881 | 9.8 |
| REITs | 628,662,156 | 3,106,309 | 631,768,465 | 5.1 |
| Short-Term Investment Fund | 5,646,436 | 149,927 | 5,796,363 | 0.1 |
| Total Investments Shown on Statement of Net Plan Assets | 12,302,473,286 | 69,448,380 | 12,371,921,666 | 100.0 |
| Trade Date Adjustments ¹ | 117,990 | 0 | 117,990 | 0.0 |
| Total Investments Subject to Performance Measurement | \$ 12,302,591,276 | \$ 69,448,380 | \$ 12,372,039,656 | 100.0% |

¹ Short-Term Investment Fund shown above is presented on a settlement-date basis. Converting this investment to trade date requires increasing it by \$117,990 for mortgage payments due before year end but received in 2005.

² Interest, dividends and other receivables include interest and dividends receivable of \$69,496,837 as shown on the Statement of Plan Net Assets and other receivables associated with foreign currency fluctuations resulting in a net reduction of \$48,457 to total receivables from the system's investments.

GLOSSARY OF INVESTMENT TERMS

The following are definitions of TCDRS asset classes, authorized investment types, performance benchmark portfolios and investment terminology:

AIMR (Association for Investment Management Research)

This organization changed its name in 2004 to CFA Institute. It is an international, nonprofit organization of more than 50,000 investment practitioners and educators in more than 100 countries. Its mission is to serve its members and investors as a global leader in educating and examining investment managers and analysts, and sustaining high standards of professional conduct. The CFA Institute offers education services for investment professionals, enforces stringent codes of professional conduct and ethics, and promulgates strict requirements for reporting of investment performance. The performance reporting standards are called AIMR – Performance Presentation Standards (AIMR-PPS).

BENCHMARK PORTFOLIOS

Portfolios, represented by specific indices, that are created for the purpose of measuring the relative performance of investment managers, asset classes and, in the case of the Policy Benchmark Portfolio, the entire TCDRS portfolio. Data regarding performance of these benchmark portfolios during any period indicate the returns that were available during the period for comparable investments that were passively managed. Comparisons indicate the value added by each manager, if any, in excess of the performance that was experienced by the specific benchmark index.

CITIGROUP LARGE PENSION FUND INDEX

This fixed-income index more closely matches the TCDRS core fixed-income portfolio and the long-term liabilities associated with a pension system than other benchmarks. U.S. government instruments comprise 40% of the index while equal portions of mortgage-related bonds and instruments of higher credit risk, such as corporate debt, comprise the remainder of the index.

CMOs

Collateralized mortgage obligations (CMOs) are fixed-income instruments whose principal and interest payments are secured by payments made on mortgages that are held in trust. Like REMICs, securities created from CMOs may have different

maturities and payment characteristics from those of the underlying mortgage collateral.

CORE FIXED INCOME

The internal portfolio includes only domestic, fixed-income instruments that are issued by the U.S. government or an agency or government sponsored entity (GSE) of the United States, or mortgage-related instruments (including CMOs and REMICs) of the highest quality. The external portfolios include debt securities issued by domestic corporations or U.S. dollar-denominated debt issued by foreign sovereigns, supranationals or corporations which are combined into investment-grade portfolios each of which should exhibit a dollar-weighted average quality rating of BBB-/Baa3 or better from Moody's Investors Service (Moody's), the Standard & Poor's Corporation (S&P), or Fitch Investor's Services (Fitch). Additionally, the external portfolios may contain minimal investments in short-term instruments, non-rated securities, private placement securities, convertible bonds and preferred stock.

CSFB DEVELOPED COUNTRIES HIGH YIELD INDEX

Credit Suisse First Boston calculates and publishes this index as a measure of the domestic, high-yield bond market's performance.

DOW JONES WILSHIRE 5000 INDEX

This index is one of the broadest measures of domestic equity performance since it is computed based upon all equity trades of U.S. stocks during any day. Each company included within the index is not equally weighted within the index but rather is weighted according to its market value among the market values of all U.S. companies.

DOW JONES WILSHIRE REAL ESTATE SECURITIES INDEX

Wilshire Associates calculates and publishes this index as a measure of the real estate market's performance.

HIGH-YIELD BONDS

Domestic, fixed-income securities that have not been highly rated by national rating agencies, such as Moody's Investors Service (Moody's) or Standard & Poor's (S&P). A security is considered a high-yield bond if it is rated below Baa3 by Moody's or below BBB- by S&P.

LEHMAN BROTHERS AGGREGATE INDEX

This index incorporates all domestic debt issues with maturities greater than one year and in amounts greater than \$1 million. Included are publicly issued, nonconvertible, domestic debt issues of the U.S. government and its agencies; and corporations in industrial, utility or financial segments.

**MSCI ACWI
(All Country World Index) x US**

This index, prepared by Morgan Stanley Capital International (MSCI), is designed to measure equity market performance in the global developed and emerging markets, excluding the United States.

**MSCI EAFE INDEX
(Europe, Australasia, Far East)**

This index, prepared by Morgan Stanley Capital International (MSCI), is designed to measure developed market equity performance excluding the U.S. and Canada

POLICY BENCHMARK PORTFOLIO

See Benchmark Portfolios.

REITs

Domestic equity securities issued in the form of real estate investment trusts (REITs) afford the

opportunity for many investors to combine capital to acquire and manage real estate. Income from these trusts is exempt from federal income tax if at least 75% of the trust's assets are invested in real estate; if at least 75% of the trust's gross income is derived from rents of real property or interest on mortgages of real property; and if at least 95% of the trust's taxable income is paid as dividends to investors.

REMICs

Real estate mortgage investment conduits (REMICs) are mortgage pass-through entities that allow multiple classes of securities; each such security represents beneficial ownership interest in pools of mortgage loans. This fixed-income security class enables the issuer to "repackage" mortgage payments into new securities whose maturities and payment characteristics differ from those of the underlying mortgage collateral.

WILSHIRE REIT INDEX

Wilshire Associates calculates and publishes this index as a measure of the REIT market's performance.



FAMOUS RANCHES

Veterans returning to Texas after the Civil War found land cheap and longhorns plentiful. More than a million cross-breed cattle wandered the grasslands. A cowboy with a branding iron, a good cow pony and a rope could build a herd in a few weeks of hard work. In the spring, after the crops were planted, he could drive the herd to northern markets and be back home by the time the crops were ripe for harvesting. Many fortunes were won and lost by betting on the price of steaks on the hoof.

XIT The XIT brand once covered more area than any other ranch in Texas – more than 3 million acres. Abner P.

Blocker, a noted cattle driver, reportedly devised the XIT brand, a design that could not be changed easily. Although legend persists that the brand signified “ten in Texas,” since the ranch covered all or portions of Dallam, Hartley, Oldham, Deaf Smith, Parmer, Castro, Bailey, Lamb, Cochran and Hockley counties, that theory is doubtful. Some speculate that it really meant “biggest in Texas.” The state-owned land in the Panhandle was exchanged with the Capitol Freehold Land and Investment Company in 1884 for the construction of the state Capitol. The last parcel of the XIT was sold in 1963. The ranching enterprise gave us the towns of Channing, Dalhart, Muleshoe, Farwell and Bovina.

W The King Ranch, like most large ranching operations, uses several different brands. The Running W is its most distinctive mark. When Mifflin Kenedy and Capt. Richard King dissolved their partnership in 1870, each was to select a new brand. King select-

ed the Running W, which was first registered in Nueces County in 1869. King purchased his ranch from William Mann, who had used a Running M brand. King might have simply inverted the Mann brand to make his own. In Spanish, the brand is called *La Viborita* or “Little Snake.” Today, the ranch covers more than 825,000 acres of South Texas and has livestock operations around the world.

MC The McFaddin Ranch used the “M Six” brand first registered in Jefferson County by William McFaddin in 1840. The brand was probably brought to Texas from Tennessee by his father, James, who registered the brand in Refugio and Victoria counties. At one time “McFaddin Steaks” were a popular item on New York City menus. The brand is still used by the McFaddin Estate.

Portions of the ranch were carved out to make Sea Rim State Park, McFaddin National Wildlife Refuge and the J.D. Murphree Wildlife Management Area along the upper Texas coast.

6666

The 6666 Ranch is said to be named for a winning poker hand. But, if it was, then the four cards did not belong to the man who made the brand famous in North Texas. Samuel Burk Burnett came to Texas as a 10-year-old in 1859. From 100 head of cattle with the 6666 brand purchased in Denton, Burnett built a ranching empire that still exists in King and Carson counties.

A

The JA Ranch is the oldest privately owned cattle operation in the Panhandle. Charles Goodnight designed the brand using the initials of his business partner, John Adair. The Adair-Goodnight partnership lasted 10 years, ending in 1886 when Goodnight started his own ranch. At its peak, cattle with the JA brand grazed over nearly 20 million acres, most of it leased state land. The brand is still registered to the Adair Estate.



The Texas Department of Corrections began using the five-pointed star brand by legislative act in the 1930s. The brand is also used on a herd of longhorns managed by the Texas Parks & Wildlife Department. Since 1948, the

ACTUARIAL SECTION

official longhorn herd has been pastured at Fort Griffin State Park near Albany with weaned calves placed at San Angelo State Park. Fort Griffin does an annual spring branding that is open to the public.



Milliman

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May 13, 2005

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Board of Trustees
Texas County & District Retirement System
Austin, Texas

Dear Trustees:

In accordance with the Texas County & District Retirement System (TCDRS) Act, the annual actuarial valuation of the assets and liabilities of TCDRS has been completed as of December 31, 2004. This valuation was performed using actuarial assumptions that were adopted by the Board in December 2001. These assumptions were developed by Milliman and reported to the Board in the 2001 Investigation of Experience Study report. We recommended these assumptions to the Board.

We believe the assumptions individually and collectively represent reasonable expectations of experience over the long-term future. Nevertheless, the emerging costs of the TCDRS employers will vary from those presented in our report to the extent that actual experience differs from that projected by the actuarial assumptions.

To test how well the financing objective for each plan is being achieved, annual actuarial valuations are made. These valuations recognize differences in the past year between the actuarial assumptions and the actual experience, and any benefit changes for each plan.

The financing objective for each TCDRS variable-rate plan is to provide retirement, death and disability benefits for a county's or a district's employees financed by an employer contribution rate. This rate is determined annually and is expected to remain approximately level as a percent of the employer's covered payroll. The employer contribution rate consists of the normal cost contribution rate plus the unfunded actuarial accrued liability (UAAL) contribution rate. The UAAL is amortized over a rolling 20-year period (30 years if the employer is in an overfunded position).

For fixed-rate plans, the employer contribution rate is, by law, equal to the contribution rate for all the employees of the employer as adopted by the governing body of each employer. If a plan has had adverse actuarial experience, the law has provisions which allow the employer to contribute above the regular rate or to reduce benefits earned in the future in order to cause the financing arrangement to be adequate. The financing objective for each TCDRS fixed-rate plan is to provide benefits for the employees that can be adequately financed by a fixed employer contribution rate that remains level as a percent of payroll. The maximum allowed amortization period for the UAAL is 30 years.

A separate actuarial valuation for each participating county and district was performed based on the plan of benefits in effect on January 1, 2005. The aggregate results of these valuations and of the actuarial valuation of system-wide assets and liabilities are presented in the Actuarial Section in the Summary Actuarial Valuation Results schedule, which is followed by the Actuarial Valuation Results by Employer schedules for each of the 559 plans in TCDRS. The assumptions and methods used in this valuation are summarized in the actuarial section and meet the parameters of Governmental Accounting Standards Board Statement No. 25. The member, annuitant and asset data used in the valuation were all prepared and furnished by TCDRS. We relied on that data after examining it for general reasonableness and year-to-year consistency. In addition, we prepared all of the supporting schedules in the actuarial section and the schedule of funding progress, the schedule of employer contributions and the notes to these schedules in the financial section of the comprehensive annual financial report.

Sincerely,

Karen I. Steffen, FSA, EA, MAAA
Consulting Actuary

Nick J. Collier, ASA, EA, MAAA
Consulting Actuary

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS

A: ACTUARIAL ASSUMPTIONS

The actuarial assumptions were developed from an actuarial investigation of the experience of TCDRS over the four years 1997–2000. They were recommended by Milliman, Inc., adopted by the TCDRS Board of Trustees in 2001 and first used in the Dec. 31, 2001 actuarial valuation. For an explanation of terms used in this section refer to the glossary of actuarial terms beginning on page 156.

Termination Rates

The rates vary by length of service, entry-age group (age at hire), sex and termination group assignments. The rates exclude termination due to death or disability and assume that there is no termination after eligibility for retirement.

A sample of the rates for three of the seven termination groups is shown in Table 1.

The termination group assignments for an employer were based primarily upon the termination characteristics of the members of the employer during the four years 1997–2000 compared to the termination characteristics of all members of TCDRS during the same period.

Probability of Withdrawal

Members who terminate with at least four years of service may either elect to leave their account with TCDRS or withdraw their funds. The probability that a member elects a withdrawal varies by length of service and vesting schedule. Rates are shown in Table 2. For members with less than four years of service, 100% are assumed to elect a withdrawal. Note that the rates for a 12-year vesting requirement are the same as the 10-year requirement shown, except there is assumed to be a 100% probability of withdrawal with less than 12 years of service.

Adjustment for Partial Lump-Sum Payment Option

For plans that have adopted the partial lump-sum payment option, adjustments are made to the termination rates. Rates are reduced at ages near retirement as it is anticipated that a member would be less likely to take a withdrawal if the partial lump-sum payment option were available.

Active Employee Mortality Rates

Beneficiaries of members who die while in active service are eligible for certain benefits. Rates at which active members are assumed to die are shown in Table 3 on page 90.

TABLE 1: SELECT TERMINATION RATES

| Entry Age | Service | Male | | | Female | | |
|-----------|---------|------|------|------|--------|------|------|
| | | Low | Mid | High | Low | Mid | High |
| 20 to 29 | 0 | .282 | .353 | .424 | .313 | .391 | .469 |
| | 3 | .132 | .165 | .198 | .146 | .183 | .220 |
| | 6 | .078 | .097 | .116 | .086 | .107 | .128 |
| | 9 | .054 | .068 | .082 | .061 | .076 | .091 |
| | 12 | .039 | .049 | .059 | .043 | .054 | .065 |
| | 15 | .027 | .034 | .041 | .030 | .038 | .046 |
| 30 to 39 | 0 | .224 | .280 | .336 | .247 | .309 | .371 |
| | 3 | .105 | .131 | .157 | .116 | .145 | .174 |
| | 6 | .062 | .077 | .092 | .068 | .085 | .102 |
| | 9 | .043 | .054 | .065 | .048 | .060 | .072 |
| | 12 | .031 | .039 | .047 | .034 | .043 | .052 |
| | 15 | .022 | .027 | .032 | .024 | .030 | .036 |
| 40 to 49 | 0 | .177 | .221 | .265 | .195 | .244 | .293 |
| | 3 | .082 | .103 | .124 | .091 | .114 | .137 |
| | 6 | .049 | .061 | .073 | .054 | .067 | .080 |
| | 9 | .034 | .043 | .052 | .038 | .047 | .056 |
| | 12 | .025 | .031 | .037 | .027 | .034 | .041 |
| | 15 | .017 | .021 | .025 | .019 | .024 | .029 |

TABLE 2: PROBABILITY OF WITHDRAWAL

| Service | Vesting Requirement | |
|---------|---------------------|----------|
| | 8 Years | 10 Years |
| 0 | 100% | 100% |
| 4 | 82 | 82 |
| 8 | 65 | 75 |
| 10 | 55 | 55 |
| 15 | 45 | 45 |
| 20 | 30 | 30 |
| Over 24 | 0 | 0 |

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TABLE 3: ACTIVE EMPLOYEE MORTALITY

| Age | Male | Female |
|-----|--------|--------|
| 20 | .00123 | .00030 |
| 25 | .00079 | .00032 |
| 30 | .00073 | .00034 |
| 35 | .00091 | .00042 |
| 40 | .00116 | .00063 |
| 45 | .00181 | .00100 |
| 50 | .00270 | .00157 |
| 55 | .00473 | .00236 |
| 60 | .00901 | .00344 |
| 65 | .01452 | .00506 |

TABLE 4: DISABILITY RATES

| Age | Male and Female | Male and Female |
|-----|-----------------|-----------------|
| | All Causes | Occupational |
| 35 | .00067 | .00002 |
| 40 | .00159 | .00008 |
| 45 | .00256 | .00016 |
| 50 | .00463 | .00024 |
| 55 | .00820 | .00036 |
| 60 | .00000 | .00080 |

TABLE 5: SERVICE RETIREMENT RATES

| Age | Male | Female |
|---------|------|--------|
| 40-44 | .04 | .04 |
| 45-47 | .08 | .08 |
| 48-59 | .14 | .16 |
| 60 | .18 | .18 |
| 61 | .18 | .18 |
| 62 | .35 | .35 |
| 63 | .20 | .20 |
| 64 | .20 | .20 |
| 65 | .42 | .42 |
| 66-74 | .28 | .28 |
| Over 74 | 1.00 | 1.00 |

Disability Rates

Members who become disabled are eligible to commence benefit payments regardless of age. Disability rates are shown in Table 4. The probability of disablement from all causes is applicable for members who are vested but not eligible for service retirement. Before a member is vested, only the occupational disability probabilities are applicable.

Service Retirement Rates

Members who are eligible for retirement are assumed to commence benefit payments based on age. For eligible members age 75 and older, retirement is assumed to commence immediately. The rates below age 48 only apply to plans that have adopted 20-year eligibility. Rates are shown in Table 5.

Retiree and Beneficiary Mortality Rates

For determining the amount of the monthly retirement benefit at the time of retirement, mortality rates are the UP-1984 Table with an age set back of five years for retirees and an age set back of 10 years for beneficiaries.

For calculating the actuarial accrued liability and normal cost, the UP-1994 Male Table with an age set forward of one year for males and the UP-1994 Female Table with no age adjustment for females are used for service retirees and beneficiaries of both service and disability retirees. For disabled retirees, rates equal to 70% of the 1965 Railroad Retirement Board Disabled Annuitants Mortality Table are used.

Investment Return

The components of the 8% investment return assumption are a 3.5% rate of inflation and a 4.5% real rate of return. This rate of 8% is net after investment expenses and is expected to enable the system to credit interest at the nominal annual rates shown below to the following major funds:

| | |
|--|----|
| Subdivision Accumulation Fund | 9% |
| Employees Saving Fund | 7% |
| Current Service Annuity Reserve Fund | 7% |

Assuming interest will be credited at these nominal annual rates to the various funds, we have then assumed the following:

- An annual rate of 9% for calculating the actuarial accrued liability and normal cost contribution

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS

rate for the retirement plan of each participating employer.

- An annual rate of 7% according to the TCDRS Act for (1) accumulating current service credit and multiple matching credit after the valuation date; (2) accumulating prior service credit after the valuation date; (3) determining the amount of the monthly benefit at future dates of retirement or disability; and (4) calculating the actuarial accrued liability of the systemwide Current Service Annuity Reserve Fund.

Salary Increases

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 4.0% and a merit, promotion and longevity component ranging from 0.5% to 6.0%. The average annual increase over a member's career is 5.5%. Refer to Table 6 for sample salary increase rates. Note that the wage inflation of 4.0% is based on the underlying price inflation assumption of 3.5% and 0.5% for assumed increases in productivity.

Payroll Increase

An annual increase of 4.0%, or such smaller percentage as is considered appropriate for each individual county or district (employer), is based primarily on prior experience, but adjusted to reflect the lower underlying inflation assumption. This assumption is for the aggregate covered payroll of an employer. The assumed percentage does not reflect an increase in the number of employees.

Cost-of-Living Adjustment

An annual increase of 0.0% cost-of-living adjustment is assumed. Variable-rate plans may elect to periodically increase annuity payments to retirees and beneficiaries within certain guidelines.

B: ACTUARIAL METHODS

The actuarial cost method used for all plans is the entry-age actuarial cost method. Actuarial gains decrease while actuarial losses increase the unfunded actuarial accrued liability. The unfunded actuarial accrued liability is amortized over a period of time as a level percent of covered payroll. This actuarial cost method is standard for all plans beginning with the Dec. 31, 2001 actuarial valuation. It has been used for variable-rate plans since 1991.

For variable-rate plans, the period for amortizing a plan's unfunded actuarial accrued liability is a 20-year open period. For variable-rate plans with an overfunded actuarial accrued liability, the amortization period is a 30-year open period. If a variable-rate plan is nonrolling, the amortization period is based on the expected future service of the current members. For fixed-rate plans, the amortization period is determined based on the fixed employer contribution rate.

The method for determining the actuarial value of assets is the long-term appreciation with adjustment method. The actuarial value of assets for the Subdivision Accumulation Fund (SAF) is equal to the expected value of assets adjusted by 10% of the difference between the market-related value of the SAF and the expected value. The expected value at

TABLE 6: ANNUAL RATE OF SALARY INCREASE

| Years of Service | Male | | | | Female | | | |
|------------------|-----------------|-------|-------|------|-----------------|-------|-------|------|
| | Entry Age Group | | | | Entry Age Group | | | |
| | < 30 | 30-39 | 40-49 | ≥ 50 | < 30 | 30-39 | 40-49 | ≥ 50 |
| 1 | 10.2% | 9.7% | 9.2% | 8.7% | 10.2% | 9.7% | 9.2% | 8.7% |
| 3 | 8.4 | 7.9 | 7.4 | 6.9 | 8.4 | 7.9 | 7.4 | 6.9 |
| 5 | 7.1 | 6.6 | 6.1 | 5.6 | 7.1 | 6.6 | 6.1 | 5.6 |
| 10 | 6.2 | 5.7 | 5.1 | 4.6 | 5.9 | 5.4 | 4.9 | 4.5 |
| 15 | 5.7 | 5.1 | 4.6 | 4.5 | 5.4 | 4.9 | 4.5 | 4.5 |
| 20 | 5.4 | 4.8 | 4.5 | 4.5 | 5.1 | 4.6 | 4.5 | 4.5 |
| 25 | 5.1 | 4.6 | 4.5 | 4.5 | 4.8 | 4.5 | 4.5 | 4.5 |

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the current valuation date equals the actuarial value of assets as of the prior valuation date adjusted for contributions, benefit payments and transfers, plus investment return credited at the assumed rate of 9%. The market-related value is equal to the actual value of the SAF after the investment income allocation process as provided by statute. The actuarial

value of assets for the Employees Saving Fund (ESF) is equal to the account balances. This method was adopted in 1997.

C: CHANGE IN ACTUARIAL METHODS

No changes in methods have been made since the prior valuation

TABLE 7: RETIREE AND BENEFICIARY DATA — ACCOUNTS

| Year Ended | New Accounts Added | Accounts Deleted | Net Increase in Accounts | Total Number of Accounts | Percent Change in Number of Accounts |
|------------|--------------------|------------------|--------------------------|--------------------------|--------------------------------------|
| 12/31/99 | N/A ¹ | N/A | 1,152 | 20,655 | 5.9% |
| 12/31/00 | 1,841 | 599 | 1,242 | 21,897 | 6.0 |
| 12/31/01 | 1,811 | 576 | 1,235 | 23,132 | 5.6 |
| 12/31/02 | 2,397 | 667 | 1,730 | 24,862 | 7.5 |
| 12/31/03 | 2,258 | 700 | 1,558 | 26,420 | 6.3 |
| 12/31/04 | 2,700 | 624 | 2,076 | 28,496 | 7.9 |

¹ Not available

TABLE 8: RETIREE AND BENEFICIARY DATA — AMOUNTS

| Year Ended | New Annual Benefits Added | Annual Benefits Removed | Net Change in Annual Benefits Amount | Annual Rate of Benefits | Percent Change in Annual Benefits | Average Annual Benefits |
|------------|---------------------------|-------------------------|--------------------------------------|-------------------------|-----------------------------------|-------------------------|
| 12/31/99 | \$ N/A ¹ | \$ N/A | \$ 17,855,853 | \$ 209,514,166 | 9.32% | \$ 10,144 |
| 12/31/00 | 27,707,632 | 3,364,440 | 24,343,192 | 233,857,358 | 11.62 | 10,680 |
| 12/31/01 | 27,995,998 | 3,295,752 | 24,700,246 | 258,557,604 | 10.56 | 11,177 |
| 12/31/02 | 37,281,763 | 4,114,078 | 33,167,684 | 291,725,288 | 12.83 | 11,734 |
| 12/31/03 | 36,300,125 | 5,323,746 | 30,976,379 | 322,701,668 | 10.62 | 12,212 |
| 12/31/04 | 46,288,595 | 4,855,017 | 41,433,577 | 364,135,245 | 12.84 | 12,778 |

¹ Not available

The annual rate of benefit is 12 times the regular benefits paid in January following the valuation date.

TABLE 9: SOLVENCY TEST

(\$ Millions)

| Valuation Date | Actuarial Accrued Liabilities for | | | Actuarial Value of Assets | Portion of Actuarial Accrued Liabilities Covered by Net Assets | | |
|----------------|-----------------------------------|----------------------------|---|---------------------------|--|------|-------|
| | (1) | (2) | (3) | | (1) | (2) | (3) |
| | Current Member Deposits | Retirees and Beneficiaries | Current Members (Employer-Financed Portion) | | | | |
| 12/31/99 | \$ 2,052.1 | \$ 1,913.4 | \$ 3,420.6 | \$ 6,620.9 | 100% | 100% | 77.6% |
| 12/31/00 | 2,220.8 | 2,142.6 | 3,726.0 | 7,314.5 | 100 | 100 | 79.2 |
| 12/31/01 | 2,413.9 | 2,390.7 | 4,219.1 | 8,054.2 | 100 | 100 | 77.0 |
| 12/31/02 | 2,606.2 | 2,720.3 | 4,571.9 | 8,779.3 | 100 | 100 | 75.5 |
| 12/31/03 | 2,825.1 | 3,024.8 | 4,963.6 | 9,788.9 | 100 | 100 | 79.4 |
| 12/31/04 | 3,034.6 | 3,409.2 | 5,381.3 | 10,755.9 | 100 | 100 | 80.1 |

Presented above is one short-term means of checking a system's progress under its funding program. The present assets are compared with: (1) current member contributions on deposit; (2) the liabilities for future benefits to present retired lives; and (3) the employer-financed portion of the liabilities for service already rendered by current members. In a system that has been following the discipline of level percent of payroll financing, the liabilities for current member contributions on deposit (liability 1) and the liabilities for future benefits to present retired lives (liability 2) will be fully covered by present assets (except in rare circumstances). In addition, the employer-financed portion of liabilities for service already rendered by current members (liability 3) will be at least partially covered by the remainder of present assets. Generally, the funded portion of liability 3 will move toward 100% over time, if there are no changes in the plan benefits.

Each employer participating in TCDRS is financially responsible for its own plan. Therefore, the aggregate numbers shown above reflect only the aggregate condition of TCDRS and are not indicative of the status of any one plan.

TABLE 10: CONTRIBUTION RATE INFORMATION

Distribution of TCDRS Plans by Year 2006 Required Employer Contribution Rate¹

| Number of Depositing Members as of 12/31/2004 | Year 2006 Required Employer Contribution Rate Based on the Plan of Benefits in Effect 1/1/2005 | | | | | | Total |
|---|--|-------------|-------------|-------------|-------------|------------|------------|
| | Under 5.00% | 5.00%–5.99% | 6.00%–6.99% | 7.00%–7.99% | 8.00%–8.99% | Over 8.99% | |
| | 1–5 | 26 | 11 | 7 | 12 | 7 | |
| 6–15 | 27 | 14 | 10 | 16 | 9 | 19 | 95 |
| 16–30 | 9 | 5 | 11 | 12 | 4 | 13 | 54 |
| 31–50 | 14 | 9 | 3 | 14 | 11 | 23 | 74 |
| 51–85 | 7 | 7 | 5 | 9 | 10 | 21 | 59 |
| 86–150 | 11 | 3 | 9 | 15 | 11 | 15 | 64 |
| 151–250 | 7 | 6 | 9 | 8 | 13 | 8 | 51 |
| 251–500 | 2 | 1 | 5 | 8 | 11 | 5 | 32 |
| Over 500 | 0 | 2 | 1 | 5 | 10 | 19 | 37 |
| Total | 103 | 58 | 60 | 99 | 86 | 138 | 544 |

¹ The valuation included 559 plans. This chart excludes 15 nondepositing plans.

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TABLE 11: PARTICIPATING EMPLOYERS AND DEPOSITING MEMBERS

| Valuation Date | Number of Active Employers | Depositing Members | | Average Annual Pay | Percent Increase in Average Annual Pay | Employer Contributions ¹ | Average Employer Rate |
|----------------|----------------------------|--------------------|------------------|--------------------|--|-------------------------------------|-----------------------|
| | | Number | Annual Payroll | | | | |
| 12/31/99 | 492 | 95,630 | \$ 2,708,581,470 | \$ 28,324 | 3.6% | \$ 249,038,681 | 9.19% |
| 12/31/00 | 496 | 96,739 | 2,852,807,364 | 29,490 | 4.1 | 255,474,082 | 8.96 |
| 12/31/01 | 503 | 98,753 | 3,050,214,053 | 30,887 | 4.7 | 270,644,950 | 8.87 |
| 12/31/02 | 521 | 101,415 | 3,274,086,404 | 32,284 | 4.5 | 291,313,309 | 8.90 |
| 12/31/03 | 539 | 103,012 | 3,426,682,852 | 33,265 | 3.0 | 315,637,689 | 9.21 |
| 12/31/04 | 544 | 104,545 | 3,610,829,096 | 34,539 | 3.8 | 338,116,653 | 9.36 |

¹ Employer contributions include optional nonrecurring lump-sum contributions for years 1999 and forward.

TABLE 12: ANALYSIS OF FINANCIAL EXPERIENCE

**Gains and Losses in Actuarial Accrued Liabilities
Resulting From Differences Between Assumed Experience and Actual Experience**

(\$ Millions)

| Source of Change | 2004 | 2003 |
|--|------------------|-----------------|
| Age and Service Retirements | \$ 2.2 | \$ 8.6 |
| Death-in-Service Benefits | 1.1 | 1.5 |
| Other Termination | (5.5) | (3.4) |
| Pay Increases | 5.3 | 13.3 |
| Contribution Income | 12.9 | 10.2 |
| Investment Income | 0.0 | 23.4 |
| Death After Retirement | 5.7 | 5.7 |
| Other | (2.7) | 5.4 |
| Gain (Loss) From Financial Experience | 19.0 | 64.7 |
| Nonrecurring Items | | |
| Plan Changes | (34.1) | (21.3) |
| Assumption Changes | 0.0 | 0.0 |
| Actuarial Cost Method Change | 0.0 | 0.0 |
| Legislative Changes — Reinstated Service for Prior Forfeitures | (68.3) | 0.0 |
| Adjustment to Reflect Audit Comments | 50.2 | 0.0 |
| Asset Valuation Method — Reset Actuarial to Market | 0.0 | 101.4 |
| Gain (Loss) From Nonrecurring Items | (52.2) | 80.1 |
| Composite Gain (Loss) | \$ (33.2) | \$ 144.8 |
| Composite Gain (Loss) as a % of Actuarial Accrued Liabilities | (0.3%) | 1.3% |

A: ORGANIZATION

The Texas County & District Retirement System (TCDRS) is a statewide, agent multiple-employer, public trust fund that provides pension, disability and death benefits to eligible employees of the employers that have elected to participate. Each employer selects its own benefit plan provisions from those authorized by the TCERS Act and bears complete responsibility for funding its plan. TCERS administers each plan separately, but pools all assets for investment purposes. Each employee and employer account receives an annual distribution of investment return. This summary describes the plan provisions in general terms to assist the reader of this document. Any questions related to the actual administration, provisions or policies of the retirement plans should be directed to TCERS.

B: MEMBERSHIP

An employee is generally required to become a TCERS member upon employment unless he or she is employed in a position that regularly requires less than 900 hours of work per year or is a temporary employee.

C: TERMINATION OF MEMBERSHIP

TCERS membership is terminated by death, retirement, withdrawal of account balance or absence from covered employment for five years before attaining four years of service.

D: EMPLOYEE DEPOSITS

The deposit rate for all employees of each employer is generally 4%, 5%, 6% or 7% as adopted by the employer. Interest is credited annually to the account of each employee in the amount of 7% of his or her beginning-of-the-year balance. A person no longer employed by a participating employer is eligible to withdraw his or her account balance including all interest earned.

E: CREDITED SERVICE

An employee generally receives a month of service for each month in which he or she makes a deposit to the plan. Under certain conditions, service may also be granted for TCERS service previously forfeited, employment during periods prior to the participation of the employer, and for military or other public service.

F: ELIGIBILITY REQUIREMENTS

Service Retirement Benefits

Depending on the election by each employer, either 8, 10 or 12 years of service and the attainment of age 60 are required to become eligible for service retirement benefits. A member is also eligible for retirement with 30 years of credited service (or 20 years if the provision was adopted by the employer). In certain cases, the employee may also be eligible to retire when the sum of his or her age and years of service equals 75 or 80.

Disability Retirement Benefits

An employee with 8, 10 or 12 years of service (depending on the employer) and who is totally and permanently disabled is eligible for a disability retirement benefit. Employees with lesser amounts of service can also be eligible for disability retirement benefits if the disability was a result of an on-the-job injury.

Vesting

Generally, an employee is vested after earning either 8, 10 or 12 years of service. At that point, he or she has the right to retire at age 60 even if no additional service is earned. Withdrawal of the employee's account balance results in the forfeiture of vested rights.

Death Benefits

Under certain conditions, benefits are payable to the beneficiaries or estate of a deceased employee. The eligibility requirements for these benefits vary somewhat, but usually require four years of service.

Service With Other Employers

Within TCERS, service credits with all employers can generally be combined to satisfy the various service requirements. Service credits with other statewide retirement plans may usually be combined to satisfy service retirement and vesting requirements.

G: DETERMINATION OF RETIREMENT BENEFITS

An employee's retirement benefit is calculated on the basis of his or her total accumulated retirement credits, which includes the personal account balance (all employee deposits and interest earned) plus all employer-provided credits. Each employer provides, at a minimum, a matching of the employee's personal account balance. Many employers also grant additional matching of the personal account balance

SUMMARY OF PLAN PROVISIONS

and/or provide a credit for service before the employer joined TCDRS. This total accumulated credit is then converted to a monthly amount by dividing it by an actuarially determined factor that includes such variables as age, payment plan selected and future interest credits.

TCDRS has one standard payment plan and seven actuarially equivalent, optional forms of payment. All methods pay a guaranteed lifetime benefit to the employee; plus, the retired employee and his or her beneficiaries are guaranteed to receive total benefit payments at least equal to the employee's personal account balance at the time of retirement. The standard payment plan provides a benefit that ceases with the retired employee's death. Some of the optional forms of payment continue to pay, after the death of the retired employee, a lifetime benefit to a beneficiary designated at the time of retirement equal to 100%, 75% or 50% of the amount being paid to the retired employee. The member also may elect the 100% option with a "pop-up" feature. Other optional forms of payment continue the full benefit to a designated beneficiary for any remainder of a specified period (5, 10 or 15 years) beginning at retirement.

A partial lump-sum payment option was made available to all variable-rate plans and certain fixed-rate plans effective Dec. 31, 1999. This payment option allows a retiring member to receive a reduced monthly benefit and a lump-sum payment not to exceed his or her personal account balance in the Employees Saving Fund (ESF). This optional form of payment is elective for all employers.

H: FUNDING PROVISIONS

General

Contributions are made monthly by both the employees and the employers based on covered payroll. An employer's retirement plan is funded using one of two types of funding arrangements: either a fixed-rate plan or a variable-rate plan. All employers electing to participate after 1991 are funded under the variable-rate plan arrangement. Employers participating prior to 1992 are under the fixed-rate plan arrangement unless they have adopted the vari-

able-rate plan. A majority of plans are presently funded under the variable-rate plan arrangement.

Fixed-Rate Plan

Under this funding arrangement, the employer's contribution rate is initially the same as the employee deposit rate. This rate is not actuarially determined; however, at the time of adoption, the benefits were limited to those that the actuary determined could be adequately financed with future employer contributions equal to those of the employees. If a fixed-rate plan has had adverse actuarial experience, the employer may either make contributions above the regular rate at a fixed additional rate, elect a variable-rate plan, make a lump-sum contribution, or reduce benefits earned for future service so that the plan will be adequately financed.

If the employer takes no corrective action, the TCDRS Act requires that benefits earned in the future be reduced to a level that can be adequately funded with the existing employer contribution rate.

Variable-Rate Plan

Under this funding arrangement, an employer adopts a plan of benefits from among the various options available. As a part of each valuation, the actuary determines the required contribution rate to adequately fund this benefit plan based on the employer's actuarial experience and future expectations. Employers may also elect to fund at a rate higher than the required rate and may also make additional lump-sum contributions. In determining an employer's rate, unfunded actuarial accrued liabilities are amortized over a 20-year period, while overfunded liabilities are amortized over a 30-year period.

I: CHANGES IN PROVISIONS

There was one change in systemwide provisions reflected in the 2004 valuation. Legislation in 2003 liberalized the requirements for the reinstatement of service previously forfeited due to a refund of a member's account. This change generally resulted in an increase in the contribution rates for variable-rate plans.

SUMMARY ACTUARIAL VALUATION RESULTS

| SUMMARY ACTUARIAL VALUATION RESULTS | | |
|---|------------------------|------------------------|
| | Dec. 31, 2004 | Dec. 31, 2003 |
| Valuation Results for Employer Plans | | |
| 1 Actuarial present value of future benefits | | |
| Annuitants | \$ 1,188,704,219 | \$ 1,056,041,670 |
| Members | 10,108,990,206 | 9,433,794,020 |
| Total | 11,297,694,425 | 10,489,835,690 |
| 2 Actuarial present value of future normal cost contributions | 1,693,107,866 | 1,645,042,990 |
| 3 Actuarial accrued liability [1 - 2] | 9,604,586,559 | 8,844,792,700 |
| 4 Actuarial value of assets | | |
| Employees Saving Fund | 3,034,567,161 | 2,825,128,768 |
| Subdivision Accumulation Fund | 5,389,359,165 | 4,909,288,001 |
| Total | 8,423,926,326 | 7,734,416,769 |
| 5 Total unfunded actuarial accrued liability (UAAL) | 1,203,397,777 | 1,134,225,205 |
| 6 Total overfunded actuarial accrued liability (OAAL) | (22,737,544) | (23,849,274) |
| 7 Unfunded actuarial accrued liability (UAAL), net of overfunded actuarial accrued liability (OAAL) [5 + 6]. Also equals [3 - 4]. | 1,180,660,233 | 1,110,375,931 |
| Valuation Results for Pooled Benefits | | |
| 8 Actuarial present value of future benefits from the Current Service Annuity Reserve Fund for annuities in effect | 2,220,488,322 | 1,968,722,612 |
| 9 Actuarial value of assets of the Current Service Annuity Reserve Fund | 2,331,925,517 | 2,054,525,230 |
| 10 Overfunded actuarial accrued liability (OAAL) [8 - 9] | (111,437,195) | (85,802,618) |
| 11 Systemwide UAAL net of OAAL [7 + 10] | \$1,069,223,038 | \$1,024,573,313 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 638 | 615 | 100 | 691 | 101 |
|--|------------------|-----------------------|------------------------|-------------------------|-----------------------|
| Name | Acton MUD | Alamo Area COG | Anderson County | Anderson Co. CAD | Andrews County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 50,778 | \$ 644,829 | \$ 1,927,976 | \$ 0 | \$ 8,175,259 |
| Members | 656,317 | 6,529,489 | 13,424,136 | 284,487 | 24,476,766 |
| Total | 707,095 | 7,174,318 | 15,352,112 | 284,487 | 32,652,025 |
| 2 Actuarial present value of future normal cost contributions | 211,646 | 1,640,435 | 1,977,280 | 124,050 | 2,334,077 |
| 3 Actuarial accrued liability [line 1 - line 2] | 495,449 | 5,533,883 | 13,374,832 | 160,437 | 30,317,948 |
| 4 Actuarial value of assets | 458,034 | 4,768,261 | 11,080,812 | 87,203 | 25,637,951 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 37,415 | \$ 765,622 | \$ 2,294,020 | \$ 73,234 | \$ 4,679,997 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.20% | 3.75% | 5.06% | 3.74% | 6.65% |
| UAAL or (OAAL) | 0.54 | 1.25 | 2.66 | 1.69 | 7.25 |
| Total required rate | 3.74% | 5.00% | 7.72% | 5.43% | 13.90% |
| Elected rate | N/A | N/A | 8.25% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 15.1 | 20.0 | 20.0 |
| Number of annuitants | 1 | 12 | 99 | 0 | 157 |
| Number of members | 45 | 297 | 320 | 13 | 333 |
| Number of depositing members | 22 | 205 | 224 | 13 | 137 |
| Average age of depositing members | 42.7 | 45.7 | 45.7 | 48.2 | 45.6 |
| Average length of service of depositing members | 5.1 | 5.9 | 8.4 | 11.9 | 10.7 |

| Number | 102 | 502 | 684 | 576 | 614 |
|--|------------------------|------------------------|--|--------------------|-----------------------------|
| Name | Angelina County | Angelina Co. AD | Angelina/ Nacogdoches Co. WCID #1 | Angleton DD | Aquilla WSD—Hill Co. |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 3,703,495 | \$ 153,153 | \$ 0 | \$ 35,014 | \$ 14,568 |
| Members | 23,209,963 | 2,158,786 | 93,042 | 1,061,112 | 380,313 |
| Total | 26,913,458 | 2,311,939 | 93,042 | 1,096,126 | 394,881 |
| 2 Actuarial present value of future normal cost contributions | 4,214,300 | 225,086 | 52,115 | 158,366 | 57,965 |
| 3 Actuarial accrued liability [line 1 - line 2] | 22,699,158 | 2,086,853 | 40,927 | 937,760 | 336,916 |
| 4 Actuarial value of assets | 19,228,686 | 2,213,662 | 30,724 | 832,829 | 269,582 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 3,470,472 | \$ (126,809) | \$ 10,203 | \$ 104,931 | \$ 67,334 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.92% | 7.34% | 5.29% | 4.74% | 4.28% |
| UAAL or (OAAL) | 2.64 | (1.85) | 1.01 | 2.61 | 3.44 |
| Total required rate | 8.56% | 5.49% | 6.30% | 7.35% | 7.72% |
| Elected rate | N/A | 7.00% | N/A | N/A | 9.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 0.0 | 20.0 | 20.0 | 10.6 |
| Number of annuitants | 126 | 3 | 0 | 6 | 2 |
| Number of members | 420 | 19 | 3 | 12 | 6 |
| Number of depositing members | 353 | 13 | 3 | 10 | 6 |
| Average age of depositing members | 43.3 | 50.0 | 48.4 | 45.5 | 49.3 |
| Average length of service of depositing members | 8.7 | 14.7 | 11.6 | 12.7 | 14.0 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 103 | 459 | 668 | 104 | 503 |
|--|----------------|----------------|-------------------|---------------|---------------|
| Name | Aransas County | Aransas Co. AD | Aransas Co. ND #1 | Archer County | Archer Co. AD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 946,648 | \$ 56,502 | \$ 0 | \$ 622,302 | \$ 40,553 |
| Members | 8,244,693 | 1,178,369 | 293,850 | 3,179,044 | 374,849 |
| Total | 9,191,341 | 1,234,871 | 293,850 | 3,801,346 | 415,402 |
| 2 Actuarial present value of future normal cost contributions | 1,376,639 | 110,450 | 162,414 | 395,477 | 52,674 |
| 3 Actuarial accrued liability [line 1 - line 2] | 7,814,702 | 1,124,421 | 131,436 | 3,405,869 | 362,728 |
| 4 Actuarial value of assets | 7,728,180 | 1,062,576 | 123,392 | 2,844,165 | 404,160 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 86,522 | \$ 61,845 | \$ 8,044 | \$ 561,704 | \$ (41,432) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.72% | 7.81% | 6.76% | 4.84% | 7.29% |
| UAAL or (OAAL) | 0.17 | 2.49 | 0.36 | 3.82 | (4.56) |
| Total required rate | 5.89% | 10.30% | 7.12% | 8.66% | 2.73% |
| Elected rate | N/A | 12.42% | N/A | N/A | 7.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 6.8 | 20.0 | 20.0 | 0.0 |
| Number of annuitants | 42 | 1 | 0 | 34 | 2 |
| Number of members | 194 | 8 | 8 | 74 | 8 |
| Number of depositing members | 135 | 7 | 7 | 57 | 3 |
| Average age of depositing members | 45.9 | 47.6 | 44.9 | 48.7 | 35.7 |
| Average length of service of depositing members | 8.3 | 15.8 | 12.5 | 10.0 | 7.6 |

| Number | 105 | 106 | 551 | 107 | 461 |
|--|------------------|-----------------|-----------------|---------------|---------------|
| Name | Armstrong County | Atascosa County | Atascosa Co. AD | Austin County | Austin Co. AD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 141,897 | \$ 971,258 | \$ 84,839 | \$ 774,160 | \$ 67,041 |
| Members | 948,326 | 12,768,146 | 715,871 | 12,819,852 | 1,131,457 |
| Total | 1,090,223 | 13,739,404 | 800,710 | 13,594,012 | 1,198,498 |
| 2 Actuarial present value of future normal cost contributions | 233,556 | 1,623,132 | 170,962 | 1,307,378 | 224,870 |
| 3 Actuarial accrued liability [line 1 - line 2] | 856,667 | 12,116,272 | 629,748 | 12,286,634 | 973,628 |
| 4 Actuarial value of assets | 992,213 | 12,161,604 | 608,151 | 10,600,467 | 1,196,116 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (135,546) | \$ (45,332) | \$ 21,597 | \$ 1,686,167 | \$ (222,488) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.64% | 4.61% | 6.86% | 5.03% | 7.86% |
| UAAL or (OAAL) | (1.92) | (0.15) | 0.69 | 3.40 | (4.00) |
| Total required rate | 3.72% | 4.46% | 7.55% | 8.43% | 3.86% |
| Elected rate | N/A | 6.00% | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 30.0 | 0.0 | 20.0 | 20.0 | 30.0 |
| Number of annuitants | 12 | 62 | 3 | 60 | 3 |
| Number of members | 45 | 317 | 17 | 193 | 19 |
| Number of depositing members | 27 | 222 | 13 | 134 | 12 |
| Average age of depositing members | 46.5 | 43.6 | 48.3 | 45.8 | 40.6 |
| Average length of service of depositing members | 7.1 | 10.1 | 6.7 | 11.1 | 5.2 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 597 | 108 | 109 | 411 | 110 |
|--|--------------------|----------------------|-----------------------|----------------------------|-----------------------|
| Name | Bacliff MUD | Bailey County | Bandera County | Bandera Co. WCID #1 | Bastrop County |
| Plan type | Fixed | Variable | Variable | Fixed | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 406,962 | \$ 784,162 | \$ 2,772 | \$ 3,015,200 |
| Members | 612,238 | 2,293,710 | 6,598,478 | 0 | 27,762,795 |
| Total | 612,238 | 2,700,672 | 7,382,640 | 2,772 | 30,777,995 |
| 2 Actuarial present value of future normal cost contributions | 77,663 | 281,211 | 1,403,482 | 0 | 6,069,224 |
| 3 Actuarial accrued liability [line 1 - line 2] | 534,575 | 2,419,461 | 5,979,158 | 2,772 | 24,708,771 |
| 4 Actuarial value of assets | 450,331 | 1,956,897 | 5,283,618 | 2,393 | 21,757,858 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 84,244 | \$ 462,564 | \$ 695,540 | \$ 379 | \$ 2,950,913 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 2.82% | 3.58% | 6.70% | 0.00% | 7.14% |
| UAAL or (OAAL) | 2.88 | 2.71 | 1.57 | 0.00 | 1.82 |
| Total required rate | 5.70% | 6.29% | 8.27% | 0.00% | 8.96% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 13.4 | 20.0 | 20.0 | 0.0 | 20.0 |
| Number of annuitants | 0 | 26 | 44 | 2 | 87 |
| Number of members | 10 | 87 | 174 | 0 | 530 |
| Number of depositing members | 9 | 65 | 133 | 0 | 379 |
| Average age of depositing members | 45.6 | 46.1 | 46.2 | 0.0 | 43.3 |
| Average length of service of depositing members | 16.5 | 6.5 | 7.4 | 0.0 | 7.9 |

| Number | 111 | 685 | 613 | 690 | 112 |
|--|----------------------|----------------------|-----------------------|--------------------|-------------------|
| Name | Baylor County | Baylor Co. AD | Bayview ID #11 | Bayview MUD | Bee County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 257,613 | \$ 0 | \$ 6,039 | \$ 0 | \$ 755,448 |
| Members | 2,103,407 | 58,741 | 179,335 | 88,879 | 10,819,551 |
| Total | 2,361,020 | 58,741 | 185,374 | 88,879 | 11,574,999 |
| 2 Actuarial present value of future normal cost contributions | 263,889 | 26,586 | 29,556 | 69,759 | 1,980,917 |
| 3 Actuarial accrued liability [line 1 - line 2] | 2,097,131 | 32,155 | 155,818 | 19,120 | 9,594,082 |
| 4 Actuarial value of assets | 1,839,431 | 26,524 | 125,645 | 19,710 | 8,896,150 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 257,700 | \$ 5,631 | \$ 30,173 | \$ (590) | \$ 697,932 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.41% | 5.68% | 4.53% | 2.81% | 5.56% |
| UAAL or (OAAL) | 2.58 | 0.78 | 3.11 | (0.07) | 1.00 |
| Total required rate | 7.99% | 6.46% | 7.64% | 2.74% | 6.56% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 30.0 | 20.0 |
| Number of annuitants | 28 | 0 | 2 | 0 | 40 |
| Number of members | 45 | 3 | 5 | 4 | 263 |
| Number of depositing members | 35 | 3 | 4 | 4 | 228 |
| Average age of depositing members | 50.0 | 55.1 | 47.7 | 33.6 | 45.7 |
| Average length of service of depositing members | 10.9 | 8.5 | 12.9 | 5.0 | 9.8 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 113 | 506 | 418 | 708 | 472 |
|--|---------------|-------------|------------------|--------------------------------|--------------|
| Name | Bell County | Bell Co. AD | Bell Co. WCID #1 | Benbrook Water and Sewer Auth. | Bexar AD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 12,697,949 | \$ 552,811 | \$ 783,894 | \$ 0 | \$ 1,753,114 |
| Members | 85,803,871 | 4,915,414 | 1,504,739 | 1,049,568 | 24,817,018 |
| Total | 98,501,820 | 5,468,225 | 2,288,633 | 1,049,568 | 26,570,132 |
| 2 Actuarial present value of future normal cost contributions | 13,345,896 | 561,944 | 265,807 | 543,453 | 2,670,534 |
| 3 Actuarial accrued liability [line 1 - line 2] | 85,155,924 | 4,906,281 | 2,022,826 | 506,115 | 23,899,598 |
| 4 Actuarial value of assets | 71,607,003 | 4,455,790 | 1,569,345 | 254,627 | 22,805,254 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 13,548,921 | \$ 450,491 | \$ 453,481 | \$ 251,488 | \$ 1,094,344 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.48% | 5.06% | 3.01% | 4.36% | 5.71% |
| UAAL or (OAAL) | 3.29 | 2.88 | 2.92 | 1.68 | 1.56 |
| Total required rate | 9.77% | 7.94% | 5.93% | 6.04% | 7.27% |
| Elected rate | N/A | N/A | 9.00% | N/A | 9.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 6.9 | 20.0 | 5.9 |
| Number of annuitants | 252 | 20 | 18 | 0 | 39 |
| Number of members | 1,135 | 70 | 47 | 33 | 243 |
| Number of depositing members | 946 | 50 | 36 | 32 | 159 |
| Average age of depositing members | 44.4 | 43.7 | 44.2 | 45.7 | 43.9 |
| Average length of service of depositing members | 10.1 | 13.0 | 6.2 | 12.0 | 13.3 |

| Number | 114 | 544 | 616 | 115 | 116 |
|--|---------------|--------------------|----------------------------|---------------|---------------|
| Name | Bexar County | Bexar Co. WCID #10 | Bistone MWSD—Limestone Co. | Blanco County | Borden County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 55,620,229 | \$ 67,013 | \$ 34,518 | \$ 256,609 | \$ 212,363 |
| Members | 487,850,549 | 387,508 | 689,707 | 2,716,695 | 1,403,934 |
| Total | 543,470,778 | 454,521 | 724,225 | 2,973,304 | 1,616,297 |
| 2 Actuarial present value of future normal cost contributions | 75,671,495 | 48,159 | 147,143 | 451,097 | 148,916 |
| 3 Actuarial accrued liability [line 1 - line 2] | 467,799,283 | 406,362 | 577,082 | 2,522,207 | 1,467,381 |
| 4 Actuarial value of assets | 406,467,238 | 344,533 | 496,697 | 2,181,881 | 1,185,928 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 61,332,045 | \$ 61,829 | \$ 80,385 | \$ 340,326 | \$ 281,453 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.47% | 3.26% | 6.53% | 5.46% | 4.40% |
| UAAL or (OAAL) | 2.85 | 3.15 | 3.23 | 1.94 | 5.09 |
| Total required rate | 9.32% | 6.41% | 9.76% | 7.40% | 9.49% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 903 | 3 | 1 | 19 | 22 |
| Number of members | 5,799 | 7 | 6 | 69 | 25 |
| Number of depositing members | 4,598 | 6 | 6 | 51 | 22 |
| Average age of depositing members | 42.4 | 48.8 | 45.7 | 50.3 | 45.8 |
| Average length of service of depositing members | 10.9 | 12.5 | 14.0 | 10.0 | 11.8 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 525 | 117 | 521 | 118 | 119 |
|--|----------------------|----------------------|-----------------------|---------------------|------------------------|
| Name | Borden Co. AD | Bosque County | Bosque Co. CAD | Bowie County | Brazoria County |
| Plan type | Fixed | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 187,719 | \$ 0 | \$ 4,230,807 | \$ 14,647,130 |
| Members | 23,964 | 2,733,604 | 719,205 | 25,038,635 | 117,515,241 |
| Total | 23,964 | 2,921,323 | 719,205 | 29,269,442 | 132,162,371 |
| 2 Actuarial present value of future normal cost contributions | 18,001 | 410,020 | 89,603 | 3,405,466 | 19,798,088 |
| 3 Actuarial accrued liability [line 1 - line 2] | 5,963 | 2,511,303 | 629,602 | 25,863,976 | 112,364,283 |
| 4 Actuarial value of assets | 6,287 | 2,870,207 | 618,731 | 24,646,093 | 97,672,129 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (324) | \$ (358,904) | \$ 10,871 | \$ 1,217,883 | \$ 14,692,154 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.93% | 3.04% | 8.41% | 6.15% | 6.66% |
| UAAL or (OAAL) | 2.07 | (1.28) | 0.33 | 1.03 | 2.57 |
| Total required rate | 7.00% | 1.76% | 8.74% | 7.18% | 9.23% |
| Elected rate | N/A | 5.00% | 11.00% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 0.0 | 1.3 | 20.0 | 20.0 |
| Number of annuitants | 1 | 38 | 0 | 94 | 359 |
| Number of members | 2 | 127 | 10 | 423 | 1,516 |
| Number of depositing members | 2 | 82 | 8 | 296 | 1,183 |
| Average age of depositing members | 36.0 | 46.0 | 55.8 | 45.0 | 45.0 |
| Average length of service of depositing members | 7.3 | 7.5 | 10.9 | 9.7 | 9.6 |

| Number | 508 | 413 | 424 | 681 | 120 |
|--|------------------------|----------------------------|---------------------------|---------------------------|----------------------|
| Name | Brazoria Co. AD | Brazoria Co. CRD #3 | Brazoria Co. DD #4 | Brazoria Co. DD #5 | Brazos County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 484,200 | \$ 222,408 | \$ 798,066 | \$ 0 | \$ 10,083,724 |
| Members | 3,554,883 | 3,877,897 | 3,520,954 | 79,051 | 65,884,598 |
| Total | 4,039,083 | 4,100,305 | 4,319,020 | 79,051 | 75,968,322 |
| 2 Actuarial present value of future normal cost contributions | 545,980 | 556,609 | 1,080,909 | 41,987 | 10,933,977 |
| 3 Actuarial accrued liability [line 1 - line 2] | 3,493,103 | 3,543,696 | 3,238,111 | 37,064 | 65,034,345 |
| 4 Actuarial value of assets | 3,300,878 | 2,697,731 | 2,617,376 | 31,891 | 53,265,455 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 192,225 | \$ 845,965 | \$ 620,735 | \$ 5,173 | \$ 11,768,890 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.51% | 7.55% | 8.95% | 2.93% | 6.73% |
| UAAL or (OAAL) | 1.56 | 7.67 | 3.65 | 0.35 | 3.86 |
| Total required rate | 7.07% | 15.22% | 12.60% | 3.28% | 10.59% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 14 | 12 | 18 | 0 | 144 |
| Number of members | 45 | 34 | 40 | 7 | 920 |
| Number of depositing members | 37 | 28 | 38 | 5 | 688 |
| Average age of depositing members | 46.1 | 42.9 | 42.0 | 42.8 | 42.2 |
| Average length of service of depositing members | 11.2 | 11.5 | 8.6 | 4.2 | 9.0 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 689 | 600 | 121 | 581 | 122 |
|--|----------------------|-----------------------|------------------------|------------------------|-----------------------|
| Name | Brazos Co. AD | Brazos Co. ECD | Brewster County | Brewster Co. AD | Briscoe County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 88,466 | \$ 459,965 | \$ 17,542 | \$ 69,509 |
| Members | 1,176,472 | 2,588,874 | 3,450,202 | 183,263 | 813,997 |
| Total | 1,176,472 | 2,677,340 | 3,910,167 | 200,805 | 883,506 |
| 2 Actuarial present value of future normal cost contributions | 512,651 | 618,890 | 627,997 | 31,082 | 122,636 |
| 3 Actuarial accrued liability [line 1 - line 2] | 663,821 | 2,058,450 | 3,282,170 | 169,723 | 760,870 |
| 4 Actuarial value of assets | 421,527 | 1,960,138 | 2,692,248 | 160,991 | 717,577 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 242,294 | \$ 98,312 | \$ 589,922 | \$ 8,732 | \$ 43,293 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 8.17% | 6.09% | 5.59% | 3.48% | 5.01% |
| UAAL or (OAAL) | 2.46 | 0.90 | 2.83 | 0.70 | 1.22 |
| Total required rate | 10.63% | 6.99% | 8.42% | 4.18% | 6.23% |
| Elected rate | N/A | N/A | N/A | 7.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 2.1 | 20.0 |
| Number of annuitants | 0 | 2 | 21 | 1 | 11 |
| Number of members | 26 | 44 | 106 | 6 | 35 |
| Number of depositing members | 25 | 26 | 67 | 4 | 22 |
| Average age of depositing members | 45.4 | 34.4 | 44.6 | 40.8 | 49.7 |
| Average length of service of depositing members | 15.0 | 8.7 | 8.1 | 14.0 | 7.4 |

| Number | 123 | 554 | 522 | 124 | 702 |
|--|----------------------|---------------------------|-----------------------|---------------------|-----------------------|
| Name | Brooks County | Brookshire-Katy DD | Brookshire MWD | Brown County | Brownsville ID |
| Plan type | Variable | Fixed | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 1,717,471 | \$ 7,770 | \$ 107,886 | \$ 642,708 | \$ 4,811 |
| Members | 7,231,489 | 430,566 | 907,909 | 7,817,264 | 211,554 |
| Total | 8,948,960 | 438,336 | 1,015,795 | 8,459,972 | 216,365 |
| 2 Actuarial present value of future normal cost contributions | 1,621,304 | 49,881 | 100,785 | 1,273,539 | 93,598 |
| 3 Actuarial accrued liability [line 1 - line 2] | 7,327,656 | 388,455 | 915,010 | 7,186,433 | 122,767 |
| 4 Actuarial value of assets | 8,442,363 | 371,563 | 821,710 | 6,462,591 | 66,044 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (1,114,707) | \$ 16,892 | \$ 93,300 | \$ 723,842 | \$ 56,723 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 8.12% | 3.55% | 5.22% | 4.49% | 3.74% |
| UAAL or (OAAL) | (2.34) | 1.75 | 3.32 | 1.27 | 1.88 |
| Total required rate | 5.78% | 5.30% | 8.54% | 5.76% | 5.62% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 30.0 | 4.3 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 57 | 1 | 1 | 47 | 1 |
| Number of members | 145 | 6 | 12 | 198 | 12 |
| Number of depositing members | 118 | 6 | 8 | 153 | 12 |
| Average age of depositing members | 46.1 | 53.6 | 45.8 | 45.7 | 43.0 |
| Average length of service of depositing members | 9.4 | 13.8 | 15.4 | 10.2 | 9.1 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 642 | 125 | 126 | 609 | 127 |
|--|--|------------------------|----------------------|----------------------|------------------------|
| Name | Brushy Creek MUD—Williamson Co. | Burleson County | Burnet County | Burnet Co. AD | Caldwell County |
| Plan type | Variable | Variable | Variable | Fixed | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 73,903 | \$ 644,017 | \$ 2,211,954 | \$ 7,870 | \$ 597,462 |
| Members | 947,508 | 4,758,174 | 12,345,635 | 1,507,117 | 5,734,706 |
| Total | 1,021,411 | 5,402,191 | 14,557,589 | 1,514,987 | 6,332,168 |
| 2 Actuarial present value of future normal cost contributions | 469,315 | 685,672 | 2,353,207 | 150,840 | 908,330 |
| 3 Actuarial accrued liability [line 1 - line 2] | 552,096 | 4,716,519 | 12,204,382 | 1,364,147 | 5,423,838 |
| 4 Actuarial value of assets | 450,589 | 3,741,810 | 9,708,112 | 1,233,915 | 5,058,821 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 101,507 | \$ 974,709 | \$ 2,496,270 | \$ 130,232 | \$ 365,017 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.21% | 4.35% | 5.68% | 3.64% | 3.17% |
| UAAL or (OAAL) | 0.70 | 3.26 | 2.80 | 3.36 | 0.62 |
| Total required rate | 4.91% | 7.61% | 8.48% | 7.00% | 3.79% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 8.3 | 20.0 |
| Number of annuitants | 2 | 39 | 81 | 2 | 50 |
| Number of members | 50 | 139 | 330 | 25 | 289 |
| Number of depositing members | 32 | 102 | 224 | 18 | 185 |
| Average age of depositing members | 40.0 | 44.9 | 45.8 | 50.0 | 41.1 |
| Average length of service of depositing members | 3.7 | 8.1 | 8.0 | 13.7 | 6.7 |

| Number | 128 | 709 | 129 | 542 | 130 |
|--|-----------------------|-----------------------|------------------------|------------------------|-----------------------|
| Name | Calhoun County | Calhoun Co. AD | Callahan County | Callahan Co. AD | Cameron County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 1,726,913 | \$ 187 | \$ 283,357 | \$ 29,594 | \$ 11,334,183 |
| Members | 14,009,959 | 256,026 | 2,322,301 | 399,799 | 103,705,764 |
| Total | 15,736,872 | 256,213 | 2,605,658 | 429,393 | 115,039,947 |
| 2 Actuarial present value of future normal cost contributions | 2,408,865 | 144,604 | 261,922 | 41,056 | 20,472,767 |
| 3 Actuarial accrued liability [line 1 - line 2] | 13,328,007 | 111,609 | 2,343,736 | 388,337 | 94,567,180 |
| 4 Actuarial value of assets | 11,376,655 | 51,392 | 2,137,673 | 372,022 | 84,815,990 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 1,951,352 | \$ 60,217 | \$ 206,063 | \$ 16,315 | \$ 9,751,190 |
| Required employer rates for 2005 | | | | | |
| Normal cost | 6.17% | 3.89% | 3.71% | 3.99% | 5.98% |
| UAAL or (OAAL) | 2.76 | 1.26 | 1.57 | 1.18 | 1.60 |
| Total required rate | 8.93% | 5.15% | 5.28% | 5.17% | 7.58% |
| Elected rate | N/A | 6.00% | N/A | N/A | N/A |
| Years (beginning in 2005) required to amortize the UAAL or OAAL | 20.0 | 7.8 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 77 | 1 | 26 | 1 | 281 |
| Number of members | 199 | 14 | 72 | 7 | 2,043 |
| Number of depositing members | 168 | 14 | 53 | 5 | 1,596 |
| Average age of depositing members | 45.1 | 47.4 | 50.6 | 51.4 | 39.5 |
| Average length of service of depositing members | 10.2 | 9.1 | 10.2 | 13.9 | 8.1 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 618 | 692 | 664 | 686 | 462 |
|--|-----------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Name | Cameron Co. AD | Cameron Co. DD #1 | Cameron Co. DD #3 | Cameron Co. DD #5 | Cameron Co. ID #2 |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 102,537 | \$ 0 | \$ 0 | \$ 0 | \$ 310,693 |
| Members | 5,227,977 | 170,567 | 329,978 | 89,505 | 1,679,432 |
| Total | 5,330,514 | 170,567 | 329,978 | 89,505 | 1,990,125 |
| 2 Actuarial present value of future normal cost contributions | 780,665 | 107,013 | 122,872 | 60,471 | 210,798 |
| 3 Actuarial accrued liability [line 1 - line 2] | 4,549,849 | 63,554 | 207,106 | 29,034 | 1,779,327 |
| 4 Actuarial value of assets | 3,629,213 | 57,041 | 184,279 | 27,879 | 1,584,377 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 920,636 | \$ 6,513 | \$ 22,827 | \$ 1,155 | \$ 194,950 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.73% | 4.05% | 4.18% | 5.29% | 3.42% |
| UAAL or (OAAL) | 6.00 | 0.17 | 0.58 | 0.14 | 2.18 |
| Total required rate | 12.73% | 4.22% | 4.76% | 5.43% | 5.60% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 4 | 0 | 0 | 0 | 32 |
| Number of members | 67 | 16 | 22 | 2 | 53 |
| Number of depositing members | 50 | 14 | 21 | 2 | 35 |
| Average age of depositing members | 44.2 | 43.9 | 50.4 | 41.2 | 42.8 |
| Average length of service of depositing members | 11.8 | 2.6 | 8.1 | 3.7 | 10.5 |

| Number | 590 | 670 | 131 | 132 | 133 |
|--|--------------------------|-----------------|--------------------|----------------------|--------------------|
| Name | Cameron Co. ID #6 | Camp CAD | Camp County | Carson County | Cass County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 32,443 | \$ 0 | \$ 587,586 | \$ 358,675 | \$ 1,561,848 |
| Members | 354,028 | 140,981 | 2,842,392 | 2,929,192 | 11,250,892 |
| Total | 386,471 | 140,981 | 3,429,978 | 3,287,867 | 12,812,740 |
| 2 Actuarial present value of future normal cost contributions | 58,668 | 67,772 | 424,191 | 391,435 | 1,450,146 |
| 3 Actuarial accrued liability [line 1 - line 2] | 327,803 | 73,209 | 3,005,787 | 2,896,432 | 11,362,594 |
| 4 Actuarial value of assets | 333,404 | 75,099 | 2,559,486 | 2,401,806 | 9,444,670 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (5,601) | \$ (1,890) | \$ 446,301 | \$ 494,626 | \$ 1,917,924 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.82% | 4.01% | 6.31% | 4.76% | 4.98% |
| UAAL or (OAAL) | (0.22) | (0.10) | 3.14 | 3.17 | 3.14 |
| Total required rate | 3.60% | 3.91% | 9.45% | 7.93% | 8.12% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 30.0 | 30.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 9 | 0 | 29 | 36 | 74 |
| Number of members | 15 | 9 | 62 | 72 | 207 |
| Number of depositing members | 11 | 6 | 46 | 52 | 171 |
| Average age of depositing members | 50.3 | 43.1 | 51.3 | 49.5 | 47.2 |
| Average length of service of depositing members | 13.6 | 5.2 | 9.4 | 8.6 | 9.9 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 610 | 134 | 635 | 602 | 648 |
|--|--------------------|----------------------|---------------------------|--------------------------|--------------------------------|
| Name | Cass Co. AD | Castro County | CAD of Johnson Co. | CAD of Taylor Co. | Cent. WCID—Angelina Co. |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 39,392 | \$ 327,383 | \$ 113,956 | \$ 237,844 | \$ 36,353 |
| Members | 570,379 | 4,500,023 | 2,475,398 | 2,980,284 | 138,047 |
| Total | 609,771 | 4,827,406 | 2,589,354 | 3,218,128 | 174,400 |
| 2 Actuarial present value of future normal cost contributions | 82,766 | 551,635 | 631,581 | 334,320 | 63,262 |
| 3 Actuarial accrued liability [line 1 - line 2] | 527,005 | 4,275,771 | 1,957,773 | 2,883,808 | 111,138 |
| 4 Actuarial value of assets | 458,522 | 4,038,455 | 1,511,124 | 2,458,146 | 66,485 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 68,483 | \$ 237,316 | \$ 446,649 | \$ 425,662 | \$ 44,653 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.29% | 6.78% | 6.84% | 3.80% | 4.25% |
| UAAL or (OAAL) | 2.50 | 1.33 | 3.54 | 3.60 | 4.00 |
| Total required rate | 7.79% | 8.11% | 10.38% | 7.40% | 8.25% |
| Elected rate | N/A | N/A | 12.00% | 10.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 9.6 | 7.5 | 20.0 |
| Number of annuitants | 3 | 21 | 3 | 8 | 1 |
| Number of members | 10 | 84 | 45 | 32 | 4 |
| Number of depositing members | 9 | 59 | 36 | 27 | 4 |
| Average age of depositing members | 48.8 | 48.2 | 43.7 | 48.0 | 38.8 |
| Average length of service of depositing members | 11.7 | 11.4 | 10.6 | 15.2 | 9.9 |

| Number | 712 | 135 | 531 | 548 | 136 |
|--|-------------------------------------|------------------------|------------------------|-------------------------------|------------------------|
| Name | Central Tex. Reg. Mob. Auth. | Chambers County | Chambers Co. AD | Chambers Co. Public HD | Cherokee County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 5,641,404 | \$ 212,801 | \$ 124,292 | \$ 1,831,301 |
| Members | 233,235 | 29,099,065 | 1,326,528 | 1,799,340 | 14,155,236 |
| Total | 233,235 | 34,740,469 | 1,539,329 | 1,923,632 | 15,986,537 |
| 2 Actuarial present value of future normal cost contributions | 186,983 | 5,092,147 | 312,412 | 563,160 | 1,708,208 |
| 3 Actuarial accrued liability [line 1 - line 2] | 46,252 | 29,648,322 | 1,226,917 | 1,360,472 | 14,278,329 |
| 4 Actuarial value of assets | 14,994 | 27,174,690 | 1,244,773 | 1,454,741 | 11,804,708 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 31,258 | \$ 2,473,632 | \$ (17,856) | \$ (94,269) | \$ 2,473,621 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 12.12% | 6.67% | 7.97% | 4.65% | 4.96% |
| UAAL or (OAAL) | 1.53 | 1.73 | (0.95) | (0.52) | 3.29 |
| Total required rate | 13.65% | 8.40% | 7.02% | 4.13% | 8.25% |
| Elected rate | N/A | N/A | 14.00% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 0.0 | 30.0 | 20.0 |
| Number of annuitants | 0 | 161 | 4 | 8 | 86 |
| Number of members | 2 | 411 | 11 | 42 | 278 |
| Number of depositing members | 2 | 337 | 11 | 34 | 208 |
| Average age of depositing members | 54.1 | 44.8 | 38.1 | 40.6 | 46.8 |
| Average length of service of depositing members | 10.5 | 9.9 | 10.2 | 6.0 | 9.7 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 137 | 511 | 582 | 465 | 138 |
|--|------------------|------------------|------------------|------------|--------------|
| Name | Childress County | Childress Co. AD | Childress Co. HD | Cisco HD | Clay County |
| Plan type | Variable | Variable | Variable | Fixed | Fixed |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 115,738 | \$ 42,612 | \$ 510,812 | \$ 51,777 | \$ 744,860 |
| Members | 1,049,849 | 58,858 | 7,618,611 | 94,545 | 5,837,776 |
| Total | 1,165,587 | 101,470 | 8,129,423 | 146,322 | 6,582,636 |
| 2 Actuarial present value of future normal cost contributions | 198,020 | 27,944 | 1,909,869 | 0 | 418,848 |
| 3 Actuarial accrued liability [line 1 - line 2] | 967,567 | 73,526 | 6,219,554 | 146,322 | 6,163,788 |
| 4 Actuarial value of assets | 718,214 | 53,786 | 6,338,784 | 152,093 | 4,920,098 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 249,353 | \$ 19,740 | \$ (119,230) | \$ (5,771) | \$ 1,243,690 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 2.70% | 2.98% | 4.29% | 0.00% | 3.70% |
| UAAL or (OAAL) | 1.98 | 2.86 | (0.17) | 0.00 | 7.30 |
| Total required rate | 4.68% | 5.84% | 4.12% | 0.00% | 11.00% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 30.0 | 0.0 | 12.5 |
| Number of annuitants | 8 | 3 | 31 | 7 | 52 |
| Number of members | 59 | 4 | 248 | 4 | 79 |
| Number of depositing members | 45 | 3 | 208 | 0 | 61 |
| Average age of depositing members | 48.0 | 43.4 | 42.1 | 0.0 | 48.4 |
| Average length of service of depositing members | 8.4 | 6.5 | 7.4 | 0.0 | 11.2 |

| Number | 485 | 703 | 139 | 477 | 140 |
|--|-------------|------------------|----------------|----------------|-------------|
| Name | Clay Co. AD | Coastal Bend GCD | Cochran County | Cochran Co. AD | Coke County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 54,793 | \$ 0 | \$ 1,024,487 | \$ 23,687 | \$ 133,660 |
| Members | 665,424 | 72,959 | 3,658,710 | 159,434 | 2,173,450 |
| Total | 720,217 | 72,959 | 4,683,197 | 183,121 | 2,307,110 |
| 2 Actuarial present value of future normal cost contributions | 71,120 | 62,115 | 405,533 | 28,398 | 227,194 |
| 3 Actuarial accrued liability [line 1 - line 2] | 649,097 | 10,844 | 4,277,664 | 154,723 | 2,079,916 |
| 4 Actuarial value of assets | 660,092 | 10,050 | 3,357,962 | 166,327 | 1,652,487 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (10,995) | \$ 794 | \$ 919,702 | \$ (11,604) | \$ 427,429 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.71% | 4.91% | 5.13% | 5.61% | 4.66% |
| UAAL or (OAAL) | (0.64) | 0.13 | 5.70 | (1.19) | 5.33 |
| Total required rate | 7.07% | 5.04% | 10.83% | 4.42% | 9.99% |
| Elected rate | N/A | N/A | 12.00% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 30.0 | 20.0 | 14.8 | 30.0 | 20.0 |
| Number of annuitants | 2 | 0 | 41 | 2 | 34 |
| Number of members | 8 | 2 | 71 | 3 | 63 |
| Number of depositing members | 6 | 2 | 53 | 3 | 42 |
| Average age of depositing members | 56.6 | 26.7 | 48.2 | 53.3 | 51.0 |
| Average length of service of depositing members | 11.9 | 1.6 | 10.3 | 8.6 | 7.8 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 141 | 142 | 457 | 143 | 144 |
|--|----------------|---------------|----------------|----------------------|-----------------|
| Name | Coleman County | Collin County | Collin Co. CAD | Collingsworth County | Colorado County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 270,158 | \$ 19,070,051 | \$ 548,237 | \$ 17,882 | \$ 595,147 |
| Members | 2,929,956 | 165,121,186 | 10,521,714 | 1,099,842 | 6,892,457 |
| Total | 3,200,114 | 184,191,237 | 11,069,951 | 1,117,724 | 7,487,604 |
| 2 Actuarial present value of future normal cost contributions | 258,411 | 38,283,574 | 1,511,148 | 293,117 | 1,088,882 |
| 3 Actuarial accrued liability [line 1 - line 2] | 2,941,703 | 145,907,663 | 9,558,803 | 824,607 | 6,398,722 |
| 4 Actuarial value of assets | 2,689,441 | 121,621,213 | 9,140,501 | 574,100 | 5,372,906 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 252,262 | \$ 24,286,450 | \$ 418,302 | \$ 250,507 | \$ 1,025,816 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.00% | 8.11% | 7.41% | 6.82% | 4.98% |
| UAAL or (OAAL) | 2.27 | 2.75 | 1.10 | 3.59 | 2.33 |
| Total required rate | 7.27% | 10.86% | 8.51% | 10.41% | 7.31% |
| Elected rate | N/A | 12.00% | N/A | N/A | 7.50% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 12.0 | 20.0 | 20.0 | 17.6 |
| Number of annuitants | 26 | 219 | 13 | 7 | 51 |
| Number of members | 50 | 1,739 | 90 | 58 | 163 |
| Number of depositing members | 43 | 1,440 | 75 | 42 | 128 |
| Average age of depositing members | 53.5 | 43.1 | 49.0 | 46.7 | 45.5 |
| Average length of service of depositing members | 11.9 | 9.7 | 11.8 | 8.4 | 9.1 |

| Number | 623 | 145 | 146 | 147 | 636 |
|--|------------|--------------|-----------------|---------------|---------------|
| Name | Comal AD | Comal County | Comanche County | Concho County | Concho Co. HD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 114,330 | \$ 2,897,417 | \$ 630,188 | \$ 99,282 | \$ 231,813 |
| Members | 1,677,698 | 33,802,791 | 4,293,797 | 1,734,858 | 610,990 |
| Total | 1,792,028 | 36,700,208 | 4,923,985 | 1,834,140 | 842,803 |
| 2 Actuarial present value of future normal cost contributions | 285,235 | 7,572,836 | 580,577 | 298,803 | 105,131 |
| 3 Actuarial accrued liability [line 1 - line 2] | 1,506,793 | 29,127,372 | 4,343,408 | 1,535,337 | 737,672 |
| 4 Actuarial value of assets | 987,072 | 24,946,976 | 3,672,270 | 1,596,795 | 600,872 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 519,721 | \$ 4,180,396 | \$ 671,138 | \$ (61,458) | \$ 136,800 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.29% | 6.31% | 3.38% | 6.67% | 2.51% |
| UAAL or (OAAL) | 8.13 | 1.83 | 1.78 | (0.57) | 2.84 |
| Total required rate | 15.42% | 8.14% | 5.16% | 6.10% | 5.35% |
| Elected rate | N/A | N/A | N/A | 7.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 0.0 | 20.0 |
| Number of annuitants | 4 | 112 | 43 | 12 | 10 |
| Number of members | 23 | 583 | 189 | 74 | 33 |
| Number of depositing members | 19 | 490 | 127 | 42 | 18 |
| Average age of depositing members | 49.4 | 43.6 | 45.8 | 49.6 | 42.6 |
| Average length of service of depositing members | 13.6 | 8.4 | 8.4 | 10.5 | 9.2 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 148 | 487 | 149 | 150 | 151 |
|--|---------------------|---------------------|-----------------------|----------------------|---------------------|
| Name | Cooke County | Cooke Co. AD | Coryell County | Cottle County | Crane County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 1,328,948 | \$ 172,197 | \$ 1,176,135 | \$ 76,463 | \$ 1,272,441 |
| Members | 10,834,683 | 1,545,899 | 10,595,362 | 646,311 | 6,822,512 |
| Total | 12,163,631 | 1,718,096 | 11,771,497 | 722,774 | 8,094,953 |
| 2 Actuarial present value of future normal cost contributions | 1,734,538 | 284,289 | 1,923,570 | 76,739 | 1,044,384 |
| 3 Actuarial accrued liability [line 1 - line 2] | 10,429,093 | 1,433,807 | 9,847,927 | 646,035 | 7,050,569 |
| 4 Actuarial value of assets | 9,036,032 | 1,459,660 | 8,795,984 | 564,118 | 6,724,031 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 1,393,061 | \$ (25,853) | \$ 1,051,943 | \$ 81,917 | \$ 326,538 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.61% | 8.13% | 6.28% | 4.22% | 5.40% |
| UAAL or (OAAL) | 1.76 | (0.40) | 1.77 | 2.13 | 0.98 |
| Total required rate | 6.37% | 7.73% | 8.05% | 6.35% | 6.38% |
| Elected rate | N/A | N/A | N/A | 7.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 30.0 | 20.0 | 12.2 | 20.0 |
| Number of annuitants | 54 | 7 | 63 | 16 | 69 |
| Number of members | 227 | 28 | 193 | 29 | 129 |
| Number of depositing members | 179 | 17 | 158 | 20 | 94 |
| Average age of depositing members | 43.4 | 46.6 | 45.9 | 57.1 | 47.2 |
| Average length of service of depositing members | 8.5 | 9.1 | 9.4 | 9.7 | 8.4 |

| Number | 152 | 409 | 153 | 532 | 603 |
|--|------------------------|-----------------------------|----------------------|----------------------|-------------------|
| Name | Crockett County | Crockett Co. WCID #1 | Crosby County | Crosby Co. AD | Crosby MUD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 1,809,506 | \$ 128,354 | \$ 521,521 | \$ 34,130 | \$ 36,005 |
| Members | 10,449,941 | 846,539 | 2,862,738 | 31,470 | 447,205 |
| Total | 12,259,447 | 974,893 | 3,384,259 | 65,600 | 483,210 |
| 2 Actuarial present value of future normal cost contributions | 1,018,770 | 96,468 | 278,048 | 19,788 | 156,738 |
| 3 Actuarial accrued liability [line 1 - line 2] | 11,240,677 | 878,425 | 3,106,211 | 45,812 | 326,472 |
| 4 Actuarial value of assets | 9,503,963 | 834,448 | 2,239,756 | 104,660 | 398,480 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 1,736,714 | \$ 43,977 | \$ 866,455 | \$ (58,848) | \$ (72,008) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.32% | 4.26% | 3.95% | 5.38% | 4.83% |
| UAAL or (OAAL) | 3.81 | 1.62 | 6.44 | (5.38) | (2.08) |
| Total required rate | 8.13% | 5.88% | 10.39% | 0.00% | 2.75% |
| Elected rate | N/A | N/A | N/A | N/A | 7.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 30.0 | 0.0 |
| Number of annuitants | 36 | 9 | 32 | 2 | 1 |
| Number of members | 219 | 13 | 49 | 2 | 12 |
| Number of depositing members | 160 | 9 | 45 | 2 | 11 |
| Average age of depositing members | 48.0 | 45.5 | 49.6 | 47.5 | 34.8 |
| Average length of service of depositing members | 9.7 | 14.4 | 11.0 | 2.1 | 5.1 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 710 | 154 | 478 | 550 | 155 |
|--|------------------------|-------------------------|----------------------------|---------------------|----------------------|
| Name | Cross Roads SUD | Culberson County | Culberson Co. Hosp. | Culberson HD | Dallam County |
| Plan type | Variable | Variable | Fixed | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 264,946 | \$ 27,512 | \$ 2,038 | \$ 391,290 |
| Members | 63,175 | 2,734,389 | 235,854 | 596,678 | 3,577,010 |
| Total | 63,175 | 2,999,335 | 263,366 | 598,716 | 3,968,300 |
| 2 Actuarial present value of future normal cost contributions | 31,139 | 347,283 | 0 | 0 | 409,909 |
| 3 Actuarial accrued liability [line 1 - line 2] | 32,036 | 2,652,052 | 263,366 | 598,716 | 3,558,391 |
| 4 Actuarial value of assets | 12,106 | 2,765,276 | 268,191 | 1,066,221 | 3,158,500 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 19,930 | \$ (113,224) | \$ (4,825) | \$ (467,505) | \$ 399,891 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.98% | 4.77% | 0.00% | 0.00% | 5.25% |
| UAAL or (OAAL) | 1.74 | (0.83) | 0.00 | 0.00 | 2.68 |
| Total required rate | 5.72% | 3.94% | 0.00% | 0.00% | 7.93% |
| Elected rate | N/A | 7.00% | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 0.0 | 0.0 | 0.0 | 20.0 |
| Number of annuitants | 0 | 13 | 3 | 2 | 20 |
| Number of members | 5 | 63 | 4 | 36 | 66 |
| Number of depositing members | 5 | 49 | 0 | 0 | 46 |
| Average age of depositing members | 55.6 | 47.2 | 0.0 | 0.0 | 47.9 |
| Average length of service of depositing members | 9.1 | 13.6 | 0.0 | 0.0 | 10.1 |

| Number | 467 | 156 | 430 | 687 | 157 |
|--|-------------------|----------------------|-----------------------------------|---------------------------|----------------------|
| Name | Dallas CAD | Dallas County | Dallas Co. Park Cities MUD | Dallas Co. WCID #6 | Dawson County |
| Plan type | Variable | Fixed | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 4,030,703 | \$ 98,136,833 | \$ 249,167 | \$ 0 | \$ 1,271,970 |
| Members | 46,646,050 | 751,033,451 | 2,745,769 | 732,681 | 6,232,896 |
| Total | 50,676,753 | 849,170,284 | 2,994,936 | 732,681 | 7,504,866 |
| 2 Actuarial present value of future normal cost contributions | 5,795,130 | 106,912,999 | 479,252 | 420,485 | 1,139,847 |
| 3 Actuarial accrued liability [line 1 - line 2] | 44,881,623 | 742,257,285 | 2,515,684 | 312,196 | 6,365,019 |
| 4 Actuarial value of assets | 42,151,481 | 665,566,157 | 2,215,989 | 247,669 | 4,439,061 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 2,730,142 | \$ 76,691,128 | \$ 299,695 | \$ 64,527 | \$ 1,925,958 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.29% | 5.83% | 6.55% | 3.89% | 4.78% |
| UAAL or (OAAL) | 2.01 | 2.67 | 2.85 | 0.48 | 5.10 |
| Total required rate | 9.30% | 8.50% | 9.40% | 4.37% | 9.88% |
| Elected rate | 11.00% | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 7.5 | 16.3 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 47 | 1,627 | 8 | 0 | 50 |
| Number of members | 324 | 7,451 | 23 | 53 | 123 |
| Number of depositing members | 238 | 5,858 | 23 | 39 | 98 |
| Average age of depositing members | 44.0 | 43.3 | 49.4 | 40.0 | 44.9 |
| Average length of service of depositing members | 11.3 | 10.5 | 11.7 | 5.3 | 9.6 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 463 | 158 | 578 | 159 | 583 |
|--|----------------|-------------------|-------------------|--------------|----------------------------------|
| Name | Dawson Co. CAD | Deaf Smith County | Deaf Smith Co. HD | Delta County | Denco Area 911 Dist.— Denton Co. |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 23,629 | \$ 1,373,936 | \$ 265,359 | \$ 330,046 | \$ 0 |
| Members | 787,744 | 9,532,886 | 4,494,728 | 1,126,332 | 1,139,985 |
| Total | 811,373 | 10,906,822 | 4,760,087 | 1,456,378 | 1,139,985 |
| 2 Actuarial present value of future normal cost contributions | 87,411 | 1,368,047 | 763,472 | 157,999 | 244,304 |
| 3 Actuarial accrued liability [line 1 - line 2] | 723,962 | 9,538,775 | 3,996,615 | 1,298,379 | 895,681 |
| 4 Actuarial value of assets | 766,261 | 8,209,371 | 4,811,083 | 1,042,635 | 931,465 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (42,299) | \$ 1,329,404 | \$ (814,468) | \$ 255,744 | \$ (35,784) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.01% | 5.73% | 1.84% | 4.73% | 4.69% |
| UAAL or (OAAL) | (1.92) | 3.02 | (1.21) | 3.67 | (0.82) |
| Total required rate | 5.09% | 8.75% | 0.63% | 8.40% | 3.87% |
| Elected rate | 7.00% | N/A | N/A | N/A | 7.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 20.0 | 30.0 | 20.0 | 0.0 |
| Number of annuitants | 2 | 54 | 17 | 20 | 0 |
| Number of members | 7 | 166 | 269 | 49 | 11 |
| Number of depositing members | 6 | 118 | 171 | 33 | 10 |
| Average age of depositing members | 44.1 | 43.5 | 41.6 | 53.0 | 43.0 |
| Average length of service of depositing members | 13.0 | 9.4 | 7.4 | 8.4 | 10.6 |

| Number | 482 | 160 | 161 | 466 | 162 |
|--|------------|---------------|---------------|---------------|----------------|
| Name | Denton CAD | Denton County | DeWitt County | DeWitt Co. AD | Dickens County |
| Plan type | Variable | Variable | Variable | Fixed | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 601,111 | \$ 8,377,519 | \$ 726,572 | \$ 7,511 | \$ 102,896 |
| Members | 6,873,302 | 120,069,783 | 5,652,816 | 848,320 | 1,559,735 |
| Total | 7,474,413 | 128,447,302 | 6,379,388 | 855,831 | 1,662,631 |
| 2 Actuarial present value of future normal cost contributions | 1,559,956 | 24,480,839 | 783,442 | 68,219 | 208,133 |
| 3 Actuarial accrued liability [line 1 - line 2] | 5,914,457 | 103,966,463 | 5,595,946 | 787,612 | 1,454,498 |
| 4 Actuarial value of assets | 5,262,819 | 89,433,012 | 4,828,998 | 757,304 | 1,252,046 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 651,638 | \$ 14,533,451 | \$ 766,948 | \$ 30,308 | \$ 202,452 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.08% | 6.32% | 4.62% | 4.93% | 5.79% |
| UAAL or (OAAL) | 2.25 | 1.82 | 2.51 | 2.07 | 2.39 |
| Total required rate | 9.33% | 8.14% | 7.13% | 7.00% | 8.18% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 10.9 | 20.0 |
| Number of annuitants | 12 | 201 | 63 | 2 | 14 |
| Number of members | 85 | 1,871 | 128 | 8 | 34 |
| Number of depositing members | 70 | 1,395 | 95 | 7 | 29 |
| Average age of depositing members | 43.1 | 42.6 | 44.7 | 46.9 | 55.2 |
| Average length of service of depositing members | 10.6 | 8.8 | 9.3 | 19.3 | 10.5 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 163 | 164 | 165 | 166 | 593 |
|--|---------------|---------------|--------------|-----------------|-----------------|
| Name | Dimmit County | Donley County | Duval County | Eastland County | Eastland Co. AD |
| Plan type | Variable | Fixed | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 231,690 | \$ 264,381 | \$ 1,303,498 | \$ 1,257,964 | \$ 20,042 |
| Members | 2,633,872 | 903,508 | 5,919,187 | 5,515,730 | 695,479 |
| Total | 2,865,562 | 1,167,889 | 7,222,685 | 6,773,694 | 715,521 |
| 2 Actuarial present value of future normal cost contributions | 697,825 | 128,920 | 588,050 | 892,584 | 41,904 |
| 3 Actuarial accrued liability [line 1 - line 2] | 2,167,737 | 1,038,969 | 6,634,635 | 5,881,110 | 673,617 |
| 4 Actuarial value of assets | 2,122,563 | 830,093 | 4,417,520 | 4,769,172 | 511,202 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 45,174 | \$ 208,876 | \$ 2,217,115 | \$ 1,111,938 | \$ 162,415 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.68% | 3.81% | 2.60% | 6.47% | 6.02% |
| UAAL or (OAAL) | 0.30 | 4.19 | 4.54 | 3.51 | 10.34 |
| Total required rate | 6.98% | 8.00% | 7.14% | 9.98% | 16.36% |
| Elected rate | N/A | N/A | N/A | 11.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 14.2 | 20.0 | 13.4 | 20.0 |
| Number of annuitants | 11 | 15 | 64 | 40 | 1 |
| Number of members | 112 | 43 | 298 | 131 | 5 |
| Number of depositing members | 70 | 32 | 215 | 94 | 4 |
| Average age of depositing members | 42.1 | 51.3 | 50.0 | 47.5 | 54.6 |
| Average length of service of depositing members | 6.2 | 7.9 | 12.6 | 7.2 | 22.6 |

| Number | 167 | 580 | 448 | 628 | 168 |
|--|---------------|---------------|---------------------------------|-------------|----------------|
| Name | Ector County* | Ector Co. HD* | Edwards Aquifer Auth.—Bexar Co. | Edwards CAD | Edwards County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 31,659,309 | \$ 10,554,186 | \$ 169,447 | \$ 0 | \$ 90,157 |
| Members | 86,180,647 | 142,319,146 | 4,270,615 | 36,295 | 901,453 |
| Total | 117,839,956 | 152,873,332 | 4,440,062 | 36,295 | 991,610 |
| 2 Actuarial present value of future normal cost contributions | 8,512,083 | 19,853,916 | 552,203 | 15,033 | 232,597 |
| 3 Actuarial accrued liability [line 1 - line 2] | 109,327,873 | 133,019,416 | 3,887,859 | 21,262 | 759,013 |
| 4 Actuarial value of assets | 99,319,552 | 111,450,024 | 3,750,005 | 32,802 | 583,830 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 10,008,321 | \$ 21,569,392 | \$ 137,854 | \$ (11,540) | \$ 175,183 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.56% | 5.37% | 3.55% | 3.77% | 5.30% |
| UAAL or (OAAL) | 0.73 | 5.27 | 0.89 | (2.42) | 2.41 |
| Total required rate | 8.29% | 10.64% | 4.44% | 1.35% | 7.71% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 30.0 | 20.0 |
| Number of annuitants | 502 | 225 | 4 | 0 | 6 |
| Number of members | 953 | 1,926 | 62 | 4 | 44 |
| Number of depositing members | 556 | 1,342 | 37 | 2 | 33 |
| Average age of depositing members | 44.4 | 43.2 | 43.7 | 42.6 | 46.7 |
| Average length of service of depositing members | 10.5 | 9.5 | 8.3 | 5.4 | 8.7 |

*See footnote A on page 155

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 170 | 567 | 541 | 456 | 169 |
|--|-----------------------|------------------------------|-----------------------|-----------------------------|---------------------|
| Name | El Paso County | El Paso Co. 911 Dist. | El Paso Co. HD | El Paso WCID Westway | Ellis County |
| Plan type | Variable | Variable | Variable | Fixed | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 27,447,180 | \$ 69,782 | \$ 10,646,226 | \$ 5,288 | \$ 2,395,661 |
| Members | 286,305,504 | 1,052,248 | 114,123,815 | 0 | 29,278,045 |
| Total | 313,752,684 | 1,122,030 | 124,770,041 | 5,288 | 31,673,706 |
| 2 Actuarial present value of future normal cost contributions | 57,006,386 | 145,462 | 16,392,360 | 0 | 5,721,030 |
| 3 Actuarial accrued liability [line 1 - line 2] | 256,746,298 | 976,568 | 108,377,681 | 5,288 | 25,952,676 |
| 4 Actuarial value of assets | 218,713,190 | 840,302 | 90,439,084 | 20,944 | 21,837,630 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 38,033,108 | \$ 136,266 | \$ 17,938,597 | \$ (15,656) | \$ 4,115,046 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.51% | 7.50% | 3.40% | 0.00% | 6.39% |
| UAAL or (OAAL) | 2.75 | 5.25 | 1.98 | 0.00 | 2.06 |
| Total required rate | 10.26% | 12.75% | 5.38% | 0.00% | 8.45% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 0.0 | 20.0 |
| Number of annuitants | 453 | 1 | 227 | 1 | 92 |
| Number of members | 3,387 | 8 | 2,478 | 0 | 591 |
| Number of depositing members | 2,720 | 5 | 1,742 | 0 | 435 |
| Average age of depositing members | 40.6 | 47.8 | 41.5 | 0.0 | 43.9 |
| Average length of service of depositing members | 9.6 | 8.7 | 8.9 | 0.0 | 7.4 |

| Number | 624 | 171 | 172 | 563 | 173 |
|--|-------------------------|---------------------|---------------------|---------------------|----------------------|
| Name | ECD of Ector Co. | Erath County | Falls County | Falls Co. AD | Fannin County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 742,689 | \$ 982,538 | \$ 56,033 | \$ 665,107 |
| Members | 543,574 | 10,545,915 | 6,153,879 | 153,096 | 8,706,502 |
| Total | 543,574 | 11,288,604 | 7,136,417 | 209,129 | 9,371,609 |
| 2 Actuarial present value of future normal cost contributions | 97,935 | 1,654,687 | 844,254 | 32,863 | 1,592,444 |
| 3 Actuarial accrued liability [line 1 - line 2] | 445,639 | 9,633,917 | 6,292,163 | 176,266 | 7,779,165 |
| 4 Actuarial value of assets | 387,789 | 8,420,161 | 5,340,193 | 191,739 | 6,817,102 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 57,850 | \$ 1,213,756 | \$ 951,970 | \$ (15,473) | \$ 962,063 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 10.45% | 5.57% | 5.35% | 3.34% | 6.75% |
| UAAL or (OAAL) | 3.68 | 2.04 | 3.02 | (1.86) | 2.16 |
| Total required rate | 14.13% | 7.61% | 8.37% | 1.48% | 8.91% |
| Elected rate | N/A | N/A | N/A | 7.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 0.0 | 20.0 |
| Number of annuitants | 0 | 52 | 54 | 3 | 36 |
| Number of members | 3 | 182 | 144 | 7 | 172 |
| Number of depositing members | 3 | 149 | 102 | 5 | 132 |
| Average age of depositing members | 51.6 | 45.3 | 45.8 | 35.8 | 45.9 |
| Average length of service of depositing members | 12.3 | 10.5 | 9.0 | 7.6 | 9.0 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 644 | 174 | 175 | 432 | 176 |
|--|---------------|----------------|---------------|---------------|--------------|
| Name | Fannin Co. AD | Fayette County | Fisher County | Fisher Co. HD | Floyd County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 1,463,838 | \$ 258,354 | \$ 255,122 | \$ 279,758 |
| Members | 153,015 | 17,222,483 | 1,509,264 | 2,628,779 | 4,022,466 |
| Total | 153,015 | 18,686,321 | 1,767,618 | 2,883,901 | 4,302,224 |
| 2 Actuarial present value of future normal cost contributions | 39,420 | 2,120,250 | 178,547 | 523,505 | 525,082 |
| 3 Actuarial accrued liability [line 1 - line 2] | 113,595 | 16,566,071 | 1,589,071 | 2,360,396 | 3,777,142 |
| 4 Actuarial value of assets | 163,797 | 14,367,257 | 1,238,722 | 2,618,732 | 2,872,685 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (50,202) | \$ 2,198,814 | \$ 350,349 | \$ (258,336) | \$ 904,457 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 2.27% | 5.26% | 4.53% | 3.49% | 6.05% |
| UAAL or (OAAL) | (2.27) | 3.04 | 4.18 | (0.94) | 5.34 |
| Total required rate | 0.00% | 8.30% | 8.71% | 2.55% | 11.39% |
| Elected rate | 4.00% | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 20.0 | 20.0 | 30.0 | 20.0 |
| Number of annuitants | 0 | 61 | 35 | 18 | 32 |
| Number of members | 21 | 265 | 52 | 73 | 71 |
| Number of depositing members | 11 | 196 | 39 | 57 | 53 |
| Average age of depositing members | 46.5 | 43.6 | 50.5 | 44.1 | 46.9 |
| Average length of service of depositing members | 4.5 | 10.4 | 9.1 | 8.6 | 10.4 |

| Number | 474 | 178 | 179 | 180 | 693 |
|--|---------------|------------------|-----------------|------------------|------------------|
| Name | Fort Bend CAD | Fort Bend County | Franklin County | Freestone County | Freestone Co. AD |
| Plan type | Fixed | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 689,080 | \$ 17,571,789 | \$ 841,676 | \$ 1,267,518 | \$ 0 |
| Members | 6,547,032 | 194,139,216 | 3,447,977 | 7,523,573 | 276,235 |
| Total | 7,236,112 | 211,711,005 | 4,289,653 | 8,791,091 | 276,235 |
| 2 Actuarial present value of future normal cost contributions | 1,110,190 | 35,964,931 | 739,091 | 1,188,730 | 141,639 |
| 3 Actuarial accrued liability [line 1 - line 2] | 6,125,922 | 175,746,074 | 3,550,562 | 7,602,361 | 134,596 |
| 4 Actuarial value of assets | 5,902,113 | 147,378,271 | 3,241,129 | 6,579,067 | 77,127 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 223,809 | \$ 28,367,803 | \$ 309,433 | \$ 1,023,294 | \$ 57,469 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.87% | 6.78% | 6.75% | 5.41% | 6.02% |
| UAAL or (OAAL) | 3.13 | 3.09 | 1.40 | 2.27 | 2.29 |
| Total required rate | 10.00% | 9.87% | 8.15% | 7.68% | 8.31% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 3.2 | 20.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 12 | 301 | 37 | 52 | 0 |
| Number of members | 68 | 2,213 | 73 | 144 | 9 |
| Number of depositing members | 55 | 1,756 | 65 | 117 | 9 |
| Average age of depositing members | 44.7 | 42.8 | 47.8 | 48.3 | 42.7 |
| Average length of service of depositing members | 12.3 | 9.8 | 7.6 | 9.3 | 11.3 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 181 | 509 | 182 | 546 | 183 |
|--|--------------|-------------|---------------|---------------|-------------------|
| Name | Frio County | Frio Co. AD | Gaines County | Galveston CAD | Galveston County* |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 846,100 | \$ 15,875 | \$ 1,444,251 | \$ 337,352 | \$ 19,870,586 |
| Members | 5,414,922 | 1,049,736 | 11,833,129 | 7,003,708 | 138,299,810 |
| Total | 6,261,022 | 1,065,611 | 13,277,380 | 7,341,060 | 158,170,396 |
| 2 Actuarial present value of future normal cost contributions | 1,041,197 | 98,676 | 1,747,025 | 929,098 | 17,289,965 |
| 3 Actuarial accrued liability [line 1 - line 2] | 5,219,825 | 966,935 | 11,530,355 | 6,411,962 | 140,880,431 |
| 4 Actuarial value of assets | 5,561,574 | 916,227 | 9,642,509 | 5,655,705 | 125,472,004 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (341,749) | \$ 50,708 | \$ 1,887,846 | \$ 756,257 | \$ 15,408,427 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.58% | 6.05% | 5.62% | 8.22% | 6.44% |
| UAAL or (OAAL) | (0.90) | 1.98 | 3.40 | 4.36 | 2.97 |
| Total required rate | 4.68% | 8.03% | 9.02% | 12.58% | 9.41% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 30.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 31 | 1 | 88 | 10 | 680 |
| Number of members | 137 | 11 | 142 | 56 | 1,554 |
| Number of depositing members | 114 | 10 | 125 | 50 | 1,115 |
| Average age of depositing members | 43.2 | 50.9 | 47.1 | 48.6 | 43.4 |
| Average length of service of depositing members | 9.1 | 16.5 | 10.2 | 13.6 | 9.4 |

| Number | 547 | 464 | 433 | 589 | 407 |
|--|--------------------------|---------------------|---------------------|-------------------|-----------------------|
| Name | Galveston Co. Consol. DD | Galveston Co. DD #1 | Galveston Co. DD #2 | Galveston Co. ECD | Galveston Co. WCID #1 |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 135,377 | \$ 163,087 | \$ 211,942 | \$ 0 | \$ 908,294 |
| Members | 1,231,603 | 442,209 | 1,846,109 | 823,511 | 4,036,633 |
| Total | 1,366,980 | 605,296 | 2,058,051 | 823,511 | 4,944,927 |
| 2 Actuarial present value of future normal cost contributions | 244,368 | 204,649 | 190,382 | 215,106 | 714,474 |
| 3 Actuarial accrued liability [line 1 - line 2] | 1,122,612 | 400,647 | 1,867,669 | 608,405 | 4,230,453 |
| 4 Actuarial value of assets | 931,633 | 499,540 | 1,839,723 | 537,707 | 3,449,234 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 190,979 | \$ (98,893) | \$ 27,946 | \$ 70,698 | \$ 781,219 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.44% | 7.91% | 7.29% | 9.08% | 6.00% |
| UAAL or (OAAL) | 4.22 | (1.90) | 0.52 | 2.38 | 4.46 |
| Total required rate | 11.66% | 6.01% | 7.81% | 11.46% | 10.46% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 30.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 5 | 5 | 8 | 0 | 15 |
| Number of members | 17 | 14 | 11 | 5 | 64 |
| Number of depositing members | 12 | 11 | 11 | 5 | 38 |
| Average age of depositing members | 47.1 | 44.4 | 40.5 | 46.9 | 39.5 |
| Average length of service of depositing members | 9.1 | 3.8 | 15.3 | 9.0 | 7.5 |

*See footnote D on page 155

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 473 | 184 | 185 | 186 | 187 |
|--|-----------|--------------|------------------|------------------|---------------|
| Name | Garza CAD | Garza County | Gillespie County | Glasscock County | Goliad County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 28,160 | \$ 491,752 | \$ 995,222 | \$ 266,849 | \$ 928,961 |
| Members | 202,693 | 3,526,866 | 8,296,705 | 2,525,814 | 4,889,359 |
| Total | 230,853 | 4,018,618 | 9,291,927 | 2,792,663 | 5,818,320 |
| 2 Actuarial present value of future normal cost contributions | 31,611 | 478,844 | 1,220,711 | 189,660 | 745,165 |
| 3 Actuarial accrued liability [line 1 - line 2] | 199,242 | 3,539,774 | 8,071,216 | 2,603,003 | 5,073,155 |
| 4 Actuarial value of assets | 179,842 | 3,230,576 | 6,619,945 | 2,131,381 | 5,174,874 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 19,400 | \$ 309,198 | \$ 1,451,271 | \$ 471,622 | \$ (101,719) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.44% | 5.69% | 5.56% | 4.44% | 5.16% |
| UAAL or (OAAL) | 2.49 | 1.73 | 3.55 | 5.58 | (0.35) |
| Total required rate | 8.93% | 7.42% | 9.11% | 10.02% | 4.81% |
| Elected rate | N/A | N/A | 9.80% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 15.0 | 20.0 | 30.0 |
| Number of annuitants | 2 | 19 | 43 | 20 | 59 |
| Number of members | 3 | 67 | 149 | 36 | 116 |
| Number of depositing members | 3 | 53 | 103 | 29 | 87 |
| Average age of depositing members | 53.6 | 50.3 | 47.3 | 49.0 | 44.9 |
| Average length of service of depositing members | 11.7 | 11.0 | 10.7 | 13.7 | 8.8 |

| Number | 188 | 498 | 189 | 518 | 475 |
|--|-----------------|-----------------|--------------|--------------|-------------|
| Name | Gonzales County | Gonzales Co. AD | Gray County | Gray Co. AD | Grayson CAD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 1,049,846 | \$ 4,415 | \$ 1,068,209 | \$ 54,334 | \$ 577,704 |
| Members | 5,332,413 | 763,732 | 7,935,485 | 1,084,768 | 2,387,482 |
| Total | 6,382,259 | 768,147 | 9,003,694 | 1,139,102 | 2,965,186 |
| 2 Actuarial present value of future normal cost contributions | 706,657 | 156,619 | 1,179,880 | 142,113 | 487,931 |
| 3 Actuarial accrued liability [line 1 - line 2] | 5,675,602 | 611,528 | 7,823,814 | 996,989 | 2,477,255 |
| 4 Actuarial value of assets | 4,573,689 | 657,659 | 7,189,004 | 1,162,646 | 2,125,925 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 1,101,913 | \$ (46,131) | \$ 634,810 | \$ (165,657) | \$ 351,330 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.24% | 7.47% | 5.10% | 7.18% | 7.19% |
| UAAL or (OAAL) | 3.17 | (1.06) | 1.23 | (3.41) | 3.79 |
| Total required rate | 7.41% | 6.41% | 6.33% | 3.77% | 10.98% |
| Elected rate | 7.75% | 7.00% | 7.01% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 16.9 | 0.0 | 10.6 | 30.0 | 20.0 |
| Number of annuitants | 40 | 1 | 77 | 3 | 12 |
| Number of members | 156 | 15 | 174 | 14 | 45 |
| Number of depositing members | 116 | 11 | 132 | 9 | 27 |
| Average age of depositing members | 45.9 | 47.6 | 46.8 | 46.5 | 44.8 |
| Average length of service of depositing members | 9.3 | 10.7 | 8.5 | 10.5 | 8.1 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 190 | 528 | 429 | 191 | 192 |
|--|----------------|------------------------------------|---------------------------|--------------|---------------|
| Name | Grayson County | Greater Harris Co. 911 Emerg. Net. | Greenbelt MIWA—Donley Co. | Gregg County | Grimes County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 5,395,817 | \$ 369,261 | \$ 149,369 | \$ 6,204,422 | \$ 721,311 |
| Members | 39,036,556 | 3,584,911 | 1,267,397 | 44,424,453 | 5,862,215 |
| Total | 44,432,373 | 3,954,172 | 1,416,766 | 50,628,875 | 6,583,526 |
| 2 Actuarial present value of future normal cost contributions | 7,121,497 | 1,471,933 | 141,199 | 6,516,131 | 1,036,427 |
| 3 Actuarial accrued liability [line 1 - line 2] | 37,310,876 | 2,482,239 | 1,275,567 | 44,112,744 | 5,547,099 |
| 4 Actuarial value of assets | 29,770,293 | 2,028,205 | 1,136,630 | 37,967,931 | 5,960,116 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 7,540,583 | \$ 454,034 | \$ 138,937 | \$ 6,144,813 | \$ (413,017) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.05% | 8.73% | 5.02% | 5.70% | 4.91% |
| UAAL or (OAAL) | 3.83 | 2.38 | 3.12 | 2.91 | (0.94) |
| Total required rate | 10.88% | 11.11% | 8.14% | 8.61% | 3.97% |
| Elected rate | N/A | N/A | N/A | N/A | 7.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 20.0 | 0.0 |
| Number of annuitants | 183 | 5 | 6 | 197 | 46 |
| Number of members | 555 | 31 | 12 | 696 | 185 |
| Number of depositing members | 435 | 27 | 12 | 518 | 137 |
| Average age of depositing members | 44.9 | 38.9 | 45.0 | 43.2 | 44.1 |
| Average length of service of depositing members | 8.8 | 6.5 | 15.6 | 9.8 | 7.4 |

| Number | 483 | 587 | 193 | 526 | 194 |
|--|---------------|--------------|------------------|-----------------------------|--------------|
| Name | Grimes Co. AD | Guadalupe AD | Guadalupe County | Gulf Coast WA—Galveston Co. | Hale County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 40,720 | \$ 5,159 | \$ 2,478,306 | \$ 870,333 | \$ 2,285,263 |
| Members | 1,323,599 | 1,222,010 | 26,423,490 | 7,831,679 | 12,487,225 |
| Total | 1,364,319 | 1,227,169 | 28,901,796 | 8,702,012 | 14,772,488 |
| 2 Actuarial present value of future normal cost contributions | 149,622 | 272,484 | 6,340,310 | 846,223 | 1,862,459 |
| 3 Actuarial accrued liability [line 1 - line 2] | 1,214,697 | 954,685 | 22,561,486 | 7,855,789 | 12,910,029 |
| 4 Actuarial value of assets | 1,079,007 | 793,227 | 18,797,418 | 7,771,721 | 11,491,967 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 135,690 | \$ 161,458 | \$ 3,764,068 | \$ 84,068 | \$ 1,418,062 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.22% | 4.97% | 6.54% | 4.97% | 4.96% |
| UAAL or (OAAL) | 4.09 | 2.53 | 1.97 | 0.25 | 2.08 |
| Total required rate | 11.31% | 7.50% | 8.51% | 5.22% | 7.04% |
| Elected rate | N/A | N/A | N/A | 7.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 1.2 | 20.0 |
| Number of annuitants | 2 | 1 | 106 | 19 | 84 |
| Number of members | 10 | 31 | 585 | 51 | 221 |
| Number of depositing members | 9 | 22 | 470 | 42 | 183 |
| Average age of depositing members | 50.1 | 39.2 | 43.5 | 44.3 | 42.3 |
| Average length of service of depositing members | 16.2 | 10.3 | 7.4 | 13.7 | 9.3 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 195 | 196 | 197 | 585 | 198 |
|--|-------------|-----------------|-----------------|-----------------|-----------------|
| Name | Hall County | Hamilton County | Hansford County | Hansford Co. HD | Hardeman County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 250,640 | \$ 201,663 | \$ 441,860 | \$ 444,031 | \$ 274,624 |
| Members | 1,977,492 | 2,043,345 | 2,782,444 | 3,318,300 | 2,424,404 |
| Total | 2,228,132 | 2,245,008 | 3,224,304 | 3,762,331 | 2,699,028 |
| 2 Actuarial present value of future normal cost contributions | 247,556 | 350,221 | 246,552 | 566,445 | 323,163 |
| 3 Actuarial accrued liability [line 1 - line 2] | 1,980,576 | 1,894,787 | 2,977,752 | 3,195,886 | 2,375,865 |
| 4 Actuarial value of assets | 1,760,770 | 1,619,407 | 2,272,146 | 3,463,422 | 2,304,361 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 219,806 | \$ 275,380 | \$ 705,606 | \$ (267,536) | \$ 71,504 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.62% | 4.30% | 4.33% | 2.24% | 4.87% |
| UAAL or (OAAL) | 2.25 | 1.80 | 6.62 | (0.87) | 0.37 |
| Total required rate | 7.87% | 6.10% | 10.95% | 1.37% | 5.24% |
| Elected rate | N/A | N/A | N/A | 4.00% | 7.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 0.0 | 2.1 |
| Number of annuitants | 26 | 24 | 28 | 21 | 18 |
| Number of members | 56 | 88 | 52 | 286 | 56 |
| Number of depositing members | 41 | 58 | 40 | 154 | 49 |
| Average age of depositing members | 53.9 | 48.0 | 49.2 | 43.8 | 49.0 |
| Average length of service of depositing members | 8.0 | 8.2 | 12.4 | 7.3 | 9.3 |

| Number | 199 | 527 | 571 | 200 | 598 |
|--|---------------|---------------|-----------------------------|---------------|---------------|
| Name | Hardin County | Hardin Co. AD | Harlingen ID Cameron Co. #1 | Harris County | Harris Co. AD |
| Plan type | Variable | Variable | Fixed | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 2,967,331 | \$ 74,198 | \$ 172,912 | \$233,508,656 | \$ 3,509,479 |
| Members | 16,075,335 | 1,259,202 | 1,450,626 | 2,133,369,980 | 61,859,643 |
| Total | 19,042,666 | 1,333,400 | 1,623,538 | 2,366,878,636 | 65,369,122 |
| 2 Actuarial present value of future normal cost contributions | 2,348,958 | 146,906 | 223,674 | 361,838,991 | 7,863,958 |
| 3 Actuarial accrued liability [line 1 - line 2] | 16,693,708 | 1,186,494 | 1,399,864 | 2,005,039,645 | 57,505,164 |
| 4 Actuarial value of assets | 14,335,439 | 1,038,907 | 1,354,330 | 1,789,864,440 | 50,824,096 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 2,358,269 | \$ 147,587 | \$ 45,534 | \$215,175,205 | \$ 6,681,068 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.26% | 8.64% | 2.70% | 7.32% | 5.26% |
| UAAL or (OAAL) | 2.56 | 4.27 | 2.30 | 2.49 | 3.13 |
| Total required rate | 7.82% | 12.91% | 5.00% | 9.81% | 8.39% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 0.9 | 20.0 | 20.0 |
| Number of annuitants | 92 | 2 | 14 | 3,568 | 76 |
| Number of members | 305 | 13 | 58 | 18,201 | 642 |
| Number of depositing members | 234 | 11 | 46 | 14,641 | 507 |
| Average age of depositing members | 47.6 | 56.0 | 47.3 | 43.3 | 44.9 |
| Average length of service of depositing members | 9.9 | 14.0 | 11.0 | 11.5 | 11.7 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 569 | 625 | 201 | 202 | 520 |
|--|--------------------|---------------------|-----------------|----------------|----------------|
| Name | Harris Co. WCID #1 | Harris Co. WCID #50 | Harrison County | Hartley County | Hartley Co. AD |
| Plan type | Variable | Variable | Variable | Variable | Fixed |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 53,986 | \$ 25,313 | \$ 2,461,751 | \$ 373,390 | \$ 50,755 |
| Members | 1,023,856 | 364,237 | 22,928,722 | 1,660,254 | 198,710 |
| Total | 1,077,842 | 389,550 | 25,390,473 | 2,033,644 | 249,465 |
| 2 Actuarial present value of future normal cost contributions | 102,734 | 37,960 | 3,492,596 | 317,889 | 29,348 |
| 3 Actuarial accrued liability [line 1 - line 2] | 975,108 | 351,590 | 21,897,877 | 1,715,755 | 220,117 |
| 4 Actuarial value of assets | 927,011 | 300,464 | 18,458,858 | 1,593,362 | 224,493 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 48,097 | \$ 51,126 | \$ 3,439,019 | \$ 122,393 | \$ (4,376) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.62% | 3.14% | 6.06% | 6.40% | 6.71% |
| UAAL or (OAAL) | 1.12 | 2.17 | 3.12 | 1.52 | 3.29 |
| Total required rate | 4.74% | 5.31% | 9.18% | 7.92% | 10.00% |
| Elected rate | N/A | N/A | N/A | 8.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 18.0 | 0.0 |
| Number of annuitants | 1 | 1 | 112 | 19 | 1 |
| Number of members | 12 | 7 | 375 | 39 | 3 |
| Number of depositing members | 11 | 7 | 293 | 29 | 2 |
| Average age of depositing members | 46.9 | 51.4 | 45.2 | 45.8 | 49.9 |
| Average length of service of depositing members | 17.5 | 20.1 | 9.9 | 9.6 | 14.7 |

| Number | 203 | 552 | 204 | 205 | 640 |
|--|----------------|-----------------|--------------|-----------------|-----------------|
| Name | Haskell County | Haskell Mem. HD | Hays County | Hemphill County | Hemphill Co. AD |
| Plan type | Variable | Fixed | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 405,864 | \$ 105,184 | \$ 4,250,218 | \$ 1,220,511 | \$ 1,877 |
| Members | 2,863,727 | 1,674,620 | 59,918,620 | 6,465,481 | 224,659 |
| Total | 3,269,591 | 1,779,804 | 64,168,838 | 7,685,992 | 226,536 |
| 2 Actuarial present value of future normal cost contributions | 322,644 | 277,559 | 11,766,565 | 711,613 | 133,285 |
| 3 Actuarial accrued liability [line 1 - line 2] | 2,946,947 | 1,502,245 | 52,402,273 | 6,974,379 | 93,251 |
| 4 Actuarial value of assets | 2,261,574 | 1,979,731 | 45,820,041 | 5,699,681 | 98,060 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 685,373 | \$ (477,486) | \$ 6,582,232 | \$ 1,274,698 | \$ (4,809) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.47% | 2.59% | 6.74% | 6.83% | 7.09% |
| UAAL or (OAAL) | 4.52 | 2.41 | 2.05 | 6.39 | (0.36) |
| Total required rate | 8.99% | 5.00% | 8.79% | 13.22% | 6.73% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 0.0 | 20.0 | 20.0 | 30.0 |
| Number of annuitants | 32 | 15 | 93 | 38 | 1 |
| Number of members | 63 | 70 | 907 | 74 | 5 |
| Number of depositing members | 52 | 53 | 697 | 54 | 4 |
| Average age of depositing members | 49.6 | 47.1 | 42.2 | 50.2 | 38.7 |
| Average length of service of depositing members | 10.0 | 8.5 | 9.2 | 10.5 | 10.3 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 529 | 206 | 704 | 414 | 207 |
|--|------------------------|-------------------------|-------------------------|---|-----------------------|
| Name | Hemphill Co. HD | Henderson County | Henderson Co. AD | Hidalgo & Cameron Counties ID #9 | Hidalgo County |
| Plan type | Fixed | Variable | Variable | Fixed | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 325,762 | \$ 3,764,565 | \$ 29,623 | \$ 126,419 | \$ 17,486,066 |
| Members | 4,123,640 | 25,725,784 | 457,445 | 2,421,518 | 143,153,052 |
| Total | 4,449,402 | 29,490,349 | 487,068 | 2,547,937 | 160,639,118 |
| 2 Actuarial present value of future normal cost contributions | 843,963 | 5,050,788 | 190,574 | 218,424 | 27,242,193 |
| 3 Actuarial accrued liability [line 1 - line 2] | 3,605,439 | 24,439,561 | 296,494 | 2,329,513 | 133,396,925 |
| 4 Actuarial value of assets | 3,500,787 | 21,145,407 | 122,254 | 2,372,303 | 114,448,364 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 104,652 | \$ 3,294,154 | \$ 174,240 | \$ (42,790) | \$ 18,948,561 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.60% | 7.37% | 3.70% | 3.75% | 5.70% |
| UAAL or (OAAL) | 1.90 | 2.50 | 2.85 | 3.25 | 2.07 |
| Total required rate | 9.50% | 9.87% | 6.55% | 7.00% | 7.77% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 4.0 | 20.0 | 20.0 | 0.0 | 20.0 |
| Number of annuitants | 11 | 109 | 1 | 26 | 336 |
| Number of members | 68 | 357 | 24 | 41 | 2,835 |
| Number of depositing members | 49 | 294 | 22 | 39 | 2,318 |
| Average age of depositing members | 44.9 | 44.1 | 44.7 | 49.2 | 39.1 |
| Average length of service of depositing members | 7.7 | 9.0 | 8.0 | 14.2 | 7.5 |

| Number | 516 | 401 | 713 | 438 | 486 |
|--|-----------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Name | Hidalgo Co. AD | Hidalgo Co. DD #1 | Hidalgo Co. ID #1 | Hidalgo Co. ID #2 | Hidalgo Co. ID #6 |
| Plan type | Variable | Variable | Variable | Variable | Fixed |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 444,898 | \$ 436,731 | \$ 0 | \$ 425,969 | \$ 57,737 |
| Members | 8,298,019 | 4,767,028 | 290,169 | 3,167,108 | 1,469,872 |
| Total | 8,742,917 | 5,203,759 | 290,169 | 3,593,077 | 1,527,609 |
| 2 Actuarial present value of future normal cost contributions | 1,245,140 | 1,318,682 | 125,301 | 335,893 | 184,447 |
| 3 Actuarial accrued liability [line 1 - line 2] | 7,497,777 | 3,885,077 | 164,868 | 3,257,184 | 1,343,162 |
| 4 Actuarial value of assets | 6,886,550 | 3,472,626 | 31,286 | 2,903,369 | 1,303,270 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 611,227 | \$ 412,451 | \$ 133,582 | \$ 353,815 | \$ 39,892 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.42% | 8.17% | 2.66% | 4.56% | 4.87% |
| UAAL or (OAAL) | 2.57 | 1.54 | 2.08 | 3.60 | 2.13 |
| Total required rate | 8.99% | 9.71% | 4.74% | 8.16% | 7.00% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 20.0 | 2.7 |
| Number of annuitants | 9 | 22 | 0 | 22 | 6 |
| Number of members | 96 | 89 | 30 | 45 | 26 |
| Number of depositing members | 77 | 81 | 29 | 39 | 24 |
| Average age of depositing members | 44.0 | 47.6 | 49.7 | 46.7 | 48.3 |
| Average length of service of depositing members | 13.8 | 8.9 | 13.9 | 14.9 | 15.8 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 674 | 208 | 209 | 643 | 210 |
|--|---------------------------------------|--------------------|-----------------------|----------------------------------|--------------------|
| Name | High Plains Underground WCD #1 | Hill County | Hockley County | Homestead MUD—El Paso Co. | Hood County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 933,809 | \$ 1,672,536 | \$ 0 | \$ 994,698 |
| Members | 384,573 | 8,964,380 | 9,340,557 | 202,852 | 10,657,603 |
| Total | 384,573 | 9,898,189 | 11,013,093 | 202,852 | 11,652,301 |
| 2 Actuarial present value of future normal cost contributions | 146,046 | 1,510,865 | 1,250,078 | 93,971 | 2,171,235 |
| 3 Actuarial accrued liability [line 1 - line 2] | 238,527 | 8,387,324 | 9,763,015 | 108,881 | 9,481,066 |
| 4 Actuarial value of assets | 200,572 | 7,221,286 | 7,664,075 | 160,114 | 8,623,822 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 37,955 | \$ 1,166,038 | \$ 2,098,940 | \$ (51,233) | \$ 857,244 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.32% | 4.47% | 5.55% | 3.75% | 4.64% |
| UAAL or (OAAL) | 0.54 | 1.68 | 5.82 | (2.73) | 0.86 |
| Total required rate | 3.86% | 6.15% | 11.37% | 1.02% | 5.50% |
| Elected rate | 4.00% | N/A | N/A | 5.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 12.4 | 20.0 | 20.0 | 0.0 | 20.0 |
| Number of annuitants | 0 | 52 | 63 | 0 | 34 |
| Number of members | 19 | 232 | 127 | 13 | 318 |
| Number of depositing members | 16 | 183 | 104 | 8 | 238 |
| Average age of depositing members | 51.1 | 45.8 | 46.1 | 41.3 | 45.6 |
| Average length of service of depositing members | 13.9 | 8.5 | 11.6 | 4.7 | 7.4 |

| Number | 211 | 661 | 557 | 212 | 694 |
|--|-----------------------|-----------------------|-------------------------|-----------------------|-----------------------|
| Name | Hopkins County | Hopkins Co. AD | Horizon Reg. MUD | Houston County | Houston Co. AD |
| Plan type | Variable | Variable | Fixed | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 1,345,445 | \$ 0 | \$ 31,840 | \$ 247,648 | \$ 0 |
| Members | 11,590,365 | 213,440 | 0 | 4,178,897 | 175,516 |
| Total | 12,935,810 | 213,440 | 31,840 | 4,426,545 | 175,516 |
| 2 Actuarial present value of future normal cost contributions | 2,194,728 | 69,953 | 0 | 700,711 | 79,529 |
| 3 Actuarial accrued liability [line 1 - line 2] | 10,741,082 | 143,487 | 31,840 | 3,725,834 | 95,987 |
| 4 Actuarial value of assets | 9,079,026 | 153,035 | 38,900 | 3,626,834 | 61,202 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 1,662,056 | \$ (9,548) | \$ (7,060) | \$ 99,000 | \$ 34,785 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.40% | 4.98% | 0.00% | 4.25% | 4.54% |
| UAAL or (OAAL) | 2.48 | (0.63) | 0.00 | 0.31 | 1.53 |
| Total required rate | 8.88% | 4.35% | 0.00% | 4.56% | 6.07% |
| Elected rate | N/A | 7.00% | N/A | N/A | 7.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 0.0 | 0.0 | 20.0 | 8.3 |
| Number of annuitants | 60 | 0 | 3 | 42 | 0 |
| Number of members | 241 | 10 | 0 | 139 | 8 |
| Number of depositing members | 175 | 9 | 0 | 105 | 8 |
| Average age of depositing members | 44.4 | 50.1 | 0.0 | 46.2 | 47.5 |
| Average length of service of depositing members | 8.6 | 12.3 | 0.0 | 7.6 | 13.1 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 213 | 214 | 215 | 216 | 711 |
|--|---------------|-----------------|--------------|-------------------|---------------|
| Name | Howard County | Hudspeth County | Hunt County | Hutchinson County | Iraan Gen. HD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 2,641,638 | \$ 356,706 | \$ 2,705,796 | \$ 1,530,929 | \$ 0 |
| Members | 10,937,049 | 2,027,494 | 21,325,665 | 12,597,260 | 671,309 |
| Total | 13,578,687 | 2,384,200 | 24,031,461 | 14,128,189 | 671,309 |
| 2 Actuarial present value of future normal cost contributions | 1,527,251 | 380,860 | 4,445,893 | 1,510,526 | 426,534 |
| 3 Actuarial accrued liability [line 1 - line 2] | 12,051,436 | 2,003,340 | 19,585,568 | 12,617,663 | 244,775 |
| 4 Actuarial value of assets | 9,588,081 | 2,005,398 | 16,657,370 | 11,461,056 | 60,007 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 2,463,355 | \$ (2,058) | \$ 2,928,198 | \$ 1,156,607 | \$ 184,768 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.30% | 3.77% | 6.36% | 5.56% | 6.00% |
| UAAL or (OAAL) | 4.44 | (0.09) | 2.13 | 2.32 | 1.59 |
| Total required rate | 9.74% | 3.68% | 8.49% | 7.88% | 7.59% |
| Elected rate | N/A | 5.00% | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 0.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 75 | 28 | 88 | 71 | 0 |
| Number of members | 207 | 98 | 434 | 156 | 29 |
| Number of depositing members | 151 | 63 | 324 | 129 | 28 |
| Average age of depositing members | 45.5 | 45.1 | 44.1 | 49.2 | 43.2 |
| Average length of service of depositing members | 10.1 | 8.0 | 7.6 | 11.5 | 8.3 |

| Number | 217 | 218 | 592 | 219 | 441 |
|--|--------------|-------------|-------------|----------------|----------------------------|
| Name | Irion County | Jack County | Jack Co. AD | Jackson County | Jackson Co. County-Wide DD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 116,311 | \$ 773,165 | \$ 47,930 | \$ 915,600 | \$ 176,261 |
| Members | 2,415,561 | 4,824,784 | 282,958 | 8,522,175 | 754,835 |
| Total | 2,531,872 | 5,597,949 | 330,888 | 9,437,775 | 931,096 |
| 2 Actuarial present value of future normal cost contributions | 283,046 | 768,152 | 35,231 | 954,222 | 188,145 |
| 3 Actuarial accrued liability [line 1 - line 2] | 2,248,826 | 4,829,797 | 295,657 | 8,483,553 | 742,951 |
| 4 Actuarial value of assets | 2,223,664 | 4,123,463 | 254,637 | 7,636,990 | 705,550 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 25,162 | \$ 706,334 | \$ 41,020 | \$ 846,563 | \$ 37,401 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.04% | 5.41% | 3.59% | 5.09% | 9.27% |
| UAAL or (OAAL) | 0.36 | 2.37 | 3.59 | 2.52 | 1.43 |
| Total required rate | 7.40% | 7.78% | 7.18% | 7.61% | 10.70% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 11 | 25 | 2 | 62 | 5 |
| Number of members | 40 | 108 | 6 | 133 | 10 |
| Number of depositing members | 29 | 85 | 5 | 101 | 9 |
| Average age of depositing members | 49.5 | 47.3 | 44.3 | 46.5 | 50.6 |
| Average length of service of depositing members | 9.7 | 8.5 | 11.6 | 12.1 | 8.5 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 220 | 657 | 221 | 222 | 404 |
|--|---------------|--------------------|-------------------|------------------|---------------------|
| Name | Jasper County | Jasper Co. WCID #1 | Jeff Davis County | Jefferson County | Jefferson Co. DD #3 |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 2,669,325 | \$ 0 | \$ 92,080 | \$ 20,069,497 | \$ 54,028 |
| Members | 12,547,058 | 202,300 | 875,038 | 156,249,335 | 798,396 |
| Total | 15,216,383 | 202,300 | 967,118 | 176,318,832 | 852,424 |
| 2 Actuarial present value of future normal cost contributions | 1,911,920 | 47,746 | 141,389 | 23,028,736 | 64,266 |
| 3 Actuarial accrued liability [line 1 - line 2] | 13,304,463 | 154,554 | 825,729 | 153,290,096 | 788,158 |
| 4 Actuarial value of assets | 9,411,652 | 123,575 | 781,809 | 127,250,559 | 718,130 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 3,892,811 | \$ 30,979 | \$ 43,920 | \$ 26,039,537 | \$ 70,028 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.18% | 4.32% | 5.52% | 6.27% | 4.38% |
| UAAL or (OAAL) | 7.04 | 2.34 | 1.07 | 4.10 | 3.84 |
| Total required rate | 14.22% | 6.66% | 6.59% | 10.37% | 8.22% |
| Elected rate | N/A | 7.00% | 7.00% | N/A | 8.50% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 14.7 | 11.2 | 20.0 | 16.8 |
| Number of annuitants | 63 | 0 | 11 | 450 | 5 |
| Number of members | 177 | 5 | 25 | 1,378 | 10 |
| Number of depositing members | 142 | 4 | 18 | 1,114 | 8 |
| Average age of depositing members | 47.3 | 43.6 | 48.2 | 44.5 | 49.0 |
| Average length of service of depositing members | 10.2 | 16.3 | 9.6 | 12.4 | 13.7 |

| Number | 408 | 405 | 451 | 706 | 223 |
|--|---------------------|---------------------|------------------------|---------------------------|-----------------|
| Name | Jefferson Co. DD #6 | Jefferson Co. DD #7 | Jefferson Co. WCID #10 | Jefferson Co. Waterway ND | Jim Hogg County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 2,012,401 | \$ 1,249,337 | \$ 254,480 | \$ 0 | \$ 510,459 |
| Members | 9,945,431 | 14,736,913 | 281,311 | 188,514 | 3,855,034 |
| Total | 11,957,832 | 15,986,250 | 535,791 | 188,514 | 4,365,493 |
| 2 Actuarial present value of future normal cost contributions | 1,797,932 | 1,553,708 | 132,848 | 97,814 | 601,122 |
| 3 Actuarial accrued liability [line 1 - line 2] | 10,159,900 | 14,432,542 | 402,943 | 90,700 | 3,764,371 |
| 4 Actuarial value of assets | 8,948,167 | 12,201,073 | 520,583 | 58,804 | 3,270,918 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 1,211,733 | \$ 2,231,469 | \$ (117,640) | \$ 31,896 | \$ 493,453 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.60% | 5.36% | 5.40% | 6.93% | 3.06% |
| UAAL or (OAAL) | 3.05 | 4.53 | (3.83) | 1.37 | 1.43 |
| Total required rate | 10.65% | 9.89% | 1.57% | 8.30% | 4.49% |
| Elected rate | N/A | N/A | N/A | N/A | 6.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 30.0 | 20.0 | 6.9 |
| Number of annuitants | 22 | 49 | 4 | 0 | 41 |
| Number of members | 73 | 78 | 11 | 5 | 171 |
| Number of depositing members | 70 | 74 | 8 | 5 | 143 |
| Average age of depositing members | 45.5 | 46.0 | 39.0 | 54.8 | 45.3 |
| Average length of service of depositing members | 12.1 | 16.5 | 2.1 | 9.4 | 9.6 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 680 | 656 | 641 | 224 | 225 |
|--|------------------------|---------------------------|-----------------------------|-------------------------|-----------------------|
| Name | Jim Hogg Co. AD | Jim Hogg Co. FD #2 | Jim Hogg Co. WCID #2 | Jim Wells County | Johnson County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 0 | \$ 3,813 | \$ 1,717,575 | \$ 3,198,407 |
| Members | 57,879 | 30,178 | 389,072 | 13,438,277 | 30,133,105 |
| Total | 57,879 | 30,178 | 392,885 | 15,155,852 | 33,331,512 |
| 2 Actuarial present value of future normal cost contributions | 33,439 | 9,085 | 61,879 | 2,044,441 | 5,223,310 |
| 3 Actuarial accrued liability [line 1 - line 2] | 24,440 | 21,093 | 331,006 | 13,111,411 | 28,108,202 |
| 4 Actuarial value of assets | 28,729 | 23,313 | 272,761 | 12,243,995 | 25,391,094 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (4,289) | \$ (2,220) | \$ 58,245 | \$ 867,416 | \$ 2,717,108 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.40% | 3.01% | 3.76% | 5.46% | 5.70% |
| UAAL or (OAAL) | (0.90) | (0.45) | 2.16 | 1.06 | 1.32 |
| Total required rate | 4.50% | 2.56% | 5.92% | 6.52% | 7.02% |
| Elected rate | 7.00% | N/A | 6.41% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 30.0 | 12.9 | 20.0 | 20.0 |
| Number of annuitants | 0 | 0 | 1 | 82 | 141 |
| Number of members | 5 | 2 | 10 | 288 | 726 |
| Number of depositing members | 3 | 2 | 10 | 215 | 528 |
| Average age of depositing members | 48.1 | 59.9 | 51.9 | 46.0 | 44.0 |
| Average length of service of depositing members | 6.7 | 7.8 | 23.4 | 10.0 | 7.5 |

| Number | 584 | 226 | 496 | 227 | 524 |
|--|---------------------------------|---------------------|---------------------|----------------------|----------------------|
| Name | Johnson Co. Fresh WSD #1 | Jones County | Jones Co. AD | Karnes County | Karnes Co. AD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 42,874 | \$ 983,875 | \$ 42,622 | \$ 747,278 | \$ 48,330 |
| Members | 302,058 | 5,693,317 | 684,309 | 5,164,226 | 317,621 |
| Total | 344,932 | 6,677,192 | 726,931 | 5,911,504 | 365,951 |
| 2 Actuarial present value of future normal cost contributions | 91,125 | 809,445 | 46,474 | 959,709 | 62,114 |
| 3 Actuarial accrued liability [line 1 - line 2] | 253,807 | 5,867,747 | 680,457 | 4,951,795 | 303,837 |
| 4 Actuarial value of assets | 259,595 | 4,515,696 | 626,771 | 4,362,069 | 267,924 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (5,788) | \$ 1,352,051 | \$ 53,686 | \$ 589,726 | \$ 35,913 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.84% | 6.47% | 5.31% | 5.64% | 4.44% |
| UAAL or (OAAL) | (0.73) | 5.26 | 3.40 | 1.87 | 2.75 |
| Total required rate | 3.11% | 11.73% | 8.71% | 7.51% | 7.19% |
| Elected rate | 9.00% | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 3 | 50 | 2 | 54 | 2 |
| Number of members | 9 | 136 | 8 | 154 | 5 |
| Number of depositing members | 7 | 86 | 5 | 110 | 5 |
| Average age of depositing members | 42.9 | 45.5 | 55.7 | 45.7 | 42.0 |
| Average length of service of depositing members | 7.1 | 8.6 | 14.2 | 8.8 | 16.5 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 455 | 228 | 662 | 671 | 229 |
|--|----------------------|-----------------------|-----------------------|-------------------|-----------------------|
| Name | Karnes Co. HD | Kaufman County | Kaufman Co. AD | Kendall AD | Kendall County |
| Plan type | Fixed | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 538,711 | \$ 2,815,466 | \$ 45,611 | \$ 0 | \$ 484,609 |
| Members | 5,755,579 | 21,541,632 | 1,023,113 | 432,637 | 8,071,310 |
| Total | 6,294,290 | 24,357,098 | 1,068,724 | 432,637 | 8,555,919 |
| 2 Actuarial present value of future normal cost contributions | 1,052,863 | 4,850,969 | 266,168 | 160,506 | 1,543,262 |
| 3 Actuarial accrued liability [line 1 - line 2] | 5,241,427 | 19,506,129 | 802,556 | 272,131 | 7,012,657 |
| 4 Actuarial value of assets | 5,393,415 | 17,955,369 | 547,313 | 223,901 | 6,148,171 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (151,988) | \$ 1,550,760 | \$ 255,243 | \$ 48,230 | \$ 864,486 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.26% | 5.90% | 5.99% | 5.52% | 4.39% |
| UAAL or (OAAL) | 0.74 | 0.85 | 4.04 | 1.08 | 1.22 |
| Total required rate | 6.00% | 6.75% | 10.03% | 6.60% | 5.61% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 16 | 80 | 2 | 0 | 35 |
| Number of members | 86 | 542 | 25 | 20 | 217 |
| Number of depositing members | 77 | 412 | 21 | 15 | 163 |
| Average age of depositing members | 45.2 | 42.2 | 46.7 | 50.9 | 45.5 |
| Average length of service of depositing members | 9.8 | 6.2 | 11.0 | 9.7 | 7.6 |

| Number | 619 | 230 | 231 | 594 | 232 |
|--|----------------------------|----------------------|--------------------|------------------------|--------------------|
| Name | Kendall Co. WCID #1 | Kenedy County | Kent County | Kent Co. Tax AD | Kerr County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 204,918 | \$ 260,023 | \$ 40,792 | \$ 1,725,921 |
| Members | 570,059 | 4,034,401 | 3,293,236 | 110,848 | 18,209,735 |
| Total | 570,059 | 4,239,319 | 3,553,259 | 151,640 | 19,935,656 |
| 2 Actuarial present value of future normal cost contributions | 76,531 | 755,724 | 471,402 | 32,487 | 3,267,490 |
| 3 Actuarial accrued liability [line 1 - line 2] | 493,528 | 3,483,595 | 3,081,857 | 119,153 | 16,668,166 |
| 4 Actuarial value of assets | 402,002 | 2,513,567 | 2,723,814 | 90,632 | 14,260,964 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 91,526 | \$ 970,028 | \$ 358,043 | \$ 28,521 | \$ 2,407,202 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.35% | 8.86% | 5.04% | 8.08% | 5.62% |
| UAAL or (OAAL) | 4.27 | 7.34 | 1.98 | 5.34 | 1.98 |
| Total required rate | 9.62% | 16.20% | 7.02% | 13.42% | 7.60% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 0 | 14 | 30 | 3 | 81 |
| Number of members | 6 | 59 | 86 | 2 | 401 |
| Number of depositing members | 6 | 42 | 59 | 2 | 291 |
| Average age of depositing members | 48.8 | 45.5 | 51.1 | 53.4 | 44.1 |
| Average length of service of depositing members | 17.2 | 12.0 | 9.0 | 8.7 | 8.6 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 653 | 233 | 234 | 235 | 579 |
|--|-------------------------|------------------|----------------|------------------|------------------|
| Name | Kerr Emerg. 911 Net. | Kimble County | King County | Kinney County | Kinney Co. AD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 72,786 | \$ 100,515 | \$ 140,003 | \$ 42,762 |
| Members | 251,510 | 1,366,547 | 1,385,499 | 2,501,360 | 61,332 |
| Total | 251,510 | 1,439,333 | 1,486,014 | 2,641,363 | 104,094 |
| 2 Actuarial present value of future normal cost contributions | 129,212 | 328,515 | 141,851 | 380,895 | 17,499 |
| 3 Actuarial accrued liability [line 1 - line 2] | 122,298 | 1,110,818 | 1,344,163 | 2,260,468 | 86,595 |
| 4 Actuarial value of assets | 141,311 | 1,188,582 | 1,317,734 | 2,317,394 | 64,606 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (19,013) | \$ (77,764) | \$ 26,429 | \$ (56,926) | \$ 21,989 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.73% | 4.64% | 4.87% | 6.25% | 4.81% |
| UAAL or (OAAL) | (1.31) | (0.58) | 0.49 | (0.35) | 2.99 |
| Total required rate | 6.42% | 4.06% | 5.36% | 5.90% | 7.80% |
| Elected rate | 7.00% | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 30.0 | 20.0 | 30.0 | 20.0 |
| Number of annuitants | 0 | 20 | 10 | 15 | 2 |
| Number of members | 5 | 54 | 20 | 67 | 3 |
| Number of depositing members | 4 | 39 | 16 | 46 | 3 |
| Average age of depositing members | 42.8 | 45.2 | 52.2 | 47.0 | 58.9 |
| Average length of service of depositing members | 3.9 | 6.9 | 13.0 | 9.1 | 4.3 |

| Number | 236 | 237 | 519 | 241 | 540 |
|--|-------------------|----------------|----------------|--------------------|------------------------------------|
| Name | Kleberg County | Knox County | Knox Co. AD | La Salle County | Laguna Madre WD— Cameron Co. |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 4,740,918 | \$ 106,919 | \$ 34,036 | \$ 662,423 | \$ 473,720 |
| Members | 18,320,399 | 1,489,709 | 143,950 | 3,350,356 | 5,300,890 |
| Total | 23,061,317 | 1,596,628 | 177,986 | 4,012,779 | 5,774,610 |
| 2 Actuarial present value of future normal cost contributions | 3,082,735 | 225,005 | 16,401 | 550,221 | 862,932 |
| 3 Actuarial accrued liability [line 1 - line 2] | 19,978,582 | 1,371,623 | 161,585 | 3,462,558 | 4,911,678 |
| 4 Actuarial value of assets | 18,847,528 | 1,413,453 | 157,855 | 3,170,347 | 3,778,755 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 1,131,054 | \$ (41,830) | \$ 3,730 | \$ 292,211 | \$ 1,132,923 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.60% | 5.85% | 5.13% | 7.18% | 6.55% |
| UAAL or (OAAL) | 1.22 | (0.49) | 0.69 | 2.05 | 5.35 |
| Total required rate | 7.82% | 5.36% | 5.82% | 9.23% | 11.90% |
| Elected rate | N/A | 7.00% | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 0.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 108 | 18 | 2 | 21 | 16 |
| Number of members | 382 | 46 | 5 | 71 | 79 |
| Number of depositing members | 264 | 36 | 3 | 49 | 70 |
| Average age of depositing members | 42.7 | 54.1 | 54.2 | 41.7 | 44.0 |
| Average length of service of depositing members | 8.6 | 9.6 | 15.3 | 8.9 | 15.9 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 514 | 238 | 239 | 240 | 650 |
|--|-------------------------------|---------------------|--------------------|------------------------|------------------------|
| Name | Lakeway MUD—Travis Co. | Lamar County | Lamb County | Lampasas County | Lampasas Co. AD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 193,599 | \$ 1,400,183 | \$ 814,255 | \$ 570,818 | \$ 0 |
| Members | 1,826,829 | 14,427,279 | 6,792,737 | 6,491,033 | 250,824 |
| Total | 2,020,428 | 15,827,462 | 7,606,992 | 7,061,851 | 250,824 |
| 2 Actuarial present value of future normal cost contributions | 343,419 | 2,289,194 | 1,001,217 | 1,131,649 | 85,431 |
| 3 Actuarial accrued liability [line 1 - line 2] | 1,677,009 | 13,538,268 | 6,605,775 | 5,930,202 | 165,393 |
| 4 Actuarial value of assets | 1,531,968 | 12,015,241 | 5,551,047 | 4,616,594 | 124,734 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 145,041 | \$ 1,523,027 | \$ 1,054,728 | \$ 1,313,608 | \$ 40,659 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.86% | 6.59% | 6.03% | 7.38% | 6.82% |
| UAAL or (OAAL) | 1.73 | 2.13 | 3.28 | 4.04 | 2.68 |
| Total required rate | 6.59% | 8.72% | 9.31% | 11.42% | 9.50% |
| Elected rate | N/A | N/A | N/A | 13.76% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 9.7 | 20.0 |
| Number of annuitants | 4 | 57 | 44 | 31 | 0 |
| Number of members | 26 | 242 | 110 | 120 | 8 |
| Number of depositing members | 20 | 185 | 82 | 90 | 6 |
| Average age of depositing members | 41.2 | 45.7 | 47.5 | 49.0 | 44.3 |
| Average length of service of depositing members | 9.4 | 9.5 | 10.9 | 9.3 | 12.9 |

| Number | 439 | 242 | 243 | 244 | 468 |
|--|---|----------------------|-------------------|--------------------|---------------------|
| Name | Lavaca-Navidad River Auth.—Jackson Co. | Lavaca County | Lee County | Leon County | Leon Co. CAD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 465,273 | \$ 903,870 | \$ 548,403 | \$ 172,944 | \$ 0 |
| Members | 4,858,317 | 12,389,754 | 6,432,028 | 4,069,984 | 513,317 |
| Total | 5,323,590 | 13,293,624 | 6,980,431 | 4,242,928 | 513,317 |
| 2 Actuarial present value of future normal cost contributions | 990,919 | 1,662,599 | 696,175 | 806,325 | 53,776 |
| 3 Actuarial accrued liability [line 1 - line 2] | 4,332,671 | 11,631,025 | 6,284,256 | 3,436,603 | 459,541 |
| 4 Actuarial value of assets | 3,858,102 | 10,076,660 | 5,435,955 | 3,832,389 | 549,457 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 474,569 | \$ 1,554,365 | \$ 848,301 | \$ (395,786) | \$ (89,916) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.28% | 5.24% | 4.00% | 4.32% | 3.74% |
| UAAL or (OAAL) | 2.05 | 2.68 | 2.66 | (1.16) | (2.99) |
| Total required rate | 8.33% | 7.92% | 6.66% | 3.16% | 0.75% |
| Elected rate | 10.70% | N/A | 8.00% | 7.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 6.5 | 20.0 | 10.8 | 0.0 | 30.0 |
| Number of annuitants | 12 | 54 | 31 | 35 | 0 |
| Number of members | 67 | 207 | 109 | 136 | 9 |
| Number of depositing members | 51 | 163 | 91 | 111 | 6 |
| Average age of depositing members | 40.3 | 45.4 | 46.7 | 47.7 | 48.1 |
| Average length of service of depositing members | 7.7 | 12.1 | 12.3 | 6.8 | 13.4 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 245 | 481 | 246 | 695 | 247 |
|--|----------------|-----------------|------------------|------------------|-----------------|
| Name | Liberty County | Liberty Co. CAD | Limestone County | Limestone Co. AD | Lipscomb County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 3,956,844 | \$ 257,645 | \$ 856,933 | \$ 0 | \$ 309,857 |
| Members | 27,486,913 | 2,005,945 | 9,133,866 | 218,483 | 3,579,994 |
| Total | 31,443,757 | 2,263,590 | 9,990,799 | 218,483 | 3,889,851 |
| 2 Actuarial present value of future normal cost contributions | 4,314,911 | 442,979 | 1,517,067 | 93,991 | 449,523 |
| 3 Actuarial accrued liability [line 1 - line 2] | 27,128,846 | 1,820,611 | 8,473,732 | 124,492 | 3,440,328 |
| 4 Actuarial value of assets | 21,372,941 | 1,819,011 | 8,412,724 | 76,451 | 2,951,346 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 5,755,905 | \$ 1,600 | \$ 61,008 | \$ 48,041 | \$ 488,982 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.75% | 7.93% | 5.16% | 6.19% | 5.91% |
| UAAL or (OAAL) | 4.78 | 0.02 | (0.03) | 2.04 | 3.42 |
| Total required rate | 12.53% | 7.95% | 5.13% | 8.23% | 9.33% |
| Elected rate | N/A | N/A | 7.00% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 0.0 | 20.0 | 20.0 |
| Number of annuitants | 108 | 6 | 54 | 0 | 28 |
| Number of members | 394 | 46 | 202 | 8 | 65 |
| Number of depositing members | 306 | 28 | 160 | 8 | 47 |
| Average age of depositing members | 46.2 | 44.5 | 46.1 | 49.2 | 50.6 |
| Average length of service of depositing members | 9.6 | 9.5 | 8.7 | 16.5 | 10.1 |

| Number | 248 | 591 | 431 | 249 | 654 |
|--|-----------------|-----------------|---------------|--------------|------------------------|
| Name | Live Oak County | Live Oak Co. AD | Livingston HD | Llano County | Llano Co. Hosp. Auth.* |
| Plan type | Variable | Variable | Fixed | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 800,349 | \$ 85,616 | \$ 551,679 | \$ 547,119 | \$ 82,932 |
| Members | 4,731,557 | 495,356 | 158,439 | 7,470,628 | 831,626 |
| Total | 5,531,906 | 580,972 | 710,118 | 8,017,747 | 914,558 |
| 2 Actuarial present value of future normal cost contributions | 709,449 | 96,374 | 0 | 1,077,112 | 0 |
| 3 Actuarial accrued liability [line 1 - line 2] | 4,822,457 | 484,598 | 710,118 | 6,940,635 | 914,558 |
| 4 Actuarial value of assets | 3,875,651 | 373,160 | 1,319,737 | 6,139,706 | 1,411,406 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 946,806 | \$ 111,438 | \$ (609,619) | \$ 800,929 | \$ (496,848) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.86% | 5.56% | 0.00% | 5.60% | 0.00% |
| UAAL or (OAAL) | 3.94 | 5.84 | 0.00 | 1.75 | 0.00 |
| Total required rate | 9.80% | 11.40% | 0.00% | 7.35% | 0.00% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 0.0 | 20.0 | 0.0 |
| Number of annuitants | 38 | 2 | 16 | 49 | 22 |
| Number of members | 101 | 12 | 7 | 162 | 103 |
| Number of depositing members | 83 | 7 | 0 | 132 | 0 |
| Average age of depositing members | 46.0 | 41.7 | 0.0 | 50.6 | 0.0 |
| Average length of service of depositing members | 9.5 | 4.0 | 0.0 | 8.8 | 0.0 |

*See footnote B on page 155

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 436 | 250 | 513 | 714 | 499 |
|--|-------------------|---------------|---------------|-----------------|-------------|
| Name | Llano Mem. Hosp.* | Loving County | Loving Co. AD | Lower Valley WD | Lubbock CAD |
| Plan type | Fixed | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 947,974 | \$ 245,572 | \$ 20,434 | \$ 0 | \$ 704,105 |
| Members | 2,806,897 | 1,762,987 | 44,794 | 1,033,880 | 6,400,776 |
| Total | 3,754,871 | 2,008,559 | 65,228 | 1,033,880 | 7,104,881 |
| 2 Actuarial present value of future normal cost contributions | 0 | 122,608 | 27,804 | 800,215 | 704,484 |
| 3 Actuarial accrued liability [line 1 - line 2] | 3,754,871 | 1,885,951 | 37,424 | 233,665 | 6,400,397 |
| 4 Actuarial value of assets | 3,834,626 | 1,548,436 | 18,479 | 51,001 | 6,087,862 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (79,755) | \$ 337,515 | \$ 18,945 | \$ 182,664 | \$ 312,535 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 0.00% | 5.99% | 7.85% | 7.40% | 6.54% |
| UAAL or (OAAL) | 0.00 | 7.98 | 5.22 | 1.26 | 1.96 |
| Total required rate | 0.00% | 13.97% | 13.07% | 8.66% | 8.50% |
| Elected rate | N/A | N/A | N/A | N/A | 9.10% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 20.0 | 20.0 | 20.0 | 11.5 |
| Number of annuitants | 36 | 11 | 2 | 0 | 18 |
| Number of members | 68 | 17 | 2 | 56 | 64 |
| Number of depositing members | 0 | 14 | 1 | 55 | 47 |
| Average age of depositing members | 0.0 | 55.8 | 48.0 | 43.0 | 46.0 |
| Average length of service of depositing members | 0.0 | 16.9 | 7.9 | 3.6 | 12.9 |

| Number | 251 | 425 | 558 | 647 | 639 |
|--|----------------|---------------------|-------------|----------------------------|---------------|
| Name | Lubbock County | Lubbock Co. WCID #1 | Lubbock ECD | Lubbock Reese Redev. Auth. | Lumberton MUD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 9,465,599 | \$ 24,283 | \$ 0 | \$ 0 | \$ 0 |
| Members | 68,780,423 | 409,994 | 704,350 | 276,089 | 827,901 |
| Total | 78,246,022 | 434,277 | 704,350 | 276,089 | 827,901 |
| 2 Actuarial present value of future normal cost contributions | 10,581,769 | 131,082 | 150,244 | 79,974 | 303,882 |
| 3 Actuarial accrued liability [line 1 - line 2] | 67,664,253 | 303,195 | 554,106 | 196,115 | 524,019 |
| 4 Actuarial value of assets | 57,238,918 | 517,614 | 514,494 | 333,301 | 437,531 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 10,425,335 | \$ (214,419) | \$ 39,612 | \$ (137,186) | \$ 86,488 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.78% | 7.62% | 6.31% | 3.04% | 4.03% |
| UAAL or (OAAL) | 2.81 | (5.66) | 1.42 | (3.04) | 1.06 |
| Total required rate | 8.59% | 1.96% | 7.73% | 0.00% | 5.09% |
| Elected rate | N/A | N/A | N/A | 3.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 30.0 | 20.0 | 0.0 | 20.0 |
| Number of annuitants | 230 | 4 | 0 | 1 | 2 |
| Number of members | 1,160 | 18 | 9 | 14 | 33 |
| Number of depositing members | 877 | 11 | 5 | 8 | 26 |
| Average age of depositing members | 42.1 | 45.6 | 46.3 | 52.6 | 38.1 |
| Average length of service of depositing members | 8.3 | 4.7 | 7.9 | 4.1 | 6.2 |

*See footnote B on page 155

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 252 | 497 | 442 | 630 | 500 |
|--|--------------|-------------|-------------|-------------------------------|---------------------------|
| Name | Lynn County | Lynn Co. AD | Lynn Co. HD | Macedonia-Eylau MUD—Bowie Co. | Mackenzie MWA—Briscoe Co. |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 138,392 | \$ 15,432 | \$ 813,022 | \$ 0 | \$ 70,944 |
| Members | 1,336,609 | 107,826 | 3,904,308 | 504,979 | 786,878 |
| Total | 1,475,001 | 123,258 | 4,717,330 | 504,979 | 857,822 |
| 2 Actuarial present value of future normal cost contributions | 213,068 | 22,924 | 677,709 | 74,999 | 20,726 |
| 3 Actuarial accrued liability [line 1 - line 2] | 1,261,933 | 100,334 | 4,039,621 | 429,980 | 837,096 |
| 4 Actuarial value of assets | 1,465,478 | 98,953 | 3,889,541 | 405,315 | 898,103 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (203,545) | \$ 1,381 | \$ 150,080 | \$ 24,665 | \$ (61,007) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 2.79% | 4.92% | 4.76% | 3.65% | 4.12% |
| UAAL or (OAAL) | (1.56) | 0.21 | 0.73 | 0.60 | (4.12) |
| Total required rate | 1.23% | 5.13% | 5.49% | 4.25% | 0.00% |
| Elected rate | 6.00% | N/A | N/A | 8.00% | 9.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 20.0 | 20.0 | 1.4 | 0.0 |
| Number of annuitants | 18 | 1 | 16 | 0 | 4 |
| Number of members | 63 | 2 | 98 | 8 | 5 |
| Number of depositing members | 52 | 2 | 76 | 7 | 4 |
| Average age of depositing members | 44.7 | 55.9 | 42.6 | 45.5 | 55.5 |
| Average length of service of depositing members | 7.8 | 10.6 | 7.4 | 14.7 | 18.9 |

| Number | 256 | 596 | 257 | 675 | 658 |
|--|----------------|----------------|---------------|---------------|------------------------------------|
| Name | Madison County | Madison Co. AD | Marion County | Marion Co. AD | Marshall-Harrison Co. Health Dist. |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 382,395 | \$ 0 | \$ 623,188 | \$ 0 | \$ 6,458 |
| Members | 1,889,341 | 224,645 | 3,878,291 | 150,843 | 62,008 |
| Total | 2,271,736 | 224,645 | 4,501,479 | 150,843 | 68,466 |
| 2 Actuarial present value of future normal cost contributions | 289,960 | 24,975 | 567,985 | 85,878 | 19,584 |
| 3 Actuarial accrued liability [line 1 - line 2] | 1,981,776 | 199,670 | 3,933,494 | 64,965 | 48,882 |
| 4 Actuarial value of assets | 1,578,410 | 175,376 | 3,858,283 | 71,146 | 103,740 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 403,366 | \$ 24,294 | \$ 75,211 | \$ (6,181) | \$ (54,858) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.84% | 2.47% | 6.75% | 5.31% | 5.82% |
| UAAL or (OAAL) | 2.09 | 1.62 | 0.42 | (0.55) | (5.82) |
| Total required rate | 5.93% | 4.09% | 7.17% | 4.76% | 0.00% |
| Elected rate | N/A | N/A | N/A | 7.13% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 0.0 | 30.0 |
| Number of annuitants | 29 | 0 | 31 | 0 | 2 |
| Number of members | 93 | 8 | 84 | 7 | 9 |
| Number of depositing members | 68 | 5 | 65 | 6 | 2 |
| Average age of depositing members | 52.2 | 48.4 | 48.6 | 46.4 | 48.1 |
| Average length of service of depositing members | 8.9 | 8.2 | 9.0 | 10.0 | 1.8 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 258 | 595 | 259 | 260 | 678 |
|--|----------------------|----------------------|---------------------|-------------------------|-------------------------|
| Name | Martin County | Martin Co. AD | Mason County | Matagorda County | Matagorda Co. DD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 628,246 | \$ 9,146 | \$ 69,363 | \$ 2,570,520 | \$ 0 |
| Members | 4,411,213 | 135,675 | 1,794,184 | 20,497,742 | 295,856 |
| Total | 5,039,459 | 144,821 | 1,863,547 | 23,068,262 | 295,856 |
| 2 Actuarial present value of future normal cost contributions | 502,859 | 21,967 | 253,545 | 2,547,219 | 111,657 |
| 3 Actuarial accrued liability [line 1 - line 2] | 4,536,600 | 122,854 | 1,610,002 | 20,521,043 | 184,199 |
| 4 Actuarial value of assets | 3,837,454 | 119,461 | 1,535,924 | 16,053,805 | 136,285 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 699,146 | \$ 3,393 | \$ 74,078 | \$ 4,467,238 | \$ 47,914 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.03% | 3.52% | 5.06% | 6.19% | 7.30% |
| UAAL or (OAAL) | 4.67 | 0.43 | 0.71 | 5.81 | 1.95 |
| Total required rate | 10.70% | 3.95% | 5.77% | 12.00% | 9.25% |
| Elected rate | N/A | N/A | 7.00% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 4.9 | 20.0 | 20.0 |
| Number of annuitants | 28 | 1 | 23 | 105 | 0 |
| Number of members | 76 | 3 | 62 | 297 | 8 |
| Number of depositing members | 51 | 3 | 38 | 212 | 8 |
| Average age of depositing members | 49.6 | 52.2 | 49.8 | 44.9 | 50.5 |
| Average length of service of depositing members | 10.6 | 13.3 | 8.4 | 10.6 | 15.3 |

| Number | 440 | 677 | 261 | 453 | 452 |
|--|-------------------------|----------------------------|------------------------|-----------------------------|------------------------------|
| Name | Matagorda Co. HD | Matagorda Co. ND #1 | Maverick County | Maverick Co. WCID #1 | McCamey CHD—Upton Co. |
| Plan type | Variable | Variable | Variable | Fixed | Fixed |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 2,655,778 | \$ 11,444 | \$ 1,082,319 | \$ 178,525 | \$ 83,313 |
| Members | 17,000,315 | 291,685 | 11,531,888 | 1,770,021 | 1,179,542 |
| Total | 19,656,093 | 303,129 | 12,614,207 | 1,948,546 | 1,262,855 |
| 2 Actuarial present value of future normal cost contributions | 2,410,438 | 245,645 | 2,469,702 | 152,431 | 116,997 |
| 3 Actuarial accrued liability [line 1 - line 2] | 17,245,655 | 57,484 | 10,144,505 | 1,796,115 | 1,145,858 |
| 4 Actuarial value of assets | 18,524,257 | 66,432 | 8,983,953 | 1,701,546 | 1,930,444 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (1,278,602) | \$ (8,948) | \$ 1,160,552 | \$ 94,569 | \$ (784,586) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.93% | 10.05% | 5.44% | 2.32% | 15.56% |
| UAAL or (OAAL) | (1.19) | (0.47) | 1.52 | 2.68 | (8.56) |
| Total required rate | 2.74% | 9.58% | 6.96% | 5.00% | 7.00% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 30.0 | 30.0 | 20.0 | 4.5 | 0.0 |
| Number of annuitants | 104 | 2 | 37 | 15 | 5 |
| Number of members | 365 | 9 | 318 | 45 | 10 |
| Number of depositing members | 258 | 7 | 237 | 37 | 3 |
| Average age of depositing members | 44.1 | 43.1 | 42.2 | 47.4 | 53.6 |
| Average length of service of depositing members | 8.1 | 1.8 | 8.2 | 13.1 | 22.5 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 253 | 512 | 254 | 491 | 679 |
|--|------------------|------------------|-----------------|-----------------|----------------------|
| Name | McCulloch County | McCulloch Co. AD | McLennan County | McLennan Co. AD | McLennan Co. WCID #2 |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 382,948 | \$ 0 | \$ 17,764,505 | \$ 1,131,307 | \$ 0 |
| Members | 1,629,241 | 490,048 | 96,012,017 | 4,959,985 | 59,998 |
| Total | 2,012,189 | 490,048 | 113,776,522 | 6,091,292 | 59,998 |
| 2 Actuarial present value of future normal cost contributions | 274,963 | 51,770 | 16,801,042 | 595,143 | 36,933 |
| 3 Actuarial accrued liability [line 1 - line 2] | 1,737,226 | 438,278 | 96,975,480 | 5,496,149 | 23,065 |
| 4 Actuarial value of assets | 2,001,676 | 440,769 | 76,105,475 | 4,608,798 | 20,773 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (264,450) | \$ (2,491) | \$ 20,870,005 | \$ 887,351 | \$ 2,292 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.29% | 6.61% | 8.02% | 6.28% | 3.02% |
| UAAL or (OAAL) | (2.25) | (0.21) | 5.32 | 5.52 | 0.23 |
| Total required rate | 3.04% | 6.40% | 13.34% | 11.80% | 3.25% |
| Elected rate | 7.00% | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 30.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 21 | 0 | 285 | 20 | 0 |
| Number of members | 50 | 4 | 1,025 | 43 | 3 |
| Number of depositing members | 39 | 4 | 825 | 39 | 3 |
| Average age of depositing members | 45.6 | 42.7 | 44.2 | 50.0 | 44.8 |
| Average length of service of depositing members | 7.7 | 16.6 | 10.1 | 13.4 | 6.7 |

| Number | 255 | 701 | 599 | 262 | 705 |
|--|-----------------|-----------------|-----------------------------|---------------|----------------------|
| Name | McMullen County | Meadowlakes MUD | Med. Arts Hosp.—Dawson Co.* | Medina County | Medina Co. 911 Dist. |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 118,632 | \$ 0 | \$ 524,111 | \$ 915,645 | \$ 0 |
| Members | 2,047,075 | 187,354 | 3,023,470 | 8,146,087 | 75,223 |
| Total | 2,165,707 | 187,354 | 3,547,581 | 9,061,732 | 75,223 |
| 2 Actuarial present value of future normal cost contributions | 142,420 | 130,952 | 245,149 | 1,454,177 | 58,683 |
| 3 Actuarial accrued liability [line 1 - line 2] | 2,023,287 | 56,402 | 3,302,432 | 7,607,555 | 16,540 |
| 4 Actuarial value of assets | 1,667,263 | 47,870 | 3,640,847 | 7,091,490 | 13,932 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 356,024 | \$ 8,532 | \$ (338,415) | \$ 516,065 | \$ 2,608 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.46% | 5.09% | 2.16% | 4.97% | 6.53% |
| UAAL or (OAAL) | 5.58 | 0.40 | (2.16) | 0.80 | 0.36 |
| Total required rate | 10.04% | 5.49% | 0.00% | 5.77% | 6.89% |
| Elected rate | N/A | N/A | 1.70% | 7.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 0.0 | 5.9 | 20.0 |
| Number of annuitants | 17 | 0 | 19 | 60 | 0 |
| Number of members | 35 | 7 | 99 | 233 | 2 |
| Number of depositing members | 29 | 6 | 57 | 187 | 2 |
| Average age of depositing members | 53.4 | 44.1 | 50.6 | 43.7 | 45.6 |
| Average length of service of depositing members | 15.4 | 10.9 | 15.4 | 7.2 | 5.4 |

*See footnote G on page 155

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 535 | 419 | 263 | 669 | 492 |
|--|----------------------|-------------------------------------|----------------------|-------------------------------------|--------------------|
| Name | Medina Co. AD | Mem. Med. Center—Calhoun Co. | Menard County | Mid. Rio Grande Dev. Council | Midland CAD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 18,179 | \$ 850,211 | \$ 179,822 | \$ 10,936 | \$ 251,065 |
| Members | 1,077,938 | 11,683,713 | 1,416,055 | 6,217,869 | 5,025,455 |
| Total | 1,096,117 | 12,533,924 | 1,595,877 | 6,228,805 | 5,276,520 |
| 2 Actuarial present value of future normal cost contributions | 123,116 | 2,069,502 | 256,018 | 2,366,024 | 380,058 |
| 3 Actuarial accrued liability [line 1 - line 2] | 973,001 | 10,464,422 | 1,339,859 | 3,862,781 | 4,896,462 |
| 4 Actuarial value of assets | 891,328 | 11,575,171 | 1,199,594 | 3,080,123 | 4,921,034 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 81,673 | \$ (1,110,749) | \$ 140,265 | \$ 782,658 | \$ (24,572) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.41% | 5.07% | 5.68% | 8.61% | 7.16% |
| UAAL or (OAAL) | 2.20 | (1.37) | 1.89 | 2.20 | (0.37) |
| Total required rate | 6.61% | 3.70% | 7.57% | 10.81% | 6.79% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 30.0 | 20.0 | 20.0 | 30.0 |
| Number of annuitants | 1 | 38 | 12 | 1 | 5 |
| Number of members | 17 | 287 | 47 | 148 | 27 |
| Number of depositing members | 12 | 170 | 33 | 119 | 24 |
| Average age of depositing members | 47.3 | 44.4 | 48.4 | 44.0 | 51.8 |
| Average length of service of depositing members | 14.4 | 7.3 | 9.8 | 9.6 | 17.2 |

| Number | 264 | 570 | 265 | 266 | 617 |
|--|-----------------------|--------------------|---------------------|---------------------|---------------------|
| Name | Midland County | Midland ECD | Milam County | Mills County | Mills Co. AD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 7,612,062 | \$ 0 | \$ 1,000,795 | \$ 200,131 | \$ 0 |
| Members | 50,349,851 | 445,285 | 9,157,261 | 1,962,548 | 82,631 |
| Total | 57,961,913 | 445,285 | 10,158,056 | 2,162,679 | 82,631 |
| 2 Actuarial present value of future normal cost contributions | 5,718,366 | 62,399 | 1,233,846 | 349,087 | 18,439 |
| 3 Actuarial accrued liability [line 1 - line 2] | 52,243,547 | 382,886 | 8,924,210 | 1,813,592 | 64,192 |
| 4 Actuarial value of assets | 43,979,666 | 359,722 | 7,970,357 | 1,631,116 | 101,994 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 8,263,881 | \$ 23,164 | \$ 953,853 | \$ 182,476 | \$ (37,802) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.14% | 5.66% | 5.93% | 6.06% | 3.09% |
| UAAL or (OAAL) | 3.77 | 1.63 | 1.89 | 1.40 | (2.67) |
| Total required rate | 8.91% | 7.29% | 7.82% | 7.46% | 0.42% |
| Elected rate | N/A | N/A | 10.00% | N/A | 4.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 6.9 | 20.0 | 0.0 |
| Number of annuitants | 168 | 0 | 59 | 23 | 0 |
| Number of members | 713 | 4 | 187 | 56 | 6 |
| Number of depositing members | 548 | 3 | 139 | 43 | 4 |
| Average age of depositing members | 44.2 | 45.7 | 49.2 | 49.2 | 57.7 |
| Average length of service of depositing members | 9.7 | 12.9 | 9.7 | 8.4 | 6.1 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 267 | 484 | 268 | 504 | 605 |
|--|------------------------|------------------------|------------------------|----------------------------|-----------------------|
| Name | Mitchell County | Mitchell Co. AD | Montague County | Montague Co. Tax AD | Montgomery CAD |
| Plan type | Variable | Variable | Variable | Fixed | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 502,620 | \$ 16,410 | \$ 1,039,043 | \$ 67,453 | \$ 375,978 |
| Members | 4,516,561 | 245,410 | 7,243,839 | 818,422 | 7,738,211 |
| Total | 5,019,181 | 261,820 | 8,282,882 | 885,875 | 8,114,189 |
| 2 Actuarial present value of future normal cost contributions | 585,176 | 58,393 | 1,026,694 | 70,453 | 1,168,074 |
| 3 Actuarial accrued liability [line 1 - line 2] | 4,434,005 | 203,427 | 7,256,188 | 815,422 | 6,946,115 |
| 4 Actuarial value of assets | 3,723,822 | 216,622 | 5,630,723 | 773,770 | 4,767,655 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 710,183 | \$ (13,195) | \$ 1,625,465 | \$ 41,652 | \$ 2,178,460 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.00% | 9.52% | 6.61% | 5.82% | 7.62% |
| UAAL or (OAAL) | 3.09 | (1.26) | 5.14 | 4.98 | 9.50 |
| Total required rate | 8.09% | 8.26% | 11.75% | 10.80% | 17.12% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 30.0 | 20.0 | 6.1 | 20.0 |
| Number of annuitants | 32 | 1 | 56 | 2 | 9 |
| Number of members | 78 | 4 | 135 | 9 | 83 |
| Number of depositing members | 67 | 4 | 91 | 6 | 64 |
| Average age of depositing members | 48.5 | 60.1 | 47.1 | 48.7 | 47.5 |
| Average length of service of depositing members | 11.0 | 9.8 | 8.6 | 18.3 | 14.1 |

| Number | 269 | 667 | 651 | 696 | 270 |
|--|--------------------------|---------------------------|------------------------------|------------------------------|---------------------|
| Name | Montgomery County | Montgomery Co. ECD | Montgomery Co. ESD #1 | Montgomery Co. ESD #3 | Moore County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 17,308,001 | \$ 121,947 | \$ 0 | \$ 0 | \$ 2,017,062 |
| Members | 140,199,110 | 1,096,545 | 581,553 | 238,539 | 10,482,194 |
| Total | 157,507,111 | 1,218,492 | 581,553 | 238,539 | 12,499,256 |
| 2 Actuarial present value of future normal cost contributions | 25,851,166 | 324,291 | 350,459 | 157,344 | 1,860,243 |
| 3 Actuarial accrued liability [line 1 - line 2] | 131,655,945 | 894,201 | 231,094 | 81,195 | 10,639,013 |
| 4 Actuarial value of assets | 113,132,797 | 466,885 | 247,157 | 45,225 | 8,770,778 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 18,523,148 | \$ 427,316 | \$ (16,063) | \$ 35,970 | \$ 1,868,235 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.58% | 4.89% | 6.07% | 3.56% | 6.06% |
| UAAL or (OAAL) | 2.44 | 4.58 | (0.39) | 0.89 | 3.47 |
| Total required rate | 9.02% | 9.47% | 5.68% | 4.45% | 9.53% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 30.0 | 20.0 | 20.0 |
| Number of annuitants | 301 | 2 | 0 | 0 | 50 |
| Number of members | 1,919 | 26 | 10 | 17 | 160 |
| Number of depositing members | 1,513 | 22 | 10 | 16 | 131 |
| Average age of depositing members | 44.0 | 45.9 | 34.3 | 32.1 | 44.5 |
| Average length of service of depositing members | 9.2 | 6.9 | 5.0 | 5.2 | 9.0 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 412 | 271 | 273 | 515 | 274 |
|--|----------------|---------------|--------------------|-------------|----------------|
| Name | Moore Co. HD | Morris County | Nacogdoches County | Navarro CAD | Navarro County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 654,121 | \$ 1,199,342 | \$ 1,792,780 | \$ 114,514 | \$ 1,456,957 |
| Members | 12,262,404 | 6,054,210 | 18,921,423 | 1,168,492 | 23,419,844 |
| Total | 12,916,525 | 7,253,552 | 20,714,203 | 1,283,006 | 24,876,801 |
| 2 Actuarial present value of future normal cost contributions | 2,593,492 | 682,568 | 2,895,073 | 116,710 | 3,837,931 |
| 3 Actuarial accrued liability [line 1 - line 2] | 10,323,033 | 6,570,984 | 17,819,130 | 1,166,296 | 21,038,870 |
| 4 Actuarial value of assets | 11,744,605 | 5,450,522 | 15,890,105 | 1,075,443 | 19,270,465 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (1,421,572) | \$ 1,120,462 | \$ 1,929,025 | \$ 90,853 | \$ 1,768,405 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.76% | 5.20% | 5.85% | 6.56% | 6.26% |
| UAAL or (OAAL) | (1.19) | 5.09 | 1.95 | 2.76 | 1.48 |
| Total required rate | 3.57% | 10.29% | 7.80% | 9.32% | 7.74% |
| Elected rate | N/A | N/A | N/A | 10.58% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 30.0 | 20.0 | 20.0 | 9.6 | 20.0 |
| Number of annuitants | 31 | 44 | 68 | 3 | 68 |
| Number of members | 465 | 91 | 366 | 11 | 325 |
| Number of depositing members | 255 | 68 | 267 | 10 | 277 |
| Average age of depositing members | 41.7 | 47.1 | 43.4 | 54.0 | 45.8 |
| Average length of service of depositing members | 6.3 | 11.0 | 8.5 | 13.4 | 9.5 |

| Number | 572 | 275 | 510 | 276 | 556 |
|--|------------|---------------|-----------------------|--------------|----------------------|
| Name | Newton CAD | Newton County | Newton Co. Mem. Hosp. | Nolan County | North Cent. Tex. MWA |
| Plan type | Variable | Variable | Fixed | Variable | Fixed |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 12,829 | \$ 637,720 | \$ 47,104 | \$ 1,129,004 | \$ 88,539 |
| Members | 1,002,539 | 2,780,618 | 6,063 | 6,624,474 | 841,032 |
| Total | 1,015,368 | 3,418,338 | 53,167 | 7,753,478 | 929,571 |
| 2 Actuarial present value of future normal cost contributions | 102,857 | 525,643 | 0 | 866,953 | 80,184 |
| 3 Actuarial accrued liability [line 1 - line 2] | 912,511 | 2,892,695 | 53,167 | 6,886,525 | 849,387 |
| 4 Actuarial value of assets | 789,506 | 2,977,949 | 49,093 | 5,789,040 | 742,548 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 123,005 | \$ (85,254) | \$ 4,074 | \$ 1,097,485 | \$ 106,839 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.23% | 4.71% | 0.00% | 5.33% | 3.84% |
| UAAL or (OAAL) | 5.25 | (0.50) | 0.00 | 3.35 | 5.86 |
| Total required rate | 11.48% | 4.21% | 0.00% | 8.68% | 9.70% |
| Elected rate | N/A | 7.00% | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 0.0 | 0.0 | 20.0 | 8.5 |
| Number of annuitants | 1 | 33 | 5 | 45 | 3 |
| Number of members | 11 | 96 | 1 | 118 | 13 |
| Number of depositing members | 9 | 80 | 0 | 94 | 9 |
| Average age of depositing members | 47.8 | 45.7 | 0.0 | 47.9 | 48.3 |
| Average length of service of depositing members | 14.4 | 6.5 | 0.0 | 8.8 | 15.0 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 415 | 646 | 562 | 277 | 683 |
|--|-----------------|--------------------------|--------------------|---------------|---------------|
| Name | North Plains HD | North Tex. Tollway Auth. | Northeast Tex. MWD | Nueces County | Nueces Co. AD |
| Plan type | Fixed | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 598,932 | \$ 284,373 | \$ 163,962 | \$ 22,168,718 | \$ 3,415 |
| Members | 22,557 | 29,174,656 | 772,894 | 136,378,709 | 2,591,285 |
| Total | 621,489 | 29,459,029 | 936,856 | 158,547,427 | 2,594,700 |
| 2 Actuarial present value of future normal cost contributions | 0 | 14,073,200 | 211,059 | 17,312,456 | 1,074,190 |
| 3 Actuarial accrued liability [line 1 - line 2] | 621,489 | 15,385,829 | 725,797 | 141,234,971 | 1,520,510 |
| 4 Actuarial value of assets | 1,269,080 | 14,695,673 | 674,321 | 128,721,558 | 988,964 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (647,591) | \$ 690,156 | \$ 51,476 | \$ 12,513,413 | \$ 531,546 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 0.00% | 7.90% | 3.97% | 5.86% | 7.51% |
| UAAL or (OAAL) | 0.00 | 0.30 | 0.60 | 2.45 | 2.41 |
| Total required rate | 0.00% | 8.20% | 4.57% | 8.31% | 9.92% |
| Elected rate | N/A | N/A | 7.00% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 20.0 | 2.0 | 20.0 | 20.0 |
| Number of annuitants | 18 | 25 | 3 | 471 | 1 |
| Number of members | 25 | 716 | 17 | 1,679 | 69 |
| Number of depositing members | 0 | 641 | 16 | 1,237 | 63 |
| Average age of depositing members | 0.0 | 43.4 | 45.7 | 43.6 | 48.9 |
| Average length of service of depositing members | 0.0 | 4.0 | 8.9 | 10.4 | 10.7 |

| Number | 400 | 416 | 450 | 538 | 278 |
|--|------------------|--------------------|--------------------|--------------------------------|------------------|
| Name | Nueces Co. DD #2 | Nueces Co. WCID #3 | Nueces Co. WCID #4 | Nueces River Auth.— Uvalde Co. | Ochiltree County |
| Plan type | Variable | Variable | Fixed | Fixed | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 64,074 | \$ 117,375 | \$ 122,246 | \$ 6,087 | \$ 855,913 |
| Members | 572,621 | 2,650,208 | 2,265,128 | 577,181 | 5,693,623 |
| Total | 636,695 | 2,767,583 | 2,387,374 | 583,268 | 6,549,536 |
| 2 Actuarial present value of future normal cost contributions | 69,957 | 213,843 | 254,270 | 43,414 | 633,625 |
| 3 Actuarial accrued liability [line 1 - line 2] | 566,738 | 2,553,740 | 2,133,104 | 539,854 | 5,915,911 |
| 4 Actuarial value of assets | 573,412 | 2,228,974 | 2,117,732 | 575,958 | 5,065,179 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (6,674) | \$ 324,766 | \$ 15,372 | \$ (36,104) | \$ 850,732 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.11% | 4.09% | 5.48% | 2.95% | 5.27% |
| UAAL or (OAAL) | (0.25) | 4.01 | 1.52 | 1.05 | 3.66 |
| Total required rate | 2.86% | 8.10% | 7.00% | 4.00% | 8.93% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 30.0 | 20.0 | 1.0 | 0.0 | 20.0 |
| Number of annuitants | 8 | 8 | 4 | 1 | 39 |
| Number of members | 19 | 23 | 18 | 3 | 89 |
| Number of depositing members | 14 | 19 | 16 | 3 | 65 |
| Average age of depositing members | 45.7 | 47.0 | 45.2 | 54.5 | 48.5 |
| Average length of service of depositing members | 12.3 | 16.4 | 16.2 | 18.3 | 10.6 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 279 | 517 | 280 | 490 | 421 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Name | Oldham County | Oldham Co. AD | Orange County | Orange Co. AD | Orange Co. DD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 503,721 | \$ 0 | \$ 7,041,723 | \$ 274,229 | \$ 764,081 |
| Members | 2,382,537 | 304,587 | 42,271,735 | 2,079,945 | 5,138,114 |
| Total | 2,886,258 | 304,587 | 49,313,458 | 2,354,174 | 5,902,195 |
| 2 Actuarial present value of future normal cost contributions | 377,516 | 9,313 | 6,561,455 | 204,178 | 1,004,023 |
| 3 Actuarial accrued liability [line 1 - line 2] | 2,508,742 | 295,274 | 42,752,003 | 2,149,996 | 4,898,172 |
| 4 Actuarial value of assets | 2,336,081 | 293,920 | 36,607,238 | 2,213,180 | 4,264,665 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 172,661 | \$ 1,354 | \$ 6,144,765 | \$ (63,184) | \$ 633,507 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.40% | 3.87% | 6.55% | 7.30% | 7.06% |
| UAAL or (OAAL) | 1.76 | (0.31) | 3.22 | (1.15) | 2.96 |
| Total required rate | 8.16% | 3.56% | 9.77% | 6.15% | 10.02% |
| Elected rate | N/A | 9.00% | N/A | N/A | 11.35% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 0.0 | 20.0 | 30.0 | 10.4 |
| Number of annuitants | 22 | 0 | 173 | 4 | 15 |
| Number of members | 41 | 4 | 474 | 18 | 61 |
| Number of depositing members | 33 | 4 | 408 | 15 | 51 |
| Average age of depositing members | 47.6 | 60.6 | 44.4 | 50.9 | 45.0 |
| Average length of service of depositing members | 10.5 | 19.2 | 11.0 | 13.4 | 9.2 |

| Number | 665 | 660 | 631 | 281 | 282 |
|--|--------------------------|---|---------------------------|--------------------------|----------------------|
| Name | Orange Co. ESD #1 | Orange Co. Nav. & Port Dist. | Orange Co. WCID #1 | Palo Pinto County | Panola County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 18,036 | \$ 35,287 | \$ 1,392,596 | \$ 2,924,233 |
| Members | 141,167 | 499,669 | 971,104 | 10,109,362 | 16,381,535 |
| Total | 141,167 | 517,705 | 1,006,391 | 11,501,958 | 19,305,768 |
| 2 Actuarial present value of future normal cost contributions | 58,447 | 94,751 | 183,676 | 1,655,556 | 2,917,379 |
| 3 Actuarial accrued liability [line 1 - line 2] | 82,720 | 422,954 | 822,715 | 9,846,402 | 16,388,389 |
| 4 Actuarial value of assets | 67,622 | 341,229 | 901,679 | 8,370,159 | 9,822,380 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 15,098 | \$ 81,725 | \$ (78,964) | \$ 1,476,243 | \$ 6,566,009 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 2.84% | 4.29% | 3.75% | 5.74% | 8.66% |
| UAAL or (OAAL) | 0.73 | 2.70 | (1.40) | 2.45 | 10.65 |
| Total required rate | 3.57% | 6.99% | 2.35% | 8.19% | 19.31% |
| Elected rate | N/A | N/A | 7.00% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 0.0 | 20.0 | 20.0 |
| Number of annuitants | 0 | 1 | 2 | 49 | 100 |
| Number of members | 6 | 8 | 26 | 181 | 209 |
| Number of depositing members | 6 | 7 | 24 | 144 | 169 |
| Average age of depositing members | 41.3 | 51.4 | 46.7 | 46.3 | 45.6 |
| Average length of service of depositing members | 7.7 | 8.5 | 12.7 | 9.0 | 9.8 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 283 | 284 | 285 | 494 | 673 |
|--|----------------------|----------------------|---------------------|---------------------|------------------------------|
| Name | Parker County | Parmer County | Pecos County | Pecos Co. AD | Permian Reg. Med Ctr. |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 2,244,945 | \$ 584,753 | \$ 4,201,035 | \$ 87,041 | \$ 12,114 |
| Members | 26,976,711 | 2,861,646 | 25,307,888 | 278,435 | 10,078,109 |
| Total | 29,221,656 | 3,446,399 | 29,508,923 | 365,476 | 10,090,223 |
| 2 Actuarial present value of future normal cost contributions | 4,997,781 | 418,833 | 3,971,725 | 65,732 | 4,895,707 |
| 3 Actuarial accrued liability [line 1 - line 2] | 24,223,875 | 3,027,566 | 25,537,198 | 299,744 | 5,194,516 |
| 4 Actuarial value of assets | 21,208,912 | 2,498,758 | 23,767,168 | 356,758 | 3,941,945 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 3,014,963 | \$ 528,808 | \$ 1,770,030 | \$ (57,014) | \$ 1,252,571 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.03% | 5.14% | 5.73% | 5.92% | 6.63% |
| UAAL or (OAAL) | 1.76 | 2.95 | 1.26 | (3.37) | 0.96 |
| Total required rate | 7.79% | 8.09% | 6.99% | 2.55% | 7.59% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 30.0 | 20.0 |
| Number of annuitants | 73 | 29 | 147 | 3 | 4 |
| Number of members | 562 | 80 | 533 | 6 | 371 |
| Number of depositing members | 383 | 58 | 364 | 4 | 310 |
| Average age of depositing members | 43.8 | 48.3 | 44.2 | 35.7 | 41.9 |
| Average length of service of depositing members | 8.4 | 8.2 | 8.5 | 5.8 | 6.4 |

| Number | 707 | 697 | 286 | 676 | 449 |
|--|------------------------|-----------------|--------------------|-------------------------------|----------------------------|
| Name | Pineywoods GCD* | Polk CAD | Polk County | Port of Bay City Auth. | Port of Beaumont ND |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 0 | \$ 2,493,224 | \$ 0 | \$ 770,984 |
| Members | 59,948 | 476,082 | 18,480,112 | 101,218 | 5,658,065 |
| Total | 59,948 | 476,082 | 20,973,336 | 101,218 | 6,429,049 |
| 2 Actuarial present value of future normal cost contributions | 41,338 | 289,605 | 3,781,586 | 79,591 | 486,642 |
| 3 Actuarial accrued liability [line 1 - line 2] | 18,610 | 186,477 | 17,191,750 | 21,627 | 5,942,407 |
| 4 Actuarial value of assets | 14,398 | 127,267 | 17,341,515 | 20,360 | 4,982,358 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 4,212 | \$ 59,210 | \$ (149,765) | \$ 1,267 | \$ 960,049 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 10.27% | 8.70% | 7.00% | 9.35% | 3.98% |
| UAAL or (OAAL) | 0.93 | 1.32 | (0.13) | 0.25 | 4.95 |
| Total required rate | 11.20% | 10.02% | 6.87% | 9.60% | 8.93% |
| Elected rate | N/A | N/A | N/A | N/A | 12.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | Infinity | 20.0 | 30.0 | 20.0 | 8.4 |
| Number of annuitants | 0 | 0 | 78 | 0 | 21 |
| Number of members | 2 | 16 | 353 | 2 | 40 |
| Number of depositing members | 1 | 16 | 262 | 2 | 37 |
| Average age of depositing members | 56.0 | 42.4 | 43.9 | 36.7 | 48.8 |
| Average length of service of depositing members | 2.4 | 6.4 | 8.4 | 4.7 | 16.1 |

*See footnote F on page 155

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 620 | 622 | 287 | 489 | 560 |
|--|-------------------------------------|-------------------------------|----------------------|-----------------------|-------------------------------|
| Name | Port of Corpus Christi Auth. | Port of Port Arthur ND | Potter County | Potter Co. AD* | Potter-Randall Co. ECD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 4,140,188 | \$ 379,486 | \$ 7,412,263 | \$ 518,858 | \$ 0 |
| Members | 15,059,887 | 1,449,577 | 60,908,871 | 1,902,177 | 623,040 |
| Total | 19,200,075 | 1,829,063 | 68,321,134 | 2,421,035 | 623,040 |
| 2 Actuarial present value of future normal cost contributions | 2,233,575 | 248,512 | 8,743,358 | 0 | 185,985 |
| 3 Actuarial accrued liability [line 1 - line 2] | 16,966,500 | 1,580,551 | 59,577,776 | 2,421,035 | 437,055 |
| 4 Actuarial value of assets | 12,187,288 | 1,446,301 | 51,568,326 | 2,366,270 | 386,604 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 4,779,212 | \$ 134,250 | \$ 8,009,450 | \$ 54,765 | \$ 50,451 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.80% | 4.27% | 6.26% | 0.00% | 12.47% |
| UAAL or (OAAL) | 4.66 | 1.49 | 2.95 | 0.00 | 1.87 |
| Total required rate | 8.46% | 5.76% | 9.21% | 0.00% | 14.34% |
| Elected rate | 11.00% | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 10.0 | 20.0 | 20.0 | 0.0 | 20.0 |
| Number of annuitants | 62 | 4 | 179 | 16 | 0 |
| Number of members | 189 | 18 | 705 | 21 | 6 |
| Number of depositing members | 156 | 17 | 559 | 0 | 5 |
| Average age of depositing members | 48.9 | 51.6 | 42.2 | 0.0 | 55.1 |
| Average length of service of depositing members | 12.0 | 10.6 | 10.0 | 0.0 | 7.6 |

| Number | 626 | 288 | 289 | 537 | 290 |
|--|--------------------|------------------------|---------------------|---------------------|-----------------------|
| Name | Presidio AD | Presidio County | Rains County | Rains Co. AD | Randall County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 140,892 | \$ 206,118 | \$ 16,922 | \$ 3,209,296 |
| Members | 98,378 | 3,029,186 | 2,268,479 | 420,089 | 33,965,979 |
| Total | 98,378 | 3,170,078 | 2,474,597 | 437,011 | 37,175,275 |
| 2 Actuarial present value of future normal cost contributions | 17,759 | 640,198 | 514,974 | 83,995 | 6,879,347 |
| 3 Actuarial accrued liability [line 1 - line 2] | 80,619 | 2,529,880 | 1,959,623 | 353,016 | 30,295,928 |
| 4 Actuarial value of assets | 75,989 | 2,541,252 | 2,128,308 | 386,668 | 27,168,522 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 4,630 | \$ (11,372) | \$ (168,685) | \$ (33,652) | \$ 3,127,406 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 1.89% | 5.74% | 6.33% | 7.66% | 6.49% |
| UAAL or (OAAL) | 0.54 | (0.07) | (1.04) | (1.64) | 1.55 |
| Total required rate | 2.43% | 5.67% | 5.29% | 6.02% | 8.04% |
| Elected rate | N/A | 6.00% | 7.00% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 0.0 | 0.0 | 30.0 | 20.0 |
| Number of annuitants | 0 | 11 | 18 | 1 | 88 |
| Number of members | 5 | 93 | 85 | 14 | 468 |
| Number of depositing members | 4 | 62 | 62 | 6 | 381 |
| Average age of depositing members | 36.2 | 42.0 | 48.6 | 43.7 | 42.2 |
| Average length of service of depositing members | 12.5 | 7.4 | 6.6 | 9.8 | 8.8 |

*See footnote C on page 155

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 564 | 406 | 291 | 445 | 292 |
|--|-----------------|----------------------|---------------|------------|-------------|
| Name | Randall Co. AD* | Rankin CHD—Upton Co. | Reagan County | Reagan HD | Real County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 381,520 | \$ 487,656 | \$ 417,598 | \$ 223,852 | \$ 361,816 |
| Members | 6,510,937 | 1,422,709 | 5,173,769 | 2,080,127 | 2,193,260 |
| Total | 6,892,457 | 1,910,365 | 5,591,367 | 2,303,979 | 2,555,076 |
| 2 Actuarial present value of future normal cost contributions | 797,410 | 309,000 | 811,917 | 301,549 | 367,856 |
| 3 Actuarial accrued liability [line 1 - line 2] | 6,095,047 | 1,601,365 | 4,779,450 | 2,002,430 | 2,187,220 |
| 4 Actuarial value of assets | 5,493,333 | 1,705,987 | 3,915,962 | 1,736,176 | 2,143,703 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 601,714 | \$ (104,622) | \$ 863,488 | \$ 266,254 | \$ 43,517 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.39% | 6.27% | 6.63% | 5.55% | 8.62% |
| UAAL or (OAAL) | 3.79 | (1.26) | 4.18 | 3.25 | 0.57 |
| Total required rate | 11.18% | 5.01% | 10.81% | 8.80% | 9.19% |
| Elected rate | 12.00% | N/A | 11.00% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 13.3 | 30.0 | 18.4 | 20.0 | 20.0 |
| Number of annuitants | 11 | 15 | 22 | 11 | 17 |
| Number of members | 50 | 28 | 77 | 38 | 51 |
| Number of depositing members | 43 | 20 | 59 | 26 | 33 |
| Average age of depositing members | 46.7 | 47.7 | 45.1 | 44.4 | 49.4 |
| Average length of service of depositing members | 15.0 | 6.7 | 10.2 | 7.2 | 11.1 |

| Number | 505 | 435 | 293 | 294 | 588 |
|--|---------------------------|-----------------------------|------------------|---------------|---------------|
| Name | Red Bluff WPCD—Reeves Co. | Red River Auth.—Wichita Co. | Red River County | Reeves County | Reeves Co. HD |
| Plan type | Variable | Fixed | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 29,148 | \$ 353,994 | \$ 474,494 | \$ 1,693,903 | \$ 72,899 |
| Members | 182,213 | 2,003,317 | 3,713,026 | 25,617,180 | 7,344,401 |
| Total | 211,361 | 2,357,311 | 4,187,520 | 27,311,083 | 7,417,300 |
| 2 Actuarial present value of future normal cost contributions | 50,177 | 394,209 | 570,421 | 7,686,379 | 1,713,342 |
| 3 Actuarial accrued liability [line 1 - line 2] | 161,184 | 1,963,102 | 3,617,099 | 19,624,704 | 5,703,958 |
| 4 Actuarial value of assets | 121,688 | 2,428,828 | 3,451,498 | 19,973,740 | 6,208,378 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 39,496 | \$ (465,726) | \$ 165,601 | \$ (349,036) | \$ (504,420) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.94% | 5.65% | 6.09% | 5.79% | 5.09% |
| UAAL or (OAAL) | 2.95 | 1.35 | 0.95 | (0.31) | (0.81) |
| Total required rate | 7.89% | 7.00% | 7.04% | 5.48% | 4.28% |
| Elected rate | N/A | N/A | N/A | 7.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 0.0 | 20.0 | 0.0 | 30.0 |
| Number of annuitants | 6 | 9 | 25 | 60 | 11 |
| Number of members | 4 | 33 | 101 | 770 | 258 |
| Number of depositing members | 4 | 26 | 68 | 600 | 164 |
| Average age of depositing members | 51.5 | 41.9 | 44.1 | 39.4 | 44.6 |
| Average length of service of depositing members | 6.1 | 8.4 | 6.7 | 5.6 | 8.0 |

*See footnote C on page 155

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 295 | 543 | 296 | 480 | 297 |
|--|----------------|-------------------|----------------|----------------|------------------|
| Name | Refugio County | Refugio Co. DD #1 | Roberts County | Roberts Co. AD | Robertson County |
| Plan type | Variable | Fixed | Variable | Fixed | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 499,383 | \$ 69,549 | \$ 205,633 | \$ 0 | \$ 701,268 |
| Members | 5,677,461 | 214,809 | 2,007,583 | 285,211 | 6,234,798 |
| Total | 6,176,844 | 284,358 | 2,213,216 | 285,211 | 6,936,066 |
| 2 Actuarial present value of future normal cost contributions | 749,377 | 43,961 | 241,208 | 0 | 1,221,629 |
| 3 Actuarial accrued liability [line 1 - line 2] | 5,427,467 | 240,397 | 1,972,008 | 285,211 | 5,714,437 |
| 4 Actuarial value of assets | 4,806,634 | 213,879 | 1,888,073 | 294,327 | 5,405,006 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 620,833 | \$ 26,518 | \$ 83,935 | \$ (9,116) | \$ 309,431 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.59% | 3.99% | 5.49% | 0.00% | 5.28% |
| UAAL or (OAAL) | 2.01 | 3.01 | 0.91 | 0.00 | 0.76 |
| Total required rate | 6.60% | 7.00% | 6.40% | 0.00% | 6.04% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 9.7 | 20.0 | 0.0 | 20.0 |
| Number of annuitants | 55 | 6 | 20 | 0 | 35 |
| Number of members | 137 | 9 | 50 | 2 | 128 |
| Number of depositing members | 103 | 6 | 35 | 0 | 103 |
| Average age of depositing members | 46.2 | 43.3 | 50.9 | 0.0 | 46.5 |
| Average length of service of depositing members | 8.8 | 7.3 | 8.8 | 0.0 | 8.6 |

| Number | 698 | 298 | 299 | 300 | 612 |
|--|--------------|-----------------|----------------|--------------|-------------|
| Name | Rockwall CAD | Rockwall County | Runnels County | Rusk County | Rusk Co. AD |
| Plan type | Variable | Variable | Variable | Variable | Fixed |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 1,302,715 | \$ 309,067 | \$ 1,879,447 | \$ 21,630 |
| Members | 570,860 | 15,955,788 | 4,680,222 | 15,744,146 | 456,371 |
| Total | 570,860 | 17,258,503 | 4,989,289 | 17,623,593 | 478,001 |
| 2 Actuarial present value of future normal cost contributions | 231,102 | 3,365,668 | 560,740 | 2,157,208 | 246,967 |
| 3 Actuarial accrued liability [line 1 - line 2] | 339,758 | 13,892,835 | 4,428,549 | 15,466,385 | 231,034 |
| 4 Actuarial value of assets | 177,658 | 11,186,681 | 3,993,255 | 13,824,699 | 241,773 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 162,100 | \$ 2,706,154 | \$ 435,294 | \$ 1,641,686 | \$ (10,739) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.33% | 6.06% | 4.40% | 4.94% | 5.48% |
| UAAL or (OAAL) | 2.89 | 2.32 | 1.64 | 1.83 | 1.52 |
| Total required rate | 8.22% | 8.38% | 6.04% | 6.77% | 7.00% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 20.0 | 0.0 |
| Number of annuitants | 0 | 45 | 54 | 94 | 1 |
| Number of members | 17 | 296 | 104 | 304 | 9 |
| Number of depositing members | 15 | 227 | 89 | 234 | 9 |
| Average age of depositing members | 46.1 | 44.1 | 50.7 | 46.2 | 47.6 |
| Average length of service of depositing members | 8.6 | 7.2 | 10.6 | 9.7 | 3.9 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 301 | 568 | 302 | 303 | 553 |
|--|----------------------|-------------------------------|-----------------------------|---------------------------|----------------------------|
| Name | Sabine County | Sabine Pass Port Auth. | San Augustine County | San Jacinto County | San Jacinto Co. CAD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 155,235 | \$ 15,485 | \$ 134,856 | \$ 720,723 | \$ 58,578 |
| Members | 2,666,099 | 376,205 | 2,427,269 | 5,468,120 | 626,676 |
| Total | 2,821,334 | 391,690 | 2,562,125 | 6,188,843 | 685,254 |
| 2 Actuarial present value of future normal cost contributions | 433,332 | 38,363 | 289,018 | 846,495 | 183,377 |
| 3 Actuarial accrued liability [line 1 - line 2] | 2,388,002 | 353,327 | 2,273,107 | 5,342,348 | 501,877 |
| 4 Actuarial value of assets | 2,811,573 | 300,326 | 2,416,607 | 4,913,111 | 542,133 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (423,571) | \$ 53,001 | \$ (143,500) | \$ 429,237 | \$ (40,256) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.31% | 4.13% | 4.72% | 5.23% | 6.79% |
| UAAL or (OAAL) | (1.94) | 3.39 | (1.05) | 1.10 | (0.96) |
| Total required rate | 3.37% | 7.52% | 3.67% | 6.33% | 5.83% |
| Elected rate | 3.75% | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 20.0 | 30.0 | 20.0 | 30.0 |
| Number of annuitants | 17 | 3 | 9 | 51 | 4 |
| Number of members | 74 | 7 | 74 | 186 | 31 |
| Number of depositing members | 61 | 7 | 50 | 127 | 13 |
| Average age of depositing members | 49.8 | 52.2 | 47.7 | 47.1 | 37.7 |
| Average length of service of depositing members | 8.5 | 13.7 | 8.1 | 6.7 | 4.4 |

| Number | 304 | 495 | 426 | 422 | 305 |
|--|----------------------------|----------------------------|----------------------------|-------------------------|------------------------|
| Name | San Patricio County | San Patricio Co. AD | San Patricio Co. DD | San Patricio MWD | San Saba County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 2,979,127 | \$ 76,510 | \$ 1,207,535 | \$ 311,702 | \$ 182,016 |
| Members | 35,567,507 | 1,234,688 | 2,851,058 | 2,908,863 | 2,445,533 |
| Total | 38,546,634 | 1,311,198 | 4,058,593 | 3,220,565 | 2,627,549 |
| 2 Actuarial present value of future normal cost contributions | 4,749,918 | 103,521 | 72,673 | 603,473 | 283,169 |
| 3 Actuarial accrued liability [line 1 - line 2] | 33,796,716 | 1,207,677 | 3,985,920 | 2,617,092 | 2,344,380 |
| 4 Actuarial value of assets | 31,950,488 | 1,218,724 | 3,069,277 | 2,132,511 | 2,258,929 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 1,846,228 | \$ (11,047) | \$ 916,643 | \$ 484,581 | \$ 85,451 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.46% | 6.36% | 2.08% | 4.95% | 6.19% |
| UAAL or (OAAL) | 1.08 | (0.34) | 15.62 | 2.73 | 0.88 |
| Total required rate | 6.54% | 6.02% | 17.70% | 7.68% | 7.07% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 30.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 126 | 3 | 11 | 9 | 21 |
| Number of members | 625 | 12 | 18 | 36 | 45 |
| Number of depositing members | 464 | 12 | 16 | 31 | 33 |
| Average age of depositing members | 45.4 | 51.5 | 49.7 | 46.0 | 51.6 |
| Average length of service of depositing members | 10.4 | 14.6 | 17.9 | 8.7 | 9.8 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 306 | 307 | 308 | 470 | 309 |
|--|-------------------|---------------|--------------------|--------------------|---------------|
| Name | Schleicher County | Scurry County | Shackelford County | Shackelford Co. AD | Shelby County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 247,672 | \$ 3,119,251 | \$ 205,147 | \$ 81,442 | \$ 898,015 |
| Members | 3,112,517 | 20,553,687 | 1,876,025 | 246,035 | 4,900,703 |
| Total | 3,360,189 | 23,672,938 | 2,081,172 | 327,477 | 5,798,718 |
| 2 Actuarial present value of future normal cost contributions | 436,292 | 3,016,350 | 247,402 | 24,813 | 872,973 |
| 3 Actuarial accrued liability [line 1 - line 2] | 2,923,897 | 20,656,588 | 1,833,770 | 302,664 | 4,925,745 |
| 4 Actuarial value of assets | 2,783,571 | 19,876,015 | 1,696,483 | 293,081 | 4,306,549 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 140,326 | \$ 780,573 | \$ 137,287 | \$ 9,583 | \$ 619,196 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.03% | 5.30% | 5.41% | 3.65% | 5.24% |
| UAAL or (OAAL) | 1.42 | 0.69 | 1.72 | 1.08 | 1.78 |
| Total required rate | 8.45% | 5.99% | 7.13% | 4.73% | 7.02% |
| Elected rate | N/A | N/A | N/A | 7.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 3.6 | 20.0 |
| Number of annuitants | 14 | 152 | 10 | 2 | 46 |
| Number of members | 42 | 436 | 49 | 5 | 111 |
| Number of depositing members | 34 | 296 | 34 | 3 | 86 |
| Average age of depositing members | 47.3 | 45.3 | 50.4 | 45.1 | 46.1 |
| Average length of service of depositing members | 11.7 | 8.0 | 9.3 | 14.2 | 9.2 |

| Number | 627 | 523 | 310 | 469 | 311 |
|--|---------------|-----------------------|----------------|----------------|--------------|
| Name | Shelby Co. AD | Shelby Co. Gen. Hosp. | Sherman County | Sherman Co. AD | Smith County |
| Plan type | Variable | Fixed | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 6,812 | \$ 148,171 | \$ 441,136 | \$ 29,157 | \$ 9,166,148 |
| Members | 266,787 | 0 | 4,399,256 | 401,162 | 51,442,804 |
| Total | 273,599 | 148,171 | 4,840,392 | 430,319 | 60,608,952 |
| 2 Actuarial present value of future normal cost contributions | 31,600 | 0 | 447,876 | 21,186 | 8,390,662 |
| 3 Actuarial accrued liability [line 1 - line 2] | 241,999 | 148,171 | 4,392,516 | 409,133 | 52,218,290 |
| 4 Actuarial value of assets | 235,035 | 139,174 | 3,369,260 | 369,441 | 42,236,322 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 6,964 | \$ 8,997 | \$ 1,023,256 | \$ 39,692 | \$ 9,981,968 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 2.07% | 0.00% | 8.04% | 3.88% | 5.77% |
| UAAL or (OAAL) | 0.15 | 0.00 | 7.36 | 3.90 | 3.32 |
| Total required rate | 2.22% | 0.00% | 15.40% | 7.78% | 9.09% |
| Elected rate | 4.00% | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.8 | 0.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 1 | 11 | 23 | 2 | 217 |
| Number of members | 14 | 0 | 62 | 4 | 955 |
| Number of depositing members | 8 | 0 | 43 | 4 | 706 |
| Average age of depositing members | 47.6 | 0.0 | 53.1 | 53.9 | 42.0 |
| Average length of service of depositing members | 9.8 | 0.0 | 11.7 | 19.2 | 8.5 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 555 | 606 | 632 | 312 | 507 |
|--|----------------------------------|---------------------|--------------------------------------|-------------------------|--------------------------|
| Name | Smith Co. 911 Comm. Dist. | Smith Co. AD | Smith Co. Public Health Dist. | Somervell County | Somervell Co. CAD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 5,598 | \$ 77,096 | \$ 74,879 | \$ 1,342,761 | \$ 59,601 |
| Members | 1,350,672 | 4,249,465 | 4,543,317 | 12,155,729 | 208,150 |
| Total | 1,356,270 | 4,326,561 | 4,618,196 | 13,498,490 | 267,751 |
| 2 Actuarial present value of future normal cost contributions | 550,054 | 610,360 | 1,357,811 | 2,303,737 | 100,705 |
| 3 Actuarial accrued liability [line 1 - line 2] | 806,216 | 3,716,201 | 3,260,385 | 11,194,753 | 167,046 |
| 4 Actuarial value of assets | 835,117 | 3,514,172 | 3,421,111 | 9,940,979 | 208,053 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (28,901) | \$ 202,029 | \$ (160,726) | \$ 1,253,774 | \$ (41,007) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.42% | 7.25% | 5.04% | 7.92% | 7.87% |
| UAAL or (OAAL) | (0.32) | 0.97 | (0.33) | 2.29 | (2.47) |
| Total required rate | 6.10% | 8.22% | 4.71% | 10.21% | 5.40% |
| Elected rate | N/A | 14.00% | N/A | N/A | 7.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 30.0 | 1.5 | 30.0 | 20.0 | 0.0 |
| Number of annuitants | 1 | 1 | 10 | 39 | 2 |
| Number of members | 41 | 48 | 189 | 166 | 15 |
| Number of depositing members | 30 | 32 | 144 | 139 | 5 |
| Average age of depositing members | 37.4 | 45.3 | 45.4 | 45.2 | 43.2 |
| Average length of service of depositing members | 3.2 | 12.1 | 5.0 | 8.7 | 2.0 |

| Number | 699 | 645 | 313 | 536 | 314 |
|--|----------------------------------|--------------------------------|---------------------|---------------------|------------------------|
| Name | Somervell Co. Water Dist. | South Tex. Dev. Council | Starr County | Starr Co. AD | Stephens County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 97,108 | \$ 2,111,933 | \$ 88,735 | \$ 633,059 |
| Members | 87,802 | 1,202,812 | 13,347,721 | 1,204,587 | 4,688,837 |
| Total | 87,802 | 1,299,920 | 15,459,654 | 1,293,322 | 5,321,896 |
| 2 Actuarial present value of future normal cost contributions | 61,808 | 150,119 | 2,061,028 | 188,060 | 495,167 |
| 3 Actuarial accrued liability [line 1 - line 2] | 25,994 | 1,149,801 | 13,398,626 | 1,105,262 | 4,826,729 |
| 4 Actuarial value of assets | 23,640 | 847,859 | 9,254,233 | 1,003,076 | 4,163,230 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 2,354 | \$ 301,942 | \$ 4,144,393 | \$ 102,186 | \$ 663,499 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.50% | 3.59% | 3.52% | 6.37% | 5.86% |
| UAAL or (OAAL) | 0.13 | 4.85 | 4.22 | 3.22 | 3.60 |
| Total required rate | 5.63% | 8.44% | 7.74% | 9.59% | 9.46% |
| Elected rate | 7.00% | N/A | N/A | N/A | 12.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.8 | 20.0 | 20.0 | 20.0 | 9.2 |
| Number of annuitants | 0 | 2 | 88 | 3 | 25 |
| Number of members | 2 | 30 | 646 | 19 | 50 |
| Number of depositing members | 2 | 17 | 430 | 15 | 44 |
| Average age of depositing members | 45.6 | 48.6 | 42.2 | 41.8 | 49.4 |
| Average length of service of depositing members | 2.6 | 16.0 | 10.1 | 11.2 | 12.8 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 315 | 316 | 458 | 539 | 317 |
|--|------------------------|-------------------------|--------------------------|---------------------------------|----------------------|
| Name | Sterling County | Stonewall County | Stonewall Mem. HD | Stratford HD—Sherman Co. | Sutton County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 310,954 | \$ 229,287 | \$ 172,428 | \$ 34,568 | \$ 566,460 |
| Members | 2,993,322 | 1,498,904 | 1,236,519 | 907,196 | 5,305,427 |
| Total | 3,304,276 | 1,728,191 | 1,408,947 | 941,764 | 5,871,887 |
| 2 Actuarial present value of future normal cost contributions | 541,494 | 138,719 | 154,236 | 239,918 | 794,236 |
| 3 Actuarial accrued liability [line 1 - line 2] | 2,762,782 | 1,589,472 | 1,254,711 | 701,846 | 5,077,651 |
| 4 Actuarial value of assets | 2,508,935 | 1,591,680 | 1,415,702 | 854,957 | 5,115,296 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 253,847 | \$ (2,208) | \$ (160,991) | \$ (153,111) | \$ (37,645) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 8.11% | 4.71% | 1.83% | 3.43% | 5.54% |
| UAAL or (OAAL) | 1.56 | (0.14) | (1.22) | (1.47) | (0.24) |
| Total required rate | 9.67% | 4.57% | 0.61% | 1.96% | 5.30% |
| Elected rate | N/A | 6.00% | N/A | N/A | 7.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 0.0 | 30.0 | 30.0 | 0.0 |
| Number of annuitants | 27 | 12 | 11 | 3 | 23 |
| Number of members | 90 | 43 | 58 | 84 | 87 |
| Number of depositing members | 44 | 32 | 42 | 48 | 65 |
| Average age of depositing members | 50.9 | 53.1 | 42.1 | 40.6 | 44.7 |
| Average length of service of depositing members | 7.0 | 11.9 | 6.5 | 4.4 | 11.5 |

| Number | 573 | 318 | 460 | 534 | 607 |
|--|----------------------|-----------------------|-----------------------|------------------------|-------------------|
| Name | Sutton Co. HD | Swisher County | Swisher Co. AD | Swisher Mem. HD | Tarrant AD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 53,311 | \$ 610,861 | \$ 127,928 | \$ 69,248 | \$ 2,227,045 |
| Members | 1,158,257 | 2,531,590 | 371,042 | 1,637,323 | 23,041,953 |
| Total | 1,211,568 | 3,142,451 | 498,970 | 1,706,571 | 25,268,998 |
| 2 Actuarial present value of future normal cost contributions | 355,536 | 365,018 | 44,979 | 352,082 | 2,536,572 |
| 3 Actuarial accrued liability [line 1 - line 2] | 856,032 | 2,777,433 | 453,991 | 1,354,489 | 22,732,426 |
| 4 Actuarial value of assets | 1,175,601 | 2,430,880 | 416,374 | 1,563,035 | 19,899,105 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (319,569) | \$ 346,553 | \$ 37,617 | \$ (208,546) | \$ 2,833,321 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.67% | 6.20% | 6.23% | 1.93% | 4.66% |
| UAAL or (OAAL) | (2.13) | 3.10 | 4.50 | (0.54) | 2.91 |
| Total required rate | 2.54% | 9.30% | 10.73% | 1.39% | 7.57% |
| Elected rate | N/A | N/A | N/A | N/A | 11.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 30.0 | 20.0 | 20.0 | 30.0 | 5.5 |
| Number of annuitants | 6 | 35 | 3 | 12 | 37 |
| Number of members | 54 | 64 | 5 | 129 | 234 |
| Number of depositing members | 32 | 45 | 4 | 90 | 192 |
| Average age of depositing members | 41.5 | 51.2 | 43.6 | 45.4 | 49.5 |
| Average length of service of depositing members | 6.3 | 9.0 | 10.9 | 7.3 | 13.8 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 319 | 545 | 574 | 320 | 321 |
|--|-----------------------|----------------------------|-----------------------------|----------------------|-----------------------|
| Name | Tarrant County | Tarrant Co. 911 EAD | Tax AD of Cottle Co. | Taylor County | Terrell County |
| Plan type | Variable | Variable | Fixed | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 62,903,228 | \$ 0 | \$ 449 | \$ 5,472,562 | \$ 194,306 |
| Members | 519,863,234 | 2,215,438 | 81,117 | 42,910,951 | 1,709,661 |
| Total | 582,766,462 | 2,215,438 | 81,566 | 48,383,513 | 1,903,967 |
| 2 Actuarial present value of future normal cost contributions | 82,986,397 | 341,811 | 9,336 | 4,544,104 | 267,173 |
| 3 Actuarial accrued liability [line 1 - line 2] | 499,780,065 | 1,873,627 | 72,230 | 43,839,409 | 1,636,794 |
| 4 Actuarial value of assets | 422,562,369 | 2,017,751 | 69,769 | 34,909,228 | 1,272,994 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 77,217,696 | \$ (144,124) | \$ 2,461 | \$ 8,930,181 | \$ 363,800 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.57% | 4.64% | 5.24% | 3.90% | 4.86% |
| UAAL or (OAAL) | 3.24 | (1.22) | 1.76 | 4.21 | 3.81 |
| Total required rate | 9.81% | 3.42% | 7.00% | 8.11% | 8.67% |
| Elected rate | N/A | 7.00% | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 0.0 | 5.3 | 20.0 | 20.0 |
| Number of annuitants | 1,088 | 0 | 1 | 137 | 17 |
| Number of members | 4,869 | 16 | 2 | 709 | 39 |
| Number of depositing members | 4,015 | 14 | 2 | 564 | 36 |
| Average age of depositing members | 45.2 | 48.7 | 54.1 | 44.2 | 48.3 |
| Average length of service of depositing members | 11.0 | 10.0 | 17.4 | 9.8 | 9.6 |

| Number | 322 | 402 | 437 | 354 | 634 |
|--|---------------------|----------------------|--------------------------------|--------------|------------------------------|
| Name | Terry County | Terry Mem. HD | Tex. Assoc. of Counties | TCDRS | Tex. Eastern 911 Net. |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 714,348 | \$ 1,476,580 | \$ 213,344 | \$ 1,435,567 | \$ 0 |
| Members | 5,691,360 | 7,764,532 | 17,089,608 | 11,044,299 | 221,993 |
| Total | 6,405,708 | 9,241,112 | 17,302,952 | 12,479,866 | 221,993 |
| 2 Actuarial present value of future normal cost contributions | 769,289 | 1,027,439 | 3,137,991 | 2,787,946 | 60,378 |
| 3 Actuarial accrued liability [line 1 - line 2] | 5,636,419 | 8,213,673 | 14,164,961 | 9,691,920 | 161,615 |
| 4 Actuarial value of assets | 4,577,784 | 9,328,601 | 13,088,202 | 8,417,834 | 187,471 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 1,058,635 | \$ (1,114,928) | \$ 1,076,759 | \$ 1,274,086 | \$ (25,856) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.34% | 3.79% | 7.44% | 6.97% | 5.51% |
| UAAL or (OAAL) | 2.87 | (1.95) | 1.21 | 1.77 | (2.31) |
| Total required rate | 7.21% | 1.84% | 8.65% | 8.74% | 3.20% |
| Elected rate | N/A | N/A | N/A | 9.50% | 10.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 30.0 | 20.0 | 11.6 | 0.0 |
| Number of annuitants | 57 | 40 | 6 | 10 | 0 |
| Number of members | 113 | 249 | 151 | 120 | 4 |
| Number of depositing members | 98 | 144 | 117 | 89 | 4 |
| Average age of depositing members | 47.7 | 44.1 | 49.2 | 43.9 | 50.9 |
| Average length of service of depositing members | 9.1 | 9.4 | 9.8 | 7.0 | 9.3 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 323 | 324 | 501 | 325 | 601 |
|--|----------------------------|---------------------|----------------------------|-------------------------|-------------------|
| Name | Throckmorton County | Titus County | Titus Co. Fresh WSD | Tom Green County | Travis CAD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 193,927 | \$ 1,151,183 | \$ 79,906 | \$ 4,690,655 | \$ 505,900 |
| Members | 1,199,538 | 10,377,407 | 595,166 | 35,663,063 | 10,973,085 |
| Total | 1,393,465 | 11,528,590 | 675,072 | 40,353,718 | 11,478,985 |
| 2 Actuarial present value of future normal cost contributions | 125,435 | 1,514,996 | 113,918 | 5,144,950 | 1,097,219 |
| 3 Actuarial accrued liability [line 1 - line 2] | 1,268,030 | 10,013,594 | 561,154 | 35,208,768 | 10,381,766 |
| 4 Actuarial value of assets | 1,095,397 | 9,843,132 | 702,907 | 30,245,532 | 9,145,366 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 172,633 | \$ 170,462 | \$ (141,753) | \$ 4,963,236 | \$ 1,236,400 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.97% | 7.15% | 4.92% | 4.73% | 3.65% |
| UAAL or (OAAL) | 2.93 | 0.34 | (4.60) | 2.38 | 2.91 |
| Total required rate | 6.90% | 7.49% | 0.32% | 7.11% | 6.56% |
| Elected rate | N/A | N/A | 7.00% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 0.0 | 20.0 | 20.0 |
| Number of annuitants | 11 | 32 | 4 | 154 | 17 |
| Number of members | 37 | 166 | 9 | 821 | 139 |
| Number of depositing members | 28 | 122 | 9 | 612 | 102 |
| Average age of depositing members | 51.5 | 44.6 | 49.7 | 42.9 | 47.6 |
| Average length of service of depositing members | 8.8 | 9.7 | 10.3 | 8.5 | 12.9 |

| Number | 326 | 666 | 549 | 659 | 633 |
|--|----------------------|---------------------------------------|----------------------------|--------------------|--------------------------------|
| Name | Travis County | Travis Co. WCID—Point Venture* | Travis Co. WCID #18 | Tri-Co. SUD | Trinity Bay Cons. Dist. |
| Plan type | Variable | Variable | Fixed | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 47,445,321 | \$ 14,554 | \$ 2,144 | \$ 0 | \$ 268,401 |
| Members | 527,366,281 | 145,978 | 140,639 | 149,465 | 2,111,004 |
| Total | 574,811,602 | 160,532 | 142,783 | 149,465 | 2,379,405 |
| 2 Actuarial present value of future normal cost contributions | 95,052,015 | 95,150 | 0 | 60,740 | 201,583 |
| 3 Actuarial accrued liability [line 1 - line 2] | 479,759,587 | 65,382 | 142,783 | 88,725 | 2,177,822 |
| 4 Actuarial value of assets | 425,756,317 | 53,870 | 161,320 | 85,588 | 1,502,418 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 54,003,270 | \$ 11,512 | \$ (18,537) | \$ 3,137 | \$ 675,404 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.23% | 3.70% | 0.00% | 3.65% | 2.74% |
| UAAL or (OAAL) | 2.35 | 0.66 | 0.00 | 0.18 | 5.32 |
| Total required rate | 9.58% | 4.36% | 0.00% | 3.83% | 8.06% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 0.0 | 20.0 | 20.0 |
| Number of annuitants | 667 | 1 | 1 | 0 | 5 |
| Number of members | 5,132 | 7 | 3 | 7 | 40 |
| Number of depositing members | 4,063 | 5 | 0 | 7 | 35 |
| Average age of depositing members | 42.9 | 40.2 | 0.0 | 46.0 | 46.8 |
| Average length of service of depositing members | 10.2 | 3.9 | 0.0 | 6.4 | 16.3 |

*See footnote G on page 155

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 327 | 328 | 471 | 561 | 329 |
|--|----------------|--------------|--------------|-----------------------|---------------|
| Name | Trinity County | Tyler County | Tyler Co. AD | United ID—Hidalgo Co. | Upshur County |
| Plan type | Variable | Variable | Fixed | Fixed | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 569,602 | \$ 1,015,499 | \$ 38,087 | \$ 143,867 | \$ 2,032,516 |
| Members | 3,400,510 | 7,328,010 | 831,528 | 1,170,678 | 14,393,143 |
| Total | 3,970,112 | 8,343,509 | 869,615 | 1,314,545 | 16,425,659 |
| 2 Actuarial present value of future normal cost contributions | 371,466 | 1,170,874 | 136,563 | 206,045 | 2,468,899 |
| 3 Actuarial accrued liability [line 1 - line 2] | 3,598,646 | 7,172,635 | 733,052 | 1,108,500 | 13,956,760 |
| 4 Actuarial value of assets | 2,965,747 | 6,685,244 | 974,213 | 1,252,608 | 12,413,475 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 632,899 | \$ 487,391 | \$ (241,161) | \$ (144,108) | \$ 1,543,285 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.13% | 6.49% | 7.05% | 3.70% | 6.80% |
| UAAL or (OAAL) | 3.88 | 1.41 | (0.05) | 3.30 | 2.18 |
| Total required rate | 9.01% | 7.90% | 7.00% | 7.00% | 8.98% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 0.0 | 0.0 | 20.0 |
| Number of annuitants | 29 | 51 | 3 | 13 | 66 |
| Number of members | 83 | 134 | 12 | 39 | 247 |
| Number of depositing members | 60 | 110 | 11 | 34 | 193 |
| Average age of depositing members | 48.7 | 46.8 | 49.8 | 48.6 | 45.9 |
| Average length of service of depositing members | 10.1 | 10.6 | 13.2 | 9.7 | 8.9 |

| Number | 330 | 682 | 331 | 332 | 663 |
|--|--------------|--------------|---------------|------------------|---------------------------|
| Name | Upton County | Upton Co. AD | Uvalde County | Val Verde County | Valley MUD #2—Cameron Co. |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 496,800 | \$ 0 | \$ 1,230,794 | \$ 1,523,230 | \$ 3,477 |
| Members | 5,819,649 | 142,631 | 12,099,869 | 17,666,257 | 214,891 |
| Total | 6,316,449 | 142,631 | 13,330,663 | 19,189,487 | 218,368 |
| 2 Actuarial present value of future normal cost contributions | 769,291 | 65,590 | 1,913,821 | 2,582,524 | 60,009 |
| 3 Actuarial accrued liability [line 1 - line 2] | 5,547,158 | 77,041 | 11,416,842 | 16,606,963 | 158,359 |
| 4 Actuarial value of assets | 4,812,284 | 70,168 | 10,501,631 | 14,785,118 | 130,592 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 734,874 | \$ 6,873 | \$ 915,211 | \$ 1,821,845 | \$ 27,767 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.70% | 7.71% | 6.13% | 6.50% | 2.18% |
| UAAL or (OAAL) | 2.48 | 0.42 | 1.37 | 2.16 | 0.82 |
| Total required rate | 7.18% | 8.13% | 7.50% | 8.66% | 3.00% |
| Elected rate | N/A | 8.63% | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 5.4 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 45 | 0 | 39 | 51 | 1 |
| Number of members | 99 | 5 | 225 | 267 | 13 |
| Number of depositing members | 77 | 5 | 183 | 210 | 11 |
| Average age of depositing members | 45.8 | 56.3 | 46.2 | 45.4 | 43.6 |
| Average length of service of depositing members | 10.0 | 19.1 | 9.7 | 10.8 | 10.6 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 586 | 333 | 672 | 420 | 334 |
|--|--------------------------------------|-------------------------|-------------------------|--------------------------------|------------------------|
| Name | Valwood Imp. Auth.—Dallas Co. | Van Zandt County | Van Zandt Co. AD | Velasco DD—Brazoria Co. | Victoria County |
| Plan type | Variable | Variable | Variable | Fixed | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 1,152,528 | \$ 0 | \$ 378,206 | \$ 6,270,409 |
| Members | 596,059 | 10,507,625 | 390,676 | 4,092,875 | 54,024,002 |
| Total | 596,059 | 11,660,153 | 390,676 | 4,471,081 | 60,294,411 |
| 2 Actuarial present value of future normal cost contributions | 96,071 | 1,522,684 | 128,629 | 358,918 | 9,462,607 |
| 3 Actuarial accrued liability [line 1 - line 2] | 499,988 | 10,137,469 | 262,047 | 4,112,163 | 50,831,804 |
| 4 Actuarial value of assets | 475,451 | 8,899,133 | 250,391 | 3,757,066 | 41,978,518 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 24,537 | \$ 1,238,336 | \$ 11,656 | \$ 355,097 | \$ 8,853,286 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.16% | 5.14% | 5.85% | 3.44% | 6.94% |
| UAAL or (OAAL) | 0.69 | 1.83 | 0.24 | 3.56 | 3.66 |
| Total required rate | 3.85% | 6.97% | 6.09% | 7.00% | 10.60% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 20.0 | 12.1 | 20.0 |
| Number of annuitants | 0 | 65 | 0 | 12 | 123 |
| Number of members | 8 | 284 | 21 | 27 | 745 |
| Number of depositing members | 7 | 187 | 16 | 26 | 536 |
| Average age of depositing members | 45.4 | 45.1 | 51.2 | 43.5 | 42.5 |
| Average length of service of depositing members | 13.3 | 7.6 | 10.6 | 14.9 | 9.8 |

| Number | 423 | 637 | 335 | 336 | 337 |
|--|---------------------------|------------------------------|----------------------|----------------------|--------------------|
| Name | Victoria Co. DD #3 | Victoria Co. WCID # 1 | Walker County | Waller County | Ward County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 27,004 | \$ 0 | \$ 3,062,386 | \$ 1,660,151 | \$ 2,094,011 |
| Members | 735,452 | 122,762 | 20,601,735 | 14,041,700 | 10,624,432 |
| Total | 762,456 | 122,762 | 23,664,121 | 15,701,851 | 12,718,443 |
| 2 Actuarial present value of future normal cost contributions | 19,608 | 35,052 | 3,947,674 | 2,085,868 | 1,820,155 |
| 3 Actuarial accrued liability [line 1 - line 2] | 742,848 | 87,710 | 19,716,447 | 13,615,983 | 10,898,288 |
| 4 Actuarial value of assets | 712,568 | 97,232 | 16,624,927 | 12,450,285 | 8,804,820 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 30,280 | \$ (9,522) | \$ 3,091,520 | \$ 1,165,698 | \$ 2,093,468 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.41% | 4.66% | 5.90% | 5.05% | 7.16% |
| UAAL or (OAAL) | 2.31 | (1.04) | 2.29 | 1.40 | 4.39 |
| Total required rate | 5.72% | 3.62% | 8.19% | 6.45% | 11.55% |
| Elected rate | N/A | N/A | N/A | 7.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 30.0 | 20.0 | 12.2 | 20.0 |
| Number of annuitants | 2 | 0 | 95 | 97 | 80 |
| Number of members | 6 | 4 | 443 | 277 | 164 |
| Number of depositing members | 4 | 3 | 291 | 191 | 130 |
| Average age of depositing members | 58.7 | 51.7 | 41.8 | 45.0 | 45.6 |
| Average length of service of depositing members | 21.4 | 11.5 | 7.8 | 10.4 | 9.4 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 565 | 444 | 338 | 339 | 604 |
|--|--------------|-----------------|-------------------|--------------|-------------|
| Name | Ward Co. CAD | Ward Mem. Hosp. | Washington County | Webb County | Webb Co. AD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 1,096,594 | \$ 1,228,902 | \$ 6,363,532 | \$ 100,376 |
| Members | 424,952 | 6,779,355 | 13,382,144 | 84,497,529 | 2,048,689 |
| Total | 424,952 | 7,875,949 | 14,611,046 | 90,861,061 | 2,149,065 |
| 2 Actuarial present value of future normal cost contributions | 38,328 | 1,423,708 | 2,490,108 | 18,252,650 | 321,649 |
| 3 Actuarial accrued liability [line 1 - line 2] | 386,624 | 6,452,241 | 12,120,938 | 72,608,411 | 1,827,416 |
| 4 Actuarial value of assets | 400,804 | 6,829,499 | 9,783,538 | 67,619,064 | 1,695,625 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (14,180) | \$ (377,258) | \$ 2,337,400 | \$ 4,989,347 | \$ 131,791 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.02% | 5.88% | 6.20% | 6.05% | 3.32% |
| UAAL or (OAAL) | (1.02) | (1.02) | 3.09 | 0.94 | 1.00 |
| Total required rate | 3.00% | 4.86% | 9.29% | 6.99% | 4.32% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 30.0 | 30.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 0 | 35 | 52 | 216 | 4 |
| Number of members | 8 | 162 | 238 | 1,586 | 67 |
| Number of depositing members | 4 | 92 | 181 | 1,273 | 39 |
| Average age of depositing members | 45.6 | 41.1 | 43.0 | 41.2 | 39.6 |
| Average length of service of depositing members | 14.4 | 6.6 | 8.8 | 9.7 | 9.8 |

| Number | 443 | 410 | 454 | 688 | 340 |
|--|---------------------|---------------------|------------------------|---------------------------------------|----------------|
| Name | West Cent. Tex. COG | West Cent. Tex. MWD | West Jefferson Co. MWD | West Nueces-Las Moras Soil & WCD #236 | Wharton County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 1,735,398 | \$ 287,949 | \$ 140,229 | \$ 0 | \$ 2,637,246 |
| Members | 7,345,649 | 1,347,033 | 1,121,624 | 39,738 | 18,766,602 |
| Total | 9,081,047 | 1,634,982 | 1,261,853 | 39,738 | 21,403,848 |
| 2 Actuarial present value of future normal cost contributions | 1,033,711 | 251,120 | 148,071 | 25,562 | 2,656,535 |
| 3 Actuarial accrued liability [line 1 - line 2] | 8,047,336 | 1,383,862 | 1,113,782 | 14,176 | 18,747,313 |
| 4 Actuarial value of assets | 7,712,788 | 1,259,260 | 950,850 | 12,250 | 15,842,003 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 334,548 | \$ 124,602 | \$ 162,932 | \$ 1,926 | \$ 2,905,310 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 7.92% | 5.40% | 5.76% | 5.13% | 5.58% |
| UAAL or (OAAL) | 1.27 | 1.54 | 5.33 | 0.55 | 3.43 |
| Total required rate | 9.19% | 6.94% | 11.09% | 5.68% | 9.01% |
| Elected rate | 11.00% | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 5.9 | 20.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 26 | 12 | 6 | 0 | 108 |
| Number of members | 100 | 30 | 11 | 3 | 268 |
| Number of depositing members | 44 | 25 | 9 | 2 | 221 |
| Average age of depositing members | 45.4 | 47.3 | 42.5 | 35.9 | 46.8 |
| Average length of service of depositing members | 9.0 | 7.7 | 13.1 | 5.3 | 12.0 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 621 | 341 | 476 | 427 | 342 |
|--|----------------------------|-----------------------|-----------------------|------------------------------------|-----------------------|
| Name | Wharton Co. WCID #1 | Wheeler County | Wheeler Co. AD | White River MWD—Dickens Co. | Wichita County |
| Plan type | Variable | Variable | Variable | Fixed | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 0 | \$ 498,062 | \$ 33,501 | \$ 125,910 | \$ 3,410,760 |
| Members | 57,271 | 2,873,454 | 389,252 | 656,934 | 38,404,670 |
| Total | 57,271 | 3,371,516 | 422,753 | 782,844 | 41,815,430 |
| 2 Actuarial present value of future normal cost contributions | 4,047 | 379,065 | 31,195 | 116,728 | 4,773,911 |
| 3 Actuarial accrued liability [line 1 - line 2] | 53,224 | 2,992,451 | 391,558 | 666,116 | 37,041,519 |
| 4 Actuarial value of assets | 59,766 | 2,484,446 | 379,074 | 791,817 | 31,416,409 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (6,542) | \$ 508,005 | \$ 12,484 | \$ (125,701) | \$ 5,625,110 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 3.83% | 5.39% | 7.37% | 3.66% | 5.48% |
| UAAL or (OAAL) | (1.71) | 3.95 | 1.13 | 3.34 | 3.08 |
| Total required rate | 2.12% | 9.34% | 8.50% | 7.00% | 8.56% |
| Elected rate | 5.00% | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 20.0 | 20.0 | 0.0 | 20.0 |
| Number of annuitants | 0 | 31 | 2 | 5 | 144 |
| Number of members | 4 | 59 | 3 | 12 | 630 |
| Number of depositing members | 2 | 48 | 3 | 10 | 455 |
| Average age of depositing members | 62.8 | 48.7 | 60.5 | 39.4 | 44.3 |
| Average length of service of depositing members | 20.0 | 9.0 | 17.5 | 7.0 | 10.2 |

| Number | 446 | 559 | 655 | 343 | 530 |
|--|---------------------------|------------------------------------|-------------------------------------|-------------------------|-------------------------|
| Name | Wichita Co. WID #2 | Wichita-Wilbarger 911 Dist. | Wickson Creek SUD—Brazos Co. | Wilbarger County | Wilbarger Co. HD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 269,836 | \$ 8,468 | \$ 0 | \$ 1,203,754 | \$ 643,076 |
| Members | 1,718,899 | 746,521 | 578,856 | 6,994,684 | 6,109,060 |
| Total | 1,988,735 | 754,989 | 578,856 | 8,198,438 | 6,752,136 |
| 2 Actuarial present value of future normal cost contributions | 191,418 | 83,364 | 185,556 | 926,207 | 736,002 |
| 3 Actuarial accrued liability [line 1 - line 2] | 1,797,317 | 671,625 | 393,300 | 7,272,231 | 6,016,134 |
| 4 Actuarial value of assets | 1,460,578 | 588,196 | 306,615 | 6,018,111 | 6,264,855 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 336,739 | \$ 83,429 | \$ 86,685 | \$ 1,254,120 | \$ (248,721) |
| Required employer rates for 2006 | | | | | |
| Normal cost | 4.65% | 8.39% | 5.15% | 6.21% | 2.38% |
| UAAL or (OAAL) | 6.21 | 3.59 | 2.28 | 4.09 | (0.82) |
| Total required rate | 10.86% | 11.98% | 7.43% | 10.30% | 1.56% |
| Elected rate | 11.00% | N/A | N/A | N/A | 5.00% |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 19.0 | 20.0 | 20.0 | 20.0 | 0.0 |
| Number of annuitants | 10 | 1 | 0 | 39 | 23 |
| Number of members | 17 | 5 | 12 | 96 | 186 |
| Number of depositing members | 14 | 5 | 11 | 87 | 138 |
| Average age of depositing members | 45.7 | 59.0 | 37.8 | 49.4 | 43.0 |
| Average length of service of depositing members | 12.6 | 13.1 | 8.4 | 10.7 | 9.1 |

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 344 | 575 | 652 | 345 | 608 |
|--|----------------|----------------|---------------------------|-------------------|-------------------|
| Name | Willacy County | Willacy Co. AD | Willacy Co. Housing Auth. | Williamson County | Williamson Co. AD |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 844,101 | \$ 0 | \$ 0 | \$ 7,146,012 | \$ 632,101 |
| Members | 5,572,982 | 497,881 | 114,044 | 112,714,792 | 7,094,436 |
| Total | 6,417,083 | 497,881 | 114,044 | 119,860,804 | 7,726,537 |
| 2 Actuarial present value of future normal cost contributions | 861,559 | 56,930 | 47,746 | 27,693,682 | 1,520,437 |
| 3 Actuarial accrued liability [line 1 - line 2] | 5,555,524 | 440,951 | 66,298 | 92,167,122 | 6,206,100 |
| 4 Actuarial value of assets | 5,458,095 | 350,676 | 67,092 | 77,730,513 | 4,566,672 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 97,429 | \$ 90,275 | \$ (794) | \$ 14,436,609 | \$ 1,639,428 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.77% | 6.37% | 5.62% | 7.64% | 7.84% |
| UAAL or (OAAL) | 0.34 | 6.66 | (0.04) | 2.17 | 6.00 |
| Total required rate | 6.11% | 13.03% | 5.58% | 9.81% | 13.84% |
| Elected rate | N/A | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 20.0 | 20.0 | 30.0 | 20.0 | 20.0 |
| Number of annuitants | 38 | 0 | 0 | 155 | 13 |
| Number of members | 155 | 6 | 8 | 1,773 | 89 |
| Number of depositing members | 110 | 5 | 6 | 1,377 | 61 |
| Average age of depositing members | 43.2 | 47.6 | 51.8 | 42.2 | 45.6 |
| Average length of service of depositing members | 9.2 | 15.7 | 9.3 | 7.4 | 10.1 |

| Number | 346 | 479 | 347 | 533 | 348 |
|--|---------------|---------------|----------------|----------------|--------------|
| Name | Wilson County | Wilson Co. AD | Winkler County | Winkler Co. AD | Wise County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 783,444 | \$ 69,344 | \$ 2,468,556 | \$ 24,760 | \$ 1,558,976 |
| Members | 7,415,315 | 1,054,347 | 10,423,050 | 178,810 | 18,820,494 |
| Total | 8,198,759 | 1,123,691 | 12,891,606 | 203,570 | 20,379,470 |
| 2 Actuarial present value of future normal cost contributions | 1,341,531 | 128,526 | 1,445,959 | 44,154 | 4,076,050 |
| 3 Actuarial accrued liability [line 1 - line 2] | 6,857,228 | 995,165 | 11,445,647 | 159,416 | 16,303,420 |
| 4 Actuarial value of assets | 6,085,672 | 949,963 | 9,924,970 | 145,229 | 14,362,367 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ 771,556 | \$ 45,202 | \$ 1,520,677 | \$ 14,187 | \$ 1,941,053 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 5.27% | 6.09% | 5.46% | 7.88% | 6.68% |
| UAAL or (OAAL) | 1.55 | 1.45 | 3.08 | 1.94 | 1.56 |
| Total required rate | 6.82% | 7.54% | 8.54% | 9.82% | 8.24% |
| Elected rate | 7.50% | N/A | N/A | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 11.5 | 20.0 | 20.0 | 20.0 | 20.0 |
| Number of annuitants | 38 | 3 | 85 | 2 | 60 |
| Number of members | 206 | 16 | 183 | 5 | 372 |
| Number of depositing members | 153 | 12 | 146 | 3 | 296 |
| Average age of depositing members | 44.9 | 50.7 | 45.1 | 51.4 | 43.3 |
| Average length of service of depositing members | 8.7 | 15.2 | 9.5 | 11.5 | 7.6 |

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2004

| Number | 493 | 349 | 700 | 350 | 351 |
|--|--------------------|--------------------|--------------------|----------------------|---------------------|
| Name | Wise Co. AD | Wood County | Wood Co. AD | Yoakum County | Young County |
| Plan type | Variable | Variable | Variable | Variable | Variable |
| 1 Actuarial present value of future benefits | | | | | |
| Annuitants | \$ 51,154 | \$ 1,994,162 | \$ 0 | \$ 5,025,735 | \$ 1,311,044 |
| Members | 1,046,020 | 12,996,030 | 426,608 | 15,526,125 | 7,502,560 |
| Total | 1,097,174 | 14,990,192 | 426,608 | 20,551,860 | 8,813,604 |
| 2 Actuarial present value of future normal cost contributions | 271,716 | 2,291,517 | 216,260 | 2,285,949 | 966,761 |
| 3 Actuarial accrued liability [line 1 - line 2] | 825,458 | 12,698,675 | 210,348 | 18,265,911 | 7,846,843 |
| 4 Actuarial value of assets | 1,011,877 | 10,634,585 | 125,571 | 14,337,310 | 6,745,370 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (186,419) | \$ 2,064,090 | \$ 84,777 | \$ 3,928,601 | \$ 1,101,473 |
| Required employer rates for 2006 | | | | | |
| Normal cost | 6.67% | 6.09% | 6.10% | 4.90% | 5.30% |
| UAAL or (OAAL) | (2.67) | 3.02 | 1.97 | 4.17 | 3.06 |
| Total required rate | 4.00% | 9.11% | 8.07% | 9.07% | 8.36% |
| Elected rate | N/A | 9.75% | 9.00% | N/A | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 30.0 | 14.7 | 9.5 | 20.0 | 20.0 |
| Number of annuitants | 5 | 88 | 0 | 113 | 52 |
| Number of members | 23 | 230 | 17 | 294 | 139 |
| Number of depositing members | 16 | 184 | 14 | 241 | 107 |
| Average age of depositing members | 41.1 | 45.4 | 42.2 | 44.3 | 47.2 |
| Average length of service of depositing members | 7.9 | 9.3 | 9.4 | 7.9 | 9.6 |

| Number | 352 | 649 | 353 | 566 |
|--|----------------------|----------------------|----------------------|----------------------|
| Name | Zapata County | Zapata Co. AD | Zavala County | Zavala Co. AD |
| Plan type | Variable | Variable | Variable | Fixed |
| 1 Actuarial present value of future benefits | | | | |
| Annuitants | \$ 959,983 | \$ 0 | \$ 1,013,226 | \$ 44,076 |
| Members | 16,055,767 | 164,057 | 4,349,910 | 343,967 |
| Total | 17,015,750 | 164,057 | 5,363,136 | 388,043 |
| 2 Actuarial present value of future normal cost contributions | 3,301,398 | 41,416 | 648,345 | 43,596 |
| 3 Actuarial accrued liability [line 1 - line 2] | 13,714,352 | 122,641 | 4,714,791 | 344,447 |
| 4 Actuarial value of assets | 14,370,848 | 96,448 | 4,892,014 | 412,759 |
| 5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4] | \$ (656,496) | \$ 26,193 | \$ (177,223) | \$ (68,312) |
| Required employer rates for 2006 | | | | |
| Normal cost | 7.17% | 3.32% | 7.33% | 3.92% |
| UAAL or (OAAL) | (0.69) | 1.66 | (0.88) | 3.08 |
| Total required rate | 6.48% | 4.98% | 6.45% | 7.00% |
| Elected rate | 7.36% | N/A | 7.00% | N/A |
| Years (beginning in 2006) required to amortize the UAAL or OAAL | 0.0 | 20.0 | 0.0 | 0.0 |
| Number of annuitants | 34 | 0 | 15 | 1 |
| Number of members | 384 | 8 | 80 | 7 |
| Number of depositing members | 327 | 7 | 60 | 5 |
| Average age of depositing members | 40.9 | 42.4 | 43.0 | 51.1 |
| Average length of service of depositing members | 9.2 | 16.3 | 9.3 | 13.0 |

ACTUARIAL SECTION

Explanatory Notes

Bolded text in the notes below indicates a reference to a specific line in the Actuarial Valuation Results by Employer section.

1. If an **elected rate** is shown, the **years (beginning in 2006) required to amortize the UAAL or OAAL** (amortization period) reflects the elected contribution rate and the calculated **UAAL** rate for 2006 reflects a 20-year amortization period (30-year amortization period if there is an **overfunded actuarial accrued liability** amount).
2. If an **elected rate** is shown, but it is less than the **total required rate** for 2006, the TCDRS Act requires the employer to contribute at the higher required rate.
3. Plans with a **total required rate** for 2006 or an **elected rate** greater than 11.00%, the statutory maximum rate, have adopted a waiver. Variable-rate plans that have not adopted a waiver and have a calculated rate greater than 11.00% are shown with an amortization period of infinity.
4. For fixed-rate plans, if the **years (beginning in 2006) required to amortize the UAAL or OAAL** (amortization period) are greater than 30 years, the **total required rate** for 2005 does not provide an adequate financing arrangement.
5. For variable-rate plans that have an OAAL, an amortization period of 30 years indicates that the employer is using the overfunded amount to reduce the normal cost rate over a period of 30 years. If this type of plan has an amortization period of zero, it indicates that the plan is contributing at a rate in excess of the required rate. Fixed-rate plans that have an OAAL also have an amortization period of zero.

Further discussion is provided in the following Footnotes for Selected Participating Employers.

FOOTNOTES FOR SELECTED PARTICIPATING EMPLOYERS

A:

The unfunded actuarial accrued liability contribution rate shown in the actuarial valuation results for the Ector County and Ector County Hospital District plans were determined considering the commitment by the Ector County Hospital District to assume the obligation within the Ector County plan attributable to services performed by certain hospital district employees while they were county employees. This commitment is being carried out by an annual transfer of employer contributions from the hospital district's account in the Subdivision Accumulation Fund (SAF) to the county's account in the SAF. Under the current funding arrangement, it is not expected that transfers will be sufficient to pay off the assumed obligation. Accordingly, the adjustment to the Ector County plan is set equal to the present value of the expected future transfer payments.

B:

The Llano County Hospital Authority plan assumed the obligations of the inactive Llano Memorial Hospital plan. The obligation is attributable to services performed by the former Memorial Hospital employees before they became employees of the Hospital Authority. This commitment is being carried out by an annual transfer, if needed, from the Hospital Authority's account in the SAF to Memorial Hospital's account in the SAF.

C:

The Randall County Appraisal District plan assumed the obligations of the inactive Potter County Appraisal District plan. The obligation is attributable to services performed by the former Potter County A.D. employees before they became employees of Randall County A.D. This commitment will be carried out by transfers from the Randall County A.D. account in the SAF to the Potter County A.D. account in the SAF.

D:

During 2000, Galveston County consolidated the SAF account for the inactive Mainland Hospital plan into its own SAF account. Under this funding arrangement, all obligations and benefits for members of the former hospital plan remain the same as they were before the consolidation, but are included for reporting and funding purposes in the Galveston County obligations. This consolidation prevented a further reduction in benefits to the members of the inactive Mainland Hospital plan.

E:

For the 2004 valuation, there are no fixed-rate plans with an inadequate financing arrangement (i.e., an amortization period in excess of 30 years shown in the actuarial valuation results).

F:

For the 2004 valuation, there is one variable-rate plan with an inadequate financing arrangement (i.e., the required contribution rate exceeds 11% and the employer has not elected a waiver of the TCDRS maximum rate). This plan will need to adopt a waiver or reduce future benefits. If the employer takes no action by the following Jan. 1, the TCDRS Act requires that future benefit accruals be reduced to the level necessary to make the calculated rate not exceed 11%.

G:

There are two employers that were active as of the valuation date but changed to nondepositing status during 2005. For valuation purposes, they have been treated as active employers; however, their actual 2006 contribution rate will reflect this change. The two employers are:

- 666 Travis County WCID—Point Venture
- 599 Medical Arts Hospital—Dawson County

GLOSSARY OF ACTUARIAL TERMS

The following definitions include excerpts from a list adopted in 1994 by the major actuarial organizations in the United States. In some cases, the definitions have been modified for specific applicability to TCDRS and include terms used exclusively by TCDRS. Defined terms are capitalized in this glossary.

Accrued Benefit

The amount of an individual's benefit (whether or not vested) as of a specific date, determined in accordance with the terms of a pension plan and based on compensation and service to that date.

Actuarial Accrued Liability

That portion, as determined by a particular actuarial cost method, of the Actuarial Present Value of pension plan benefits and expenses that is not provided for by future Normal Costs.

Actuarial Assumptions

Assumptions as to the occurrence of future events affecting pension costs, such as: mortality, termination, disablement and retirement; changes in compensation; rates of investment earnings and asset appreciation or depreciation; procedures used to determine the Actuarial Value of Assets; and other relevant items.

Actuarial Gain (Loss)

A measure of the difference between actual experience and that expected based on a set of Actuarial Assumptions during the period between two Actuarial Valuation dates, as determined in accordance with a particular actuarial cost method.

Actuarial Present Value

The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of Actuarial Assumptions.

Actuarial Valuation

The determination, as of a Valuation Date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets and related Actuarial Present Values for a pension plan.

Actuarial Value of Assets

The value of cash, investments and other property belonging to a pension plan, as used by the actuary for the purpose of an Actuarial Valuation.

Actuarially Equivalent

Of equal Actuarial Present Value, determined as of a given date with each value based on the same set of Actuarial Assumptions.

Average Age of Contributing Members

The average attained age as of the Valuation Date, weighted by the average monthly deposit for the year preceding the Valuation Date.

Average Length of Service of Contributing Members

The average length of total credited service in TCDRS as of the Valuation Date, weighted by the average monthly deposit for the year preceding the Valuation Date.

Current Service Benefits

Benefits attributable to the member's accumulated deposits and usually a matching amount provided by the employer.

Employer Contribution Rate

The sum of the Normal Cost Contribution Rate and the Unfunded Actuarial Accrued Liability Contribution Rate. Both rates are expressed as a percentage of compensation. The calculated Employer Contribution Rate will go into effect one year after the Valuation Date.

Entry-Age Actuarial Cost Method

An actuarial cost method under which the Actuarial Present Value of the Projected Benefits of each individual included in an Actuarial Valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit ages. The portion of this Actuarial Present Value allocated to a valuation year is called the Normal Cost. The portion of this Actuarial Present Value not provided for at a Valuation Date by the Actuarial Present Value of future Normal Costs is called the Actuarial Accrued Liability.

Fixed-Rate Plan

A plan of retirement, death and disability benefits for which the employer adopts an employee deposit rate (4%, 5%, 6% or 7%), which also becomes the Employer Contribution Rate. The actuary determines the plan of benefits that can be adequately financed by the commitment of the employer to contribute the same amount as the member employees. The plan of benefits, adopted at plan inception and when benefit increases are adopted,

is limited by statute to benefits that allow the Unfunded Actuarial Accrued Liability to be amortized over a period of no more than 20 years. If a plan has had adverse experience (predominantly actuarial losses over time), the law has provisions that allow the employer to contribute at a rate above the employee deposit rate or to reduce benefits accruing in the future.

Multiple Matching Benefits

Benefits attributable to an amount provided by the employer as a percentage of the member’s accumulated deposits in excess of the Current Service Benefit matching amount.

Normal Cost

That portion of the Actuarial Present Value of pension plan benefits and expenses that is allocated to a valuation year by the actuarial cost method.

Normal Cost Contribution Rate

A rate equal to the Actuarial Present Value at hire of Projected Benefits divided by the Actuarial Present Value at hire of anticipated future compensation. It is calculated for each contributing member, and the average is determined, weighted by compensation.

Plan Year

A 12-month period beginning Jan. 1 and ending Dec. 31.

Prior Service Benefits

Benefits attributable to an amount provided by the employer for service rendered by an employee prior to the date of participation of the employer in TCDRS.

Projected Benefits

Those pension plan benefit amounts that are expected to be paid at various future times under a particular set of Actuarial Assumptions, taking into account such items as the effect of advancement in age, and past and anticipated future compensation and service credits.

Overfunded Actuarial Accrued Liability (OAAL)

The excess, if any, of the Actuarial Value of Assets over the Actuarial Accrued Liability. Standard actuarial terminology defines this as the “Funding Excess.” TCDRS uses the term “Overfunded Actuarial Accrued Liability.”

Unfunded Actuarial Accrued Liability (UAAL)

The excess, if any, of the Actuarial Accrued Liability over the Actuarial Value of Assets.

Unfunded Actuarial Accrued Liability Contribution Rate

Variable-rate plans: The level percent of covered payroll to amortize the Unfunded Actuarial Accrued Liability over an open period of 20 years. If the plan has an Overfunded Actuarial Accrued Liability, it is amortized over an open period of 30 years as a negative Unfunded Actuarial Accrued Liability, and the resulting negative Unfunded Actuarial Accrued Liability Contribution Rate is offset against the Normal Cost Contribution Rate.

Fixed-rate plans: The fixed Employer Contribution Rate minus the Normal Cost Contribution Rate.

Valuation Date

The date upon which the Normal Cost, Actuarial Accrued Liability and Actuarial Value of Assets are determined. Generally, the Valuation Date will coincide with the ending of a Plan Year.

Variable-Rate Plan

A plan of retirement, death and disability benefits adopted by the employer for which the actuary annually determines the Employer Contribution Rate so that the rate is expected to remain approximately level as a percent of the employer’s covered payroll from year to year. If there are predominantly actuarial gains over time, the rate will decrease from year to year. Conversely, predominantly actuarial losses over time will cause the rate to increase from year to year.

STATISTICAL SECTION



BRAND STORIES

BQ

B. H. (Barbecue) Campbell of Wichita, Kan., was the XIT Ranch's first general manager. An experienced rancher and breeder, Campbell received his nickname from the Bar BQ brand he used at his ranch on Medicine Lodge Creek in the Indian Territory.

Q

The "Quien Sabe" brand was made of two half circles and was first registered in 1898 in Pecos County by Mayer Halff. The name originated when Mexican cowboys were asked what the brand stood for and they answered: "Quien Sabe" (who knows?). The brand is done with the half circles facing each other upright or laying down and with one half circle horizontal and one vertical. The Halff Ranch covered more than a million acres in Midland, Upton and Glasscock counties, but was largely subdivided by 1918. The brand has been used by several other ranches in West Texas over the years.

13-0

BEVO, the longhorn mascot of the University of Texas at Austin, supposedly got its name when a group of Texas Aggies branded the side of the first mascot with "13-0," the score of a football game won by

Texas A&M. To save face, the brand was altered to read "Bevo" with a few creative marks burned on the animal by UT students. Like many legends, this one is only partially based on truth. Soon after UT got their first longhorn mascot in 1916, a group of



Aggies managed to brand the animal with the score of the 1915 football game. Conversely, the university maintains, the mascot was either named after a popular non-alcoholic beer of the time or after a comic strip that created nicknames by attaching an "o" to the end of a subject's personal trait (beeves plus "o" became Bevo).

T41

Between 1867 and 1895 more than a million dollars worth of beef left Gonzales. One of the benefactors of the boom years was local cattleman Robert A. Houston, who drove several herds up the

Chisholm Trail. On a trip through Missouri, Houston saw weather vanes on farmers' barns in the shape of chickens, dairy cows and hogs. He decided he wanted one of a longhorn with his T41 brand on its side for his home in Gonzales. The result was a copper weather vane covered with gold leaf that measured 3½ feet tall by 4½ feet long and weighed 130 pounds. After the house was demolished, the weather vane, still bearing the T41 brand, was installed on the fire station across the street from the Gonzales County courthouse.

MK

Samuel Augustus Maverick came to Texas as the war for independence was beginning to heat up. A lawyer by trade, Maverick entered the cattle business when he accepted a herd of 400 cattle in Matagorda County as payment for a debt. The cows were allowed to run free and neighbors began referring to any unbranded cow as "one of Maverick's." The Maverick family continued ranching, as well as getting involved in Bexar County and state politics, for many generations.

SUMMARY FINANCIAL DATA

TABLE 1: REVENUES BY SOURCE

| Year | Employee Deposits | Employer Contributions | | Net Investment Income | Miscellaneous | Total |
|------|-------------------|------------------------|-----------------------------|-----------------------|---------------|----------------|
| | | Dollars | % of Annual Covered Payroll | | | |
| 1999 | \$ 184,276,393 | \$ 249,038,681 | 9.19% | \$ 93,065,829 | \$ 1,594,117 | \$ 527,975,020 |
| 2000 | 195,266,734 | 255,470,236 | 8.91 | 687,848,475 | 1,808,005 | 1,140,393,450 |
| 2001 | 208,517,277 | 270,644,950 | 8.84 | 238,488,998 | 1,766,188 | 719,417,413 |
| 2002 | 224,387,814 | 291,313,309 | 8.87 | 110,578,992 | 1,765,891 | 628,046,006 |
| 2003 | 235,662,740 | 315,637,689 | 9.17 | 1,793,165,259 | 1,827,396 | 2,346,293,084 |
| 2004 | 249,968,480 | 338,116,653 | 9.34 | 1,384,420,848 | 1,760,962 | 1,974,266,943 |

TABLE 2: EXPENSES BY TYPE

| Year | Benefits Paid to Annuitants | Withdrawals Paid to Terminated Employees | Administrative Expenses | Miscellaneous | Total |
|------|-----------------------------|--|-------------------------|---------------|----------------|
| 1999 | \$ 200,117,106 | \$ 60,857,742 | \$ 7,034,098 | \$ 183,782 | \$ 268,192,728 |
| 2000 | 218,504,691 | 64,857,527 | 7,368,849 | 214,085 | 290,945,152 |
| 2001 | 246,881,133 | 61,976,126 | 8,135,163 | 243,342 | 317,235,764 |
| 2002 | 273,660,986 | 54,517,833 | 8,379,382 | 233,155 | 336,791,356 |
| 2003 | 309,355,897 | 56,998,095 | 9,831,601 | 337,147 | 376,522,740 |
| 2004 | 343,058,703 | 59,151,125 | 12,223,085 | 307,668 | 414,740,581 |

FIGURE 1: REVENUES BY SOURCE — 2004

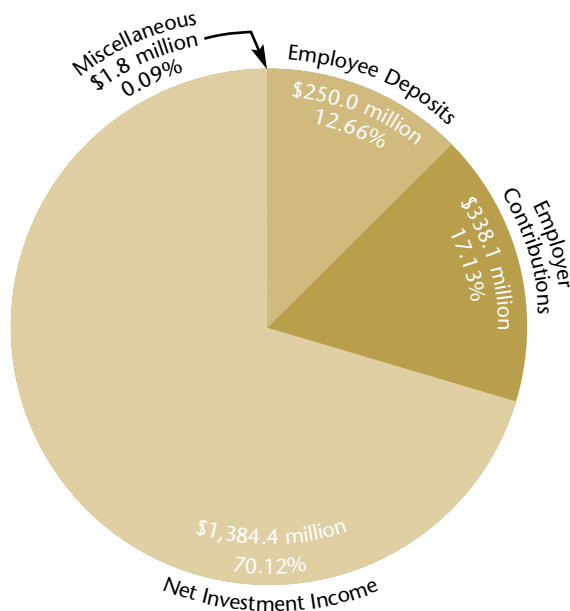
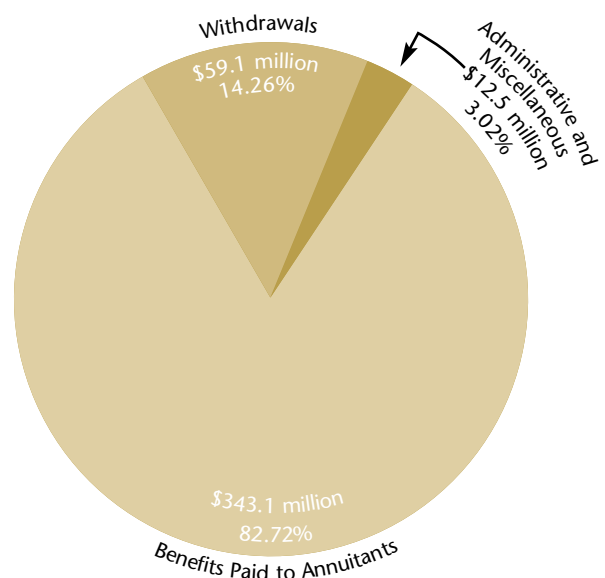


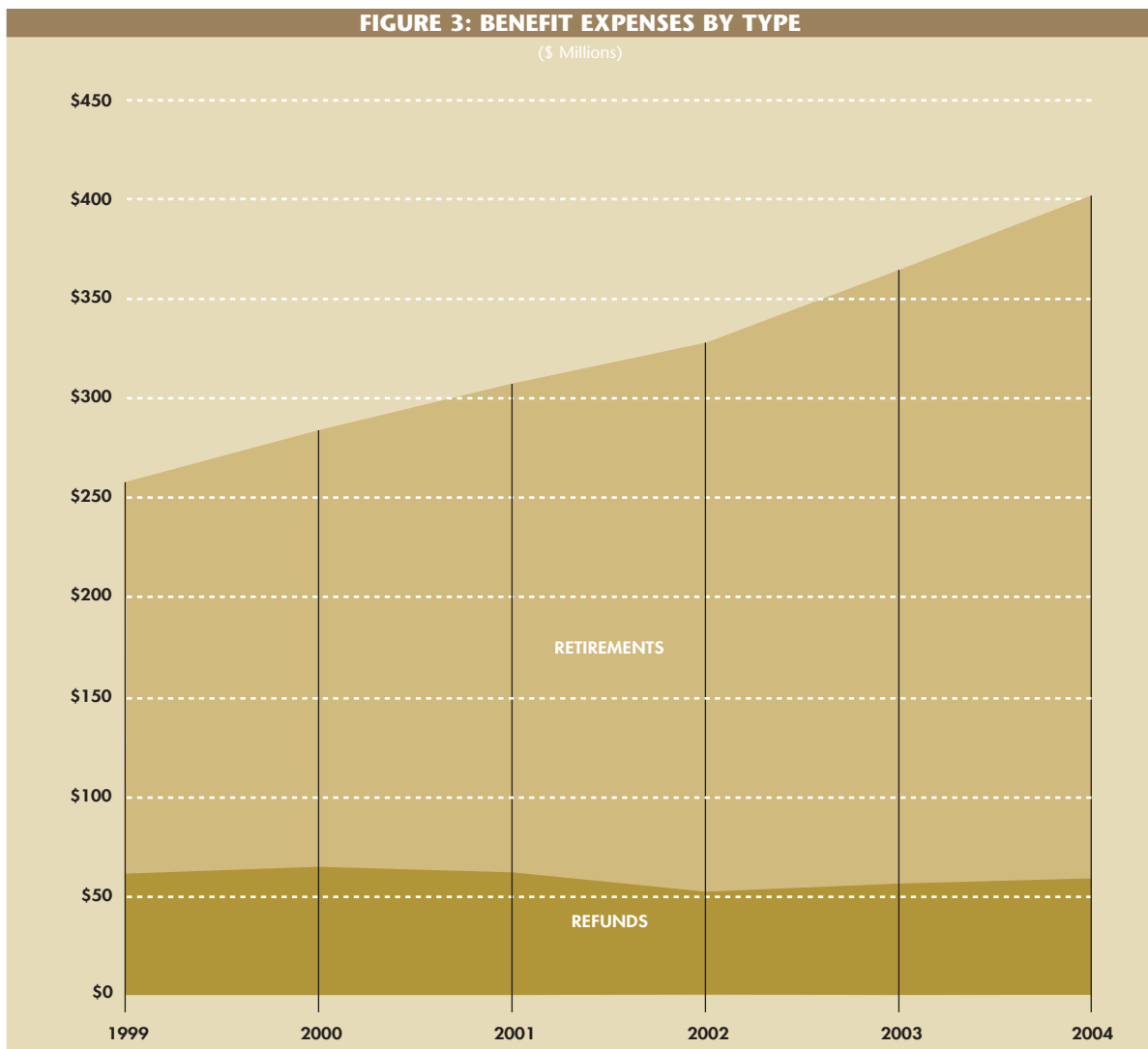
FIGURE 2: EXPENSES BY TYPE — 2004



SUMMARY FINANCIAL DATA

TABLE 3: BENEFIT EXPENSES BY TYPE

| Year | Retirements | | Refunds | | Total Benefit Payments |
|------|----------------|--------------|---------------|--------------|------------------------|
| | Service | Disability | Withdrawals | Death | |
| 1999 | \$ 192,332,893 | \$ 7,784,213 | \$ 59,646,578 | \$ 1,211,164 | \$ 260,974,848 |
| 2000 | 210,095,346 | 8,409,345 | 64,007,655 | 849,872 | 283,362,218 |
| 2001 | 237,686,898 | 9,194,235 | 61,063,274 | 912,852 | 308,857,259 |
| 2002 | 263,809,988 | 9,850,998 | 53,802,941 | 714,892 | 328,178,819 |
| 2003 | 298,828,066 | 10,527,831 | 56,608,902 | 389,193 | 366,353,992 |
| 2004 | 331,771,825 | 11,286,878 | 58,344,802 | 806,323 | 402,209,828 |



STATISTICAL SECTION

PLAN BENEFIT INFORMATION

TABLE 4: AVERAGE BENEFIT PAYMENTS

This schedule reports the number of annuitants and average monthly benefit grouped by years of credited service and year of retirement.

| | Years of Credited Service | | | | | | |
|-------------------------|---------------------------|------|-------|-------|-------|-------|-------|
| | 0-5 | 5-10 | 10-15 | 15-20 | 20-25 | 25-30 | 30+ |
| 1999 | | | | | | | |
| Number of Annuitants | 56 | 301 | 440 | 332 | 258 | 145 | 102 |
| Average Monthly Benefit | \$ 166 | 407 | 666 | 1,065 | 1,655 | 2,138 | 2,034 |
| 2000 | | | | | | | |
| Number of Annuitants | 73 | 310 | 425 | 409 | 318 | 230 | 114 |
| Average Monthly Benefit | \$ 180 | 409 | 705 | 1,187 | 1,640 | 2,212 | 2,804 |
| 2001 | | | | | | | |
| Number of Annuitants | 62 | 248 | 456 | 357 | 352 | 210 | 106 |
| Average Monthly Benefit | \$ 168 | 416 | 685 | 1,211 | 1,696 | 2,481 | 2,553 |
| 2002 | | | | | | | |
| Number of Annuitants | 174 | 362 | 480 | 404 | 473 | 235 | 147 |
| Average Monthly Benefit | \$ 211 | 479 | 794 | 1,235 | 1,804 | 2,712 | 3,041 |
| 2003 | | | | | | | |
| Number of Annuitants | 160 | 355 | 463 | 403 | 390 | 223 | 130 |
| Average Monthly Benefit | \$ 216 | 521 | 875 | 1,235 | 1,836 | 2,530 | 3,445 |
| 2004 | | | | | | | |
| Number of Annuitants | 197 | 378 | 562 | 435 | 549 | 309 | 160 |
| Average Monthly Benefit | \$ 238 | 488 | 942 | 1,322 | 1,845 | 2,563 | 3,370 |

FIGURE 4: NUMBER OF ANNUITANTS GROUPED BY AGE

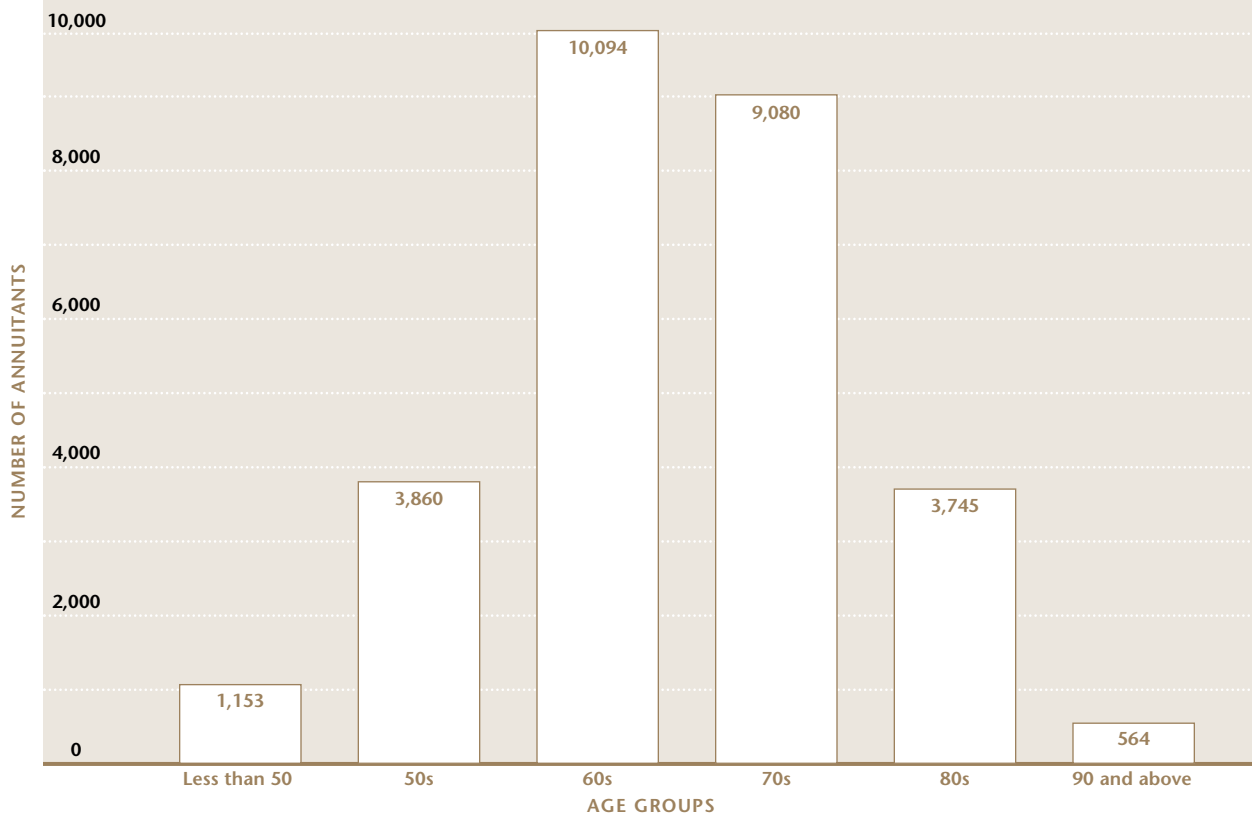


TABLE 5: ANNUITANTS BY TYPE OF BENEFIT

| Amount of Monthly Benefit | Annuitants | | | | Retirement Option Selected | | | | | | | | |
|---------------------------|---------------|-------------|-----------|---------------------|----------------------------|--------------------|--------------------|--------------------|-------------------|--------------------|------------------|--------------------|--|
| | Retiree | Beneficiary | Life Only | 100% to Beneficiary | 100% to Beneficiary | | | 75% to Beneficiary | | 50% to Beneficiary | | 25% to Beneficiary | |
| | | | | | With Pop-Up | 75% to Beneficiary | 50% to Beneficiary | 25% to Beneficiary | 15-Year Guarantee | 10-Year Guarantee | 5-Year Guarantee | | |
| \$ 0-499 | 7,092 | 2,531 | 3,097 | 3,395 | 310 | 258 | 737 | 206 | 809 | 546 | 265 | | |
| 500 - 999 | 6,733 | 1,249 | 2,830 | 2,621 | 322 | 238 | 638 | 124 | 630 | 367 | 212 | | |
| 1,000 - 1,499 | 3,908 | 486 | 1,465 | 1,356 | 235 | 176 | 423 | 94 | 354 | 173 | 118 | | |
| 1,500 - 1,999 | 2,296 | 230 | 817 | 756 | 151 | 127 | 270 | 68 | 168 | 96 | 73 | | |
| 2,000 - 2,499 | 1,507 | 116 | 524 | 491 | 94 | 80 | 215 | 24 | 114 | 48 | 33 | | |
| 2,500 - 2,999 | 802 | 54 | 285 | 237 | 62 | 51 | 95 | 13 | 60 | 33 | 20 | | |
| 3,000 - 3,499 | 547 | 37 | 192 | 163 | 42 | 39 | 63 | 12 | 45 | 18 | 10 | | |
| 3,500 - 3,999 | 325 | 16 | 114 | 104 | 20 | 14 | 41 | 8 | 24 | 8 | 8 | | |
| 4,000 - 4,499 | 186 | 3 | 47 | 57 | 15 | 16 | 32 | 1 | 9 | 8 | 4 | | |
| 4,500 - 4,999 | 109 | 7 | 38 | 28 | 5 | 6 | 14 | 5 | 10 | 6 | 4 | | |
| 5,000 - 5,499 | 76 | 0 | 17 | 20 | 7 | 12 | 17 | 0 | 0 | 1 | 2 | | |
| 5,500 - 5,999 | 44 | 4 | 14 | 15 | 4 | 4 | 4 | 0 | 4 | 3 | 0 | | |
| 6,000 & Over | 128 | 10 | 37 | 35 | 8 | 14 | 14 | 8 | 14 | 6 | 2 | | |
| Subtotals | 23,753 | 4,743 | 9,477 | 9,278 | 1,275 | 1,035 | 2,563 | 563 | 2,241 | 1,313 | 751 | | |
| Totals | 28,496 | | | | 28,496 | | | | | | | | |

RETIREMENT PAYMENT OPTIONS

All retirement payment options pay the retiree a monthly benefit for life and, in the event of premature death, guarantee that the total benefit paid will equal, at a minimum, the total accumulated contributions of the retiree.

Life Only

Payments cease upon the death of the retiree.

100% to Beneficiary

At the death of the retiree, the beneficiary will receive 100% of the monthly amount paid to the retiree throughout the beneficiary's life.

100% to Beneficiary With Pop-Up

If the beneficiary survives the retiree, monthly payments equal to 100% of the monthly amount paid to the retiree continue to the beneficiary for life. If the retiree outlives the beneficiary, the monthly payment amount will increase ("pop-up") after the beneficiary's death to the higher amount of the Life-Only option.

75% to Beneficiary

At the death of the retiree, the beneficiary will

receive three-fourths of the retiree's monthly payment throughout the beneficiary's life.

50% to Beneficiary

At the death of the retiree, the beneficiary will receive one-half of the retiree's monthly payment throughout the beneficiary's life.

15-Year Guarantee

If the retiree dies within 15 years of retirement, the beneficiary will receive the same monthly payment as the retiree for the balance of the 15-year period, at which time payments cease.

10-Year Guarantee

If the retiree dies within 10 years of retirement, the beneficiary will receive the same monthly payment as the retiree for the balance of the 10-year period, at which time payments cease.

5-Year Guarantee

If the retiree dies within five years of retirement, the beneficiary will receive the same monthly payment as the retiree for the balance of the five-year period, at which time payments cease.

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|----------------------------------|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 638 | Acton MUD | 10.00% | 4% | 1.50 | 100% | 10 | 80 | |
| 615 | Alamo Area COG | 12.00% | 4% | 2.00 | 70% | 10 | 80 | |
| 721 | Alamo Reg. Mob. Auth. | 21.00% | 7% | 2.00 | 150% | 8 | 75 | Yes |
| 100 | Anderson County | 18.20% | 7% | 1.60 | 105% | 8 | 75 | Yes |
| 691 | Anderson Co. CAD | 13.50% | 6% | 1.25 | 0% | 10 | 80 | |
| 101 | Andrews County | 21.00% | 7% | 2.00 | 170% | 8 | 75 | |
| 102 | Angelina County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 502 | Angelina Co. AD | 21.00% | 7% | 2.00 | 150% | 10 | 75 | |
| 684 | Angelina/Nacogdoches Co. WCID #1 | 12.50% | 5% | 1.50 | 10% | 10 | 80 | |
| 576 | Angleton DD | 15.75% | 7% | 1.25 | 110% | 8 | 75 | |
| 614 | Aquilla WSD — Hill Co. | 13.80% | 6% | 1.30 | 115% | 10 | 75 | |
| 103 | Aransas County | 20.30% | 7% | 1.90 | 120% | 10 | 75 | |
| 459 | Aransas Co. AD | 22.75% | 7% | 2.25 | 150% | 10 | 75 | Yes |
| 668 | Aransas Co. ND #1 | 15.00% | 5% | 2.00 | 10% | 10 | 75 | |
| 104 | Archer County | 15.75% | 7% | 1.25 | 115% | 8 | 75 | |
| 503 | Archer Co. AD | 22.75% | 7% | 2.25 | 150% | 10 | 80 | |
| 105 | Armstrong County | 17.50% | 7% | 1.50 | 110% | 8 | 80 | |
| 106 | Atascosa County | 16.50% | 6% | 1.75 | 135% | 8 | 75 | |
| 551 | Atascosa Co. AD | 19.25% | 7% | 1.75 | 140% | 8 | 75 | |
| 107 | Austin County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 461 | Austin Co. AD | 22.75% | 7% | 2.25 | 160% | 8 | 75 | |
| 597 | Bacliff MUD | 10.00% | 4% | 1.50 | 100% | 10 | 80 | |
| 108 | Bailey County | 14.00% | 7% | 1.00 | 115% | 8 | 80 | |
| 109 | Bandera County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 110 | Bastrop County | 23.10% | 7% | 2.30 | 140% | 8 | 75 | |
| 111 | Baylor County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 685 | Baylor Co. AD | 14.00% | 7% | 1.00 | 10% | 8 | 75 | |
| 613 | Bayview ID #11 | 15.75% | 7% | 1.25 | 20% | 10 | 80 | |
| 690 | Bayview MUD | 8.00% | 4% | 1.00 | 0% | 10 | 80 | |
| 112 | Bee County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 113 | Bell County | 22.75% | 7% | 2.25 | 165% | 8 | 75 | |
| 506 | Bell Co. AD | 17.50% | 7% | 1.50 | 150% | 8 | 75 | |
| 418 | Bell Co. WCID #1 | 12.00% | 6% | 1.00 | 110% | 10 | 80 | |
| 708 | Benbrook Water and Sewer Auth. | 15.75% | 7% | 1.25 | 0% | 10 | 80 | |
| 472 | Bexar AD | 19.25% | 7% | 1.75 | 150% | 10 | 75 | |
| 114 | Bexar County | 21.00% | 7% | 2.00 | 155% | 8 | 75 | Yes |
| 544 | Bexar Co. WCID #10 | 12.00% | 6% | 1.00 | 70% | 10 | 80 | |
| 716 | Bexar Metro 911 Net Dist. | 21.00% | 7% | 2.00 | 0% | 10 | 80 | |
| 616 | Bistone MWSD — Limestone Co. | 21.00% | 7% | 2.00 | 25% | 10 | 80 | |
| 115 | Blanco County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 116 | Borden County | 16.10% | 7% | 1.30 | 105% | 10 | 75 | |
| 525 | Borden Co. AD | 14.00% | 7% | 1.00 | 100% | 10 | 80 | |
| 117 | Bosque County | 11.50% | 5% | 1.30 | 115% | 8 | 75 | |
| 521 | Bosque Co. CAD | 21.00% | 7% | 2.00 | 150% | 8 | 80 | |
| 118 | Bowie County | 21.00% | 7% | 2.00 | 165% | 10 | 75 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent CPI-Based COLA Year | Most Recent Annuitant COLA Pct. | Most Recent Flat-Rate COLA Year | Most Recent Annuitant COLA Pct. | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable- Rate Plan Date | Supplemental Death Benefits | Employer Number |
|---------------------------------------|--|---------------------------------------|--|--------------------------------|--|------------------------------------|--|----------------------------------|--------------------------------|--------------------------------|--------------------|
| | | | | | Yes | | | 07/95 | 07/95 | Active & Retired | 638 |
| | | 2005 | 3% | Yes | Yes | | | 01/92 | 01/92 | | 615 |
| | | | | Yes | Yes | | | 01/05 | 01/05 | | 721 |
| | | 2005 | 3% | | Yes | Yes | Yes | 01/68 | 01/96 | | 100 |
| | | | | | Yes | | | 01/03 | 01/03 | | 691 |
| | | | | | Yes | Yes | Yes | 01/68 | 01/98 | Active Only | 101 |
| 1999 | 40% | 2003 | 5% | Yes | Yes | Yes | Yes | 01/77 | 01/92 | | 102 |
| | | 2004 | 3% | | Yes | | | 03/82 | 01/97 | Active & Retired | 502 |
| | | | | | | | | 07/02 | 07/02 | | 684 |
| | | | | | Yes | | | 07/89 | 01/92 | Active Only | 576 |
| 1999 | 40% | | | | | | | 11/91 | 01/99 | Active Only | 614 |
| | | | | | Yes | Yes | | 01/69 | 01/96 | | 103 |
| | | | | | | | | 11/80 | 01/98 | | 459 |
| | | | | Yes | | | | 01/01 | 01/01 | Active Only | 668 |
| | | | | | Yes | | | 12/75 | 01/97 | | 104 |
| | | | | | | | | 03/82 | 01/97 | | 503 |
| | | | | | Yes | | | 02/73 | 01/95 | Active & Retired | 105 |
| | | 2000 | 4% | | Yes | Yes | | 06/71 | 01/95 | | 106 |
| | | | | | | | | 10/86 | 01/93 | Active & Retired | 551 |
| | | | | | Yes | | | 01/68 | 01/93 | Active Only | 107 |
| | | | | | | | | 11/80 | 01/95 | | 461 |
| | | | | | | | | 01/91 | | Active & Retired | 597 |
| | | | | | Yes | | | 10/71 | 01/99 | | 108 |
| 2001 | 50% | 2000 | 6% | | Yes | Yes | | 01/68 | 01/92 | Active & Retired | 109 |
| | | | | | Yes | | | 01/68 | 01/98 | | 110 |
| | | | | | Yes | | | 01/72 | 01/95 | Active Only | 111 |
| | | | | | | | | 07/02 | 07/02 | Active Only | 685 |
| | | | | | | | | 10/91 | 01/01 | Active Only | 613 |
| | | | | | | | | 10/02 | 10/02 | | 690 |
| 1999 | 30% | | | | Yes | Yes | | 01/73 | 01/95 | Active & Retired | 112 |
| 2005 | 30% | | | | Yes | Yes | Yes | 01/68 | 01/93 | | 113 |
| | | | | | Yes | | | 03/82 | 01/95 | | 506 |
| | | | | | Yes | | | 01/72 | 01/03 | Active Only | 418 |
| | | | | | Yes | | | 10/03 | 10/03 | Active Only | 708 |
| | | | | | Yes | | | 02/81 | 01/99 | | 472 |
| 1998 | 30% | 2002 | 2% | Yes | Yes | Yes | Yes | 01/68 | 01/93 | | 114 |
| 2005 | 30% | | | | | | | 01/86 | 01/05 | Active Only | 544 |
| | | | | | | | | 01/05 | 01/05 | | 716 |
| | | | | | Yes | | | 01/92 | 01/92 | Active Only | 616 |
| 1995 | 80% | | | | Yes | | | 02/81 | 01/92 | Active & Retired | 115 |
| | | | | | Yes | | Yes | 09/70 | 01/95 | | 116 |
| | | | | | | | | 07/83 | | | 525 |
| 2002 | 30% | | | | Yes | Yes | | 03/74 | 01/95 | Active Only | 117 |
| | | | | | | | | 01/83 | 01/00 | | 521 |
| | | | | | Yes | Yes | Yes | 11/70 | 01/95 | Active & Retired | 118 |

STATISTICAL SECTION

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|-----------------------------------|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 119 | Brazoria County | 21.00% | 7% | 2.00 | 130% | 8 | 75 | |
| 508 | Brazoria Co. AD | 18.20% | 7% | 1.60 | 150% | 10 | 80 | |
| 413 | Brazoria Co. CRD #3 | 22.75% | 7% | 2.25 | 115% | 8 | 75 | Yes |
| 424 | Brazoria Co. DD #4 | 24.50% | 7% | 2.50 | 70% | 8 | 75 | Yes |
| 681 | Brazoria Co. DD #5 | 10.00% | 5% | 1.00 | 10% | 10 | 80 | |
| 120 | Brazos County | 22.75% | 7% | 2.25 | 120% | 8 | 75 | |
| 689 | Brazos Co. AD | 24.50% | 7% | 2.50 | 0% | 8 | 75 | Yes |
| 600 | Brazos Co. ECD | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 121 | Brewster County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 581 | Brewster Co. AD | 14.00% | 7% | 1.00 | 40% | 10 | 80 | |
| 122 | Briscoe County | 15.75% | 7% | 1.25 | 20% | 8 | 75 | |
| 123 | Brooks County | 24.50% | 7% | 2.50 | 175% | 8 | 75 | |
| 554 | Brookshire-Katy DD | 10.40% | 4% | 1.60 | 110% | 10 | 80 | |
| 522 | Brookshire MWD | 17.50% | 7% | 1.50 | 150% | 10 | 80 | Yes |
| 124 | Brown County | 15.00% | 5% | 2.00 | 150% | 8 | 75 | |
| 702 | Brownsville ID | 14.00% | 7% | 1.00 | 10% | 8 | 80 | |
| 642 | Brushy Creek MUD — Williamson Co. | 12.00% | 4% | 2.00 | 150% | 8 | 80 | Yes |
| 125 | Burleson County | 15.75% | 7% | 1.25 | 100% | 8 | 75 | |
| 126 | Burnet County | 19.25% | 7% | 1.75 | 140% | 8 | 75 | Yes |
| 609 | Burnet Co. AD | 14.00% | 7% | 1.00 | 100% | 10 | 80 | |
| 127 | Caldwell County | 12.50% | 5% | 1.50 | 125% | 8 | 75 | |
| 718 | Caldwell Co. AD | 15.00% | 6% | 1.50 | 0% | 10 | 80 | |
| 128 | Calhoun County | 19.25% | 7% | 1.75 | 95% | 8 | 75 | |
| 709 | Calhoun Co. AD | 13.50% | 6% | 1.25 | 0% | 10 | 80 | |
| 129 | Callahan County | 12.60% | 6% | 1.10 | 65% | 8 | 75 | |
| 542 | Callahan Co. AD | 14.00% | 7% | 1.00 | 105% | 10 | 80 | |
| 130 | Cameron County | 21.00% | 7% | 2.00 | 160% | 8 | 75 | |
| 618 | Cameron Co. AD | 21.00% | 7% | 2.00 | 125% | 8 | 75 | |
| 692 | Cameron Co. DD #1 | 14.00% | 7% | 1.00 | 10% | 10 | 80 | |
| 664 | Cameron Co. DD #3 | 14.00% | 7% | 1.00 | 0% | 10 | 80 | |
| 686 | Cameron Co. DD #5 | 14.00% | 7% | 1.00 | 10% | 10 | 75 | |
| 462 | Cameron Co. ID #2 | 14.00% | 7% | 1.00 | 25% | 10 | 80 | |
| 590 | Cameron Co. ID #6 | 14.00% | 7% | 1.00 | 10% | 10 | 80 | |
| 670 | Camp CAD | 14.00% | 7% | 1.00 | 0% | 10 | 80 | |
| 131 | Camp County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 132 | Carson County | 15.75% | 7% | 1.25 | 110% | 8 | 75 | |
| 133 | Cass County | 17.50% | 7% | 1.50 | 150% | 8 | 75 | |
| 610 | Cass Co. AD | 17.50% | 7% | 1.50 | 45% | 8 | 75 | |
| 134 | Castro County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 719 | Cent. AD of Bandera Co | 10.00% | 5% | 1.00 | 40% | 10 | 75 | |
| 635 | CAD of Johnson Co. | 21.00% | 7% | 2.00 | 30% | 8 | 75 | |
| 602 | CAD of Taylor Co. | 14.00% | 7% | 1.00 | 100% | 10 | 80 | |
| 648 | Cent. WCID — Angelina Co. | 12.00% | 6% | 1.00 | 50% | 8 | 80 | |
| 712 | Central TX Reg. Mob. Auth. | 24.50% | 7% | 2.50 | 175% | 8 | 75 | |
| 135 | Chambers County | 20.30% | 7% | 1.90 | 145% | 8 | 75 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent CPI-Based COLA Year | Most Recent Annuitant Flat-Rate COLA Pct. | Most Recent Annuitant Flat-Rate COLA Year | Most Recent Annuitant Flat-Rate COLA Pct. | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable- Rate Plan Date | Supplemental Death Benefits | Employer Number |
|---------------------------------------|--|--|--|--------------------------------|--|------------------------------------|--|----------------------------------|--------------------------------|--------------------------------|--------------------|
| 2005 | 30% | | | | Yes | Yes | Yes | 01/68 | 01/98 | | 119 |
| | | | | | | | | 05/82 | 01/04 | | 508 |
| | | | | | Yes | | | 03/70 | 01/95 | Active Only | 413 |
| 1995 | 30% | 2005 | 4% | | Yes | | | 05/72 | 01/95 | Active & Retired | 424 |
| | | | | Yes | | | | 04/02 | 04/02 | | 681 |
| | | 2000 | 3% | | Yes | Yes | Yes | 01/68 | 01/98 | | 120 |
| | | | | Yes | | | | 10/02 | 10/02 | | 689 |
| | | | | | Yes | | | 01/91 | 01/02 | | 600 |
| 1995 | 50% | 2003 | 3% | | Yes | | | 08/69 | 01/92 | Active Only | 121 |
| | | | | | | | | 01/90 | 01/04 | Active Only | 581 |
| 1994 | 40% | | | | Yes | | | 01/86 | 01/92 | Active & Retired | 122 |
| | | | | Yes | Yes | Yes | | 02/68 | 01/96 | Active & Retired | 123 |
| | | | | | | | | 02/87 | | | 554 |
| | | | | Yes | | | | 04/83 | 01/02 | Active & Retired | 522 |
| | | | | | Yes | | | 01/71 | 01/93 | | 124 |
| | | | | | | | | 04/03 | 04/03 | | 702 |
| | | 2004 | 6% | | | | | 10/96 | 10/96 | | 642 |
| | | | | Yes | Yes | | | 01/81 | 01/92 | Active & Retired | 125 |
| 2003 | 40% | | | Yes | Yes | | | 01/72 | 01/92 | Active & Retired | 126 |
| | | | | | | | | 07/91 | | | 609 |
| | | | | | Yes | Yes | | 10/80 | 01/92 | | 127 |
| | | | | | | | | 01/05 | 01/05 | | 718 |
| | | | | | Yes | Yes | | 01/70 | 01/96 | Active Only | 128 |
| | | | | | Yes | | | 01/04 | 01/04 | | 709 |
| | | | | Yes | Yes | | | 07/82 | 01/95 | Active & Retired | 129 |
| | | | | | Yes | | | 01/86 | 01/92 | | 542 |
| | | | | Yes | Yes | Yes | Yes | 01/69 | 01/97 | Active & Retired | 130 |
| | | | | | Yes | | | 04/92 | 04/92 | | 618 |
| | | | | | | | | 01/03 | 01/03 | | 692 |
| | | | | Yes | | | | 07/00 | 07/00 | | 664 |
| | | | | | | | | 07/02 | 07/02 | | 686 |
| | | 2004 | 10% | Yes | | | | 12/80 | 01/04 | | 462 |
| | | | | | | | | 05/90 | 01/00 | | 590 |
| | | | | Yes | | | | 01/01 | 01/01 | | 670 |
| | | 2005 | 4% | Yes | Yes | | | 01/74 | 01/95 | | 131 |
| 1995 | 30% | | | | Yes | | | 01/68 | 01/92 | Active Only | 132 |
| | | | | | Yes | | | 01/68 | 01/95 | | 133 |
| | | | | | Yes | | | 07/91 | 01/98 | Active Only | 610 |
| | | | | | Yes | | | 03/71 | 01/93 | | 134 |
| | | | | | Yes | | | 01/05 | 01/05 | | 719 |
| | | | | | Yes | | | 01/95 | 01/95 | | 635 |
| | | 2000 | 4% | | | | | 04/91 | 01/99 | Active & Retired | 602 |
| | | | | | | | | 01/98 | 01/98 | | 648 |
| | | | | | | | | 07/04 | 07/04 | | 712 |
| | | | | | Yes | Yes | Yes | 01/68 | 01/98 | Active Only | 135 |

STATISTICAL SECTION

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|-----------------------------------|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 531 | Chambers Co. AD | 24.50% | 7% | 2.50 | 135% | 10 | 75 | Yes |
| 548 | Chambers Co. Public HD | 15.00% | 5% | 2.00 | 150% | 10 | 75 | |
| 136 | Cherokee County | 17.50% | 7% | 1.50 | 145% | 8 | 75 | |
| 137 | Childress County | 10.00% | 5% | 1.00 | 100% | 8 | 80 | |
| 511 | Childress Co. AD | 8.00% | 4% | 1.00 | 150% | 10 | 80 | |
| 582 | Childress Co. HD | 15.75% | 7% | 1.25 | 75% | 8 | 75 | |
| 138 | Clay County | 14.70% | 7% | 1.10 | 140% | 10 | 80 | |
| 485 | Clay Co. AD | 21.00% | 7% | 2.00 | 150% | 10 | 80 | |
| 703 | Coastal Bend GCD | 14.00% | 7% | 1.00 | 100% | 8 | 75 | |
| 139 | Cochran County | 17.50% | 7% | 1.50 | 125% | 10 | 80 | |
| 477 | Cochran Co. AD | 16.10% | 7% | 1.30 | 115% | 8 | 80 | |
| 140 | Coke County | 15.40% | 7% | 1.20 | 85% | 10 | 80 | |
| 141 | Coleman County | 15.75% | 7% | 1.25 | 110% | 8 | 75 | Yes |
| 142 | Collin County | 24.50% | 7% | 2.50 | 175% | 8 | 75 | |
| 457 | Collin Co. CAD | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 143 | Collingsworth County | 21.00% | 7% | 2.00 | 50% | 8 | 75 | |
| 144 | Colorado County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | Yes |
| 623 | Comal AD | 21.00% | 7% | 2.00 | 150% | 8 | 75 | Yes |
| 145 | Comal County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 146 | Comanche County | 12.50% | 5% | 1.50 | 125% | 8 | 75 | |
| 147 | Concho County | 21.00% | 7% | 2.00 | 135% | 8 | 75 | |
| 636 | Concho Co. HD | 9.00% | 4% | 1.25 | 50% | 8 | 75 | |
| 148 | Cooke County | 16.80% | 6% | 1.80 | 120% | 8 | 75 | |
| 487 | Cooke Co. AD | 22.75% | 7% | 2.25 | 160% | 8 | 75 | |
| 149 | Coryell County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 150 | Cottle County | 14.00% | 7% | 1.00 | 40% | 8 | 80 | |
| 151 | Crane County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 152 | Crockett County | 16.80% | 7% | 1.40 | 160% | 10 | 80 | |
| 409 | Crockett Co. WCID #1 | 15.75% | 7% | 1.25 | 110% | 10 | 80 | |
| 153 | Crosby County | 14.00% | 7% | 1.00 | 115% | 8 | 80 | |
| 532 | Crosby Co. AD | 15.75% | 7% | 1.25 | 110% | 10 | 75 | |
| 603 | Crosby MUD | 17.50% | 7% | 1.50 | 120% | 10 | 75 | |
| 710 | Cross Roads SUD | 10.00% | 5% | 1.00 | 25% | 10 | 80 | |
| 154 | Culberson County | 16.80% | 7% | 1.40 | 120% | 8 | 75 | |
| 155 | Dallam County | 17.50% | 7% | 1.50 | 130% | 8 | 80 | |
| 467 | Dallas CAD | 24.50% | 7% | 2.50 | 175% | 10 | 80 | Yes |
| 156 | Dallas County | 21.00% | 7% | 2.00 | 150% | 10 | 80 | |
| 430 | Dallas Co. Park Cities MUD | 19.25% | 7% | 1.75 | 110% | 10 | 80 | |
| 687 | Dallas Co. WCID #6 | 14.00% | 7% | 1.00 | 0% | 8 | 75 | Yes |
| 157 | Dawson County | 15.75% | 7% | 1.25 | 110% | 8 | 80 | |
| 463 | Dawson Co. CAD | 21.00% | 7% | 2.00 | 150% | 10 | 75 | |
| 158 | Deaf Smith County | 19.25% | 7% | 1.75 | 140% | 8 | 75 | |
| 578 | Deaf Smith Co. HD | 8.00% | 4% | 1.00 | 55% | 8 | 75 | Yes |
| 159 | Delta County | 15.75% | 7% | 1.25 | 110% | 8 | 75 | |
| 583 | Denco Area 911 Dist. — Denton Co. | 15.75% | 7% | 1.25 | 105% | 8 | 75 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent Annuitant CPI-Based COLA Year Pct. | | Most Recent Annuitant Flat-Rate COLA Year Pct. | | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable-Rate Plan Date | Supplemental Death Benefits | Employer Number |
|--|-----|--|----|--------------------------|--|------------------------------|------------------------------------|----------------------------|-------------------------|-----------------------------|-----------------|
| | | | | Yes | Yes | | | 01/85 | 01/93 | | 531 |
| | | | | | | | | 08/86 | 01/96 | | 548 |
| | | | | | Yes | Yes | Yes | 01/68 | 01/96 | | 136 |
| | | | | | | | | 10/96 | 10/96 | | 137 |
| | | | | | | | | 05/82 | 01/01 | | 511 |
| | | | | | | | | 01/90 | 01/02 | | 582 |
| | | | | | Yes | | | 08/70 | | | 138 |
| | | | | | Yes | | | 05/81 | 01/92 | Active & Retired | 485 |
| | | | | | | | | 04/03 | 04/03 | | 703 |
| 1994 | 80% | 2005 | 5% | | Yes | Yes | | 06/79 | 01/92 | Active & Retired | 139 |
| | | | | | | | | 03/81 | 01/99 | Active & Retired | 477 |
| | | | | | Yes | | Yes | 01/68 | 01/04 | | 140 |
| | | | | | Yes | | | 05/73 | 01/93 | | 141 |
| 1999 | 80% | 2005 | 8% | Yes | Yes | Yes | Yes | 01/70 | 01/92 | Active & Retired | 142 |
| | | 2005 | 4% | Yes | Yes | | | 11/80 | 01/95 | | 457 |
| | | | | | Yes | | | 11/93 | 11/93 | Active Only | 143 |
| | | 2002 | 1% | | Yes | Yes | | 03/68 | 01/92 | | 144 |
| 2004 | 50% | | | Yes | Yes | | | 01/93 | 01/93 | | 623 |
| 2005 | 50% | | | | Yes | Yes | Yes | 03/75 | 01/92 | Active & Retired | 145 |
| 2005 | 80% | | | | Yes | Yes | Yes | 10/84 | 01/92 | Active & Retired | 146 |
| | | | | | Yes | | | 01/68 | 01/96 | | 147 |
| | | | | | Yes | | | 01/95 | 01/95 | Active & Retired | 636 |
| | | | | | Yes | | | 04/72 | 01/95 | | 148 |
| 1995 | 80% | 2002 | 6% | | Yes | | | 07/81 | 01/92 | | 487 |
| 1998 | 50% | 2004 | 1% | | Yes | Yes | Yes | 04/75 | 01/95 | Active & Retired | 149 |
| | | | | | | | | 03/89 | 01/95 | | 150 |
| | | 2001 | 1% | | Yes | Yes | Yes | 04/68 | 01/95 | Active & Retired | 151 |
| | | | | | Yes | Yes | | 01/68 | 01/04 | | 152 |
| | | | | | Yes | | | 10/68 | 01/00 | Active & Retired | 409 |
| | | | | | Yes | | Yes | 01/77 | 01/98 | Active & Retired | 153 |
| | | | | | | | | 04/85 | 01/00 | Active & Retired | 532 |
| | | | | | | | | 04/91 | 01/00 | | 603 |
| | | | | | | | | 01/04 | 01/04 | Active Only | 710 |
| | | | | Yes | | | | 02/81 | 01/96 | Active & Retired | 154 |
| | | | | | Yes | | | 07/68 | 01/98 | | 155 |
| 2005 | 80% | | | | Yes | | | 01/81 | 01/92 | | 467 |
| | | | | | Yes | Yes | Yes | 01/68 | | | 156 |
| | | | | | Yes | | | 03/74 | 01/95 | | 430 |
| | | | | Yes | | | | 07/02 | 07/02 | | 687 |
| 2000 | 40% | 2005 | 4% | Yes | Yes | Yes | Yes | 01/76 | 01/92 | Active & Retired | 157 |
| | | | | Yes | | | | 12/80 | 01/05 | | 463 |
| | | | | | Yes | | | 12/69 | 01/92 | Active Only | 158 |
| | | | | Yes | | | | 08/89 | 01/01 | | 578 |
| | | | | | | | | 01/87 | 01/95 | Active & Retired | 159 |
| | | | | | | | | 01/90 | 01/95 | | 583 |

STATISTICAL SECTION

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|--------------------------|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 482 | Denton CAD | 21.00% | 6% | 2.50 | 175% | 8 | 75 | |
| 160 | Denton County | 22.40% | 7% | 2.20 | 160% | 8 | 75 | Yes |
| 161 | DeWitt County | 15.75% | 7% | 1.25 | 80% | 8 | 75 | |
| 466 | DeWitt Co. AD | 18.20% | 7% | 1.60 | 130% | 10 | 80 | |
| 162 | Dickens County | 17.50% | 7% | 1.50 | 110% | 8 | 75 | |
| 163 | Dimmit County | 21.00% | 7% | 2.00 | 65% | 8 | 80 | |
| 164 | Donley County | 14.00% | 7% | 1.00 | 110% | 10 | 80 | |
| 165 | Duval County | 10.00% | 5% | 1.00 | 95% | 8 | 80 | |
| 166 | Eastland County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | Yes |
| 593 | Eastland Co. AD | 19.25% | 7% | 1.75 | 90% | 10 | 75 | |
| 167 | Ector County | 24.50% | 7% | 2.50 | 210% | 8 | 75 | |
| 580 | Ector Co. HD | 21.00% | 7% | 2.00 | 0% | 8 | 75 | |
| 628 | Edwards CAD | 10.00% | 5% | 1.00 | 100% | 8 | 80 | |
| 168 | Edwards County | 17.50% | 7% | 1.50 | 35% | 8 | 75 | |
| 170 | El Paso County | 24.50% | 7% | 2.50 | 175% | 8 | 75 | Yes |
| 567 | El Paso Co. 911 Dist. | 21.00% | 7% | 2.00 | 150% | 8 | 75 | Yes |
| 541 | El Paso Co. HD | 14.00% | 5% | 1.80 | 140% | 8 | 75 | |
| 169 | Ellis County | 22.75% | 7% | 2.25 | 150% | 8 | 75 | Yes |
| 624 | ECD of Ector Co. | 22.75% | 7% | 2.25 | 160% | 8 | 75 | |
| 171 | Erath County | 19.25% | 7% | 1.75 | 140% | 8 | 75 | Yes |
| 172 | Falls County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 563 | Falls Co. AD | 14.00% | 7% | 1.00 | 85% | 10 | 80 | |
| 173 | Fannin County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 644 | Fannin Co. AD | 8.00% | 4% | 1.00 | 20% | 10 | 80 | |
| 174 | Fayette County | 17.50% | 7% | 1.50 | 120% | 8 | 75 | |
| 175 | Fisher County | 15.40% | 7% | 1.20 | 100% | 8 | 75 | |
| 432 | Fisher Co. HD | 12.00% | 4% | 2.00 | 155% | 10 | 80 | |
| 176 | Floyd County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 474 | Fort Bend CAD | 21.00% | 7% | 2.00 | 150% | 10 | 80 | |
| 178 | Fort Bend County | 21.00% | 7% | 2.00 | 165% | 8 | 75 | |
| 179 | Franklin County | 20.30% | 7% | 1.90 | 145% | 8 | 75 | |
| 180 | Freestone County | 17.50% | 7% | 1.50 | 135% | 8 | 75 | |
| 693 | Freestone Co. AD | 19.25% | 7% | 1.75 | 0% | 10 | 80 | |
| 181 | Frio County | 18.00% | 6% | 2.00 | 150% | 8 | 75 | |
| 509 | Frio Co. AD | 18.00% | 6% | 2.00 | 150% | 8 | 75 | |
| 182 | Gaines County | 17.50% | 7% | 1.50 | 125% | 10 | 80 | |
| 546 | Galveston CAD | 24.50% | 7% | 2.50 | 175% | 8 | 75 | |
| 183 | Galveston County | 21.00% | 7% | 2.00 | 160% | 8 | 75 | |
| 547 | Galveston Co. Consol. DD | 21.00% | 7% | 2.00 | 120% | 8 | 75 | Yes |
| 464 | Galveston Co. DD #1 | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 433 | Galveston Co. DD #2 | 22.75% | 7% | 2.25 | 135% | 8 | 75 | Yes |
| 589 | Galveston Co. ECD | 24.50% | 7% | 2.50 | 135% | 8 | 75 | Yes |
| 407 | Galveston Co. WCID #1 | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 473 | Garza CAD | 18.20% | 7% | 1.60 | 130% | 10 | 80 | |
| 184 | Garza County | 18.20% | 7% | 1.60 | 125% | 8 | 75 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent CPI-Based COLA Year Pct. | | Most Recent Annuitant Flat-Rate COLA Year Pct. | | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable- Rate Plan Date | Supplemental Death Benefits | Employer Number |
|--|-----|---|----|--------------------------------|--|------------------------------------|--|----------------------------------|--------------------------------|--------------------------------|--------------------|
| 2005 | 80% | | | | Yes | | | 04/81 | 01/93 | Active Only | 482 |
| 2005 | 80% | | | | Yes | Yes | Yes | 01/68 | 01/95 | Active Only | 160 |
| | | | | | Yes | Yes | | 01/68 | 01/98 | Active & Retired | 161 |
| | | | | | | | | 01/81 | | | 466 |
| | | | | | Yes | | | 07/77 | 01/95 | Active & Retired | 162 |
| | | | | | Yes | | | 03/91 | 01/97 | | 163 |
| | | | | | | | | 06/88 | | | 164 |
| | | | | | Yes | Yes | Yes | 11/92 | 11/92 | | 165 |
| 1998 | 30% | 2003 | 2% | | Yes | | | 01/74 | 01/92 | Active & Retired | 166 |
| | | | | Yes | | | | 09/90 | 01/96 | Active & Retired | 593 |
| | | | | | Yes | Yes | Yes | 12/68 | 01/95 | | 167 |
| | | | | | Yes | | | 12/89 | 01/03 | Active Only | 580 |
| | | | | | Yes | | | 07/93 | 07/93 | | 628 |
| | | | | | Yes | | | 10/93 | 10/93 | | 168 |
| 1999 | 80% | 2005 | 2% | | Yes | Yes | Yes | 01/71 | 01/94 | | 170 |
| | | | | Yes | Yes | | | 11/88 | 01/92 | Active Only | 567 |
| | | | | | Yes | | | 10/85 | 01/97 | | 541 |
| 1992 | 30% | 2005 | 2% | | Yes | Yes | Yes | 01/68 | 01/92 | Active Only | 169 |
| | | | | | Yes | | | 01/93 | 01/93 | | 624 |
| | | | | | Yes | Yes | Yes | 07/68 | 01/96 | Active Only | 171 |
| 2001 | 30% | 2004 | 2% | | Yes | | | 12/70 | 01/95 | Active Only | 172 |
| | | 2005 | 3% | | | | | 01/88 | 01/01 | Active Only | 563 |
| | | | | | Yes | | | 01/68 | 01/92 | Active Only | 173 |
| | | | | | | | | 04/97 | 04/97 | Active & Retired | 644 |
| 2005 | 50% | | | | Yes | | | 01/68 | 01/97 | | 174 |
| | | | | | Yes | | | 10/74 | 01/95 | Active & Retired | 175 |
| 2002 | 30% | | | | Yes | | | 03/75 | 01/92 | | 432 |
| | | | | | Yes | | | 01/71 | 01/96 | Active Only | 176 |
| | | | | | | | | 02/81 | | Active & Retired | 474 |
| 2005 | 50% | 2004 | 2% | | Yes | Yes | Yes | 01/72 | 01/98 | | 178 |
| | | | | | | | | 01/81 | 01/97 | Active & Retired | 179 |
| 1995 | 30% | | | | Yes | Yes | Yes | 01/73 | 01/95 | Active & Retired | 180 |
| | | | | | | | | 01/03 | 01/03 | | 693 |
| 1998 | 30% | 2001 | 3% | | Yes | Yes | | 01/68 | 01/93 | Active & Retired | 181 |
| | | | | | | | | 05/82 | 01/98 | Active Only | 509 |
| | | | | | Yes | Yes | | 01/69 | 01/92 | | 182 |
| 1995 | 80% | 2004 | 3% | | Yes | | | 05/86 | 01/95 | Active Only | 546 |
| | | 2001 | 2% | | Yes | Yes | Yes | 05/73 | 01/96 | | 183 |
| 2005 | 80% | | | Yes | Yes | | | 07/86 | 01/96 | Active & Retired | 547 |
| | | | | Yes | | | | 01/81 | 01/96 | | 464 |
| | | | | Yes | Yes | | | 10/75 | 01/00 | | 433 |
| | | | | Yes | | | | 05/90 | 01/97 | | 589 |
| 2004 | 60% | 2000 | 3% | | Yes | | | 05/68 | 01/94 | Active & Retired | 407 |
| | | | | | | | | 02/81 | 01/96 | | 473 |
| | | | | | Yes | | | 10/79 | 01/96 | Active Only | 184 |

STATISTICAL SECTION

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|------------------------------------|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 185 | Gillespie County | 17.50% | 7% | 1.50 | 115% | 8 | 75 | |
| 186 | Glasscock County | 15.75% | 7% | 1.25 | 125% | 8 | 75 | |
| 187 | Goliad County | 17.50% | 7% | 1.50 | 120% | 8 | 75 | |
| 188 | Gonzales County | 15.75% | 7% | 1.25 | 110% | 8 | 75 | Yes |
| 498 | Gonzales Co. AD | 21.00% | 7% | 2.00 | 135% | 10 | 75 | |
| 189 | Gray County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 518 | Gray Co. AD | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 190 | Grayson County | 22.75% | 7% | 2.25 | 160% | 8 | 75 | |
| 475 | Grayson CAD | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 528 | Greater Harris Co. 911 Emerg. Net. | 24.50% | 7% | 2.50 | 115% | 8 | 75 | Yes |
| 429 | Greenbelt MIWA — Donley Co. | 17.50% | 7% | 1.50 | 125% | 10 | 80 | Yes |
| 191 | Gregg County | 18.90% | 7% | 1.70 | 135% | 8 | 75 | |
| 192 | Grimes County | 17.50% | 7% | 1.50 | 105% | 8 | 75 | Yes |
| 483 | Grimes Co. AD | 21.00% | 7% | 2.00 | 150% | 10 | 75 | |
| 587 | Guadalupe AD | 17.50% | 7% | 1.50 | 100% | 8 | 75 | |
| 193 | Guadalupe County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | Yes |
| 526 | Gulf Coast WA — Galveston Co. | 17.50% | 7% | 1.50 | 150% | 10 | 80 | |
| 194 | Hale County | 18.20% | 7% | 1.60 | 130% | 8 | 75 | |
| 195 | Hall County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 196 | Hamilton County | 15.00% | 6% | 1.50 | 110% | 8 | 75 | Yes |
| 197 | Hansford County | 15.40% | 7% | 1.20 | 105% | 8 | 75 | |
| 585 | Hansford Co. HD | 9.00% | 4% | 1.25 | 80% | 8 | 75 | |
| 198 | Hardeman County | 16.80% | 7% | 1.40 | 80% | 8 | 75 | |
| 199 | Hardin County | 17.50% | 7% | 1.50 | 155% | 8 | 75 | |
| 527 | Hardin Co. AD | 22.75% | 7% | 2.25 | 130% | 8 | 75 | |
| 571 | Harlingen ID Cameron Co. #1 | 10.00% | 5% | 1.00 | 25% | 10 | 80 | |
| 200 | Harris County | 22.40% | 7% | 2.20 | 160% | 8 | 75 | |
| 598 | Harris Co. AD | 17.50% | 7% | 1.50 | 110% | 8 | 75 | |
| 569 | Harris Co. WCID #1 | 14.00% | 7% | 1.00 | 35% | 8 | 75 | |
| 625 | Harris Co. WCID #50 | 11.25% | 5% | 1.25 | 15% | 8 | 75 | |
| 201 | Harrison County | 19.60% | 7% | 1.80 | 135% | 8 | 75 | |
| 202 | Hartley County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 520 | Hartley Co. AD | 19.60% | 7% | 1.80 | 150% | 10 | 80 | |
| 203 | Haskell County | 15.75% | 7% | 1.25 | 110% | 8 | 75 | |
| 552 | Haskell Mem. HD | 10.00% | 5% | 1.00 | 25% | 10 | 80 | |
| 204 | Hays County | 22.75% | 7% | 2.25 | 175% | 8 | 75 | |
| 205 | Hemphill County | 19.25% | 7% | 1.75 | 135% | 8 | 80 | |
| 640 | Hemphill Co. AD | 17.50% | 7% | 1.50 | 100% | 10 | 75 | |
| 529 | Hemphill Co. HD | 23.10% | 7% | 2.30 | 130% | 10 | 80 | |
| 206 | Henderson County | 22.75% | 7% | 2.25 | 155% | 8 | 75 | |
| 704 | Henderson Co. AD | 14.00% | 7% | 1.00 | 25% | 10 | 80 | |
| 414 | Hidalgo & Cameron Counties ID #9 | 14.00% | 7% | 1.00 | 50% | 10 | 80 | |
| 207 | Hidalgo County | 21.00% | 7% | 2.00 | 160% | 8 | 75 | Yes |
| 516 | Hidalgo Co. AD | 21.00% | 7% | 2.00 | 150% | 10 | 80 | |
| 401 | Hidalgo Co. DD #1 | 22.75% | 7% | 2.25 | 110% | 10 | 80 | Yes |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent CPI-Based COLA Year | Most Recent Annuitant COLA Pct. | Most Recent Annuitant Flat-Rate COLA Year | Most Recent Annuitant COLA Pct. | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable- Rate Plan Date | Supplemental Death Benefits | Employer Number |
|---------------------------------------|--|--|--|--------------------------------|--|------------------------------------|--|----------------------------------|--------------------------------|--------------------------------|--------------------|
| | | 2005 | 3% | Yes | Yes | | | 12/80 | 01/99 | | 185 |
| 1994 | 80% | | | | Yes | | Yes | 02/80 | 01/92 | Active & Retired | 186 |
| 2005 | 30% | | | | Yes | Yes | | 01/77 | 01/95 | | 187 |
| 2005 | 60% | 2004 | 2% | | Yes | Yes | | 11/85 | 01/97 | | 188 |
| | | | | | | | | 01/82 | 01/95 | | 498 |
| | | | | | Yes | Yes | | 01/70 | 01/96 | Active Only | 189 |
| 2002 | 80% | 2005 | 6% | Yes | Yes | | | 01/83 | 01/96 | | 518 |
| | | | | | Yes | Yes | | 01/68 | 01/94 | Active Only | 190 |
| | | | | | | | | 03/81 | 01/99 | Active & Retired | 475 |
| | | | | | | | | 09/84 | 01/96 | Active & Retired | 528 |
| | | | | | Yes | | | 01/74 | 01/92 | | 429 |
| | | 2002 | 2% | Yes | Yes | Yes | Yes | 01/68 | 01/96 | | 191 |
| 2005 | 40% | | | | Yes | Yes | | 06/70 | 01/96 | Active & Retired | 192 |
| | | | | | | | | 04/81 | 01/03 | | 483 |
| | | | | | | | | 04/90 | 01/96 | | 587 |
| 2004 | 50% | 2005 | 6% | Yes | Yes | Yes | | 05/74 | 01/92 | | 193 |
| | | | | | | | | 03/84 | 01/03 | Active & Retired | 526 |
| 2004 | 70% | | | | Yes | | | 01/69 | 01/98 | Active Only | 194 |
| 1996 | 50% | | | | Yes | | | 01/70 | 01/92 | | 195 |
| 1998 | 50% | 2003 | 4% | | Yes | | | 10/77 | 01/92 | Active Only | 196 |
| | | | | | Yes | | | 01/72 | 01/98 | | 197 |
| | | | | | | | | 01/90 | 01/98 | | 585 |
| | | | | | Yes | | | 12/72 | 01/96 | | 198 |
| 2005 | 50% | 2004 | 0% | | Yes | Yes | | 12/68 | 01/95 | Active Only | 199 |
| | | | | | Yes | | | 07/84 | 01/96 | Active Only | 527 |
| | | | | | | | | 01/89 | | | 571 |
| | | | | | Yes | Yes | | 01/68 | 01/95 | Active & Retired | 200 |
| 2005 | 60% | 2004 | 0% | | Yes | | | 01/91 | 01/94 | Active & Retired | 598 |
| | | | | Yes | | | | 01/89 | 01/95 | Active Only | 569 |
| | | 2004 | 6% | Yes | Yes | | | 01/93 | 01/93 | Active & Retired | 625 |
| 1998 | 30% | 2002 | 2% | | Yes | Yes | Yes | 01/69 | 01/95 | Active Only | 201 |
| | | | | Yes | Yes | | | 06/68 | 01/95 | Active Only | 202 |
| | | | | | | | | 01/83 | | | 520 |
| 1994 | 30% | | | | Yes | | | 03/81 | 01/93 | | 203 |
| | | | | | | | | 11/86 | | | 552 |
| 2002 | 60% | 2005 | 2% | | Yes | Yes | | 01/71 | 01/95 | | 204 |
| 2003 | 50% | | | Yes | Yes | Yes | | 01/76 | 01/93 | Active Only | 205 |
| | | | | Yes | | | | 07/96 | 07/96 | Active & Retired | 640 |
| | | | | | | | | 09/84 | | Active Only | 529 |
| | | 2005 | 2% | | Yes | Yes | Yes | 01/68 | 01/95 | Active Only | 206 |
| | | | | | | | | 07/03 | 07/03 | | 704 |
| | | | | | Yes | | | 07/70 | | | 414 |
| | | 2005 | 2% | Yes | Yes | Yes | | 01/68 | 01/98 | | 207 |
| | | | | Yes | | | | 11/82 | 01/03 | | 516 |
| | | 2005 | 3% | Yes | Yes | | | 01/68 | 01/98 | | 401 |

STATISTICAL SECTION

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|--------------------------------|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 713 | Hidalgo Co. ID #1 | 10.00% | 5% | 1.00 | 10% | 10 | 80 | |
| 438 | Hidalgo Co. ID #2 | 15.75% | 7% | 1.25 | 110% | 10 | 80 | |
| 486 | Hidalgo Co. ID #6 | 17.50% | 7% | 1.50 | 40% | 10 | 80 | |
| 674 | High Plains Underground WCD #1 | 12.00% | 6% | 1.00 | 0% | 8 | 80 | |
| 208 | Hill County | 15.00% | 6% | 1.50 | 125% | 8 | 75 | |
| 209 | Hockley County | 17.50% | 7% | 1.50 | 135% | 8 | 80 | |
| 643 | Homestead MUD — El Paso Co. | 10.00% | 5% | 1.00 | 100% | 8 | 75 | |
| 210 | Hood County | 15.60% | 6% | 1.60 | 125% | 8 | 75 | Yes |
| 211 | Hopkins County | 21.00% | 7% | 2.00 | 160% | 8 | 75 | |
| 661 | Hopkins Co. AD | 15.75% | 7% | 1.25 | 0% | 8 | 75 | |
| 212 | Houston County | 16.10% | 7% | 1.30 | 115% | 8 | 75 | |
| 694 | Houston Co. AD | 15.75% | 7% | 1.25 | 0% | 10 | 80 | |
| 213 | Howard County | 17.50% | 7% | 1.50 | 135% | 8 | 75 | Yes |
| 214 | Hudspeth County | 13.75% | 5% | 1.75 | 135% | 10 | 75 | |
| 215 | Hunt County | 21.00% | 7% | 2.00 | 155% | 8 | 75 | |
| 216 | Hutchinson County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 711 | Iraan Gen. HD | 19.25% | 7% | 1.75 | 0% | 10 | 75 | |
| 217 | Irion County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 218 | Jack County | 18.20% | 7% | 1.60 | 100% | 8 | 75 | |
| 592 | Jack Co. AD | 14.00% | 7% | 1.00 | 100% | 10 | 80 | |
| 219 | Jackson County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 441 | Jackson Co. County-Wide DD | 24.50% | 7% | 2.50 | 135% | 10 | 80 | |
| 220 | Jasper County | 22.75% | 7% | 2.25 | 160% | 8 | 75 | |
| 657 | Jasper Co. WCID #1 | 15.75% | 7% | 1.25 | 10% | 10 | 80 | |
| 221 | Jeff Davis County | 17.50% | 7% | 1.50 | 115% | 10 | 75 | |
| 222 | Jefferson County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 404 | Jefferson Co. DD #3 | 14.70% | 7% | 1.10 | 60% | 10 | 80 | |
| 408 | Jefferson Co. DD #6 | 22.75% | 7% | 2.25 | 160% | 8 | 75 | |
| 405 | Jefferson Co. DD #7 | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 451 | Jefferson Co. WCID #10 | 17.50% | 7% | 1.50 | 135% | 8 | 75 | |
| 706 | Jefferson Co. Waterway ND | 19.25% | 7% | 1.75 | 0% | 8 | 75 | |
| 223 | Jim Hogg County | 11.25% | 5% | 1.25 | 105% | 8 | 80 | |
| 680 | Jim Hogg Co. AD | 14.00% | 7% | 1.00 | 10% | 10 | 80 | |
| 656 | Jim Hogg Co. FD #2 | 8.00% | 4% | 1.00 | 0% | 8 | 75 | |
| 641 | Jim Hogg Co. WCID #2 | 13.50% | 6% | 1.25 | 15% | 10 | 80 | |
| 224 | Jim Wells County | 18.00% | 6% | 2.00 | 150% | 8 | 75 | Yes |
| 225 | Johnson County | 21.00% | 7% | 2.00 | 155% | 8 | 75 | Yes |
| 584 | Johnson Co. Fresh WSD #1 | 14.00% | 7% | 1.00 | 70% | 8 | 80 | |
| 226 | Jones County | 21.00% | 7% | 2.00 | 135% | 8 | 75 | |
| 496 | Jones Co. AD | 16.10% | 7% | 1.30 | 145% | 10 | 80 | |
| 227 | Karnes County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 524 | Karnes Co. AD | 15.60% | 6% | 1.60 | 110% | 10 | 80 | |
| 455 | Karnes Co. HD | 18.00% | 6% | 2.00 | 150% | 12 | 0 | |
| 228 | Kaufman County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 662 | Kaufman Co. AD | 19.25% | 7% | 1.75 | 40% | 10 | 75 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent Annuitant CPI-Based COLA Year Pct. | | Most Recent Annuitant Flat-Rate COLA Year Pct. | | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable-Rate Plan Date | Supplemental Death Benefits | Employer Number |
|--|-----|--|----|--------------------------|--|------------------------------|------------------------------------|----------------------------|-------------------------|-----------------------------|-----------------|
| | | | | | | | | 07/04 | 07/04 | | 713 |
| | | | | | Yes | | | 04/76 | 01/92 | | 438 |
| | | | | Yes | Yes | | | 07/81 | | | 486 |
| | | | | Yes | | | | 01/02 | 01/02 | | 674 |
| 2000 | 80% | 2002 | 4% | | Yes | | | 07/75 | 01/92 | Active & Retired | 208 |
| 1992 | 50% | | | | Yes | Yes | | 09/68 | 01/92 | Active Only | 209 |
| | | | | | | | | 10/96 | 10/96 | | 643 |
| 2001 | 50% | 2005 | 3% | | | | | 10/84 | 01/95 | Active Only | 210 |
| 2004 | 40% | 2005 | 6% | | Yes | | | 01/68 | 01/93 | | 211 |
| | | | | | | | | 01/00 | 01/00 | Active Only | 661 |
| | | | | | Yes | Yes | | 01/68 | 01/95 | | 212 |
| | | | | | | | | 01/03 | 01/03 | | 694 |
| 2002 | 30% | | | Yes | Yes | | Yes | 01/69 | 01/92 | Active & Retired | 213 |
| | | | | | Yes | | | 02/72 | 01/92 | | 214 |
| | | | | | Yes | | | 11/70 | 01/01 | | 215 |
| | | | | | Yes | Yes | Yes | 01/70 | 01/95 | Active & Retired | 216 |
| | | | | | | | | 07/04 | 07/04 | | 711 |
| 1995 | 30% | | | | Yes | | | 05/77 | 01/95 | | 217 |
| 1995 | 30% | | | | Yes | | | 12/76 | 01/95 | | 218 |
| | | | | | | | | 07/90 | 01/04 | | 592 |
| | | | | | Yes | Yes | Yes | 01/68 | 01/92 | | 219 |
| | | | | | Yes | | | 09/76 | 01/92 | | 441 |
| 2002 | 50% | | | | Yes | Yes | Yes | 01/79 | 01/92 | Active & Retired | 220 |
| | | | | | | | | 01/99 | 01/99 | | 657 |
| | | | | | Yes | Yes | | 05/68 | 01/96 | | 221 |
| 1999 | 30% | 2002 | 3% | | Yes | Yes | | 01/68 | 01/97 | | 222 |
| | | | | Yes | Yes | | | 02/68 | 01/03 | | 404 |
| 1998 | 80% | 2005 | 2% | | Yes | | | 06/68 | 01/92 | Active & Retired | 408 |
| | | | | | Yes | | | 03/68 | 01/97 | Active & Retired | 405 |
| | | 2000 | 4% | | Yes | | | 01/79 | 01/99 | Active & Retired | 451 |
| | | | | | | | | 07/03 | 07/03 | | 706 |
| | | | | | Yes | Yes | | 10/84 | 01/98 | Active & Retired | 223 |
| | | | | | | | | 04/02 | 04/02 | | 680 |
| | | | | | | | | 01/99 | 01/99 | | 656 |
| | | | | | | | | 10/96 | 10/96 | | 641 |
| | | | | | Yes | Yes | | 03/72 | 01/96 | Active & Retired | 224 |
| | | | | | Yes | Yes | Yes | 01/68 | 01/93 | | 225 |
| | | 2004 | 3% | | Yes | | | 01/90 | 01/96 | Active Only | 584 |
| | | 2003 | 3% | | Yes | | | 03/68 | 01/93 | | 226 |
| | | 2003 | 5% | | | | | 01/82 | 01/95 | Active & Retired | 496 |
| 1994 | 50% | | | Yes | Yes | Yes | | 03/74 | 01/92 | | 227 |
| | | | | | | | | 09/83 | 01/98 | | 524 |
| | | | | | Yes | | | 01/80 | | | 455 |
| | | 2001 | 3% | | Yes | Yes | Yes | 01/68 | 01/99 | Active & Retired | 228 |
| | | | | | | | | 01/00 | 01/00 | | 662 |

STATISTICAL SECTION

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|--|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 671 | Kendall AD | 15.00% | 5% | 2.00 | 10% | 8 | 75 | |
| 229 | Kendall County | 15.00% | 6% | 1.50 | 125% | 8 | 75 | |
| 619 | Kendall Co. WCID #1 | 17.50% | 7% | 1.50 | 85% | 10 | 80 | |
| 230 | Kenedy County | 24.50% | 7% | 2.50 | 15% | 8 | 75 | |
| 231 | Kent County | 15.75% | 7% | 1.25 | 110% | 8 | 75 | |
| 594 | Kent Co. Tax AD | 17.50% | 7% | 1.50 | 135% | 10 | 80 | |
| 232 | Kerr County | 20.30% | 7% | 1.90 | 145% | 8 | 75 | |
| 653 | Kerr Emerg. 911 Net. | 17.50% | 7% | 1.50 | 100% | 8 | 75 | |
| 233 | Kimble County | 15.40% | 7% | 1.20 | 105% | 8 | 75 | Yes |
| 234 | King County | 15.00% | 6% | 1.50 | 130% | 8 | 75 | |
| 235 | Kinney County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | Yes |
| 579 | Kinney Co. AD | 14.00% | 7% | 1.00 | 100% | 10 | 75 | |
| 236 | Kleberg County | 22.75% | 7% | 2.25 | 180% | 8 | 75 | |
| 237 | Knox County | 17.50% | 7% | 1.50 | 50% | 8 | 75 | |
| 519 | Knox Co. AD | 15.00% | 5% | 2.00 | 150% | 10 | 80 | |
| 241 | La Salle County | 24.50% | 7% | 2.50 | 165% | 8 | 75 | Yes |
| 540 | Laguna Madre WD — Cameron Co. | 21.00% | 7% | 2.00 | 40% | 8 | 75 | Yes |
| 514 | Lakeway MUD — Travis Co. | 17.50% | 7% | 1.50 | 115% | 8 | 80 | |
| 238 | Lamar County | 22.40% | 7% | 2.20 | 160% | 8 | 75 | |
| 239 | Lamb County | 19.25% | 7% | 1.75 | 140% | 8 | 75 | |
| 240 | Lampasas County | 22.75% | 7% | 2.25 | 150% | 8 | 75 | Yes |
| 650 | Lampasas Co. AD | 21.00% | 7% | 2.00 | 10% | 10 | 80 | |
| 439 | Lavaca-Navidad River Auth. — Jackson Co. | 20.30% | 7% | 1.90 | 165% | 10 | 80 | |
| 242 | Lavaca County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 243 | Lee County | 12.50% | 5% | 1.50 | 135% | 8 | 75 | |
| 244 | Leon County | 14.70% | 7% | 1.10 | 105% | 8 | 75 | Yes |
| 468 | Leon Co. CAD | 14.00% | 7% | 1.00 | 100% | 10 | 80 | |
| 245 | Liberty County | 24.50% | 7% | 2.50 | 175% | 8 | 75 | Yes |
| 481 | Liberty Co. CAD | 22.75% | 7% | 2.25 | 160% | 8 | 75 | |
| 246 | Limestone County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 695 | Limestone Co. AD | 19.25% | 7% | 1.75 | 0% | 10 | 75 | |
| 247 | Lipscomb County | 17.50% | 7% | 1.50 | 115% | 8 | 75 | |
| 248 | Live Oak County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | Yes |
| 591 | Live Oak Co. AD | 17.50% | 7% | 1.50 | 125% | 10 | 80 | Yes |
| 249 | Llano County | 18.20% | 7% | 1.60 | 85% | 8 | 75 | Yes |
| 250 | Loving County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 513 | Loving Co. AD | 17.50% | 7% | 1.50 | 110% | 8 | 75 | |
| 714 | Lower Valley WD | 21.00% | 6% | 2.50 | 0% | 10 | 75 | |
| 499 | Lubbock CAD | 21.00% | 7% | 2.00 | 150% | 10 | 75 | Yes |
| 251 | Lubbock County | 21.00% | 7% | 2.00 | 165% | 8 | 75 | Yes |
| 425 | Lubbock Co. WCID #1 | 21.00% | 7% | 2.00 | 125% | 8 | 75 | |
| 558 | Lubbock ECD | 18.00% | 6% | 2.00 | 150% | 10 | 75 | |
| 647 | Lubbock Reese Redev. Auth. | 10.00% | 5% | 1.00 | 0% | 8 | 75 | |
| 639 | Lumberton MUD | 13.75% | 5% | 1.75 | 0% | 8 | 80 | |
| 252 | Lynn County | 10.50% | 5% | 1.10 | 100% | 8 | 75 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent CPI-Based COLA Year | Most Recent Annuitant Flat-Rate COLA Pct. | Most Recent Annuitant Year | Most Recent Annuitant Flat-Rate COLA Pct. | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable- Rate Plan Date | Supplemental Death Benefits | Employer Number |
|---------------------------------------|--|----------------------------------|--|--------------------------------|--|------------------------------------|--|----------------------------------|--------------------------------|--------------------------------|--------------------|
| | | | | Yes | | | | 04/01 | 04/01 | | 671 |
| 1994 | 80% | 2000 | 2% | Yes | Yes | | | 06/82 | 01/94 | | 229 |
| | | | | | Yes | | | 04/92 | 04/92 | | 619 |
| 1998 | 80% | | | | Yes | | | 01/84 | 01/96 | Active Only | 230 |
| 1995 | 70% | | | | Yes | | | 07/72 | 01/92 | Active & Retired | 231 |
| | | | | | Yes | | | 10/90 | 01/93 | | 594 |
| 2005 | 50% | | | | Yes | | | 10/70 | 01/96 | Active Only | 232 |
| | | | | | Yes | | | 07/98 | 07/98 | Active Only | 653 |
| 1996 | 30% | | | | Yes | | | 11/72 | 01/96 | Active Only | 233 |
| | | | | | Yes | | | 09/69 | 01/95 | Active Only | 234 |
| 1993 | 80% | | | | Yes | Yes | | 07/69 | 01/92 | | 235 |
| | | | | | Yes | | | 10/89 | 01/93 | | 579 |
| 1996 | 30% | 2005 | 5% | Yes | Yes | Yes | | 01/68 | 01/92 | | 236 |
| 2005 | 50% | | | | | | | 01/82 | 01/95 | | 237 |
| | | | | | | | | 01/83 | 01/00 | | 519 |
| | | | | Yes | Yes | Yes | Yes | 01/68 | 01/97 | Active & Retired | 241 |
| 1998 | 50% | 2002 | 5% | Yes | | | | 10/85 | 01/96 | | 540 |
| | | 2001 | 5% | Yes | | | | 10/82 | 01/01 | Active Only | 514 |
| | | | | | Yes | | | 01/68 | 01/95 | | 238 |
| | | | | | Yes | | | 12/68 | 01/92 | | 239 |
| 2005 | 50% | | | | Yes | | | 02/74 | 01/95 | | 240 |
| | | | | Yes | | | | 04/98 | 04/98 | Active & Retired | 650 |
| 2005 | 50% | | | | Yes | | | 06/76 | 01/05 | Active Only | 439 |
| 2001 | 60% | 2003 | 3% | | Yes | Yes | Yes | 07/70 | 01/92 | Active & Retired | 242 |
| | | 2002 | 4% | | Yes | | | 01/70 | 01/96 | | 243 |
| | | | | Yes | Yes | | | 01/71 | 01/95 | Active & Retired | 244 |
| | | | | | Yes | | | 01/81 | 01/94 | | 468 |
| 1992 | 30% | | | Yes | Yes | Yes | Yes | 01/70 | 01/92 | Active & Retired | 245 |
| | | | | | Yes | | | 03/81 | 01/94 | Active & Retired | 481 |
| | | 2001 | 3% | Yes | Yes | | Yes | 10/77 | 01/95 | Active & Retired | 246 |
| | | | | Yes | | | | 01/03 | 01/03 | | 695 |
| | | | | Yes | Yes | Yes | | 11/72 | 01/95 | Active Only | 247 |
| 1995 | 80% | | | Yes | Yes | Yes | | 01/76 | 01/95 | Active & Retired | 248 |
| | | | | | | | | 06/90 | 01/00 | | 591 |
| | | | | | Yes | | | 12/74 | 01/95 | | 249 |
| 2005 | 80% | | | Yes | Yes | | | 01/75 | 01/92 | Active & Retired | 250 |
| 2005 | 80% | | | Yes | Yes | | | 08/82 | 01/92 | Active & Retired | 513 |
| | | | | | | | | 10/04 | 10/04 | | 714 |
| 2005 | 30% | | | Yes | | | | 01/82 | 01/04 | | 499 |
| | | | | | Yes | Yes | Yes | 08/68 | 01/99 | | 251 |
| | | | | Yes | Yes | | | 01/73 | 01/99 | Active & Retired | 425 |
| | | | | | Yes | | | 10/87 | 01/92 | | 558 |
| | | | | | | | | 01/98 | 01/98 | | 647 |
| | | | | | | | | 01/96 | 01/96 | | 639 |
| | | | | Yes | Yes | | | 01/78 | 01/95 | | 252 |

STATISTICAL SECTION

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|------------------------------------|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 497 | Lynn Co. AD | 11.25% | 5% | 1.25 | 110% | 8 | 80 | |
| 442 | Lynn Co. HD | 16.50% | 6% | 1.75 | 200% | 8 | 75 | |
| 630 | Macedonia-Eylau MUD — Bowie Co. | 14.00% | 7% | 1.00 | 65% | 10 | 75 | |
| 500 | Mackenzie MWA — Briscoe Co. | 14.00% | 7% | 1.00 | 150% | 10 | 75 | Yes |
| 256 | Madison County | 13.50% | 6% | 1.25 | 110% | 8 | 75 | |
| 596 | Madison Co. AD | 9.00% | 4% | 1.25 | 40% | 10 | 80 | |
| 257 | Marion County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 675 | Marion Co. AD | 14.00% | 7% | 1.00 | 10% | 8 | 75 | |
| 658 | Marshall-Harrison Co. Health Dist. | 17.50% | 7% | 1.50 | 0% | 10 | 80 | |
| 258 | Martin County | 21.00% | 7% | 2.00 | 150% | 10 | 80 | |
| 595 | Martin Co. AD | 12.00% | 6% | 1.00 | 30% | 10 | 80 | |
| 259 | Mason County | 15.75% | 7% | 1.25 | 55% | 8 | 75 | |
| 260 | Matagorda County | 21.00% | 7% | 2.00 | 125% | 8 | 75 | |
| 678 | Matagorda Co. DD | 21.00% | 7% | 2.00 | 0% | 8 | 75 | |
| 440 | Matagorda Co. HD | 15.60% | 6% | 1.60 | 130% | 8 | 75 | |
| 677 | Matagorda Co. ND #1 | 21.00% | 7% | 2.00 | 0% | 8 | 75 | |
| 261 | Maverick County | 17.50% | 5% | 2.50 | 160% | 8 | 75 | |
| 453 | Maverick Co. WCID #1 | 10.00% | 5% | 1.00 | 100% | 12 | 0 | |
| 253 | McCulloch County | 18.20% | 7% | 1.60 | 100% | 8 | 75 | |
| 512 | McCulloch Co. AD | 21.00% | 7% | 2.00 | 150% | 10 | 80 | Yes |
| 254 | McLennan County | 24.50% | 7% | 2.50 | 60% | 8 | 75 | |
| 491 | McLennan Co. AD | 19.25% | 7% | 1.75 | 150% | 10 | 75 | |
| 679 | McLennan Co. WCID #2 | 8.00% | 4% | 1.00 | 10% | 10 | 80 | |
| 255 | McMullen County | 14.70% | 7% | 1.10 | 75% | 8 | 80 | |
| 701 | Meadowlakes MUD | 14.00% | 7% | 1.00 | 0% | 10 | 80 | |
| 262 | Medina County | 16.80% | 6% | 1.80 | 110% | 8 | 75 | |
| 705 | Medina Co. 911 Dist. | 15.00% | 6% | 1.50 | 0% | 10 | 80 | |
| 535 | Medina Co. AD | 15.00% | 6% | 1.50 | 125% | 10 | 80 | |
| 419 | Mem. Med. Center — Calhoun Co. | 17.50% | 7% | 1.50 | 110% | 8 | 75 | |
| 263 | Menard County | 17.50% | 7% | 1.50 | 115% | 10 | 75 | |
| 669 | Mid. Rio Grande Dev. Council | 24.50% | 7% | 2.50 | 20% | 8 | 75 | Yes |
| 492 | Midland CAD | 21.00% | 7% | 2.00 | 150% | 10 | 80 | |
| 264 | Midland County | 19.25% | 7% | 1.75 | 155% | 8 | 75 | |
| 570 | Midland ECD | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 265 | Milam County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 266 | Mills County | 19.25% | 7% | 1.75 | 95% | 8 | 75 | |
| 617 | Mills Co. AD | 9.00% | 4% | 1.25 | 110% | 10 | 80 | |
| 267 | Mitchell County | 16.80% | 7% | 1.40 | 120% | 8 | 75 | |
| 484 | Mitchell Co. AD | 19.25% | 7% | 1.75 | 135% | 10 | 80 | |
| 268 | Montague County | 21.00% | 7% | 2.00 | 125% | 8 | 75 | |
| 504 | Montague Co. Tax AD | 18.90% | 7% | 1.70 | 150% | 10 | 80 | |
| 605 | Montgomery CAD | 22.75% | 7% | 2.25 | 160% | 8 | 75 | |
| 269 | Montgomery County | 21.00% | 6% | 2.50 | 185% | 8 | 75 | |
| 667 | Montgomery Co. ECD | 15.75% | 7% | 1.25 | 110% | 8 | 75 | |
| 651 | Montgomery Co. ESD #1 | 15.75% | 7% | 1.25 | 110% | 8 | 75 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent CPI-Based COLA Year | Most Recent Annuitant COLA Pct. | Most Recent Annuitant Flat-Rate COLA Year | Most Recent Annuitant COLA Pct. | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable- Rate Plan Date | Supplemental Death Benefits | Employer Number |
|---------------------------------------|--|--|--|--------------------------------|--|------------------------------------|--|----------------------------------|--------------------------------|--------------------------------|--------------------|
| | | 2005 | 3% | | Yes | | | 12/81 | 01/93 | | 497 |
| | | | | | Yes | | | 01/77 | 01/95 | | 442 |
| | | | | | Yes | | | 08/93 | 08/93 | Active & Retired | 630 |
| | | | | | Yes | | | 01/82 | 01/99 | | 500 |
| 2005 | 30% | | | | Yes | Yes | | 01/90 | 01/92 | | 256 |
| | | | | Yes | | | | 01/91 | 01/03 | Active Only | 596 |
| | | 2005 | 3% | | Yes | | | 04/68 | 01/95 | Active & Retired | 257 |
| | | | | | | | | 01/02 | 01/02 | | 675 |
| | | | | | | | | 04/99 | 04/99 | | 658 |
| 2002 | 50% | | | | Yes | | | 01/70 | 01/92 | | 258 |
| | | | | | | | | 10/90 | 01/97 | | 595 |
| | | | | Yes | Yes | | | 01/68 | 01/95 | | 259 |
| | | | | | Yes | Yes | | 01/68 | 01/98 | Active & Retired | 260 |
| | | | | | Yes | | | 01/02 | 01/02 | Active Only | 678 |
| | | | | | Yes | | | 07/76 | 01/96 | | 440 |
| | | | | | Yes | | | 01/02 | 01/02 | Active Only | 677 |
| 2005 | 70% | 2004 | 3% | Yes | Yes | | | 01/70 | 01/97 | Active & Retired | 261 |
| | | | | | | | | 09/79 | | | 453 |
| 2005 | 80% | | | Yes | Yes | | | 01/68 | 01/95 | | 253 |
| | | | | | | | | 07/82 | 01/99 | | 512 |
| 2005 | 80% | | | | Yes | Yes | | 01/69 | 01/95 | | 254 |
| 2004 | 40% | 2001 | 3% | Yes | Yes | | | 10/81 | 01/98 | | 491 |
| | | | | | | | | 04/02 | 04/02 | | 679 |
| | | | | Yes | Yes | Yes | | 10/83 | 01/98 | | 255 |
| | | | | | | | | 04/03 | 04/03 | Active Only | 701 |
| | | | | | Yes | | | 01/68 | 01/99 | | 262 |
| | | | | | | | | 07/03 | 07/03 | | 705 |
| | | | | | | | | 03/85 | 01/01 | | 535 |
| 1999 | 80% | 2004 | 3% | Yes | Yes | | | 01/72 | 01/95 | | 419 |
| | | 2003 | 2% | Yes | Yes | | | 04/68 | 01/02 | | 263 |
| | | | | Yes | Yes | | | 01/01 | 01/01 | Active Only | 669 |
| 2005 | 50% | | | | Yes | | | 09/81 | 01/92 | | 492 |
| 2005 | 30% | | | | Yes | Yes | | 04/69 | 01/97 | Active & Retired | 264 |
| | | | | | | | | 01/89 | 01/92 | Active Only | 570 |
| 1994 | 70% | | | | Yes | Yes | Yes | 01/70 | 01/93 | Active & Retired | 265 |
| | | 2001 | 8% | | Yes | | | 03/74 | 01/96 | Active Only | 266 |
| | | | | | Yes | | | 01/92 | 01/92 | Active Only | 617 |
| | | 2005 | 5% | | Yes | | | 01/70 | 01/97 | Active Only | 267 |
| | | | | | Yes | | | 05/81 | 01/92 | | 484 |
| | | | | | Yes | | | 01/68 | 01/95 | | 268 |
| | | | | Yes | | | | 03/82 | | | 504 |
| | | 2000 | 4% | | Yes | | | 06/91 | 01/94 | | 605 |
| 2002 | 30% | 2005 | 3% | | Yes | Yes | Yes | 02/71 | 01/95 | | 269 |
| | | | | Yes | | | | 01/01 | 01/01 | Active Only | 667 |
| | | | | Yes | | | | 07/98 | 07/98 | | 651 |

STATISTICAL SECTION

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|------------------------------|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 696 | Montgomery Co. ESD #3 | 14.00% | 7% | 1.00 | 0% | 10 | 80 | |
| 270 | Moore County | 18.90% | 7% | 1.70 | 135% | 8 | 75 | |
| 412 | Moore Co. HD | 18.90% | 7% | 1.70 | 115% | 8 | 75 | |
| 271 | Morris County | 17.50% | 7% | 1.50 | 140% | 10 | 80 | |
| 273 | Nacogdoches County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 515 | Navarro CAD | 19.25% | 7% | 1.75 | 145% | 10 | 80 | Yes |
| 274 | Navarro County | 19.25% | 7% | 1.75 | 145% | 8 | 75 | |
| 572 | Newton CAD | 19.25% | 7% | 1.75 | 135% | 10 | 80 | |
| 275 | Newton County | 16.80% | 7% | 1.40 | 120% | 8 | 75 | |
| 276 | Nolan County | 18.90% | 7% | 1.70 | 130% | 10 | 75 | |
| 556 | North Cent. Tex. MWA | 14.00% | 7% | 1.00 | 90% | 10 | 80 | |
| 646 | North Tex. Tollway Auth. | 21.00% | 6% | 2.50 | 0% | 10 | 75 | |
| 562 | Northeast Tex. MWD | 14.00% | 7% | 1.00 | 50% | 10 | 80 | |
| 277 | Nueces County | 21.00% | 7% | 2.00 | 160% | 10 | 80 | |
| 683 | Nueces Co. AD | 22.75% | 7% | 2.25 | 0% | 10 | 75 | Yes |
| 400 | Nueces Co. DD #2 | 11.25% | 5% | 1.25 | 110% | 10 | 75 | |
| 416 | Nueces Co. WCID #3 | 15.40% | 7% | 1.20 | 60% | 10 | 80 | |
| 450 | Nueces Co. WCID #4 | 18.90% | 7% | 1.70 | 125% | 10 | 80 | |
| 278 | Ochiltree County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 279 | Oldham County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 517 | Oldham Co. AD | 10.00% | 5% | 1.00 | 150% | 10 | 80 | |
| 280 | Orange County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | Yes |
| 490 | Orange Co. AD | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 421 | Orange Co. DD | 21.00% | 7% | 2.00 | 155% | 8 | 75 | |
| 665 | Orange Co. ESD #1 | 10.00% | 5% | 1.00 | 10% | 8 | 75 | |
| 660 | Orange Co. Nav. & Port Dist. | 14.00% | 7% | 1.00 | 35% | 10 | 80 | |
| 631 | Orange Co. WCID #1 | 14.00% | 7% | 1.00 | 15% | 8 | 75 | |
| 281 | Palo Pinto County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 282 | Panola County | 24.50% | 7% | 2.50 | 175% | 8 | 75 | |
| 283 | Parker County | 20.40% | 6% | 2.40 | 160% | 8 | 75 | Yes |
| 717 | Parker Co. AD | 15.00% | 6% | 1.50 | 20% | 10 | 80 | |
| 284 | Parmer County | 17.50% | 7% | 1.50 | 90% | 8 | 80 | |
| 285 | Pecos County | 19.60% | 7% | 1.80 | 140% | 8 | 75 | |
| 494 | Pecos Co. AD | 20.30% | 7% | 1.90 | 145% | 10 | 80 | |
| 673 | Permian Reg. Med Ctr. | 21.00% | 7% | 2.00 | 0% | 8 | 75 | |
| 707 | Pineywoods GCD | 21.00% | 7% | 2.00 | 100% | 10 | 80 | |
| 697 | Polk CAD | 24.50% | 7% | 2.50 | 0% | 8 | 75 | |
| 286 | Polk County | 22.75% | 7% | 2.25 | 160% | 8 | 75 | |
| 676 | Port of Bay City Auth. | 21.00% | 7% | 2.00 | 0% | 8 | 75 | |
| 449 | Port of Beaumont ND | 14.00% | 7% | 1.00 | 110% | 8 | 75 | |
| 620 | Port of Corpus Christi Auth. | 14.00% | 7% | 1.00 | 100% | 10 | 80 | |
| 622 | Port of Port Arthur ND | 14.00% | 7% | 1.00 | 35% | 8 | 75 | |
| 287 | Potter County | 21.70% | 7% | 2.10 | 155% | 8 | 75 | Yes |
| 560 | Potter-Randall Co. ECD | 24.50% | 7% | 2.50 | 100% | 10 | 80 | |
| 626 | Presidio AD | 8.00% | 4% | 1.00 | 100% | 10 | 80 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent CPI-Based Year | Most Recent Annuitant COLA Pct. | Most Recent Annuitant Flat-Rate Year | Most Recent Annuitant COLA Pct. | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable- Rate Plan Date | Supplemental Death Benefits | Employer Number |
|----------------------------------|--|---|--|--------------------------------|--|------------------------------------|--|----------------------------------|--------------------------------|--------------------------------|--------------------|
| | | | | | | | | 01/03 | 01/03 | Active Only | 696 |
| 1999 | 60% | 2005 | 4% | | Yes | | | 01/70 | 01/98 | Active Only | 270 |
| | | | | | Yes | | | 01/70 | 01/98 | Active Only | 412 |
| 1993 | 50% | | | | Yes | | | 01/68 | 01/92 | | 271 |
| | | | | | Yes | Yes | | 01/71 | 01/94 | Active Only | 273 |
| | | | | | Yes | | | 09/82 | 01/99 | | 515 |
| | | | | | Yes | Yes | Yes | 02/70 | 01/94 | | 274 |
| | | | | | | | | 04/89 | 01/00 | Active Only | 572 |
| 2001 | 30% | | | | Yes | Yes | | 01/79 | 01/95 | | 275 |
| | | | | | Yes | | | 02/69 | 01/98 | | 276 |
| | | | | Yes | | | | 04/87 | | Active & Retired | 556 |
| 2005 | 50% | | | | | | | 09/97 | 09/97 | | 646 |
| | | | | | Yes | | | 01/88 | 01/92 | Active & Retired | 562 |
| | | | | | Yes | Yes | Yes | 01/68 | 01/93 | | 277 |
| | | | | | Yes | | | 07/02 | 07/02 | | 683 |
| | | 2001 | 3% | | Yes | | | 01/68 | 01/92 | Active & Retired | 400 |
| | | | | | | | | 01/71 | 01/04 | Active Only | 416 |
| | | | | Yes | Yes | | | 11/78 | | Active Only | 450 |
| 1996 | 50% | 2005 | 4% | | Yes | | Yes | 04/72 | 01/92 | | 278 |
| | | 2000 | 2% | | Yes | | | 07/72 | 01/95 | Active Only | 279 |
| | | | | Yes | | | | 12/82 | 01/99 | Active Only | 517 |
| 2000 | 50% | 2002 | 2% | | Yes | Yes | Yes | 04/68 | 01/94 | | 280 |
| 1995 | 80% | 2003 | 3% | | | | | 08/81 | 01/93 | Active & Retired | 490 |
| 2005 | 50% | | | | Yes | | | 02/72 | 01/95 | Active & Retired | 421 |
| | | | | Yes | | | | 01/01 | 01/01 | | 665 |
| | | | | | | | | 10/99 | 10/99 | | 660 |
| | | | | | Yes | | | 10/93 | 10/93 | | 631 |
| 2000 | 40% | 2005 | 3% | | Yes | Yes | | 01/68 | 01/92 | Active & Retired | 281 |
| 2005 | 80% | | | | Yes | Yes | | 12/77 | 01/92 | Active & Retired | 282 |
| 1999 | 30% | 2004 | 2% | | Yes | Yes | | 02/75 | 01/95 | Active & Retired | 283 |
| | | | | | | | | 01/05 | 01/05 | | 717 |
| | | | | | Yes | | | 09/73 | 01/98 | Active Only | 284 |
| | | 2005 | 3% | | Yes | Yes | | 01/68 | 01/97 | Active & Retired | 285 |
| | | | | | | | | 10/81 | 01/01 | Active & Retired | 494 |
| | | | | | Yes | | | 01/02 | 01/02 | Active Only | 673 |
| | | | | | | | | 07/03 | 07/03 | Active Only | 707 |
| | | | | | Yes | | | 01/03 | 01/03 | Active Only | 697 |
| | | 2003 | 1% | | Yes | Yes | | 01/68 | 01/95 | | 286 |
| | | | | | Yes | | | 01/02 | 01/02 | Active Only | 676 |
| 2001 | 50% | 2000 | 6% | Yes | Yes | | | 08/78 | 01/95 | Active Only | 449 |
| | | 2002 | 3% | | | | | 07/92 | 07/92 | | 620 |
| | | | | Yes | | | | 08/92 | 08/92 | Active Only | 622 |
| | | | | | Yes | Yes | Yes | 01/68 | 01/95 | Active Only | 287 |
| | | | | | Yes | | | 01/88 | 01/99 | Active Only | 560 |
| | | | | | Yes | | | 04/93 | 04/93 | | 626 |

STATISTICAL SECTION

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|-------------------------------|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 288 | Presidio County | 18.00% | 6% | 2.00 | 135% | 8 | 75 | |
| 289 | Rains County | 19.25% | 7% | 1.75 | 100% | 8 | 75 | |
| 537 | Rains Co. AD | 22.75% | 7% | 2.25 | 135% | 8 | 75 | |
| 290 | Randall County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | Yes |
| 564 | Randall Co. AD | 22.75% | 7% | 2.25 | 150% | 8 | 75 | |
| 406 | Rankin CHD — Upton Co. | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 291 | Reagan County | 21.00% | 7% | 2.00 | 130% | 8 | 75 | |
| 445 | Reagan HD | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 292 | Real County | 24.50% | 7% | 2.50 | 175% | 8 | 75 | |
| 505 | Red Bluff WPCD — Reeves Co. | 15.75% | 7% | 1.25 | 15% | 8 | 80 | |
| 435 | Red River Auth. — Wichita Co. | 19.60% | 7% | 1.80 | 140% | 10 | 80 | |
| 293 | Red River County | 21.00% | 7% | 2.00 | 115% | 8 | 75 | |
| 294 | Reeves County | 20.30% | 7% | 1.90 | 130% | 8 | 80 | |
| 588 | Reeves Co. HD | 17.50% | 7% | 1.50 | 100% | 10 | 80 | |
| 295 | Refugio County | 15.75% | 7% | 1.25 | 110% | 8 | 75 | |
| 543 | Refugio Co. DD #1 | 14.00% | 7% | 1.00 | 45% | 10 | 80 | |
| 296 | Roberts County | 16.80% | 7% | 1.40 | 120% | 8 | 75 | |
| 297 | Robertson County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 698 | Rockwall CAD | 17.50% | 7% | 1.50 | 25% | 10 | 80 | |
| 298 | Rockwall County | 21.00% | 7% | 2.00 | 165% | 8 | 75 | |
| 299 | Runnels County | 14.70% | 7% | 1.10 | 105% | 8 | 75 | |
| 300 | Rusk County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 612 | Rusk Co. AD | 14.00% | 7% | 1.00 | 25% | 10 | 80 | |
| 301 | Sabine County | 18.20% | 7% | 1.60 | 120% | 8 | 75 | |
| 568 | Sabine Pass Port Auth. | 14.00% | 7% | 1.00 | 50% | 8 | 75 | |
| 302 | San Augustine County | 16.25% | 5% | 2.25 | 175% | 8 | 75 | |
| 303 | San Jacinto County | 18.20% | 7% | 1.60 | 130% | 8 | 75 | |
| 553 | San Jacinto Co. CAD | 21.00% | 7% | 2.00 | 125% | 8 | 75 | |
| 304 | San Patricio County | 19.60% | 7% | 1.80 | 140% | 10 | 80 | |
| 495 | San Patricio Co. AD | 19.25% | 7% | 1.75 | 150% | 10 | 75 | |
| 426 | San Patricio Co. DD | 8.00% | 4% | 1.00 | 225% | 10 | 80 | |
| 422 | San Patricio MWD | 15.75% | 7% | 1.25 | 105% | 8 | 80 | |
| 305 | San Saba County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 306 | Schleicher County | 21.00% | 7% | 2.00 | 125% | 8 | 80 | |
| 307 | Scurry County | 19.25% | 7% | 1.75 | 135% | 8 | 80 | |
| 308 | Shackelford County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 470 | Shackelford Co. AD | 14.00% | 7% | 1.00 | 150% | 10 | 80 | |
| 309 | Shelby County | 18.90% | 7% | 1.70 | 105% | 8 | 75 | |
| 627 | Shelby Co. AD | 8.00% | 4% | 1.00 | 30% | 10 | 80 | |
| 310 | Sherman County | 22.75% | 7% | 2.25 | 160% | 8 | 75 | |
| 469 | Sherman Co. AD | 14.00% | 7% | 1.00 | 150% | 10 | 80 | |
| 311 | Smith County | 21.00% | 7% | 2.00 | 110% | 8 | 75 | Yes |
| 555 | Smith Co. 911 Comm. Dist. | 19.25% | 7% | 1.75 | 135% | 8 | 75 | Yes |
| 606 | Smith Co. AD | 22.75% | 7% | 2.25 | 120% | 8 | 75 | |
| 632 | Smith Co. Public Health Dist. | 15.00% | 5% | 2.00 | 0% | 8 | 75 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent CPI-Based COLA Year | Most Recent Annuitant COLA Pct. | Most Recent Annuitant Flat-Rate COLA Year | Most Recent Annuitant COLA Pct. | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable- Rate Plan Date | Supplemental Death Benefits | Employer Number |
|---------------------------------------|--|--|--|--------------------------------|--|------------------------------------|--|----------------------------------|--------------------------------|--------------------------------|--------------------|
| 2005 | 80% | | | Yes | Yes | Yes | | 01/68 | 01/92 | Active Only | 288 |
| | | | | Yes | Yes | | | 10/84 | 01/97 | Active & Retired | 289 |
| | | | | | Yes | | | 04/85 | 01/94 | | 537 |
| | | | | | Yes | Yes | | 01/68 | 01/95 | | 290 |
| 1992 | 70% | 2001 | 4% | | Yes | | | 07/88 | 01/92 | | 564 |
| 1992 | 50% | 2001 | 3% | | Yes | | | 01/68 | 01/92 | | 406 |
| | | | | | Yes | Yes | | 06/73 | 01/96 | | 291 |
| 1998 | 30% | | | | | | | 10/77 | 01/95 | | 445 |
| 2003 | 30% | | | | Yes | Yes | Yes | 01/68 | 01/92 | | 292 |
| | | | | | | | | 03/82 | 01/99 | | 505 |
| | | | | | Yes | | | 01/76 | | Active & Retired | 435 |
| | | | | | Yes | | | 02/73 | 01/97 | Active Only | 293 |
| | | | | | Yes | Yes | | 03/71 | 01/01 | | 294 |
| | | | | Yes | | | | 04/90 | 01/05 | | 588 |
| | | | | Yes | Yes | Yes | | 01/68 | 01/95 | | 295 |
| | | | | | | | | 01/86 | | | 543 |
| | | | | | Yes | Yes | | 12/70 | 01/98 | Active & Retired | 296 |
| | | | | | Yes | | Yes | 08/68 | 01/92 | Active & Retired | 297 |
| | | | | | | | | 01/03 | 01/03 | | 698 |
| 2000 | 30% | 2005 | 3% | | Yes | | | 01/70 | 01/97 | | 298 |
| | | | | | Yes | | Yes | 01/68 | 01/97 | Active & Retired | 299 |
| 2005 | 40% | | | | Yes | Yes | Yes | 01/69 | 01/92 | | 300 |
| | | | | | | | | 07/91 | | | 612 |
| | | | | | Yes | | | 04/70 | 01/95 | | 301 |
| | | | | | Yes | | | 01/89 | 01/92 | Active Only | 568 |
| 1994 | 50% | | | | Yes | | | 04/68 | 01/93 | | 302 |
| | | | | | Yes | Yes | | 08/78 | 01/96 | Active & Retired | 303 |
| 1997 | 80% | | | | | | | 01/87 | 01/97 | Active & Retired | 553 |
| | | | | | Yes | Yes | Yes | 01/68 | 01/97 | | 304 |
| | | | | | | | | 12/81 | 01/99 | | 495 |
| | | | | | Yes | | | 02/73 | 01/94 | Active Only | 426 |
| 2005 | 50% | | | | Yes | | | 03/72 | 01/92 | Active Only | 422 |
| 1995 | 40% | | | | Yes | | | 01/70 | 01/95 | Active & Retired | 305 |
| | | | | | Yes | | | 07/68 | 01/93 | Active & Retired | 306 |
| | | | | | Yes | | | 08/69 | 01/93 | | 307 |
| 1999 | 30% | 2005 | 3% | | Yes | | | 01/68 | 01/92 | Active & Retired | 308 |
| | | | | | | | | 01/81 | 01/04 | | 470 |
| | | | | | Yes | | | 01/82 | 01/95 | Active Only | 309 |
| | | | | | Yes | | | 04/93 | 04/93 | | 627 |
| 2002 | 30% | | | | Yes | | | 12/68 | 01/95 | Active & Retired | 310 |
| | | | | | Yes | | | 01/81 | 01/92 | Active Only | 469 |
| | | | | | Yes | Yes | | 01/68 | 01/95 | Active & Retired | 311 |
| | | | | | | | | 04/87 | 01/95 | Active & Retired | 555 |
| | | | | | | | | 06/91 | 01/95 | | 606 |
| | | | | | Yes | | | 10/94 | 10/94 | Active & Retired | 632 |

STATISTICAL SECTION

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|---------------------------------|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 312 | Somervell County | 22.75% | 7% | 2.25 | 175% | 8 | 75 | Yes |
| 507 | Somervell Co. CAD | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 699 | Somervell Co. Water Dist. | 14.00% | 7% | 1.00 | 100% | 8 | 75 | Yes |
| 645 | South Tex. Dev. Council | 14.00% | 7% | 1.00 | 30% | 10 | 80 | |
| 313 | Starr County | 12.50% | 5% | 1.50 | 125% | 8 | 75 | Yes |
| 536 | Starr Co. AD | 21.00% | 7% | 2.00 | 150% | 10 | 80 | |
| 314 | Stephens County | 19.60% | 7% | 1.80 | 110% | 8 | 75 | |
| 315 | Sterling County | 22.75% | 7% | 2.25 | 115% | 8 | 75 | |
| 316 | Stonewall County | 15.75% | 7% | 1.25 | 110% | 8 | 75 | |
| 458 | Stonewall Mem. HD | 8.00% | 4% | 1.00 | 135% | 10 | 80 | |
| 539 | Stratford HD — Sherman Co. | 12.50% | 5% | 1.50 | 125% | 8 | 80 | |
| 317 | Sutton County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 573 | Sutton Co. HD | 17.50% | 7% | 1.50 | 125% | 10 | 80 | |
| 318 | Swisher County | 19.25% | 7% | 1.75 | 135% | 10 | 80 | |
| 460 | Swisher Co. AD | 19.25% | 7% | 1.75 | 150% | 10 | 80 | |
| 534 | Swisher Mem. HD | 8.00% | 4% | 1.00 | 30% | 10 | 80 | |
| 607 | Tarrant AD | 15.75% | 7% | 1.25 | 95% | 8 | 75 | |
| 319 | Tarrant County | 21.00% | 7% | 2.00 | 150% | 8 | 75 | |
| 545 | Tarrant Co. 911 EAD | 14.70% | 7% | 1.10 | 105% | 8 | 75 | Yes |
| 574 | Tax AD of Cottle Co. | 14.00% | 7% | 1.00 | 20% | 10 | 80 | |
| 320 | Taylor County | 15.75% | 7% | 1.25 | 160% | 10 | 80 | |
| 321 | Terrell County | 15.75% | 7% | 1.25 | 110% | 8 | 75 | |
| 322 | Terry County | 15.75% | 7% | 1.25 | 110% | 8 | 75 | |
| 402 | Terry Mem. HD | 14.00% | 5% | 1.80 | 195% | 8 | 75 | |
| 437 | Tex. Assoc. of Counties | 22.40% | 7% | 2.20 | 145% | 10 | 75 | |
| 354 | TCDRS | 21.00% | 7% | 2.00 | 210% | 8 | 75 | Yes |
| 634 | Tex. Eastern 911 Net. | 14.00% | 7% | 1.00 | 35% | 8 | 75 | |
| 323 | Throckmorton County | 14.00% | 7% | 1.00 | 115% | 8 | 75 | Yes |
| 324 | Titus County | 24.50% | 7% | 2.50 | 175% | 8 | 75 | |
| 501 | Titus Co. Fresh WSD | 15.75% | 7% | 1.25 | 85% | 8 | 80 | |
| 325 | Tom Green County | 17.50% | 7% | 1.50 | 160% | 8 | 75 | |
| 601 | Travis CAD | 14.00% | 7% | 1.00 | 100% | 10 | 80 | |
| 326 | Travis County | 22.75% | 7% | 2.25 | 175% | 8 | 75 | |
| 720 | Travis Co. ESD #1 | 8.00% | 4% | 1.00 | 10% | 10 | 80 | Yes |
| 666 | Travis Co. WCID — Point Venture | 10.00% | 5% | 1.00 | 40% | 10 | 80 | |
| 659 | Tri-Co. SUD | 12.00% | 6% | 1.00 | 55% | 8 | 75 | |
| 633 | Trinity Bay Cons. Dist. | 10.00% | 4% | 1.50 | 125% | 10 | 75 | |
| 327 | Trinity County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | Yes |
| 328 | Tyler County | 20.30% | 7% | 1.90 | 145% | 8 | 75 | |
| 471 | Tyler Co. AD | 21.00% | 7% | 2.00 | 150% | 10 | 80 | |
| 561 | United ID — Hidalgo Co. | 14.00% | 7% | 1.00 | 20% | 10 | 80 | |
| 329 | Upshur County | 21.00% | 7% | 2.00 | 160% | 8 | 75 | |
| 330 | Upton County | 15.75% | 7% | 1.25 | 110% | 8 | 75 | |
| 682 | Upton Co. AD | 17.50% | 7% | 1.50 | 0% | 8 | 75 | |
| 331 | Uvalde County | 21.00% | 7% | 2.00 | 140% | 8 | 75 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent Annuitant CPI-Based COLA Year Pct. | | Most Recent Annuitant Flat-Rate COLA Year Pct. | | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable- Rate Plan Date | Supplemental Death Benefits | Employer Number |
|---|-----|---|----|--------------------------------|--|------------------------------------|--|----------------------------------|--------------------------------|--------------------------------|--------------------|
| | | | | | Yes | Yes | Yes | 11/73 | 01/95 | Active & Retired | 312 |
| | | | | | | | | 04/82 | 01/01 | | 507 |
| | | | | | | | | 01/03 | 01/03 | | 699 |
| | | | | | | | | 07/97 | 07/97 | | 645 |
| | | | | | Yes | Yes | Yes | 12/90 | 01/94 | | 313 |
| | | | | | | | | 03/85 | 01/00 | | 536 |
| | | | | | Yes | | | 07/71 | 01/95 | | 314 |
| 2003 | 40% | 2001 | 5% | | Yes | | | 04/68 | 01/97 | | 315 |
| | | | | | Yes | | | 01/80 | 01/95 | Active & Retired | 316 |
| 1992 | 80% | | | | Yes | | | 11/80 | 01/92 | | 458 |
| | | | | | Yes | | | 10/85 | 01/94 | Active Only | 539 |
| | | | | | Yes | | | 01/70 | 01/96 | | 317 |
| | | | | | Yes | | | 04/89 | 01/92 | Active Only | 573 |
| 1992 | 50% | 2000 | 3% | | Yes | | | 04/68 | 01/92 | Active & Retired | 318 |
| 2005 | 50% | | | | Yes | | | 11/80 | 01/92 | Active Only | 460 |
| | | | | | | | | 02/85 | 01/98 | | 534 |
| 2005 | 80% | | | | Yes | | | 07/91 | 01/92 | | 607 |
| 2005 | 80% | | | | Yes | Yes | Yes | 01/68 | 01/92 | | 319 |
| | | | | Yes | | | | 04/86 | 01/95 | | 545 |
| | | | | | | | | 07/89 | | | 574 |
| | | | | | Yes | Yes | Yes | 01/68 | 01/99 | | 320 |
| 2005 | 50% | | | | Yes | | | 01/80 | 01/92 | Active & Retired | 321 |
| 1998 | 40% | | | | Yes | Yes | Yes | 09/77 | 01/92 | | 322 |
| 1996 | 30% | | | | Yes | | | 02/68 | 01/96 | | 402 |
| 2005 | 40% | | | | Yes | | | 04/76 | 01/95 | Active Only | 437 |
| 2005 | 80% | | | Yes | Yes | | | 04/68 | 01/93 | Active & Retired | 354 |
| | | | | | Yes | | | 01/95 | 01/95 | | 634 |
| | | | | | Yes | | | 06/84 | 01/93 | | 323 |
| | | | | | Yes | | | 03/72 | 01/95 | | 324 |
| 2003 | 80% | | | | Yes | | | 02/82 | 01/03 | | 501 |
| | | | | | Yes | Yes | Yes | 01/68 | 01/96 | | 325 |
| | | | | | | | | 04/91 | 01/99 | | 601 |
| 1995 | 30% | 2005 | 3% | | Yes | Yes | Yes | 01/68 | 01/95 | | 326 |
| | | | | Yes | Yes | | | 01/05 | 01/05 | Active Only | 720 |
| | | | | Yes | | | | 01/01 | 01/01 | | 666 |
| | | | | | | | | 08/99 | 08/99 | Active & Retired | 659 |
| | | | | | Yes | | | 01/95 | 01/95 | Active Only | 633 |
| | | | | | Yes | | | 01/77 | 01/93 | | 327 |
| | | | | | Yes | Yes | Yes | 03/75 | 01/95 | | 328 |
| | | | | | | | | 01/81 | | | 471 |
| | | | | | | | | 01/88 | | | 561 |
| 1994 | 60% | | | | Yes | Yes | | 01/68 | 01/92 | | 329 |
| 1996 | 50% | | | Yes | Yes | Yes | | 01/68 | 01/92 | | 330 |
| | | | | | | | | 04/02 | 04/02 | Active Only | 682 |
| 1995 | 50% | | | | Yes | Yes | | 01/69 | 01/95 | | 331 |

STATISTICAL SECTION

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|---------------------------------------|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 332 | Val Verde County | 22.75% | 7% | 2.25 | 160% | 8 | 75 | |
| 663 | Valley MUD #2 — Cameron Co. | 8.00% | 4% | 1.00 | 10% | 8 | 75 | |
| 586 | Valwood Imp. Auth. — Dallas Co. | 10.00% | 4% | 1.50 | 125% | 8 | 75 | |
| 333 | Van Zandt County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | Yes |
| 672 | Van Zandt Co. AD | 17.50% | 7% | 1.50 | 10% | 8 | 75 | |
| 420 | Velasco DD — Brazoria Co. | 14.00% | 7% | 1.00 | 120% | 12 | 0 | |
| 334 | Victoria County | 21.00% | 7% | 2.00 | 135% | 8 | 75 | Yes |
| 423 | Victoria Co. DD #3 | 11.25% | 5% | 1.25 | 80% | 10 | 80 | |
| 637 | Victoria Co. WCID # 1 | 12.00% | 6% | 1.00 | 20% | 8 | 75 | |
| 335 | Walker County | 20.30% | 7% | 1.90 | 130% | 8 | 75 | Yes |
| 336 | Waller County | 18.20% | 7% | 1.60 | 130% | 8 | 75 | |
| 337 | Ward County | 22.75% | 7% | 2.25 | 150% | 8 | 75 | |
| 565 | Ward Co. CAD | 13.50% | 6% | 1.25 | 110% | 8 | 75 | |
| 444 | Ward Mem. Hosp. | 21.00% | 7% | 2.00 | 100% | 8 | 75 | |
| 338 | Washington County | 21.00% | 7% | 2.00 | 135% | 8 | 75 | |
| 339 | Webb County | 19.50% | 6% | 2.25 | 70% | 8 | 75 | Yes |
| 604 | Webb Co. AD | 14.00% | 7% | 1.00 | 75% | 8 | 75 | |
| 443 | West Cent. Tex. COG | 24.50% | 7% | 2.50 | 175% | 10 | 75 | |
| 410 | West Cent. Tex. MWD | 17.50% | 7% | 1.50 | 120% | 8 | 75 | Yes |
| 454 | West Jefferson Co. MWD | 18.00% | 6% | 2.00 | 165% | 10 | 75 | |
| 688 | West Nueces-Las Moras Soil & WCD #236 | 14.00% | 7% | 1.00 | 30% | 8 | 75 | |
| 340 | Wharton County | 16.50% | 6% | 1.75 | 135% | 8 | 75 | |
| 621 | Wharton Co. WCID #1 | 10.00% | 5% | 1.00 | 80% | 10 | 80 | |
| 341 | Wheeler County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 476 | Wheeler Co. AD | 19.25% | 7% | 1.75 | 150% | 10 | 75 | |
| 427 | White River MWD — Dickens Co. | 14.00% | 7% | 1.00 | 100% | 12 | 0 | |
| 342 | Wichita County | 19.25% | 7% | 1.75 | 125% | 8 | 75 | Yes |
| 446 | Wichita Co. WID #2 | 15.75% | 7% | 1.25 | 110% | 10 | 80 | |
| 559 | Wichita-Wilbarger 911 Dist. | 21.00% | 7% | 2.00 | 135% | 8 | 75 | |
| 655 | Wickson Creek SUD — Brazos Co. | 16.50% | 6% | 1.75 | 75% | 10 | 75 | |
| 343 | Wilbarger County | 19.25% | 7% | 1.75 | 95% | 8 | 75 | |
| 715 | Wilbarger Co. AD | 15.75% | 7% | 1.25 | 0% | 10 | 80 | |
| 530 | Wilbarger Co. HD | 10.00% | 5% | 1.00 | 100% | 8 | 75 | |
| 344 | Willacy County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 575 | Willacy Co. AD | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |
| 652 | Willacy Co. Housing Auth. | 12.50% | 5% | 1.50 | 0% | 8 | 75 | |
| 345 | Williamson County | 24.50% | 7% | 2.50 | 175% | 8 | 75 | |
| 608 | Williamson Co. AD | 22.75% | 7% | 2.25 | 125% | 8 | 75 | |
| 346 | Wilson County | 17.50% | 7% | 1.50 | 125% | 8 | 75 | Yes |
| 479 | Wilson Co. AD | 19.25% | 7% | 1.75 | 150% | 10 | 80 | |
| 347 | Winkler County | 19.25% | 7% | 1.75 | 150% | 8 | 75 | Yes |
| 533 | Winkler Co. AD | 17.50% | 7% | 1.50 | 125% | 8 | 75 | |
| 348 | Wise County | 22.75% | 7% | 2.25 | 165% | 8 | 75 | Yes |
| 493 | Wise Co. AD | 21.00% | 7% | 2.00 | 140% | 10 | 80 | |
| 349 | Wood County | 19.25% | 7% | 1.75 | 135% | 8 | 75 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent Annuitant CPI-Based COLA Year Pct. | | Most Recent Annuitant Flat-Rate COLA Year Pct. | | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable-Rate Plan Date | Supplemental Death Benefits | Employer Number |
|--|-----|--|----|--------------------------|--|------------------------------|------------------------------------|----------------------------|-------------------------|-----------------------------|-----------------|
| | | | | | Yes | | | 06/69 | 01/96 | | 332 |
| | | | | Yes | | | | 04/00 | 04/00 | | 663 |
| | | | | | | | | 04/90 | 01/00 | | 586 |
| | | | | | Yes | | | 01/68 | 01/92 | | 333 |
| | | | | Yes | Yes | | | 07/01 | 07/01 | Active Only | 672 |
| | | | | | 12 | | | 01/72 | | Active Only | 420 |
| 2003 | 80% | 2005 | 3% | Yes | Yes | Yes | Yes | 01/72 | 01/92 | Active & Retired | 334 |
| 2000 | 30% | | | | Yes | | | 04/72 | 01/93 | | 423 |
| | | | | Yes | Yes | | | 07/95 | 07/95 | | 637 |
| 2005 | 40% | | | | Yes | Yes | Yes | 01/68 | 01/95 | | 335 |
| | | | | | Yes | | | 01/68 | 01/95 | Active & Retired | 336 |
| 1992 | 40% | | | | Yes | Yes | | 01/70 | 01/92 | | 337 |
| | | | | | Yes | | | 07/88 | 01/97 | Active & Retired | 565 |
| | | | | | Yes | | | 08/77 | 01/95 | | 444 |
| | | 2005 | 3% | | Yes | | | 01/68 | 01/95 | | 338 |
| | | | | | Yes | Yes | | 12/69 | 01/95 | | 339 |
| | | | | | | | | 05/91 | 01/95 | | 604 |
| | | | | | Yes | | | 05/77 | 01/00 | Active & Retired | 443 |
| | | | | | Yes | | | 11/68 | 01/96 | Active Only | 410 |
| | | | | | Yes | | | 09/79 | 01/99 | | 454 |
| | | | | | | | | 07/02 | 07/02 | | 688 |
| 1998 | 40% | 2004 | 2% | | Yes | Yes | | 01/68 | 01/92 | | 340 |
| | | | | | Yes | | | 07/92 | 07/92 | | 621 |
| | | | | | Yes | | | 12/76 | 01/95 | | 341 |
| | | | | | | | | 03/81 | 01/96 | | 476 |
| | | | | | | | | 11/73 | | | 427 |
| | | | | | Yes | Yes | | 01/68 | 01/98 | Active Only | 342 |
| | | | | | Yes | | | 09/77 | 01/01 | Active & Retired | 446 |
| 1999 | 80% | 2005 | 5% | | Yes | | | 10/87 | 01/94 | | 559 |
| | | | | | | | | 10/98 | 10/98 | | 655 |
| | | 2005 | 3% | | Yes | Yes | | 01/68 | 01/95 | | 343 |
| | | | | | | | | 01/05 | 01/05 | | 715 |
| | | | | | Yes | | | 01/85 | 01/96 | | 530 |
| | | | | | Yes | Yes | | 03/71 | 01/92 | Active Only | 344 |
| | | | | Yes | | | | 07/89 | 01/00 | | 575 |
| | | | | Yes | | | | 07/98 | 07/98 | | 652 |
| 2005 | 60% | | | | Yes | Yes | Yes | 01/69 | 01/94 | | 345 |
| | | 2004 | 3% | | Yes | | | 07/91 | 01/95 | | 608 |
| 2005 | 80% | | | | Yes | Yes | | 01/69 | 01/96 | Active & Retired | 346 |
| | | | | | Yes | | | 03/81 | 01/94 | | 479 |
| | | | | Yes | Yes | Yes | Yes | 10/68 | 01/95 | Active Only | 347 |
| | | | | | | | | 02/85 | 01/95 | | 533 |
| | | | | | Yes | | | 01/72 | 01/92 | Active & Retired | 348 |
| | | | | | | | | 10/81 | 01/96 | Active Only | 493 |
| | | | | Yes | Yes | | | 01/68 | 01/92 | | 349 |

STATISTICAL SECTION

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate | Allocated Prior Service Credit Percentage | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of | 20 Years of Service for Retirement at Any Age |
|-----------------|---------------|---------------------------------|-----------------------|------------------------|---|---|---|---|
| 700 | Wood Co. AD | 19.25% | 7% | 1.75 | 0% | 8 | 80 | Yes |
| 350 | Yoakum County | 17.50% | 7% | 1.50 | 150% | 8 | 75 | Yes |
| 351 | Young County | 17.50% | 7% | 1.50 | 135% | 8 | 75 | |
| 352 | Zapata County | 22.75% | 7% | 2.25 | 155% | 8 | 75 | Yes |
| 649 | Zapata Co. AD | 11.00% | 4% | 1.75 | 5% | 8 | 75 | |
| 353 | Zavala County | 24.50% | 7% | 2.50 | 215% | 10 | 75 | |
| 566 | Zavala Co. AD | 14.00% | 7% | 1.00 | 125% | 10 | 80 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

| Most Recent Annuitant CPI-Based COLA Year Pct. | | Most Recent Annuitant Flat-Rate COLA Year Pct. | | Partial Lump-Sum Payment | Qualified Military Service Credit Recognized | District Judge Participation | Prosecuting Attorney Participation | Initial Participation Date | Variable- Rate Plan Date | Supplemental Death Benefits | Employer Number |
|---|-----|---|----|--------------------------------|--|------------------------------------|--|----------------------------------|--------------------------------|--------------------------------|--------------------|
| 2000 | 50% | 2004 | 2% | | Yes | Yes | Yes | 01/03 01/68 | 01/03 01/95 | | 700 350 |
| | | | | | Yes | | | 01/68 | 01/93 | | 351 |
| | | | | | Yes | Yes | | 08/69 | 01/97 | Active & Retired | 352 |
| | | | | | Yes | | | 04/98 | 04/98 | | 649 |
| | | | | | Yes | Yes | | 12/72 | 01/01 | | 353 |
| | | | | | | | | 10/88 | | | 566 |

RETIREMENT PLANS OF EMPLOYERS WITH REDUCED PARTICIPATION As of Jan. 1, 2005

| Employer Number | Employer Name | Total Benefit Rate ¹ | Employee Deposit Rate | Employer Matching Rate ⁴ | Allocated Prior Service Credit Percentage ⁴ | Years of Service for Vesting for Retirement at Age 60 | Alternate Retirement Eligibility With Satisfaction of Rule of... | Partial Lump-Sum Payment |
|-----------------------------------|-----------------------------------|---------------------------------|-----------------------|-------------------------------------|--|---|--|--------------------------|
| Nonenrolling ² | | | | | | | | |
| 448 | Edwards Aquifer Auth. — Bexar Co. | 11.20% | 4% | 1.80 | 140% | 8 | 75 | Yes |
| 452 | McCamey CHD — Upton Co. | 30.80% | 7% | 3.40 | 310% | | 80 | |
| 599 | Med. Arts Hosp. — Dawson Co. | 8.00% | 4% | 1.00 | 50% | 8 | 75 | |
| 538 | Nueces River Auth. — Uvalde Co. | 8.00% | 4% | 1.00 | 40% | 10 | 80 | |
| Nondepositing ³ | | | | | | | | |
| 411 | Bandera Co. WCID #1 | | | 1.00 | 20% | | | |
| 465 | Cisco HD | | | 1.42 | 81% | | | |
| 478 | Culberson Co. Hosp. | | | 2.00 | 150% | | | |
| 550 | Culberson HD | | | 2.00 | 150% | 4 | 75 | |
| 456 | El Paso WCID Westway | | | 1.10 | 105% | | 80 | |
| 557 | Horizon Reg. MUD | | | 1.00 | 60% | | 80 | |
| 431 | Livingston HD | | | 3.63 | 256% | | | |
| 654 | Llano Co. Hosp. Auth. | | | 2.25 | 0% | 4 | 75 | |
| 436 | Llano Mem. Hosp. | | | 2.70 | 175% | | 80 | |
| 510 | Newton Co. Mem. Hosp. | | | 1.00 | 41% | | 80 | |
| 415 | North Plains HD | | | 2.27 | 161% | | | |
| 489 | Potter Co. AD | | | 2.00 | 150% | | 75 | |
| 480 | Roberts Co. AD | | | 1.45 | 68% | | 80 | |
| 523 | Shelby Co. Gen. Hosp. | | | 1.00 | 53% | | | |
| 549 | Travis Co. WCID #18 | | | 1.40 | 120% | | 80 | |

¹ Total Benefit Rate

The Total Benefit Rate is the sum of the (a) employee deposit rate and (b) the employee deposit rate times the employer matching rate; and represents a future annuitant's annual benefit credits earned expressed as a percentage of salary.

² Nonenrolling

Nonenrolling employers have discontinued enrollment of new employees, but continue making contributions for employees who were TCDRS members before the date the plan's participation was reduced.

³ Nondepositing

Nondepositing employers have no current employees who are TCDRS members or whose structure has changed so that the employing entity is no longer eligible for participation in TCDRS. Their plan includes either former employees who maintained their accounts with TCDRS, retirees still receiving monthly benefits from TCDRS, or both.

⁴ Employer Matching Rate and Allocated Prior Service Credit Percentage

Employer plans with reduced participation may have had plan liabilities altered from the original benefit calculation formula. Because future contributions to these plans have been either reduced or eliminated, plan assets may not be sufficient to pay expected liabilities under the current service matching percentage and allocated prior service credit percentage selected by the employer. In these cases, the percentages have been reduced for both current and future retirees by using a reduction ratio. For McCamey CHD—Upton Co., Livingston HD and North Plains HD, the current service matching percentage and allocated prior service credit percentage were increased based on excess plan assets. The law has since been changed to preclude any future increases in benefit levels for plans with reduced participation.

| Qualified Military Service Credit Recognized | Initial Participation Date | Reduced Participation Date | Employer Number |
|--|----------------------------|----------------------------|-----------------|
| Yes | 02/78 | 01/02 | 448 |
| Yes | 02/79 | 04/88 | 452 |
| | 01/91 | 01/01 | 599 |
| | 10/85 | 01/00 | 538 |
| Yes | 01/70 | 01/83 | 411 |
| | 01/81 | 02/83 | 465 |
| | 03/81 | 12/85 | 478 |
| Yes | 08/86 | 08/04 | 550 |
| Yes | 03/80 | 03/94 | 456 |
| | 04/87 | 08/95 | 557 |
| Yes | 08/74 | 11/86 | 431 |
| Yes | 06/98 | 02/01 | 654 |
| Yes | 01/76 | 06/98 | 436 |
| | 05/82 | 01/90 | 510 |
| | 10/70 | 03/84 | 415 |
| | 07/81 | 06/88 | 489 |
| | 03/81 | 12/91 | 480 |
| | 04/83 | 08/87 | 523 |
| | 08/86 | 10/92 | 549 |

READER'S NOTES

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READER'S NOTES

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