


COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2005



TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM



THE ARTWORK ON THE FRONT of the courthouse safes' doors has become cracked and faded over the years. The artists' names have been lost to history, but their paintings survive in obscurity and in plain sight of generations of county office workers. Teams of artists with companies such as Mosler Safe Company, Diebold Safe and Lock, and Hall's Safe Company produced most of the artwork that graces the heavy metal doors. Although the customer could pay extra for a commissioned painting, few did. The result is a gallery of work within which no two paintings are exactly alike.

In our survey of nearly a dozen county courthouses with old vaults and safe doors, we found that most of the paintings depict mountain landscapes with waterfalls, rivers or lakes. The second most common theme we found was ships on rough seas. Like the artists' names, the inspiration for these oil paintings is unknown.

TCDRS would like to thank all of the county officials who responded to our search for photogenic safe doors — especially Judge Jack Hall of Donley County, Wes Ritchey of Dallam County, Elizabeth A. Kouba of Lavaca County, Mario Z. Garcia of Dimmit County, Cindy Yeatts Brown of Denton County, Michele Tuttle of Hays County, Kevin Parsons of Lamar County, and Martha Fant Sheridan of Cass County — for allowing us to photograph these overlooked masterpieces.

The safe shown on the cover and title page is located in the Capitol Visitors Center, in the restored 1856–57 General Land Office building in Austin.

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE YEAR ENDED DECEMBER 31, 2005



PREPARED BY

TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM

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DIRECTOR

**VINCENT
PRENDERGAST**
COMPTROLLER

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BOB WILL
CHIEF INVESTMENT
ACCOUNTANT

PUBLICATIONS DEPARTMENT

GERALD McLEOD
LEAH NELSON
RODNEY CROUTHER
ROB BISHOP

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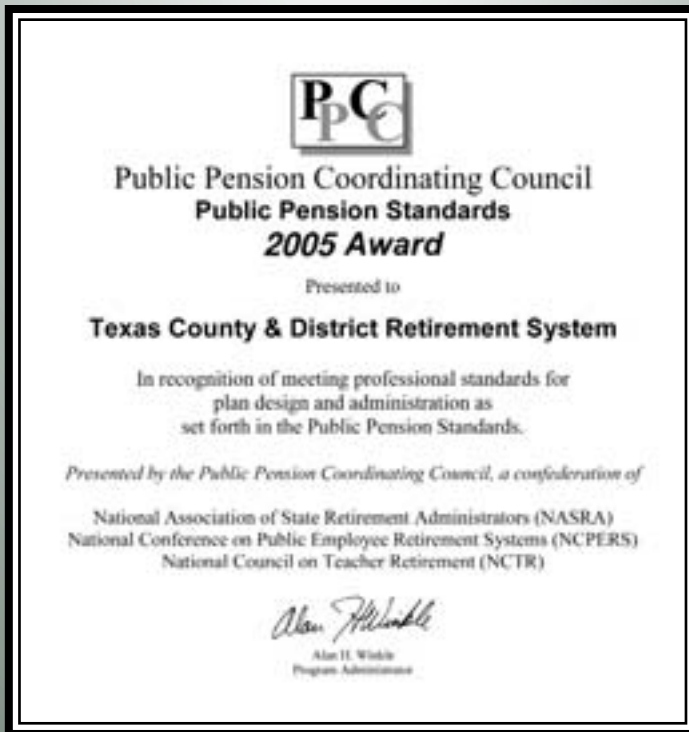
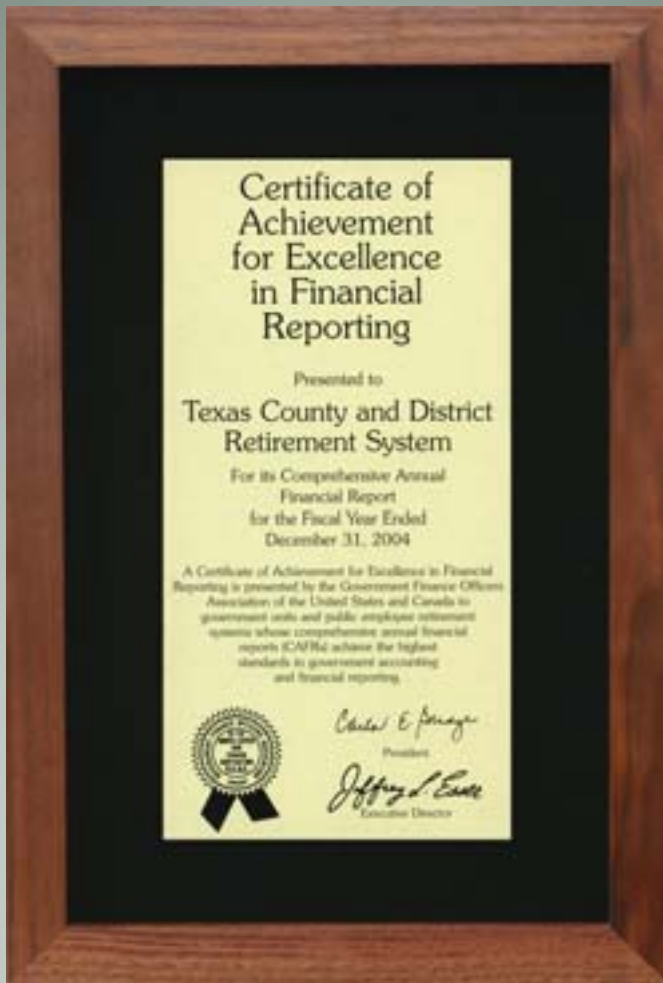


❧ INTRODUCTORY SECTION ❧



DIMITT COUNTY COURTHOUSE, CARRIZO SPRINGS







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LETTER OF TRANSMITTAL

June 12, 2006

To: The Board of Trustees and the Members of the 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, 2005 — the 38th full year of operations. Texas Government Code section 802.103(a) requires TCDRS to publish an annual report, and this report fulfills that requirement for 2005. 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.

TCDRS management is responsible for both the accuracy of the data and the completeness and fairness of the presentation within this report. This CAFR was prepared to conform to the principles of governmental accounting and reporting set forth by the Governmental Accounting Standards Board (GASB). A comprehensive framework of internal controls exists to provide reasonable assurance regarding the safekeeping of assets and fair presentation of the financial statements and supporting schedules. The cost of internal control should not exceed the benefits the controls provide; the objective of internal control is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

KPMG LLP, Certified Public Accountants, have issued an unqualified (“clean”) opinion on TCDRS’ financial statements for the year ended Dec. 31, 2005. The independent auditor’s opinion is located at the front of the Financial Section of this report.

Management’s Discussion and Analysis (“MD&A”) immediately follows the independent auditor’s opinion, and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of Texas County & District Retirement System

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 575 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, 2005, the number of participating employers has increased from 485 to 575, and the number of employee members has increased from 101,918 to 142,187 — increases of 19% and 40%, respectively. The number of annuitants has increased over the same time period from 16,000 to 30,347, an increase of 90%.

Economic Condition

The 2005 increase in plan net assets was \$1.04 billion, an increase of 8.4%, while the 2004 increase in plan net assets was \$1.56 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 2005, the TCDRS portfolio earned a 7.3% return, exceeding the benchmark of 7.2% by a total of 0.1%. The primary reason for this return was the continued strength of the international equity and REIT markets. The emerging international equity portfolio earned a 33.9% return while the developed international equity portfolio returned 13.6%. The value added by TCDRS REIT managers exceeded the benchmark by 3%. The domestic equity portfolio, which averaged 34.8% of the TCDRS portfolio during 2005, earned 6.4%, equaling the return of the benchmark.

Performance of the high-yield and core fixed-income portfolios exceeded the performance of their benchmarks.

The TCDRS Board of Trustees believes that a diversified portfolio offers the best opportunity to produce the 8% investment return objective. Accordingly, the TCDRS portfolio includes core fixed-income bonds, domestic and international equity securities, high-yield debt, REITs, private equity securities and absolute return funds (hedge funds).

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 2005 and 2004 are \$13.47 billion and \$12.43 billion, respectively, an increase of \$1.04 billion (8.4%). 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 \$1.70 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 2005, the actuarial value of assets and actuarial liabilities totaled \$11.77 billion and \$12.87 billion, respectively, resulting in a funded ratio of 91.4%. 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.

MAJOR INITIATIVES

- The TCDRS Board of Trustees continued diversification of investments during 2005 and revised the asset allocation plan to include new asset classes of absolute return (hedge funds), distressed debt, and private equity; increased the allocation to international equities; reduced the allocation to core fixed income and reduced the allocation to domestic equities. The board also approved a change in investment consultant during 2005 by hiring Cliffwater LLC to replace Wilshire Associates.
- TCDRS implemented amendments to the TCDRS Act passed by the 79th Texas Legislature at its biennial session held in 2005. The legislative changes provide more flexibility in plan design; simplify employee participation rules; and allow employers to hire retirees without annuity suspension.
- For the first time, TCDRS mailed annual statements and newsletters to the 130,000 active members home addresses.
- The system developed several new publications to help employers and their plan administrators, including *Step By Step*, a handbook for plan administrators; the *TCDRS Almanac*, which provides decision-makers assistance with making plan decisions; and the *TCDRS Road Map*, which provides information on how TCDRS benefits work.
- TCDRS developed a crisis communication plan.

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, 2004. This was the 13th consecutive year that the system achieved this prestigious award. In order to be awarded a Certificate of Achievement, an entity must publish an easily 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.

LETTER OF TRANSMITTAL

TCDRS was awarded the Public Pension Coordinating Council's (PPCC) Public Pension Standards award for 2005, 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,



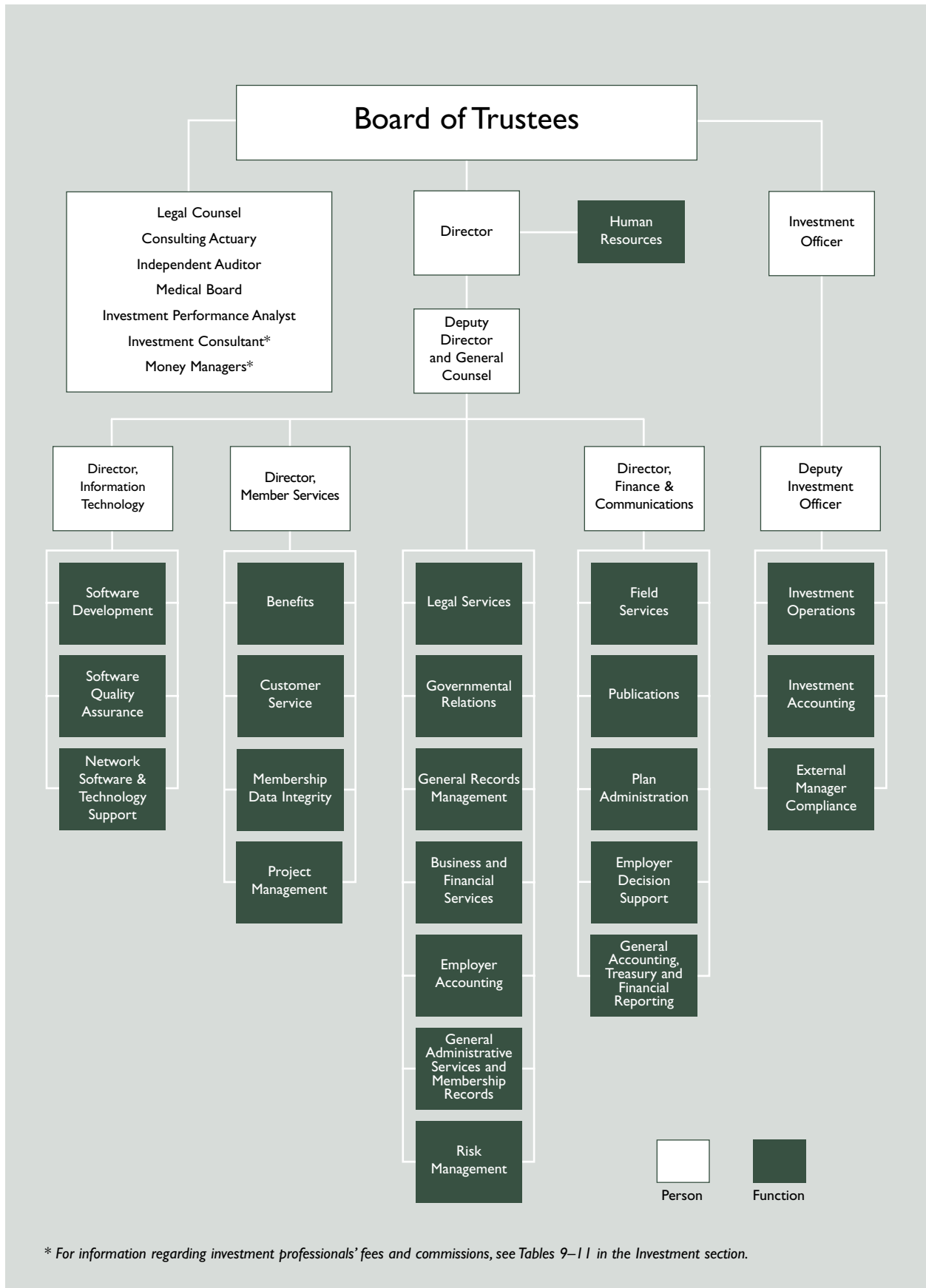
Robert A. Eckels
Chair



Gene Glass
Director



Paul J. Williams
Investment Officer





(LEFT TO RIGHT) Robert A. Eckels, Jan Kennady, Martha Gustavsen, Bridget McDowell, Amador E. Reyna, Jerry V. Bigham, Daniel R. Haggerty, Bob Willis (NOT PICTURED) Mitch Liles

CHAIRMAN

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

VICE-CHAIRMAN

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

Jerry V. Bigham
JUSTICE OF THE PEACE
RANDALL COUNTY
TERM EXPIRES DEC. 31, 2009

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

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

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

INVESTMENT STAFF



Paul J. Williams
Investment Officer



Dianna Amescua
Deputy Investment Officer

ADMINISTRATIVE STAFF



Gene Glass
Director



Ray Smith
Director,
Information Technology



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 LLP

Consulting Actuary
Milliman, Inc.

Investment Performance Analyst
Holbein Associates, Inc.

Investment Consultant
Cliffwater LLC

Independent Auditor
KPMG LLP

Medical Board
Ace Alsup, M.D., Chairman
John P. Vineyard Jr., M.D.
Shelby H. Carter, M.D.

STAFF



INVESTMENTS

[LEFT TO RIGHT] Jeneva Perrone, Bob Will, Sandra Bragg, Paul J. Williams, Greta Clark, Dianna Amescua

LEGAL & GOVERNMENTAL RELATIONS

[LEFT TO RIGHT] Jason McElvaney, Patrick Redman, Tom Krueger, Tom Harrison, Julie Dwiggins, Sherry Beck



HUMAN RESOURCES AND ANALYSTS

[STANDING] Nancy Stallcup, Karen Garner, David Redd, Holly Tuccio, Wanda Gilliard

[SEATED] Kimberly Cook, Lisa Orr

PUBLICATIONS

Rodney Crouther, Leah Nelson, Gerald McLeod, Rob Bishop





INFORMATION TECHNOLOGY

[BACK ROW] Ray Smith, Dan Perkins, Mark Moseley
 [3RD ROW] Brad Bowers, Sivaram Manda, Sherry Bethke
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 [FRONT ROW] Sharon Payne, Jocelyn Brown, Alfredo Gutierrez
 [NOT PICTURED] Jeff Hemphill



BENEFITS

[BACK ROW] Robin Rodriguez, Tim Howard, Jo Anne Norton
 [3RD ROW] Deborah Smith, Michele Walty, Kosima Przygoda
 [2ND ROW] Myrlene Bridwell, Carmen Gloria, Gina Pax
 [FRONT ROW] Gloria Zavala, Lilly Williams, Cathy Duggar
 [NOT PICTURED] Kathy DeRamus



BUSINESS AND FINANCIAL SERVICES

[BACK ROW] David Luttrell, Tina Silguero, Melissa Watt, Suheill Vargas, Allison Coffey
 [FRONT ROW] Tom Harrison, Pam Swanson, Mary Samuels, Jennifer De Sarro, Frank Reininger

STAFF



FIELD SERVICES

[LEFT TO RIGHT] Howard Miller,
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Kim Doyal, Ralph Wallace, Harriett Lloyd

FINANCE

[BACK ROW] Vince Prendergast,
Laurence Estill, Vickie Dodson,
Aurora Beranek, Kelle Broussard,
José de Leon

[FRONT ROW] Virginia Ramsey,
Melody Smith, Steve Madden,
Chris Bucknall, Doris Richardson

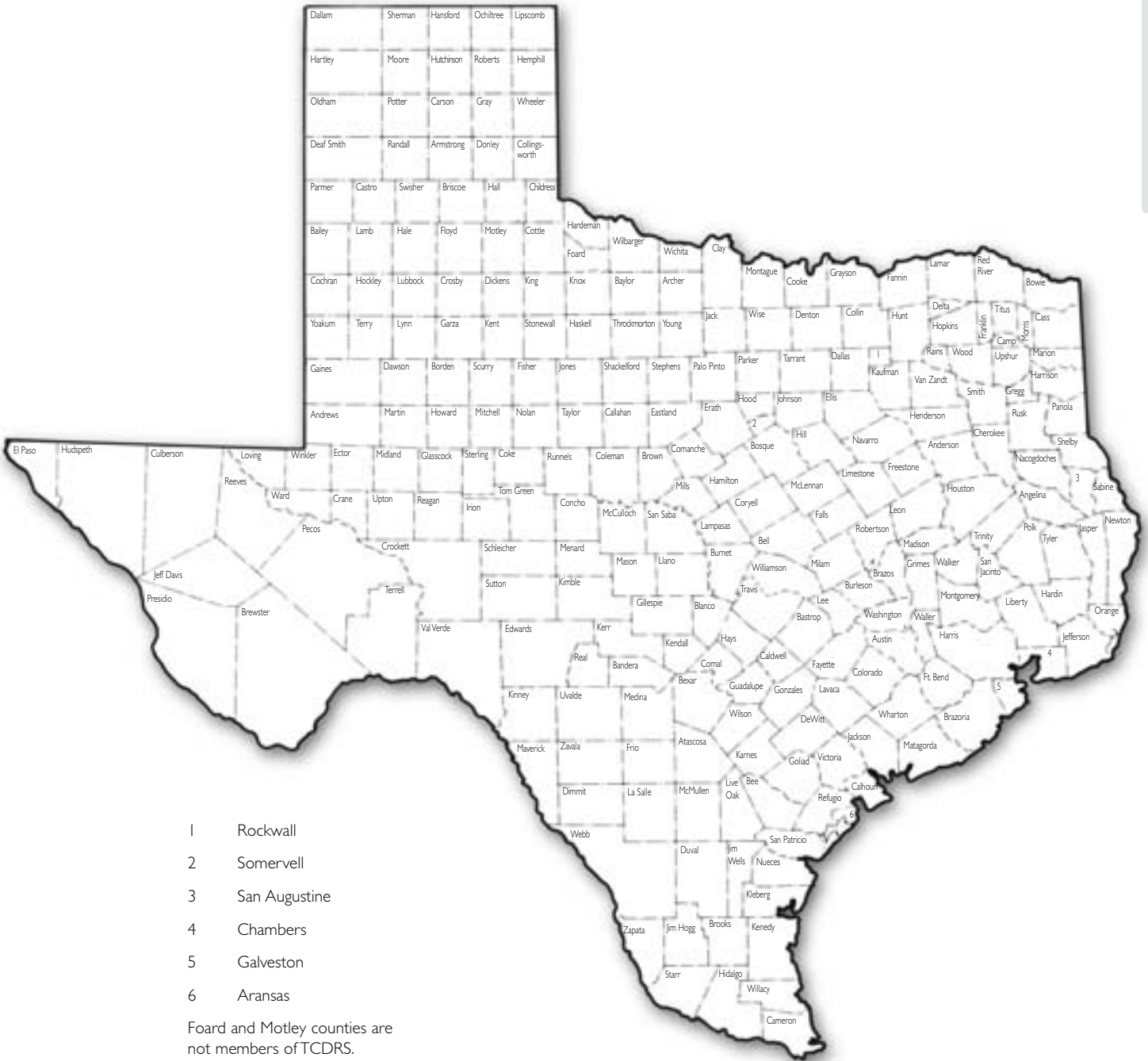


CUSTOMER SERVICE

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



MEMBER COUNTIES AND DISTRICTS AS OF JAN. 1, 2006



MEMBER COUNTIES AND DISTRICTS AS OF JAN. 1, 2006

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
 - Galveston County Consolidated Drainage District
 - Galveston County Drainage District #1

MEMBER COUNTIES AND DISTRICTS AS OF JAN. 1, 2006

- 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
 - Palo Duro River Authority
- 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
 - Delta Lake Irrigation District
 - 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
 - Hockley County Appraisal District
- 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
 - Cow Creek Groundwater Conservation District
 - 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
 - La Salle County Appraisal District
- 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
 - Coastal Plains Groundwater Conservation District
 - Matagorda County Drainage District
 - Matagorda County Hospital District
 - Matagorda County Navigation District #1
 - Port of Bay City Authority
- Maverick County
 - Maverick County Hospital District
 - 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
 - McLennan County 911 Emergency Assistance District
- 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
 - Post Oak Savannah Groundwater Conservation District
- 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 Appraisal District
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
Palo Pinto Appraisal District
- 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
Northeast Texas 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 County Appraisal District
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



❧ FINANCIAL SECTION ❧



DENTON COUNTY COURTHOUSE, DENTON





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Internet www.us.kpmg.com

Independent Auditors' Report

The Board of Trustees
Texas County and District Retirement System:

We have audited the accompanying statements of plan net assets of the Texas County and District Retirement System (the System) as of December 31, 2005 and 2004, and the related statements of changes in plan net assets for the years then ended which comprise the basic financial statements of the System. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion 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 an opinion on the effectiveness of the System's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the plan net assets of the Texas County and District Retirement System as of December 31, 2005 and 2004, and the changes in plan net assets for the years then ended in conformity with United States generally accepted accounting principles.

As described in Note B to the financial statements and the Statistical Section, the System adopted the provisions of Governmental Accounting Standards Board Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, in 2005.

The management's discussion and analysis on pages 20 through 24 and the Schedules of Funding Progress, Employer Contributions and Actuarial Methods and Assumptions on pages 38 through 39, respectively, 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 supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the System. The introductory section included on pages 3 – 16, other supplementary information included on pages 40 – 77 and the Investment, Actuarial and Statistical Sections on pages 81 – 203 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory section, other supplementary information, Investment, Actuarial and Statistical Sections 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

May 8, 2006

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

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, 2005 and 2004. 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, called 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 575 nontraditional defined-benefit pension plans at year end 2005. 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 47) and for individual employers (see the schedule of Changes in Subdivision Accumulation Fund, starting on page 62). 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

SUMMARY INFORMATION ABOUT PLAN NET ASSETS

Pension Trust Fund

(\$ Millions)

	Dec. 31,			2005-2004		2004-2003	
	2005	2004	2003	\$ Change	% Change	\$ Change	% Change
Assets							
Investments, at Fair Value	\$ 13,342	\$ 12,302	\$ 10,753	\$ 1,040	8.5%	\$ 1,549	14.4%
Invested Securities-Lending Collateral	2,263	2,067	1,875	196	9.5	192	10.2
Receivables, Cash and Cash Equivalents, Other	142	136	122	6	4.4	14	11.5
Capital Assets, Net	10	10	11	0	0.0	(1)	(9.1)
Total Assets	15,757	14,515	12,761	1,242	8.6	1,754	13.7
Liabilities							
Securities-Lending Collateral	2,263	2,067	1,875	196	9.5	192	10.2
Other Liabilities	20	17	14	3	17.6	3	21.4
Total Liabilities	2,283	2,084	1,889	199	9.5	195	10.3
Net Assets Held in Trust for Pension Benefits	\$ 13,474	\$ 12,431	\$ 10,872	\$ 1,043	8.4%	\$ 1,559	14.3%

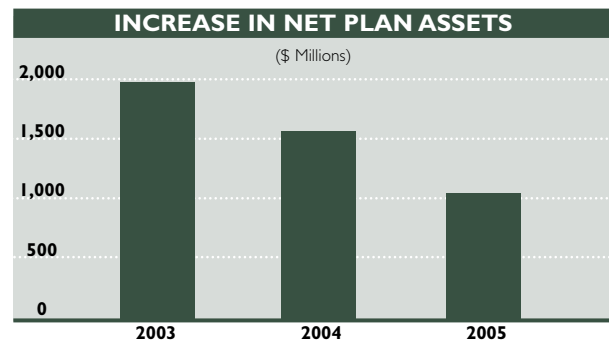
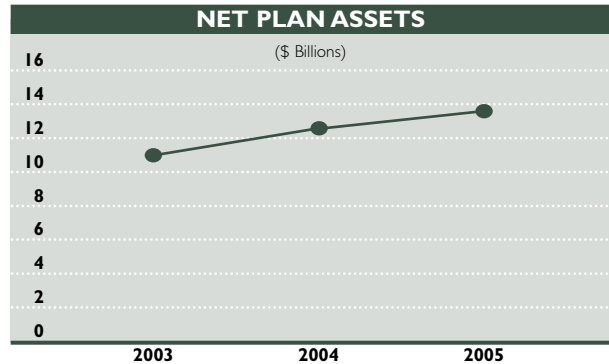
Due to rounding, totals and detail may not equal. Percentages shown are based on rounded amounts and may differ slightly from actual.

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 2005 totaled \$13.47 billion. Amounts for 2004 and 2003 were \$12.43 billion and \$10.87 billion, respectively. Increases in plan net assets for the last three years were \$1.04 billion in 2005, \$1.56 billion in 2004, and \$1.97 billion in 2003.



The overall financial condition of the system reflected an increase in plan net assets during 2005 primarily due to net investment income during the year of \$901 million — a 7.34% overall return. Net investment income for 2005 is comprised of appreciation in fair value of investments of \$555 million, \$353 million in interest and dividends, and net income from securities lending transactions of \$7 million,

MANAGEMENT'S DISCUSSION AND ANALYSIS

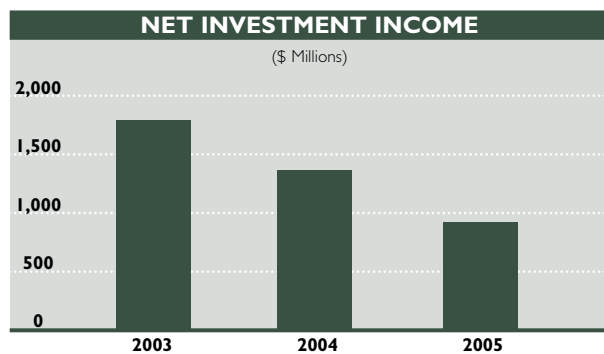
SUMMARY INFORMATION ABOUT CHANGES IN PLAN NET ASSETS

Pension Trust Fund

(\$ Millions)

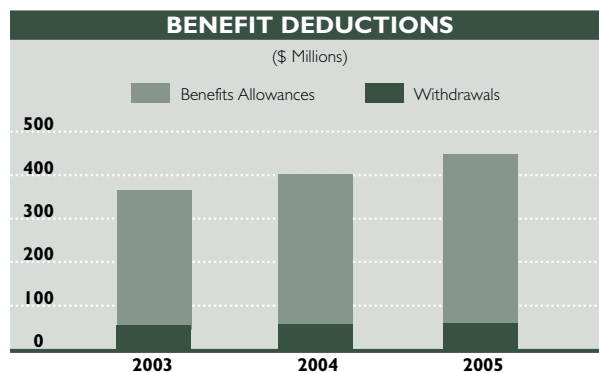
	Year ending Dec. 31,			2005-2004		2004-2003	
	2005	2004	2003	\$	%	\$	%
				Change	Change	Change	Change
Additions							
Employee Deposits	\$ 259	\$ 250	\$ 236	\$ 9	3.6%	\$ 14	5.9%
Employer Contributions	343	338	315	5	1.5	23	7.3
Net Investment Income	901	1,384	1,793	(483)	(34.9)	(409)	(22.8)
Other Income	2	2	2	0	0.0	0	0.0
Total Additions	1,505	1,974	2,346	(469)	(23.8)	(372)	(15.9)
Deductions							
Benefit Allowances	386	343	309	43	12.5	34	11.0
Withdrawals	64	59	57	5	8.5	2	3.5
Administrative Expenses	10	11	8	(1)	(9.1)	3	37.5
Other Expenses	2	2	2	0	0.0	0	0.0
Total Deductions	462	415	376	47	11.3	39	10.4
Net Increase in Plan Net Assets	1,043	1,559	1,970	(516)	(33.1)	(411)	(20.9)
Net Assets Held in Trust for Pension Benefits	\$ 13,474	\$ 12,431	\$ 10,872	\$ 1,043	8.4%	\$ 1,559	14.3%

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



reduced by investment activity expenses of \$14 million. Net investment income for 2004 and 2003 was \$1.4 billion and \$1.8 billion, respectively.

Also contributing to the increase in net plan assets in 2005 were employee deposits and employer contributions, which were \$259 million and \$343 million, respectively. This represents increases of \$9 million and \$5 million over 2004 amounts. In 2004, employee deposits increased by \$14 million and employer contributions increased by \$23 million over 2003 amounts. Together, employee deposits and employer contributions increased during 2005 by 2.5% and in 2004 by 6.7% over the previous year's amounts. The employer contributions experienced a smaller increase than in previous



years due to the effect of the 2003 earnings allocation of 38% to the Subdivision Accumulation Fund on 2005 employer contribution rates.

Deductions for benefit allowances and withdrawals for 2005 were \$450 million, an 11.8% increase over the previous year. These deductions for 2004 were \$402 million, a 9.8% increase over 2003. Higher deductions for 2005 and 2004 were primarily due to increases in benefit allowances, which rose 12.5% and 11.0%, respectively.

Other Currently Known Information: Pension Trust Fund

TCDRS' investment return for 2005 of 7.34% before fees 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% to the employers' accounts in the Subdivision Accumulation Fund (SAF).

Investment return for 2004 and 2003 was 12.8% and 20.2%, respectively. For 2004 and 2003, the statutorily required 7% income allocation was made to employee accounts and the reserve account for payment of retirement annuities. In 2004, 9% was allocated to the employers' accounts in the Subdivision Accumulation Fund. 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 2005 was highlighted by the continued strength of the developed and emerging international equity markets and REIT markets.

Supplemental Death Benefits Fund

The second TCDRS trust is the Supplemental Death Benefits Fund (SDBF) that provides a program 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 2005 were \$7.2 million, an increase of 33.5% over the 2004 amount, which is due primarily to 2005 operations that provided an increase of \$1.8 million of funds available for investment. The net assets available for insurance benefits at year end 2005 were \$6.7 million, which increased \$1.7 million from 2004, while net assets at Dec. 31, 2004 increased \$959 from 2003. Premiums increased by \$330 in 2005 and \$287 in 2004 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. Insurance benefits paid out compared to previous year's amounts decreased in 2005 by \$323 and increased in 2004 by \$202.

MANAGEMENT'S DISCUSSION AND ANALYSIS

SUMMARY INFORMATION ABOUT PLAN NET ASSETS

Supplemental Death Benefits Fund

	Dec. 31,			2005-2004		2004-2003	
	2005	2004	2003	\$ Change	% Change	\$ Change	% Change
Total Assets	\$ 7,228,417	\$ 5,412,650	\$ 4,449,095	\$ 1,815,767	33.5%	\$ 963,555	21.7%
Total Liabilities	495,466	383,151	378,899	112,315	29.3	4,252	1.1
Net Assets Held in Trust for Benefits	\$ 6,732,951	\$ 5,029,499	\$ 4,070,196	\$ 1,703,452	33.9%	\$ 959,303	23.6%

SUMMARY INFORMATION ABOUT CHANGES IN PLAN NET ASSETS

Supplemental Death Benefits Fund

	Dec. 31,			2005-2004		2004-2003	
	2005	2004	2003	\$ Change	% Change	\$ Change	% Change
Additions							
Employer Premiums	\$ 4,735,938	\$ 4,405,520	\$ 4,118,605	\$ 330,418	7.5%	\$ 286,915	7.0%
Income Allocation from Pension Trust Fund	398,799	307,668	250,456	91,131	29.6	57,212	22.8
Total Additions	5,134,737	4,713,188	4,369,061	421,549	8.9	344,127	7.9
Deductions							
Insurance Benefits	3,431,285	3,753,885	3,551,947	(322,600)	(8.6)	201,938	5.7
Total Deductions	3,431,285	3,753,885	3,551,947	(322,600)	(8.6)	201,938	5.7
Net Increase in Plan Net Assets	1,703,452	959,303	817,114	744,149	77.6	142,189	17.4
Net Assets Held in Trust for Benefits	\$ 6,732,951	\$ 5,029,499	\$ 4,070,196	\$ 1,703,452	33.9%	\$ 959,303	23.6%

STATEMENTS OF PLAN NET ASSETS

As of Dec. 31,

	2005			2004		
	Pension Trust Fund	Supplemental Death Benefits Fund	Total	Pension Trust Fund	Supplemental Death Benefits Fund	Total
ASSETS						
Cash and Cash Equivalents	\$ 9,062,640	\$ —	\$ 9,062,640	\$ 7,181,142	\$ —	\$ 7,181,142
Receivables:						
Contributions	58,657,589	—	58,657,589	55,476,259	—	55,476,259
Investment Interest and Dividends	73,723,162	—	73,723,162	69,496,837	—	69,496,837
Securities-Lending Interest	562,406	—	562,406	738,171	—	738,171
Employer Premiums	—	480,419	480,419	—	435,997	435,997
Other	48,539	—	48,539	2,098,758	—	2,098,758
Total Receivables	132,991,696	480,419	133,472,115	127,810,025	435,997	128,246,022
Prepaid Expenses and Other Assets	187,812	—	187,812	281,335	—	281,335
Investments, at Fair Value:						
Core Fixed Income	4,062,721,369	—	4,062,721,369	3,960,419,430	—	3,960,419,430
Domestic Equities	4,606,208,616	—	4,606,208,616	4,420,106,944	—	4,420,106,944
International Equities	2,279,519,132	—	2,279,519,132	2,095,064,732	—	2,095,064,732
High-Yield Bonds	1,224,288,044	—	1,224,288,044	1,192,573,588	—	1,192,573,588
REITs	680,212,877	—	680,212,877	628,662,156	—	628,662,156
Absolute Return	210,000,000	—	210,000,000	—	—	—
Short-Term Investment Fund	279,209,848	—	279,209,848	5,646,436	—	5,646,436
Total Investments	13,342,159,886	—	13,342,159,886	12,302,473,286	—	12,302,473,286
Invested Securities-Lending Collateral	2,263,186,144	—	2,263,186,144	2,066,686,016	—	2,066,686,016
Funds Held by Pension Trust Fund	—	6,747,998	6,747,998	—	4,976,653	4,976,653
Capital Assets, net	9,744,608	—	9,744,608	10,312,584	—	10,312,584
Total Assets	15,757,332,786	7,228,417	15,764,561,203	14,514,744,388	5,412,650	14,520,157,038
LIABILITIES						
Accounts Payable	12,953,951	—	12,953,951	11,885,522	—	11,885,522
Insurance Benefits Payable	—	495,466	495,466	—	383,151	383,151
Funds Held for Supplemental Death Benefits Fund	6,747,998	—	6,747,998	4,976,653	—	4,976,653
Securities-Lending Collateral	2,263,186,144	—	2,263,186,144	2,066,686,016	—	2,066,686,016
Total Liabilities	2,282,888,093	495,466	2,283,383,559	2,083,548,191	383,151	2,083,931,342
Net Assets Held in Trust for Benefits	\$ 13,474,444,693	\$ 6,732,951	\$ 13,481,177,644	\$ 12,431,196,197	\$ 5,029,499	\$ 12,436,225,696

A schedule of funding progress for the Pension Trust Fund plans is presented on page 38.

See accompanying Notes to the Financial Statements.

FINANCIAL STATEMENTS

STATEMENTS OF CHANGES IN PLAN NET ASSETS

Years Ended Dec. 31,

	2005			2004		
	Pension Trust Fund	Supplemental Death Benefits Fund	Total	Pension Trust Fund	Supplemental Death Benefits Fund	Total
ADDITIONS						
Contributions and Deposits						
Employee Deposits	\$ 259,406,309	\$ —	\$ 259,406,309	\$ 249,968,480	\$ —	\$ 249,968,480
Employer Contributions	343,108,520	—	343,108,520	338,116,653	—	338,116,653
Employer Premiums	—	4,735,938	4,735,938	—	4,405,520	4,405,520
Total	602,514,829	4,735,938	607,250,767	588,085,133	4,405,520	592,490,653
Investment Income						
<i>From Investment Activities</i>						
Net Appreciation in Fair Value of Investments	555,307,786	—	555,307,786	1,054,881,084	—	1,054,881,084
Interest and Dividends	353,135,852	—	353,135,852	337,505,449	—	337,505,449
Total Investment Activity Income	908,443,638	—	908,443,638	1,392,386,533	—	1,392,386,533
Less Investment Activity Expenses	14,376,670	—	14,376,670	13,316,905	—	13,316,905
Net Income From Investment Activities	894,066,968	—	894,066,968	1,379,069,628	—	1,379,069,628
<i>From Securities-Lending Activities</i>						
Securities-Lending Income	76,480,912	—	76,480,912	31,816,796	—	31,816,796
Less Securities-Lending Expenses:						
Borrower Rebates and Management Fees	69,910,100	—	69,910,100	26,465,576	—	26,465,576
Net Income From Securities-Lending Activities	6,570,812	—	6,570,812	5,351,220	—	5,351,220
Total Net Investment Income	900,637,780	—	900,637,780	1,384,420,848	—	1,384,420,848
Building Operations and Miscellaneous Income	2,040,623	—	2,040,623	1,760,962	—	1,760,962
Income Allocation From Pension Trust Fund	—	398,799	398,799	—	307,668	307,668
Total Additions	1,505,193,232	5,134,737	1,510,327,969	1,974,266,943	4,713,188	1,978,980,131
DEDUCTIONS						
Benefit Allowances	385,912,355	—	385,912,355	343,058,703	—	343,058,703
Withdrawals	63,902,398	—	63,902,398	59,151,125	—	59,151,125
Insurance Benefits	—	3,431,285	3,431,285	—	3,753,885	3,753,885
Interest Allocation to Supplemental Death Benefits Fund	398,799	—	398,799	307,668	—	307,668
Administrative and Building Operations Expenses	11,731,184	—	11,731,184	12,223,085	—	12,223,085
Total Deductions	461,944,736	3,431,285	465,376,021	414,740,581	3,753,885	418,494,466
Net Increase in Net Assets	1,043,248,496	1,703,452	1,044,951,948	1,559,526,362	959,303	1,560,485,665
Net Assets Held in Trust for Benefits:						
Beginning of Year	12,431,196,197	5,029,499	12,436,225,696	10,871,669,835	4,070,196	10,875,740,031
End of Year	\$ 13,474,444,693	\$ 6,732,951	\$ 13,481,177,644	\$ 12,431,196,197	\$ 5,029,499	\$ 12,436,225,696

See accompanying Notes to the Financial Statements.

A: PLAN DESCRIPTION

Pension Trust Fund:

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. In accordance with Texas law, it is intended that the pension plan be construed and administered in a manner that the retirement system will be considered qualified under Section 410(a) of the Internal Revenue Code. The plans in the system cover substantially all of the full-time employees of participating counties and districts. Membership in TCDRS as of Dec. 31, 2005 and 2004 is summarized in Table 1.

Plan provisions are adopted by the governing body of each county or district (employers), within the options available in the Texas state statutes govern-

ing TCDRS (TCDRS Act). Each plan provides retirement, death, disability and withdrawal benefits. There are no automatic postretirement benefit increases available in the TCDRS Act; however, employers may adopt ad hoc postretirement benefit increases. As of Dec. 31, 2005, 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 TCDRS 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.

TABLE 1: MEMBERSHIP

Pension Trust Fund:	2005	2004
Annuitants	30,347	28,496
Terminated Employees' Accounts:		
Vested	9,791	9,053
Nonvested	<u>25,184</u>	<u>22,124</u>
Total	34,975	31,177
Current Employees' Accounts:		
Vested	45,177	44,095
Nonvested	<u>62,035</u>	<u>60,450</u>
Total	107,212	104,545
Number of Plans:		
Counties	252	252
Districts	305	288
Nonenrolling Plans	—	4
Inactive Plans	<u>18</u>	<u>15</u>
Total	575	559
Supplemental Death Benefit Fund:		
Total Annuitants Currently Receiving Benefits:	7,099	6,646
Terminated Employees:		
Vested	2,389	2,252
Nonvested	<u>6,836</u>	<u>5,999</u>
Total	9,225	8,251
Current Employees:		
Vested	13,838	13,450
Nonvested	<u>17,008</u>	<u>16,541</u>
Total	30,846	29,991
Number of Plans:		
Counties:	74	74
Districts:	<u>47</u>	<u>47</u>
Total	121	121

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 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.

Supplemental Death Benefit Fund:

TCDRS also operates a cost-sharing multiple-employer defined-benefit group-term life insurance plan known as the Supplemental Death Benefit Fund (SDBF). The optional plan provides group-term life insurance coverage to current eligible employees, and if elected by employers, to retired employees. Current employees are insured for an amount equal to their current salary. The coverage provided to retired employees is a postemployment benefit other than pension benefits (OPEB). Retired employees are insured for \$5,000. The SDBF is a separate trust administered by the TCDRS board of trustees. Participation in the SDBF as of Dec. 31, 2005 and 2004 is summarized in Table 1.

NOTES TO THE FINANCIAL STATEMENTS

B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of TCDRS 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 TCDRS Act and in order to help ensure observance of limitations and restrictions on the use of resources available to TCDRS, 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 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 an other postemployment benefits plan (OPEB). 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. TCDRS has elected to early adopt Statement No. 43 and Statement No. 45 in 2005.

C: FUNDING POLICY

Pension Trust Fund:

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 liability 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.

Supplemental Death Benefit Fund:

The premium rate for participating employers is actuarially determined as a part of an annual actuarial valuation. The rate is determined as the cost for providing one-year term life insurance.

Employer premium payments 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 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 47.

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 62.

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 42.

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 43 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

NOTES TO THE FINANCIAL STATEMENTS

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 33.

H: INVESTMENT INTEREST, DIVIDENDS AND OTHER RECEIVABLES

At Dec. 31, 2005, investment interest and dividends receivable are \$73,723,162, which includes \$70,225,967 representing interest receivable and \$3,497,195 representing dividends receivable from the system's investments. The system also has a receivable from securities-lending activity of \$562,406.

At Dec. 31, 2004, investment interest and dividends receivable were \$69,496,837, which included \$66,250,342 representing interest receivable and \$3,246,495 representing dividends receivable from the system's investments. Other receivables associated with investment activity included 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 had a receivable from securities-lending activity of \$738,171.

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%. The TCDRS Board of Trustees has determined that a diversified portfolio will offer the best opportunity to produce

the desired 8% investment return. Accordingly, the TCDRS investment portfolio includes core fixed-income securities, domestic equity securities, international equity securities, domestic high-yield, fixed-income securities (high-yield debt), real estate investment trust equity securities (REITs) and absolute return (hedge fund) investments. During 2005 the board approved an allocation to private equity investments. As of Dec. 31, 2005, no private equity investments had been committed or funded.

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, and the other managed externally that contains instruments with higher credit risk, primarily investment grade corporate bonds (credit portfolio). The target allocations 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 government-sponsored entity (GSE).
- 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 Debt

The board has divided the high-yield asset class into two portfolios. The high-yield bond portfolio 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, 2005 was divided among three investment managers: Post Advisory Group (Post); Oaktree Capital Management, LLC (Oaktree); and Shenkman Capital Management, Inc. (Shenkman). During the first quarter of 2005, W. R. Huff Asset Management was terminated and replaced by Post Advisory Group. The second portfolio consists of investments in distressed debt partnerships. Table 2 lists the committed and unfunded capital to distressed debt investments at Dec. 31, 2005.

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 plus Canada Index (MSCI EAFE + CAN) 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 which time the assets were rolled into the SSgA EAFE fund. Acadian Asset Management, Inc. (Acadian) actively manages a commingled emerging markets equity fund in which TCDRS invests.

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).

Private Equity

In December 2005, the TCDRS Board of Trustees revised the asset allocation plan to include a 5% allocation to private equity investments. As of Dec. 31, 2005, TCDRS had not funded or committed capital to private equity investments.

Absolute Return (Hedge Funds)

In December 2005 the board also made a 5% allocation to absolute return investments (hedge funds). The system's absolute return portfolio is currently invested in six partnerships. Table 2 lists total commitments and unfunded commitments to absolute return investments at Dec. 31, 2005. The remaining \$130 million of unfunded absolute return commitments at Dec. 31, 2005 were funded Jan. 2006.

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.

TABLE 2: SCHEDULE OF CONTINGENT COMMITMENTS

At Dec. 31, 2005

Investment Category	Total Commitment	Unfunded Commitment	Fair Value of Funded Commitments
Absolute Return Investments	\$ 340,000,000	\$ 130,000,000	\$ 210,000,000
Distressed Debt Investments	50,000,000	30,000,000	19,810,119
Total Contingent Commitments	\$ 390,000,000	\$ 160,000,000	\$ 229,810,119

NOTES TO THE FINANCIAL STATEMENTS

TABLE 3: INVESTED SECURITIES-LENDING COLLATERAL

As of Dec. 31,

Investment Type	2005	2004
Cash and Cash Equivalents	\$ 83,188	\$ 1,543,962
Asset-Backed Securities	804,949,944	869,245,491
Commercial Paper	211,351,742	110,063,441
Repurchase Agreements	353,965,776	483,689,204
Certificates of Deposit	50,191,624	110,246,532
Domestic Corporate Fixed-Income Securities	842,643,870	491,897,386
Total Invested Securities-Lending Collateral	\$ 2,263,186,144	\$ 2,066,686,016

Valuation

As required by GASB Statement No. 25, investments are reported at fair value. Investments are primarily valued on the basis of market valuations provided by independent pricing services. Government and corporate fixed income securities and REIT investments are valued based on prices supplied by FT Interactive Data. Mortgage-related securities are valued based on prices supplied by Standard & Poor's. Domestic and International commingled equity investments and absolute return investments are valued based on the net asset value information provided by the respective investment company or partnership. 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 2005 and 2004, 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 while the securities are on loan. At Dec. 31, 2005 and 2004 the fair values of securities on loan were

\$2,185,842,271 and \$2,018,197,234, respectively, with dollar weighted average days to loan maturity of 121 days and 149 days, respectively.

Cash collateral is invested in securities in accordance with the system's securities-lending contract. Table 3 lists the categories of cash collateral investments at Dec. 31, 2005 and 2004. 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. The cash collateral from overnight loans is invested in instruments whose interest rates reset daily, which also eliminates any material interest rate exposure to TCDRS. At Dec. 31, 2005 and 2004, the amounts of such overnight loans were \$894,580,664 and \$632,826,186, respectively.

U.S. government 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.

Additionally, the State Street Global Advisors comingled domestic and international equity index portfolios, in which TCDRS invests, 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

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. 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, 2005 and Dec. 31, 2004. At both Dec. 31, 2005 and 2004, according to Moody's Investors Service evaluations, the corporate (credit) portion of the core fixed-income portfolio exhibited an average quality rating of A2. At both Dec. 31, 2005 and 2004, according to Moody's Investors Service evaluations, the high-yield bond portfolio exhibited an average quality rating of B1.

Table 4 lists the credit risk associated with the corporate (credit) portion of the core fixed-income portfolio and the high-yield bond portfolio.

At Dec. 31, 2005, according to Moody's Investors Service, the STIF exhibited an overall quality rating of Aaa. Based upon the market value of the fund, 72% of instruments are rated P-1, 25% are rated between Aaa and A, and 3% are not rated. At Dec. 31, 2004, according to Moody's Investors Service, the STIF exhibited an average quality rating of Aaa. Based upon the market value of the fund, 67% of

instruments were rated P-1 and 31% of the instruments were rated between Aaa and A.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, TCDRS will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. 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

Concentration credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. At Dec. 31, 2005 and 2004, 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

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The Citigroup Large Pension Fund Index (Citigroup LPF) is the benchmark for performance measurement of the core fixed-income

TABLE 4: CREDIT RISK BY QUALITY

As of Dec. 31,

Moody's Rating	Core Fixed Income — Corporate				High-Yield Debt			
	2005		2004		2005		2004	
	Fair Value (in millions)	% of Total	Fair Value (in millions)	% of Total	Fair Value (in millions)	% of Total	Fair Value (in millions)	% of Total
U.S. Governments	\$ 120.0	10 %	\$ 120.7	9 %	\$ —	0 %	\$ —	0 %
Aaa	48.0	4	93.9	7	—	0	47.7	4
Aa	156.0	13	174.4	13	—	0	—	0
A	276.0	23	335.3	25	—	0	—	0
Baa	528.0	44	603.5	45	12.0	1	23.9	2
Ba	24.0	2	13.4	1	301.1	25	357.8	30
B	—	0	—	0	734.7	60	691.7	58
Less than B	—	0	—	0	84.3	7	47.7	4
Not Rated	48.0	4	—	0	92.1	7	23.9	2
Total	\$ 1,200.0	100 %	\$ 1,341.2	100 %	\$ 1,224.3	100 %	\$ 1,192.6	100 %

Source: Russell/Mellon Analytical Services.

NOTES TO THE FINANCIAL STATEMENTS

TABLE 5: INTEREST RATE RISK — FIXED INCOME PORTFOLIOS

As of Dec. 31,

Core Fixed-Income Asset Subclass	2005		2004	
	Fair Value	Effective Duration in Years (unaudited)	Fair Value	Effective Duration in Years (unaudited)
Governments	\$ 1,628,568,328	8.4	\$ 1,636,231,292	8.2
Mortgage-Related	1,234,197,446	3.4	983,022,450	4.5
Credit Portfolio	1,199,955,595	8.6	1,341,165,688	8.4
Total Core Fixed-Income	\$ 4,062,721,369	6.5	\$ 3,960,419,430	7.1
High-Yield Bonds¹	\$ 1,204,477,925	4.0	\$ 1,192,573,588	4.1

¹ Excludes \$20 million of distressed debt investments included in Statements of Plan Net Assets on page 25.

Source: Russell/Mellon Analytical Services

asset class. Government bonds comprise approximately 40% of this index with the remainder being divided nearly equally between a 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 Index had an effective duration of 7.39 years for all bonds, 8.96 years for governments, 3.67 years for mortgage-related securities and 9.01 years for corporate (credit) instruments. At Dec. 31, 2004, the Citigroup LPF Index had an effective duration of 7.22 years for all bonds, 9.21 years for governments, 2.9 years for mortgage-related securities and 8.9 years for corporate instruments.

The performance of the high-yield bond portfolio is measured against the Merrill Lynch High Yield Master II Constrained Index. At Dec. 31, 2005 and 2004, the Merrill Lynch High Yield Master II Index had an effective duration of 4.4 years and 4.5 years, respectively.

Table 5 indicates the level of interest rate risk inherent in the TCDRS fixed-income portfolios by reporting the effective duration of those portfolios. The values of portfolios of longer duration are more affected by interest rate changes than are those of shorter duration. 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 measures 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 during periods of declining interest rates. These events have caused 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 slow. 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.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The asset allocation plan adopted in the investment policy includes a 20% allocation to international equities. The MSCI EAFE plus Canada and MSCI EM (Emerging Markets) indices, which contain foreign currency

risk, are identified as the benchmarks for performance measurement for the developed and emerging international equity asset classes within the portfolio. Accordingly, the foreign currency risk inherent within these indices has been implicitly adopted as an acceptable financial risk for these asset classes.

At Dec. 31, 2005, the TCDRS developed international equity portfolio consisted of an investment in a commingled EAFE plus Canada Index fund with a fair value of \$1,993,177,054. The TCDRS emerging international equity portfolio consisted of an investment in a commingled emerging markets equity fund with a fair value of \$286,342,078. At Dec. 31, 2004, a separately managed developed international equity portfolio contained 199 equity securities with an aggregate fair value of \$133,848,623, which included \$13,732,990 of unrealized appreciation (\$8,845,071 of which was attributable to currency appreciation). The developed international equity portfolio also included an investment in a commingled MSCI EAFE fund with a fair value of \$1,723,440,301 and the emerging international equity portfolio consisted of an investment in a commingled emerging markets equity fund with a fair value of \$237,775,808.

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 2005 or 2004. Settlements have not exceeded coverages for each of the past three 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 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 fund value. 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

NOTES TO THE FINANCIAL STATEMENTS

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 2005 and 2004, 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 6 on page 37 presents an overview of actuarial methods and assumptions employed during the last

three years to develop costs of benefits for TCDRS employees. Table 7, also on page 37, presents annual pension costs for the past three years, while Table 8 reflects the funding progress made by TCDRS, as an employer, over the last three years. For the employer's fiscal year ending Dec. 31, 2005, the annual pension cost for the TCDRS plan for its employees was \$539,136 and the actual contributions were \$539,136. 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, 2003, the basis for the contribution rate for calendar year 2005. The Dec. 31, 2005 actuarial valuation is the most recent valuation.

P: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS FOR RETIRED EMPLOYEES OF TCDRS

Plan Description

Texas County & District Retirement System, as an employer, participates in a cost-sharing multiple-employer defined-benefit group-term life insurance plan operated by the Texas County & District Retirement System (TCDRS). This plan is referred to as the Supplemental Death Benefit Fund (SDBF). This optional plan provides group-term life insurance coverage to current eligible employees and, if elected by employers, to retired employees. The coverage provided to retired employees is a postemployment benefit other than pension benefits (OPEB). Retired employees are insured for \$5,000.

The SDBF is a separate trust administered by the TCDRS Board of Trustees. TCDRS issues a publicly available Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for the SDBF.

Funding Policy

Each participating employer contributes to the SDBF at a contractually required rate. An annual actuarial valuation is performed and the contractual rate is determined using the entry age actuarial cost method for providing one-year term life insurance. TCDRS, as an employer, contributions to the SDBF for the years ended Dec. 31, 2005, 2004 and 2003, were \$13,622, \$11,408 and \$9,603, respectively, which equaled the required contributions each year.

NOTES TO THE FINANCIAL STATEMENTS

TABLE 6: ACTUARIAL METHODS AND ASSUMPTIONS FOR THE RETIREMENT PLAN FOR THE EMPLOYEES OF TCDRS

Actuarial Valuation Date	12/31/03	12/31/04	12/31/05
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	5.3
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 7: 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
12/31/03	\$ 434,377	100%	\$ 0
12/31/04	492,594	100	0
12/31/05	539,136	100	0

TABLE 8: 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)
12/31/03	\$ 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
12/31/05 ²	9,284,054	10,601,628	1,317,574	87.6	5,675,116	23.2

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

² Revised demographic assumptions due to an experience review were first used in this valuation.

REQUIRED SUPPLEMENTARY INFORMATION

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

The Pension Trust Fund information presented in the required supplementary schedules — Table 9: Funding Progress and Table 10: Employer Contributions, both on page 38 — was determined as part of the aggregate actuarial valuation at the dates indicated. Additional information as of the latest actuarial valuation is in Table 11 on page 39.

In addition, the SDBF information presented in the required supplementary schedule — Table 12: SDBF Funding Progress on page 39 — was determined as part of the aggregate actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation is in Table 13 on page 39.

TABLE 9: 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)
12/31/00	\$ 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
12/31/05 ⁴	11,767.5	12,872.1	1,104.6	91.4	3,777.4	29.2

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 2000 valuation, 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 10: EMPLOYER CONTRIBUTIONS (UNAUDITED)

(\$ Millions)

Plan Year Ended Dec. 31	Annual Required Contributions		
	Average Rate	Dollar Amount	Percentage Contributed
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
2005	9.00	340.1	101

See accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION

TABLE 11: ACTUARIAL METHODS AND ASSUMPTIONS (UNAUDITED)

	Variable-Rate Plans	Fixed-Rate Plans
Actuarial Valuation Date	Dec. 31, 2005	Dec. 31, 2005
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
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	5.3 average	5.3 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.

TABLE 12: SDBF FUNDING PROGRESS (UNAUDITED)

(\$ Millions)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio ² (a/b)	Annual Covered Payroll ¹ (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2005	\$ 6.7	\$ 26.0	\$ 19.3	25.9%	\$ 1,115.58	1.7%

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

² This table shows SDBF information using accounting principles required by GASB and are intended to be used for GASB disclosure purposes. For funding purposes, contractually required premium rates are calculated annually for each participating employer. These rates have always been sufficient to maintain a surplus in the SDBF.

See accompanying independent auditor's report.

TABLE 13: SDBF ACTUARIAL METHODS AND ASSUMPTIONS (UNAUDITED)

	Dec. 31, 2005
Actuarial Valuation Date	Dec. 31, 2005
Actuarial Cost Method	Active death benefits: one-year term cost Retiree death benefits: entry age
Amortization Method	Level percent, open
Amortization Period	30 years
Asset Valuation Method	Fund value ²
Actuarial Assumptions:	
Investment Return	7.0% ²
Projected Salary Increases ¹	5.3 average
Inflation	3.5
Cost-of-Living Adjustments	0.0

¹ Includes inflation at the indicated rate.

² The fund's assets are pooled with those of the Pension Trust Fund under provisions of the TCDRS Act. The fund receives an annual allocation of 7% based on the fund value.

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, 2005

	Employees Saving Fund	Subdivision Accumulation Fund
ADDITIONS		
Employee Deposits and Employer Contributions	\$ 259,406,309	\$ 343,108,520
Investment Income		
<i>From Investment Activities</i>		
Net Appreciation 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	259,406,309	343,108,520
DEDUCTIONS		
Benefit Allowances	—	147,338,627
Withdrawals	63,453,205	—
Interest Allocation to Supplemental Death Benefits Fund	—	—
Administrative and Building Operations Expenses	—	—
Total Deductions	63,453,205	147,338,627
TRANSFER OF FUNDS		
Retirement Allowances	(155,350,791)	(156,459,884)
Investment Income and Other	204,831,646	488,857,612
Escheated Accounts	59,670	—
Net Transfers	49,540,525	332,397,728
Net Increase (Decrease) in Plan Net Assets	245,493,629	528,167,621
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS		
Beginning of Year	3,034,567,161	5,389,359,165
End of Year	\$ 3,280,060,790	\$ 5,917,526,786

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, 2005

Current Service Annuity Reserve Fund	Endowment Fund	Interest Fund	Expense Fund	Totals
\$ —	\$ —	\$ —	\$ —	\$ 602,514,829
—	—	555,307,786	—	555,307,786
—	—	353,135,852	—	353,135,852
—	—	908,443,638	—	908,443,638
—	—	14,376,670	—	14,376,670
—	—	894,066,968	—	894,066,968
—	—	76,480,912	—	76,480,912
—	—	69,910,100	—	69,910,100
—	—	6,570,812	—	6,570,812
—	—	900,637,780	—	900,637,780
—	—	—	2,040,623	2,040,623
—	—	900,637,780	2,040,623	1,505,193,232
238,551,622	22,106	—	—	385,912,355
—	449,193	—	—	63,902,398
—	—	398,799	—	398,799
—	—	—	11,731,184	11,731,184
238,551,622	471,299	398,799	11,731,184	461,944,736
311,810,675	—	—	—	—
164,726,276	32,223,447	(900,238,981)	9,600,000	—
—	(59,670)	—	—	—
476,536,951	32,163,777	(900,238,981)	9,600,000	—
237,985,329	31,692,478	—	(90,561)	1,043,248,496
2,331,925,518	1,660,927,943	—	14,416,411	12,431,196,197
\$ 2,569,910,847	\$ 1,692,620,421	\$ —	\$ 14,325,850	\$ 13,474,444,693

See accompanying independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

CHANGES IN ENDOWMENT FUND

Pension Trust Fund

Year Ended Dec. 31, 2005

	General Reserves Account	Perpetual Endowment Account	Reserve for Expense Fund	Suspended Annuities Account	Total
ADDITIONS					
Excess Over Allocations — Transfer from Interest Fund	\$ 39,461,924	\$ —	\$ —	\$ —	\$ 39,461,924
Expense Allocation — Transfer from Interest Fund	—	—	11,500,000	—	11,500,000
Escheated Accounts	—	10,372	—	—	10,372
Suspended Annuities	—	—	—	614,738	614,738
Total Additions	39,461,924	10,372	11,500,000	614,738	51,587,034
DEDUCTIONS					
Transfer to Expense Fund	—	—	9,600,000	—	9,600,000
Partial-Year Interest to ESF	5,697,466	—	—	—	5,697,466
Matching of Retirees Partial-Year Interest to SAF	4,055,749	—	—	—	4,055,749
Refunds of Escheated Accounts	—	418,749	—	—	418,749
Reinstatements of Escheated Accounts	—	70,042	—	—	70,042
Uncollected Benefit Payments	52,550	—	—	—	52,550
Total Deductions	9,805,765	488,791	9,600,000	—	19,894,556
Net Increase (Decrease) in Fund	29,656,159	(478,419)	1,900,000	614,738	31,692,478
Beginning of Year	1,644,257,352	5,599,928	9,600,000	1,470,663	1,660,927,943
End of Year	\$ 1,673,913,511	\$ 5,121,509	\$ 11,500,000	\$ 2,085,401	\$ 1,692,620,421

See accompanying independent auditor's report.

CHANGES IN INTEREST FUND

Pension Trust Fund

Year Ended Dec. 31, 2005

	Distributable Income Account
INVESTMENT RESULTS	
Net Appreciation in Fair Value of Investments	\$ 555,307,786
Interest and Dividends	353,135,852
Net Income From Securities-Lending Activities	6,570,812
Investment Activity Expenses	(14,376,670)
Net Investment Results	900,637,780
STATUTORY ALLOCATIONS	
Allocation of Current Year Interest:	
Employees Saving Fund	199,134,180
Current Service Annuity Reserve Fund	165,100,552
Supplemental Death Benefits Fund	398,799
Total Statutory Allocations	364,633,531
BOARD OF TRUSTEES' ALLOCATIONS	
Allocation to the Subdivision Accumulation Fund	485,042,325
Excess Over Allocations to the Endowment Fund	39,461,924
Expense Allocation to the Endowment Fund	11,500,000
Total Board of Trustees' Allocations	536,004,249
Net Change in Fund¹	—
Beginning of Year	—
End of Year	\$ —

¹ Net (Decrease) in Fund is equal to: Net Investment Results less Total Statutory Allocations and Total Board of Trustees' Allocations. For the year ended Dec. 31, 2005, the total net decrease in fund calculation is: \$900,637,780 less (\$364,633,531 + \$536,004,249) equals \$0.

See accompanying independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

ADMINISTRATIVE REVENUES AND EXPENSES

Year Ended Dec. 31, 2005

	Administrative Operations	Building Operations	Combined Operations
Administrative Revenues:			
Rental Income	\$ —	\$ 2,008,474	\$ 2,008,474 ¹
Other Income	32,149	—	32,149
Total Administrative Revenues	\$ 32,149	\$ 2,008,474	\$ 2,040,623
Administrative Expenses:			
Salaries	\$ 4,984,159	\$ —	\$ 4,984,159
Leave and Associated Payments	41,444	—	41,444
Payroll Taxes	353,101	—	353,101
Pension Contributions	473,493	—	473,493
Employee Insurance and Benefits	581,313	—	581,313
Recruitment and Temporaries	18,494	—	18,494
Professional Fees/Outsourcing Services	1,198,064	154,074	1,352,138
Banking Fees	44,598	—	44,598
Equipment Service and Repairs	111,037	—	111,037
Office Space	504,000	—	504,000 ¹
Building Operations	—	953,944	953,944
Office Supplies	51,403	—	51,403
Noncapitalized Equipment	18,026	—	18,026
Postage	266,870	—	266,870
Telephone	68,153	—	68,153
Printing	296,114	—	296,114
Records Management	16,428	—	16,428
Reference Materials and Memberships	52,651	—	52,651
Education and Training	117,271	—	117,271
Travel	141,716	—	141,716
Organization and Meeting	195,477	—	195,477
General Insurance	246,842	—	246,842
Depreciation and Amortization	347,996	494,516	842,512
Total Administrative Expenses	\$ 10,128,650	\$ 1,602,534	\$ 11,731,184

¹ TCDRS administrative revenues and expenses include \$504,000 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, 2005

INVESTMENT-ACTIVITY EXPENSES

Department Operating Expenses			
Salaries	\$		600,480
Payroll Taxes			39,791
Pension Contributions			59,043
Employee Insurance and Benefits			48,918
Professional Fees and Services			373,778
Investment Data Systems			104,557
Equipment Service and Repairs			48,199
Office Space			57,000
Office Supplies			13,794
Telephone			14,421
Subscriptions and Memberships			5,273
Education and Travel			44,547
Depreciation and Amortization			6,927
Total Department Operating Expenses			1,416,728
Nondepartment Managers' Fees:			
Core Fixed Income			
Blackrock Financial Management, Inc.	\$	848,074	
Loomis, Sayles & Company, L.P.		787,645	
Prudential Investment Management, Inc.		678,780	2,314,499
Domestic Equities — Index Funds			
State Street Global Advisors		271,517	271,517
International Equities — Index Funds			
Acadian Asset Management, Inc.		1,456,604	
State Street Global Advisors		281,829	
Capital Guardian Trust Company		123,414	1,861,847
High-Yield Bonds			
Oaktree Capital Management, LLC		2,097,672	
Post Advisory Group, LLC		1,380,692	
Shenkman Capital Management, Inc.		1,245,086	
W. R. Huff Asset Management Co., LLC		403,446	5,126,896
REITs			
Wellington Management Co.		1,537,977	
Cohen & Steers Capital Management, Inc.		1,131,957	2,669,934
Total Nondepartment Managers' Fees			12,244,693
Total Department Operating Expenses and Managers' Fees			13,661,421
Custodial Fees			
Mellon Trust			477,225
Investment Consultant Fees			
Cliffwater LLC		134,086	
Wilshire Associates, Inc.		103,938	238,024
Total Investment-Activity Expenses			\$ 14,376,670
SECURITIES-LENDING EXPENSES			
Borrower Rebates and Management Fees			\$ 69,910,100

See accompanying independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

PROFESSIONAL/CONSULTANT FEES AND SERVICES

Year Ended Dec. 31, 2005

Professional/Consultant	Nature of Service	Administrative Operations	Investment Department¹	Building Operations	Totals
Vinson & Elkins, L.L.P.	Legal	\$ 88,286	\$ 249,265	\$ 154,074	\$ 491,625
Milliman, Inc.	Actuary	392,224	—	—	392,224
Catapult Systems Inc.	Software consulting	148,120	—	—	148,120
Breedlove Coffin & Partners	Communications consulting	91,676	—	—	91,676
Holbein Associates, Inc.	Investment performance review	—	60,000	—	60,000
William M. Mercer Inc.	Salary survey	49,571	—	—	49,571
META Group, Inc.	Software consulting	44,995	—	—	44,995
KPMG LLP	Audit	29,100	—	—	29,100
Ace Alsup, M.D.	Medical board	23,460	—	—	23,460
John P. Vineyard, Jr., M.D.	Medical board	22,620	—	—	22,620
R. A. Dennison, M.D.	Medical board	21,160	—	—	21,160
Sivart Resources, Inc.	State legislative consultant	18,000	—	—	18,000
Advanced Workflow Solutions Corp.	Software consulting	13,300	—	—	13,300
Craig Hudgins	Legislation consulting	12,000	—	—	12,000
Iron Mountain Consulting Services	Records consulting	9,450	—	—	9,450
Quantrix Inc.	Computer training	8,297	—	—	8,297
Shelby H. Carter, M.D.	Medical board	1,560	—	—	1,560
Total Professional/Consultant Fees and Services		\$ 973,819	\$ 309,265	\$ 154,074	\$ 1,437,158

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			Net Escheatments	Balances Dec. 31, 2005
		Jan. 1, 2005	Member Deposits	Partial-Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals				
638	Acton MUD	\$ 184,195	\$ 30,065	\$ 724	\$ 11,759	\$ 22,885	\$ 17,345	\$ 209,398		\$ 209,398	
615	Alamo Area COG	1,481,029	248,954	1,933	99,210	10,179	49,936	1,758,306		1,758,306	
721	Alamo Reg. Mob.Auth.		16,413				1,454	4,780		4,780	
100	Anderson County	4,796,481	469,703	5,816	315,711	236,873	144,672	5,206,166		5,206,166	
691	Anderson Co. CAD	49,693	27,095		3,435		698	79,524		79,524	
101	Andrews County	8,079,019	356,456	14,166	530,908	469,617	55,236	8,455,696		8,455,696	
102	Angelina County	7,573,980	696,185	9,343	503,493	125,250	302,179	8,355,572		8,355,572	
502	Angelina Co. AD	719,554	33,793	9,161	37,658	194,251		605,915		605,915	
684	Angelina/Nacogdoches Co. WCID #1	12,666	5,343		887			18,895		18,895	
576	Angleton DD	397,233	29,007		27,806			454,046		454,046	
614	Aquilla WSD — Hill Co.	116,158	11,997		8,131			136,286		136,286	
103	Arañas County	2,654,142	299,552	3,269	175,790	65,426	118,464	2,948,862		2,948,862	
459	Arañas Co. AD	357,591	18,865		25,031	74,699		326,788		326,788	
668	Arañas Co. ND #1	37,462	12,330		2,634		395	52,032		52,032	
104	Archer County	1,205,778	90,645	714	77,227	88,312	11,735	1,274,317		1,274,317	
503	Archer Co. AD	119,887	4,837		8,392			133,116		133,116	
105	Armstrong County	317,549	37,131	1,634	18,913	49,614	7,722	317,891		317,891	
106	Atascosa County	4,511,704	326,901	7,627	296,598	153,399	136,764	4,852,666		4,852,666	
551	Atascosa Co. AD	214,297	23,155		15,001			252,453		252,453	
107	Austin County	4,938,511	283,610	11,777	322,284	219,570	203,828	5,132,785		5,132,785	
461	Austin Co. AD	329,791	26,039	449	22,316		11,446	367,149		367,149	
597	Bacliff MUD	179,728	14,808		12,581			207,118		207,118	
108	Bailey County	930,020	94,323	1,687	58,880	84,326	11,737	988,848		988,848	
109	Bandera County	1,908,684	249,914	1,712	122,935	50,548	109,477	2,123,221		2,123,221	
110	Bastrop County	7,433,175	865,858	15,866	478,064	334,663	379,683	8,078,616		8,078,616	
111	Baylor County	797,125	60,686	1,181	52,898	41,191	2,131	868,569		868,569	
685	Baylor Co. AD	13,204	5,264		924			19,392		19,392	
613	Bayview ID #11	67,183	6,250		4,703			78,136		78,136	
690	Bayview MUD	9,663	3,922	3	671		307	13,953		13,953	
112	Bee County	3,447,891	353,773	4,254	231,760	79,846	100,527	3,857,305		3,857,305	
113	Bell County	24,624,143	2,186,513	55,914	1,584,999	1,434,550	713,966	26,303,054		26,303,054	
506	Bell Co. AD	1,729,424	113,209	559	120,339		12,540	1,950,991		1,950,991	
418	Bell Co. WCID #1	521,893	72,740	312	35,895		13,769	617,071		617,071	
708	Benbrook Water and Sewer Auth.	134,877	109,779	253	8,713	6,799	7,511	239,313		239,313	
472	Bexar AD	8,493,304	447,550	32,527	536,158	792,041	103,976	8,613,522		8,613,522	
114	Bexar County	148,265,570	11,744,588	291,121	9,722,329	9,510,806	2,062,143	158,451,603	(944)	158,451,603	
544	Bexar Co. WCID #10	163,216	12,360	750	11,425		13,843	173,909		173,909	
716	Bexar Metro 911 Net. Dist.		76,869					76,869		76,869	
616	Bistone MWSD — Limestone Co.	186,188	18,094		13,033			217,316		217,316	
115	Blanco County	956,350	96,408	412	66,297		11,140	1,108,327		1,108,327	

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Member Deposits	Partial- Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals	Net Escheat- ments	
116	Borden County	582,182	35,115	134	37,438		47,915	606,954	
525	Borden Co.AD	2,796	784		196			3,776	
117	Bosque County	1,086,694	114,186	971	73,770	16,660	24,258	1,234,703	
521	Bosque Co. CAD	232,650	14,104		16,285			263,039	
118	Bowie County	7,757,840	574,734	19,271	489,063	580,054	235,228	8,025,626	
119	Brazoria County	36,483,656	3,023,200	63,262	2,389,466	1,997,006	921,530	39,041,048	
508	Brazoria Co.AD	1,208,394	96,197	761	82,461	24,121	8,924	1,354,767	
413	Brazoria Co. CRD #3	1,161,490	73,427	4,015	74,425	104,243		1,209,114	
424	Brazoria Co. DD #4	785,968	125,210	117	54,314		10,959	954,650	
681	Brazoria Co. DD #5	18,245	8,715	81	1,172		3,653	24,560	
120	Brazos County	17,511,331	1,600,618	27,154	1,168,071	742,522	414,730	19,149,923	
689	Brazos Co.AD	146,582	69,359	201	9,657	9,975		215,824	
600	Brazos Co. ECD	742,756	79,111	241	51,059		14,374	858,794	
121	Brewster County	1,120,545	115,939	423	76,699		27,765	1,285,840	
581	Brewster Co.AD	62,562	9,570	16	4,186		3,332	73,002	
122	Briscoe County	326,247	24,144	371	21,331	21,117	882	350,095	
123	Brooks County	1,723,287	207,656	3,297	113,676	51,791	57,833	1,938,293	
554	Brookshire-Katy DD	142,131	9,195		9,949			161,274	
522	Brookshire MWD	310,516	18,658	707	19,680		31,942	317,619	
124	Brown County	2,401,492	225,320	5,854	153,377	318,765	29,575	2,438,064	
702	Brownville ID	36,454	21,804		2,552			60,810	
642	Brushy Creek MUD — Williamson Co.	175,537	49,462	119	12,015		4,958	232,175	
125	Burleson County	1,838,569	175,460	457	127,830	7,434	12,231	2,122,652	
126	Burnet County	3,830,967	598,188	4,842	264,770	68,323	135,176	4,495,270	
609	Burnet Co.AD	491,494	42,316	40	34,164		3,633	564,382	
127	Caldwell County	2,123,629	222,850	1,946	142,971	12,636	77,469	2,401,291	
718	Caldwell Co.AD		21,794				1,024	20,770	
128	Calhoun County	4,628,576	385,400	11,178	308,519	216,278	77,025	5,040,370	
709	Calhoun Co.AD	25,559	28,200	35	1,705		1,720	53,780	
129	Callahan County	1,013,797	70,042	1,416	68,746		34,758	1,119,243	
542	Callahan Co.AD	184,098	9,968		12,887			206,953	
130	Cameron County	30,085,621	3,143,033	60,077	1,948,428	1,085,855	1,460,312	32,690,992	
618	Cameron Co.AD	1,769,337	111,342	89	123,757		2,728	2,001,796	
692	Cameron Co. DD #1	32,987	25,457	91	2,120		4,806	55,849	
664	Cameron Co. DD #3	102,409	25,791	126	6,069	7,291	9,232	117,873	
686	Cameron Co. DD #5	15,124	6,456		1,059			22,638	
462	Cameron Co. ID #2	763,913	54,761	2,069	47,075	76,770	18,907	772,141	
590	Cameron Co. ID #6	150,395	15,866	57	10,390		2,395	174,312	
670	Camp CAD	38,671	12,955	10	2,684		876	53,444	
131	Camp County	937,801	91,554	2,007	61,338	44,903	22,564	1,025,233	

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Net Escheat- ments	Balances Dec. 31, 2005
			Member Deposits	Partial- Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals			
132	Carson County	1,194,439	93,413	3,001	78,070	69,074	28,303	1,271,547		
133	Cass County	3,983,441	326,405	3,352	266,148	95,626	117,224	4,366,496		
610	Cass Co.AD	182,397	17,861		12,768			213,026		
134	Castro County	1,469,617	94,256	685	99,457		51,365	1,612,651		
719	CAD of Bandera Co.		11,550				439	11,111		
635	CAD of Johnson Co.	610,599	88,740	474	41,739		18,613	722,939		
602	CAD of Taylor Co.	1,022,959	80,543	1,404	63,218	32,956	90,190	1,044,977		
648	Central WCID — Angelina Co.	31,471	6,722		2,203			40,396		
712	Central Texas Reg. Mob. Auth.	5,010	36,320		351			41,680		
135	Chambers County	9,173,098	772,587	21,066	590,282	542,684	278,294	9,744,632		
531	Chambers Co.AD	319,935	35,869		22,395			378,200		
548	Chambers Co. Public HD	459,120	84,676	987	29,910		33,624	541,071		
136	Cherokee County	5,026,624	398,451	6,780	334,397	177,942	98,035	5,490,276		
137	Childress County	312,627	53,268	1,154	19,524	8,946	27,908	349,719		
511	Childress Co.AD	17,426	2,841		1,220			21,486		
582	Childress Co. HD	2,464,078	462,678	3,463	166,040	11,296	118,119	2,966,845		
465	Cisco HD	21,672		13	1,503		213	22,975		
138	Clay County	2,278,177	129,460	4,049	150,930	83,306	44,603	2,434,707		
485	Clay Co.AD	212,422	12,619		14,870	56,267		183,644		
703	Coastal Bend GCD	5,686	4,636		398			10,720		
722	Coastal Plains GCD		1,120					1,120		
139	Cochran County	1,402,143	90,069	1,882	96,010	49,690	4,360	1,585,744		
477	Cochran Co.AD	59,867	5,865	2,845	1,087			19,974		
140	Coke County	973,105	50,793	996	64,558	32,161	21,013	1,036,279		
141	Coleman County	1,238,429	75,959	5,816	79,425	97,423	17,316	1,284,890		
142	Collin County	40,117,925	4,644,972	50,555	2,683,478	1,413,521	680,004	45,403,405		
457	Collin Co. CAD	3,249,392	234,842	3,763	215,546	316,657		3,386,887		
143	Collingsworth County	232,299	43,731	828	14,314	23,880	5,534	261,759		
144	Colorado County	2,518,367	267,155	2,225	171,086	66,559	77,258	2,815,409		
623	Comal AD	409,067	45,883	113	28,075		8,890	474,249		
145	Comal County	9,607,939	1,203,456	15,430	640,786	426,768	213,239	10,827,604		
146	Comanche County	1,473,133	140,446	1,383	97,809	35,429	46,971	1,630,371		
147	Concho County	519,182	55,733	2,024	32,162	52,556	10,369	546,176		
636	Concho Co. HD	198,256	26,006	67	13,649		4,112	233,866		
148	Cooke County	3,554,650	382,080	9,239	224,204	224,444	147,188	3,798,542		
487	Cooke Co.AD	436,169	36,025	275	29,907		9,200	493,176		
149	Coryell County	3,450,047	326,373	4,207	231,493	135,954	107,493	3,768,673		
150	Cottle County	260,870	25,315	249	16,499		25,418	277,514		
727	Cow Creek GCD		678					678		
151	Crane County	2,539,531	199,315	3,359	170,933	89,643	17,723	2,805,772		

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Member Deposits	Partial-Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals	Net Escheatments	
152	Crockett County	3,526,237	282,837	19,637	216,912	549,337	70,548	3,425,738	
409	Crockett Co. WCID #1	336,336	18,727	8,106	13,817	148,557		228,429	
153	Crosby County	1,175,884	75,814	38	82,082		3,654	1,330,164	
532	Crosby Co. AD	6,155	3,500	431				10,086	
603	Crosby MUD	105,270	24,590	197	7,022		10,199	126,880	
710	Gross Roads SUD	5,691	5,680	8	366		576	11,170	
154	Culberson County	1,009,248	83,012	1,779	67,591	46,411	176	1,115,043	
478	Culberson Co. Hosp.	69,459		4,862				74,321	
550	Culberson HD	257,678		1,843	14,903	35,536	11,087	227,801	
155	Dallam County	1,356,590	86,066	4,082	86,667	147,775	59,539	1,326,092	
467	Dallas CAD	13,311,648	816,699	38,772	819,032	1,393,289	320,298	13,272,564	
156	Dallas County	235,976,824	17,246,572	532,581	15,395,841	13,675,159	4,518,139	250,964,549	
430	Dallas Co. Park Cities MUD	910,267	68,282		63,719			1,042,268	
687	Dallas Co. WCID #6	134,460	98,338	209	8,756		12,868	228,894	
157	Dawson County	2,422,772	207,028	168	168,741		14,061	2,784,647	
463	Dawson Co. CAD	260,244	11,340	18,861	18,217	342,923	30,573	289,801	
158	Deaf Smith County	3,254,542	230,723	18,861	203,751			3,334,381	
578	Deaf Smith Co. HD	1,670,730	217,876	4,164	105,240	54,807	123,194	1,820,009	
159	Delta County	426,371	54,162	1,188	27,721	35,939	8,027	475,476	
583	Denco Area 911 Dist. — Denton Co.	431,517	45,745		29,506			496,768	
482	Denton CAD	1,690,804	187,053		118,356			1,996,213	
160	Denton County	32,427,990	4,168,638	48,438	2,169,081	723,110	1,036,017	37,063,682	
161	DeWitt County	2,187,563	177,533	5,624	138,322	164,633	60,971	2,283,438	
466	DeWitt Co. AD	319,532	13,707		22,367			355,606	
162	Dickens County	578,005	79,430		40,460	38,619	8,874	650,402	
163	Dimmit County	685,712	104,086	659	46,716		23,815	813,357	
164	Donley County	353,457	39,639	502	23,803		15,814	401,587	
165	Duval County	1,652,742	193,334	3,131	109,164	41,716	52,722	1,863,933	
166	Eastland County	1,742,063	164,406	10,307	100,199	303,231	28,067	1,685,676	
593	Eastland Co. AD	192,145	12,750		13,450			218,345	
167	Ector County	23,450,966	1,304,433	57,476	1,513,407	2,209,156	401,645	23,715,234	
580	Ector Co. HD	39,131,475	3,797,170	65,811	2,575,604	1,706,170	987,516	42,876,374	
448	Edwards Aquifer Auth. — Bexar Co.	1,555,813	77,959		108,907			1,742,678	
628	Edwards CAD	12,947	2,086	299	548		5,689	10,190	
168	Edwards County	246,131	44,168	1,181	15,837		24,437	282,879	
170	El Paso County	71,570,980	7,707,697	138,488	4,702,063	2,747,977	2,016,632	79,354,618	
567	El Paso Co. 911 Dist.	323,129	18,981		22,619			364,729	
541	El Paso Co. HD	36,220,330	3,503,543	37,826	2,446,283	770,586	762,883	40,674,513	
169	Ellis County	8,037,785	1,095,826	19,666	519,642	495,774	192,139	8,985,005	
624	ECD of Ector Co.	149,658	11,100	715	8,331	32,341		137,463	

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Net Escheat- ments	Balances Dec. 31, 2005
			Member Deposits	Partial- Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals			
171	Erath County	3,468,092	330,211	2,396	238,547	27,693	42,644	3,968,909		
172	Falls County	2,140,471	170,471	4,152	137,558	150,584	35,313	2,266,754		
563	Falls Co. AD	65,453	7,866	10	4,569		440	77,457		
173	Fannin County	2,639,906	246,372	7,502	160,108	193,389	182,482	2,678,018		
644	Fannin Co. AD	52,671	10,229	35	3,635		1,357	65,213		
174	Fayette County	6,299,180	388,765	13,448	416,827	235,630	139,440	6,743,150		
175	Fisher County	643,545	55,989	500	44,225		16,116	728,143		
432	Fisher Co. HD	771,931	75,405	858	52,480		25,480	875,194		
176	Floyd County	1,368,423	89,532	1,275	93,367	11,399	26,836	1,514,362		
474	Fort Bend CAD	1,995,760	139,312	3,414	135,882	53,461	6,331	2,214,576		
178	Fort Bend County	56,655,996	4,996,834	102,096	3,753,826	2,544,538	959,020	62,005,194		
179	Franklin County	1,022,284	117,911	3,806	63,763	94,474	24,783	1,088,508		
180	Freestone County	2,618,162	281,226	1,864	182,389		59,486	3,024,156		
693	Freestone Co. AD	35,063	19,698		2,454			57,215		
181	Frio County	1,655,225	155,077	1,366	110,425	5,106	78,879	1,838,108		
509	Frio Co. AD	334,870	17,400		23,441			375,711		
182	Gaines County	4,427,819	296,365	18,539	281,073	487,881	83,296	4,452,619		
546	Galveston CAD	1,912,818	124,403	3,352	129,401	42,144	32,553	2,095,278		
183	Galveston County	37,279,695	2,855,031	84,983	2,426,174	2,353,362	905,095	39,387,425		
547	Galveston Co. Consol. DD	364,828	33,010		25,538	24,598		398,779		
464	Galveston Co. DD #1	92,204	22,942	126	5,843	4,638	5,470	111,006		
433	Galveston Co. DD #2	576,667	21,616	247	39,377		14,672	623,235		
589	Galveston Co. ECD	188,168	22,056		13,172			223,396		
407	Galveston Co. WCID #1	1,301,308	106,347	437	89,774		19,260	1,478,606		
473	Garza CAD	69,160	5,781		4,841			79,782		
184	Garza County	1,225,733	104,108	4,687	73,292	125,869	63,298	1,218,653		
185	Gillespie County	2,977,702	223,948	1,621	205,825	42,547	46,592	3,319,958		
186	Glasscock County	909,294	47,810	1,049	61,438	24,902	7,796	986,894		
187	Goliad County	1,783,041	150,990	5,373	114,994	73,365	80,094	1,900,938		
188	Gonzales County	1,890,606	197,987	1,409	127,953	7,879	64,814	2,145,262		
498	Gonzales Co. AD	217,892	20,596		15,252			253,740		
189	Gray County	2,942,978	258,479	5,261	192,473	75,479	134,465	3,189,246		
518	Gray Co. AD	353,732	22,272	1,964	21,758	38,082	6,788	354,855		
190	Grayson County	10,971,301	1,077,086	14,684	731,910	274,419	402,116	12,118,446		
475	Grayson Co. AD	717,664	67,553	362	49,631		10,127	825,083		
528	Greater Harris Co. 911 Emerg. Net.	669,478	138,387	6,250	37,207	146,745	5,294	699,285		
429	Greenbelt MIWA — Donley Co.	477,088	29,003		33,396			539,488		
191	Gregg County	15,507,107	1,126,508	14,434	1,052,143	337,570	267,977	17,106,598		
192	Grimes County	2,094,119	254,694	935	139,168	40,052	80,308	2,368,557		
483	Grimes Co. AD	425,540	25,332		29,788			480,659		

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Additions			Deductions			Balances Dec. 31, 2005
		Balances Jan. 1, 2005	Member Deposits	Partial-Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals	
587	Guadalupe AD	318,977	40,879	695	20,695	348,485	26,241	355,006
193	Guadalupe County	7,267,970	1,050,524	11,891	469,244	348,485	302,656	8,148,487
526	Gulf Coast WA — Galveston Co.	2,755,420	144,648	2,377	184,508	106,184	17,713	2,963,056
194	Hale County	4,424,747	371,884	4,457	300,616	102,494	58,969	4,940,240
195	Hall County	748,276	63,079	1	49,862		36,087	825,132
196	Hamilton County	735,575	85,476	1,312	47,218	45,039	19,432	805,111
197	Hansford County	1,220,511	67,695		85,436	14,387		1,359,254
585	Hansford Co. HD	1,192,350	158,914	1,020	80,185	8,002	47,451	1,377,016
198	Hardeman County	921,271	83,872	981	62,517	12,633	19,788	1,036,220
199	Hardin County	5,530,054	513,403	6,975	372,652	180,116	71,583	6,171,385
527	Hardin Co. AD	362,988	28,410	579	21,935	50,629		363,283
571	Harlingen ID Cameron Co. #1	619,209	56,461	460	41,769	19,519	3,448	694,933
200	Harris County	621,757,858	44,240,348	980,031	41,091,685	29,567,013	8,133,227	670,369,326
598	Harris Co. AD	25,930,946	1,448,215	55,680	1,682,443	1,513,972	508,024	27,095,289
569	Harris Co. WCID #1	404,500	27,554	179	28,008		5,043	455,198
625	Harris Co. WCID #50	125,020	12,071		8,751			145,843
201	Harrison County	7,673,558	565,306	16,349	498,957	344,605	199,915	8,209,650
202	Hartley County	523,293	53,235	2,700	31,562	50,879	24,660	535,251
520	Hartley Co. AD	64,691	4,199		4,528			73,418
203	Haskell County	1,114,821	85,133	2,330	69,763	119,131	3,138	1,149,777
552	Haskell Mem. HD	708,201	75,206	42	49,069		7,250	825,268
204	Hays County	16,414,297	1,754,806	22,521	1,098,326	547,136	487,128	18,255,687
205	Hemphill County	2,145,713	113,793	3,149	142,347	106,524	12,286	2,286,192
640	Hemphill Co. AD	41,132	9,734		2,879			53,746
529	Hemphill Co. HD	1,117,205	113,375	236	77,408		14,174	1,294,050
206	Henderson County	6,933,309	700,646	14,222	449,890	431,625	150,696	7,515,746
704	Henderson Co. AD	58,360	45,285	92	3,790		4,657	102,870
414	Hidalgo & Cameron Counties ID #9	1,134,632	62,838	454	78,508		16,044	1,260,388
207	Hidalgo County	40,230,621	5,064,327	72,063	2,649,290	1,782,283	1,185,602	45,048,416
516	Hidalgo Co. AD	2,552,434	173,987	1,175	176,743		29,030	2,875,309
401	Hidalgo Co. DD #1	1,175,945	166,049	1,278	80,092	142	33,706	1,389,517
713	Hidalgo Co. ID #1	15,855	33,281	12	1,075		916	49,308
438	Hidalgo Co. ID #2	1,330,387	63,777	7,317	77,074	212,326	27,608	1,238,620
486	Hidalgo Co. ID #6	511,644	39,522	1,487	29,720	122,968	9,624	449,782
674	High Plains Underground WCD #1	103,775	44,895	91	6,990		4,012	151,739
208	Hill County	3,178,003	323,078	17,332	195,207	368,687	53,300	3,291,632
209	Hockley County	3,428,296	209,883	4,714	229,995	89,076	88,461	3,695,350
728	Hockley Co. AD		4,368					4,368
643	Homestead MUD — El Paso Co.	58,894	7,581	253	3,580		8,677	61,631
210	Hood County	3,522,886	459,347	6,186	229,953	97,273	168,735	3,952,364

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Net Escheat- ments	Balances Dec. 31, 2005
			Member Deposits	Partial- Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals			
211	Hopkins County	3,434,448	373,231	1,442	236,142		71,679		3,973,584	
661	Hopkins Co. AD	62,849	17,742	210	3,759		435		74,499	
212	Houston County	1,604,532	168,161	1,353	105,411		36,206		1,772,769	
694	Houston Co. AD	30,457	15,894		2,132				48,483	
213	Howard County	3,919,388	301,399	4,159	265,080		100,899		4,339,219	
214	Hudspeth County	679,419	84,684	2,086	42,918		51,215		736,562	
215	Hunt County	6,190,881	722,286	10,118	400,583		218,538	330	6,822,976	
216	Hutchinson County	4,787,538	299,242	3,595	328,671		44,079		5,316,448	
711	Iraan Gen. HD	29,374	71,739	97	1,862		4,690		98,382	
217	Irion County	783,780	48,189	1,313	49,315		25,401		784,587	
218	Jack County	1,673,650	166,012	3,851	109,675		39,514		1,831,927	
592	Jack Co. AD	110,596	8,305		7,742				126,642	
219	Jackson County	3,260,224	204,570	5,888	215,751		7,572		3,499,537	
441	Jackson Co. County-Wide DD	182,491	19,559		12,774				214,825	
220	Jasper County	3,648,621	325,928	4,349	245,579		51,183		4,065,808	
657	Jasper Co. WCID #1	59,342	9,265		4,154				72,761	
221	Jeff Davis County	335,861	28,947	28	19,845		52,946		331,736	
222	Jefferson County	53,570,089	3,285,745	133,169	3,505,599		737,433		56,651,575	
404	Jefferson Co. DD #3	379,305	14,120	2,614	21,323		77,298		340,064	
408	Jefferson Co. DD #6	2,832,983	228,664	3,777	180,105		23,659		2,978,822	
405	Jefferson Co. DD #7	5,714,991	290,649	614	392,682		106,270		6,292,664	
451	Jefferson Co. WCID #10	67,378	20,905	838	3,426		5,053		72,178	
706	Jefferson Co. Waterway ND	24,659	16,164	105	1,099		11,097		30,930	
223	Jim Hogg County	1,384,368	123,433	3,748	85,254		138,770		1,441,185	
680	Jim Hogg Co. AD	13,749	4,582	126	661		4,431		14,686	
656	Jim Hogg Co. FD #2	11,041	1,048	128	389		5,616		6,989	
641	Jim Hogg Co. WCID #2	109,604	17,165		7,672				134,442	
224	Jim Wells County	4,181,216	352,064	2,384	284,007		107,073		4,684,769	
225	Johnson County	9,065,551	1,119,085	17,407	595,216		370,676		10,017,070	
584	Johnson Co. Fresh WSD #1	91,390	16,527	270	5,934		8,027		106,094	
226	Jones County	1,820,378	142,741	4,888	116,985		84,743		1,920,221	
496	Jones Co. AD	279,073	12,633	5,028	12,373		26,507		199,189	
227	Karnes County	1,775,929	164,374	2,824	116,104		49,150		1,934,626	
524	Karnes Co. AD	102,388	8,367		7,167				117,923	
455	Karnes Co. HD	1,783,648	150,562	473	123,505		24,292		2,033,896	
228	Kaufman County	6,056,475	974,848	17,360	364,585		303,839		6,446,888	
662	Kaufman Co. AD	189,795	48,936	157	110,101		29,127		214,204	
671	Kendall AD	83,594	23,207	235	4,536		10,842		91,670	
229	Kendall County	2,718,662	319,674	4,219	178,084		100,163		3,029,361	
619	Kendall Co. WCID #1	159,350	16,240		11,155		84,767		101,978	

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Member Deposits	Partial- Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals	Net Escheat- ments	
230	Kenedy County	1,030,689	86,105	4,252	66,076	78,097	17,341	1,091,684	
231	Kent County	1,339,971	112,646	465	92,336	20,041	1,774	1,523,603	
594	Kent Co. Tax AD	31,746	3,955		2,222			37,923	
232	Kerr County	5,595,847	645,626	8,777	373,493	117,658	183,721	6,322,364	
653	Kerr Emerg. 911 Net.	53,008	7,710	944	2,451		18,935	45,179	
233	Kimble County	495,202	74,601	796	30,476	11,088	52,479	537,508	
234	King County	522,000	27,591		36,540			586,131	
235	Kinney County	790,313	74,662	1,862	49,714	62,354	54,976	799,220	
579	Kinney Co. AD	22,504	5,368		1,575			29,448	
236	Kleberg County	5,152,469	489,841	10,145	330,897	280,009	293,297	5,410,046	
237	Knox County	533,125	49,815	2,789	30,409	91,866	12,274	511,998	
519	Knox Co. AD	44,659	2,731		3,126			50,516	
241	La Salle County	899,984	100,289	3,890	54,158	98,932	34,806	924,583	
540	Laguna Madre WD — Cameron Co.	1,488,531	128,170	8,170	93,781	161,008	2,830	1,554,814	
514	Lakeway MUD — Travis Co.	656,364	62,825	786	44,742		18,802	745,916	
238	Lamar County	4,199,433	388,633	7,027	279,034	282,226	52,271	4,539,630	
239	Lamb County	2,277,252	179,401	515	157,881	531	25,576	2,588,943	
240	Lampasas County	1,810,197	188,311	1,736	122,440	209,449	21,162	1,892,073	
650	Lampasas Co. AD	54,115	11,715	269	3,160		10,303	58,956	
439	Lavaca-Navidad River Auth. — Jackson Co.	1,461,020	126,836	763	100,047		35,287	1,653,379	
242	Lavaca County	4,615,068	321,891	2,356	317,937	17,861	64,426	5,174,965	
243	Lee County	2,302,611	121,151	4,923	148,286	152,280	39,618	2,385,072	
244	Leon County	1,621,906	185,946	1,880	106,908	36,140	66,150	1,814,349	
468	Leon Co. CAD	241,008	13,830		16,237	9,050		262,026	
245	Liberty County	7,334,003	650,319	9,084	489,338	262,463	123,016	8,097,266	
481	Liberty Co. CAD	533,313	58,517	407	36,556		9,081	619,714	
246	Limestone County	3,262,423	315,318	2,405	221,058	157,657	77,014	3,566,533	
695	Limestone Co. AD	33,460	17,228		2,342			53,031	
247	Lipscomb County	1,360,156	84,863	2,160	84,524	154,973		1,376,730	
248	Live Oak County	1,571,180	125,859	1,233	105,180	25,496	47,508	1,730,447	
591	Live Oak Co. AD	121,787	13,388	32	8,430		1,392	142,244	
431	Livingston HD	41,702			2,919			44,621	
249	Llano County	2,628,232	244,053	4,579	171,904	188,991	52,435	2,807,342	
654	Llano Co. Hosp. Auth.	304,169		1,208	18,199	25,768	9,924	285,531	
436	Llano Mem. Hosp.	885,531		5,011	51,612	144,559	8,665	788,930	
250	Loving County	670,151	31,169		46,911			748,231	
513	Loving Co. AD	6,983	3,280		489			10,752	
714	Lower-Valley WD	19,793	96,495	33	1,340		2,947	114,714	
499	Lubbock CAD	2,077,732	122,933	140	144,880	8,802		2,336,884	
251	Lubbock County	20,908,152	1,893,524	73,338	1,328,049	1,557,882	800,076	21,845,029	

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Member Deposits	Partial-Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals	Net Escheatments	
425	Lubbock Co. WCID #1	103,507	18,296	487	6,269		15,839	112,720	
558	Lubbock ECD	213,295	17,902		14,931			246,128	
647	Lubbock Reese Redev. Auth.	108,829	23,224	599	6,819		12,414	127,057	
639	Lumberton MUD	210,463	45,489	443	13,961		13,168	257,189	
252	Lynn County	550,101	57,428	744	37,102		16,603	621,522	
497	Lynn Co. AD	39,783	3,723		2,785			46,291	
442	Lynn Co. HD	1,040,519	127,447	9,563	59,810		70,757	1,024,774	
630	Macedonia-Eylau MUD — Bowie Co.	162,290	17,375	189	10,793		8,836	181,811	
500	Mackenzie MWA — Briscoe Co.	298,922	9,070	3,908	16,654		1,461	262,579	
256	Madison County	639,192	101,120	1,943	40,349		59,377	712,509	
596	Madison Co. AD	75,459	6,386		5,282			87,127	
434	Mainland Center Hosp.	5,730,943		12,150	377,194		89,148	5,765,685	
257	Marion County	1,211,493	100,739	2,044	79,831		17,728	1,319,791	
675	Marion Co. AD	31,073	11,546	269	1,538		10,194	34,232	
658	Marshall-Harrison Co. Health Dist.	29,274	2,516		2,049			33,840	
258	Martin County	1,463,806	97,254	2,641	98,458		1,526	1,600,674	
595	Martin Co. AD	55,440	5,436		3,881			64,757	
259	Mason County	704,294	52,442	1,223	46,610		22,881	762,710	
260	Matagorda County	6,725,509	431,020	7,297	446,870		203,120	7,194,215	
678	Matagorda Co. DD	54,175	17,563	188	3,340		7,708	67,559	
440	Matagorda Co. HD	6,045,190	691,480	12,464	401,098		180,717	6,716,762	
677	Matagorda Co. ND #1	17,929	16,736		1,255			35,920	
261	Maverick County	2,965,260	313,873	9,888	180,809		200,957	3,063,486	
729	Maverick Co. HD		6,020					6,020	
453	Maverick Co. WCID #1	810,641	40,613	982	52,797		124,512	780,521	
452	McCamey CHD — Upton Co.	305,328	10,482		21,373			337,183	
253	McCulloch County	571,052	87,718	344	39,360		10,539	687,935	
512	McCulloch Co. AD	159,405	6,676	33	10,762		6,398	170,478	
254	McLennan County	25,656,683	2,088,229	48,076	1,691,802		390,805	27,732,810	
725	McLennan Co. 911 EAD		7,219					7,219	
491	McLennan Co. AD	1,607,087	105,135	5,610	99,215		20,498	1,616,586	
679	McLennan Co. WCID #2	10,582	3,726	132	514		4,350	10,603	
255	McMullen County	861,414	43,770	791	55,759		1,196	864,389	
701	Meadowlakes MUD	26,542	15,652		1,858			44,052	
599	Medical Arts Hosp. — Dawson Co.	1,225,519	16,031	5,501	70,231		91,694	1,087,105	
262	Medina County	2,659,776	257,934	2,637	175,279		139,614	2,881,704	
705	Medina Co. 911 Dist.	6,434	5,984		450			12,868	
535	Medina Co. AD	393,071	23,102	1,041	25,953		23,356	419,811	
419	Memorial Med. Ctr. — Calhoun Co.	4,269,018	432,674	8,787	279,589		109,763	4,697,041	
263	Menard County	498,190	46,383	688	32,810		30,202	547,868	

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Member Deposits	Partial-Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals	Net Escheatments	
669	Middle Rio Grande Dev. Council	984,014	248,971	2,533	65,211	5,454	64,275	1,231,000	
492	Midland CAD	1,731,318	66,607		121,192			1,919,118	
264	Midland County	16,092,352	1,233,507	28,343	1,064,154	872,458	209,978	17,335,920	
570	Midland ECD	162,246	10,066		11,357			183,670	
265	Milam County	3,148,997	250,018	10,396	194,122	478,983	56,929	3,067,620	
266	Mills County	628,225	82,960		43,976		661	754,499	
617	Mills Co. AD	31,177	4,100		2,182			37,459	
267	Mitchell County	1,729,507	123,960	402	120,021	198	18,265	1,955,428	
484	Mitchell Co. AD	72,175	6,833		5,052		61,241	84,060	
268	Montague County	2,308,234	180,984	2,507	144,549	191,333		2,383,699	
504	Montague Co. Tax AD	284,824	11,628		19,938			316,390	
605	Montgomery CAD	1,707,331	169,429	2,026	110,249	116,031	22,207	1,850,796	
269	Montgomery County	35,991,307	3,597,310	58,868	2,388,374	1,435,271	718,054	39,882,534	
667	Montgomery Co. ECD	212,839	53,581	967	12,074		46,954	232,506	
651	Montgomery Co. ESD #1	115,341	24,655	70	7,982		2,057	145,992	
696	Montgomery Co. ESD #3	26,253	28,136		1,838			56,228	
270	Moore County	3,503,600	306,553	6,086	232,583	154,444	42,132	3,852,246	
412	Moore Co. HD	3,969,926	565,029	10,649	255,380	117,210	248,127	4,437,874	
271	Morris County	2,232,981	132,968	4,604	148,587	105,995	8,921	2,404,224	
273	Nacogdoches County	5,942,666	550,890	32,716	361,729	767,924	156,950	5,963,127	
515	Navarro CAD	396,404	20,191	3,235	22,895	74,395		368,331	
274	Navarro County	7,730,145	640,221	12,964	494,504	539,700	157,592	8,180,541	
572	Newton CAD	300,945	18,009	12	21,046		1,069	338,943	
275	Newton County	1,023,317	134,028	782	68,563		49,081	1,177,610	
510	Newton Co. Mem. Hosp.	3,032			212			3,244	
276	Nolan County	2,259,236	183,438	6,178	142,971	178,817	50,708	2,362,298	
556	North Central Texas MWA	357,670	18,677		25,037			401,384	
415	North Plains HD	8,587			253		485	8,355	
646	North Texas Tollway Auth.	5,264,906	1,404,460	6,092	351,505	142,656	169,578	6,714,729	
562	Northeast Texas MWD	285,096	43,304	272	19,413		8,046	340,039	
632	Northeast Texas Public Health Dist.	1,239,724	208,956	4,509	77,970	77,308	72,589	1,381,263	
277	Nueces County	42,976,559	2,674,309	95,620	2,766,089	2,691,080	1,154,262	44,667,234	
683	Nueces Co. AD	385,684	157,779	576	25,499	8,017	18,188	543,334	
400	Nueces Co. DD #2	235,772	17,131	466	14,701		27,127	240,943	
416	Nueces Co. WCID #3	1,169,779	50,954	3,690	67,124	215,497		1,076,050	
450	Nueces Co. WCID #4	766,137	38,644	1,342	51,876		29,036	828,963	
538	Nueces River Auth. — Uvalde Co.	245,174	8,641		17,162			270,977	
278	Ochiltree County	2,152,369	139,961	2,319	146,854	56,966	6,550	2,377,987	
279	Oldham County	801,964	53,665	5,410	49,820	74,744	23,441	812,674	
517	Oldham Co. AD	114,559	3,586		8,019			126,165	

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Net Escheat- ments	Balances Dec. 31, 2005
			Member Deposits	Partial- Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals			
280	Orange County	13,184,865	1,055,370	22,057	861,437	675,340	261,095		14,187,294	
490	Orange Co. AD	673,545	36,235	6,022	30,872	244,149	202		502,322	
421	Orange Co. DD	1,550,469	143,337	2,044	104,726	30,444	29,532		1,740,599	
665	Orange Co. ESD #1	35,159	11,417		2,461				49,037	
660	Orange Co. Nav. & Port. Dist.	233,822	26,146		16,368				276,336	
631	Orange Co. WCID #1	354,710	50,550	336	23,872		16,466		413,002	
730	Palo Duro River Auth.		1,956						1,956	
281	Palo Pinto County	3,345,489	303,431	15,338	208,670	494,615	73,677		3,304,635	
723	Palo Pinto AD	-	18,420				707		17,713	
282	Panola County	4,396,398	338,955	2,936	300,532	157,770	41,342		4,839,709	
283	Parker County	7,272,126	773,898	15,495	475,069	326,231	199,426		8,010,931	
717	Parker Co. AD		65,579						65,579	
284	Parmer County	1,012,899	99,838	2,824	59,488	136,109	32,838		1,006,103	
285	Pecos County	8,578,085	736,945	14,422	570,319	122,873	358,794		9,418,106	
494	Pecos Co. AD	86,033	8,264	27	5,976		1,261		99,040	
673	Permian Reg. Med. Ctr.	1,620,901	732,827	3,557	105,669	18,196	137,977		2,306,781	
707	Pineywoods GCD	5,661	3,407	17	355		601		8,839	
697	Polk CAD	46,689	31,703	70	2,931		6,903		74,490	
286	Polk County	5,077,882	576,891	19,876	321,686	372,403	200,591		5,423,341	
676	Port of Bay City Auth.	7,973	4,002	4	511		725		11,764	
449	Port of Beaumont ND	2,502,702	129,353	1,313	172,801	20,432	17,007		2,768,731	
620	Port of Corpus Christi Auth.	4,920,693	598,081	8,909	326,396	316,965	103,095		5,434,019	
622	Port of Port Arthur ND	588,255	65,153		41,178				694,586	
726	Post Oak Savannah GCD		2,555						2,555	
287	Potter County	18,799,961	1,466,770	49,568	1,191,114	1,877,066	557,592		19,072,755	
489	Potter Co. AD	760,629		5,912	34,798	269,429			531,910	
560	Potter-Randall Co. ECD	140,324	17,239		9,823		241		167,145	
626	Presidio AD	37,413	3,765		2,619				43,797	
288	Presidio County	894,320	82,804	873	60,147		39,025		999,118	
289	Rains County	688,573	95,651	735	40,854	77,094	31,316		717,403	
537	Rains Co. AD	129,915	11,716	23	9,024		1,476		149,202	
290	Randall County	9,917,116	1,025,953	9,470	664,843	309,344	240,138		11,067,900	
564	Randall Co. AD	1,933,218	119,595	6,203	125,460	154,453			2,030,022	
406	Rankin CHD — Upton Co.	423,648	48,665	695	27,683	9,147	23,802		467,742	
291	Reagan County	1,632,333	115,269	15	114,247	52,680	242		1,808,943	
445	Reagan HD	792,798	52,851	1,918	52,371	43,339	4,088		852,511	
292	Real County	593,953	42,942	173	41,154		7,989		670,234	
505	Red Bluff WPCD — Reeves Co.	64,198	9,999		4,494				78,692	
435	Red River Auth. — Wichita Co.	648,379	61,570	998	43,597		30,509		724,036	
293	Red River County	1,191,081	106,596	3,167	78,269	33,897	46,845		1,298,372	

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Member Deposits	Partial- Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals	Net Escheat- ments	
294	Reeves County	7,002,221	1,265,571	18,008	447,389	182,551	586,654	212	7,963,773
588	Reeves Co. HD	2,272,024	321,215	2,679	148,857	80,563	79,857		2,584,355
295	Refugio County	2,365,736	175,341	4,924	149,523	115,919	126,631		2,452,973
543	Refugio Co. DD #1	98,430	7,484		6,752		1,972		110,694
296	Roberts County	796,652	51,315	1,549	44,456	148,307	16,198		729,468
480	Roberts Co. AD	128,772		3,815	3,292	85,559			50,320
297	Robertson County	2,167,832	215,573	3,018	141,981	115,637	26,609		2,386,159
698	Rockwall CAD	77,845	40,047	105	4,625		12,677		109,946
298	Rockwall County	4,466,796	626,233	6,535	298,216	84,059	155,456	(12,392)	5,170,657
299	Runnels County	2,046,011	140,123	6,584	128,949	78,125	138,074		2,105,468
300	Rusk County	5,896,587	500,810	12,535	378,176	371,536	213,472		6,203,101
612	Rusk Co. AD	110,708	28,074		7,750				146,531
301	Sabine County	909,453	99,842	1,062	60,888	37,963	29,895		1,003,386
568	Sabine Pass Port Auth.	161,954	9,118	210	8,816	36,223			143,875
302	San Augustine County	719,690	59,322	7,066	40,083	217,275	31,010		577,877
303	San Jacinto County	1,959,148	220,623	2,271	126,460	90,350	81,557		2,136,594
553	San Jacinto Co. CAD	182,025	22,287	347	12,010		14,992		201,677
304	San Patricio County	12,186,929	881,591	16,003	812,280	813,353	242,458		12,840,992
495	San Patricio Co. AD	411,605	22,010	1,652	18,901	144,504			309,664
426	San Patricio Co. DD	946,417	22,389	114	65,881		5,372		1,029,429
422	San Patricio MWD	1,110,477	106,386	18	77,660		1,338		1,293,203
305	San Saba County	875,985	58,742	971	58,042	41,024	7,571		945,145
306	Schleicher County	988,225	63,775	281	67,759		22,013		1,098,027
307	Scurry County	7,062,993	607,217	17,154	454,349	286,490	348,287		7,506,936
308	Shackelford County	699,909	54,083	3,320	44,479	60,917	9,023		731,851
470	Shackelford Co. AD	114,019	5,245		7,981				127,245
309	Shelby County	1,554,853	202,768	7,938	80,651	352,452	124,862		1,368,895
627	Shelby Co. AD	105,789	8,679	125	5,583	21,704	4,645		93,826
310	Sherman County	1,340,828	76,469	10,105	74,548	301,360	9,457		1,191,134
469	Sherman Co. AD	172,658	7,410		12,086				192,154
311	Smith County	15,089,577	1,563,811	38,392	970,920	855,051	486,926		16,320,723
555	Smith Co. 911 CD	305,134	66,700	312	20,590		17,398		375,338
606	Smith Co. AD	1,027,802	96,601	445	68,334	47,767	5,288		1,140,127
312	Somervell County	3,352,093	295,912	2,245	230,143		78,141		3,802,253
507	Somervell Co. CAD	49,787	11,624	54	3,049		6,287		58,227
699	Somervell Co. WD	11,768	9,157		824				21,749
645	South Texas Dev. Council	304,276	50,703	6	21,209		1,295		374,899
313	Starr County	3,512,401	430,445	9,174	226,336	187,383	127,863		3,863,111
536	Starr Co. AD	375,865	23,417	572	24,950	17,391	3,724		403,689
314	Stephens County	1,590,239	93,096	732	110,031		19,758		1,774,340

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Member Deposits	Partial- Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals	Net Escheat- ments	
315	Sterling County	839,162	82,778	1,089	54,952	41,072	16,001	920,909	
316	Stonewall County	618,484	38,083	1,329	38,244	67,157	7,218	621,765	
724	Stonewall Co.AD	-	2,363					2,363	
458	Stonewall Mem. HD	473,043	50,645	483	31,781		19,672	536,281	
539	Stratford HD — Sherman Co.	296,495	42,055	650	17,314		52,418	304,096	
317	Sutton County	1,952,930	136,646	378	135,973		14,669	2,211,258	
573	Sutton Co. HD	312,272	78,855	215	21,619		6,611	406,350	
318	Swisher County	873,054	66,834	1,399	54,520	51,920	45,537	898,350	
460	Swisher Co.AD	125,590	7,477		8,791	310		141,548	
534	Swisher Mem. HD	638,079	110,775	641	41,998	24,305	16,384	750,803	
607	Tarrant AD	7,386,704	620,478	20,889	475,813	654,486	28,745	7,820,654	
319	Tarrant County	161,307,362	13,013,441	359,770	10,437,027	11,035,854	2,471,560	171,618,402	
545	Tarrant Co. 911 EAD	920,803	74,471	672	60,426	59,173		997,198	
574	Tax AD of Cottle Co.	33,999	2,133		2,380			38,512	
320	Taylor County	15,114,348	1,152,088	53,621	971,028	1,048,896	299,375	15,942,814	
321	Terrell County	672,729	59,782	3,044	36,602	147,704	8,324	616,129	
322	Terry County	2,293,280	200,831	11,264	142,589	192,575	105,352	2,350,038	
402	Terry Mem. HD	2,449,670	206,231	5,007	161,690	45,482	113,107	2,664,008	
437	Texas Assoc. of Counties	4,981,913	503,938	13,294	320,144	211,280	157,103	5,350,907	
354	TCDRS	3,025,967	397,258	6,503	191,826	257,941	52,191	3,311,421	
634	Texas Eastern 911 Net.	80,015	9,868		5,601			95,484	
323	Throckmorton County	506,460	37,801	83	32,489	27	19,298	557,507	
324	Titus County	2,842,009	247,561	6,750	184,625	68,426	159,357	3,053,163	
501	Titus Co. Fresh WSD	209,945	25,152		14,696			249,793	
325	Tom Green County	12,188,492	1,119,295	24,167	789,960	66,1818	347,525	13,112,571	
601	Travis CAD	3,889,000	294,371	3,275	261,585	56,316	107,663	4,284,252	
326	Travis County	145,400,509	12,691,959	230,479	9,633,522	6,614,603	1,895,500	159,446,769	
720	Travis Co. ESD #1	26,632	12,940		1,840		353	12,940	
666	Travis Co. WCID — Point Venture	46,587	7,805		3,261			35,923	
549	Travis Co. WCID #18	37,860	11,379	451	2,028	7,548	3,619	49,848	
659	Tri-Co. SUD	429,624	51,175	159	29,527		8,572	40,551	
633	Trinity Bay Cons. Dist.	1,302,747	98,601	700	89,541		35,767	501,913	
327	Trinity County	2,326,014	189,995	634	160,964	119,736	30,357	1,455,823	
328	Tyler County	250,039	21,421		17,503	64,919		2,527,514	
471	Tyler Co.AD	491,662	55,183	398	32,783	12,227	12,763	224,043	
561	United ID — Hidalgo Co.	4,326,838	383,970	11,502	277,067	317,520	117,874	555,036	
329	Upshur County	2,388,615	167,286	4,526	159,605	99,965	18,068	4,563,984	
330	Upton County	29,834	10,953		2,088			2,602,000	
682	Upton Co.AD	3,713,953	341,741	7,993	240,832	142,395	166,507	42,876	
331	Uvalde County							3,995,617	

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Member Deposits	Partial-Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals	Net Escheatments	
332	Val Verde County	5,095,611	438,158	18,523	318,678	430,497	172,594	5,267,878	
663	Valley MUD #2 — Cameron Co.	61,260	14,149	182	4,047		4,152	75,485	
586	Valwood Imp./Auth. — Dallas Co.	205,871	15,131	14,411				235,413	
333	Van Zandt County	3,524,707	345,385	5,389	234,098	115,540	90,243	3,903,796	
672	Van Zandt Co.AD	84,145	32,688	280	5,470	7,351		115,232	
420	Velasco DD — Brazoria Co.	1,785,585	79,167	106	123,826	1,153,378	16,924	1,971,759	
334	Victoria County	16,499,714	1,240,112	26,765	1,056,788		324,006	17,345,995	
423	Victoria Co. DD #3	333,559	6,904		23,349			363,812	
637	Victoria Co.WCID # 1	38,677	5,128		2,707			46,513	
335	Walker County	6,452,597	726,923	8,457	428,842	237,155	123,138	7,256,525	
336	Waller County	5,009,126	437,804	9,675	330,158	258,783	79,399	5,448,581	
337	Ward County	3,008,004	253,689	5,209	196,497	136,592	75,939	3,250,868	
565	Ward Co. CAD	163,538	7,891	39	11,389		1,628	181,228	
444	Ward Mem. Hosp.	2,010,999	225,166	3,977	131,155	79,068	74,546	2,217,684	
338	Washington County	4,118,136	405,615	11,190	258,574	380,304	79,641	4,333,569	
339	Webb County	22,543,106	2,483,792	56,156	1,409,523	1,445,106	1,162,989	23,885,078	
604	Webb Co.AD	734,405	98,816	22	51,379		788	883,834	
443	West Central Texas COG	2,173,463	137,695	2,275	146,958	51,361	31,668	2,377,363	
410	West Central Texas MWD	477,367	51,820	211	33,084		5,322	557,161	
454	West Jefferson Co. MWD	343,017	18,414		24,011			385,442	
688	West Nueces-Las Moras Soil & WCD #236	6,129	1,656		429			8,215	
340	Wharton County	6,475,360	415,637	10,362	426,151	284,894	122,331	6,920,285	
621	Wharton Co.WCID #1	23,506	1,850		1,645			27,001	
341	Wheeler County	1,098,627	88,043		76,904		542	1,263,032	
476	Wheeler Co.AD	129,468	8,731		9,063			147,262	
427	White River MWD — Dickens Co.	295,745	24,000	5	20,792		1,006	339,535	
342	Wichita County	13,444,731	976,474	19,780	891,175	616,833	293,323	14,422,004	
446	Wichita Co.WID #2	717,480	35,898		50,224			803,601	
559	Wichita-Wilbarger 911 Dist.	235,080	17,086		16,456			268,622	
655	Wickson Creek SUD — Brazos Co.	112,028	20,828		7,135		10,101	129,890	
343	Wilbarger County	2,298,094	168,932	22,720	131,903	471,957	24,885	2,124,807	
715	Wilbarger Co.AD		5,429					5,429	
530	Wilbarger Co. HD	2,365,162	212,477	2,095	159,375		96,890	2,642,219	
344	Willacy County	1,880,742	145,424	6,726	117,058	136,025	85,356	1,928,569	
575	Willacy Co.AD	123,026	8,460	31	8,488		1,795	138,210	
652	Willacy Co. Housing Auth.	28,746	4,457	273	1,162	11,798	672	22,167	
345	Williamson County	27,848,699	3,706,273	38,700	1,858,617	649,775	926,663	31,878,701	
608	Williamson Co.AD	1,684,831	197,367	309	116,984		18,012	1,981,479	
346	Wilson County	2,611,295	258,774	8,950	163,807	297,221	80,117	2,665,489	
479	Wilson Co.AD	345,580	23,693	2,176	19,838	62,082	3,366	325,839	

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: EMPLOYEES SAVING FUND

CHANGES IN EMPLOYEES SAVING FUND, continued

No.	Employer Name	Balances Jan. 1, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Member Deposits	Partial- Year Interest	Annual Interest	Transfers to CSARF ¹	Withdrawals	Net Escheat- ments	
347	Winkler County	3,389,392	296,687	4,778	224,928	63,418	129,052	3,723,314	
533	Winkler Co. AD	58,728	5,438		4,111			68,277	
348	Wise County	5,031,710	684,591	6,326	336,343	146,353	111,030	5,801,588	
493	Wise Co. AD	289,751	34,454	36	20,210		1,771	342,680	
349	Wood County	4,208,053	404,445	11,419	269,490	304,112	120,529	4,468,766	
700	Wood Co. AD	53,644	29,664	237	3,425		7,545	79,424	
350	Yoakum County	5,376,999	533,412	8,199	352,144	522,847	97,415	5,650,492	
351	Young County	2,680,719	194,197	2,604	175,489	117,631	67,031	2,868,347	
352	Zapata County	4,410,258	547,434	3,778	299,007	115,094	59,449	5,085,933	
649	Zapata Co. AD	41,721	6,241		2,920			50,883	
353	Zavala County	1,044,763	88,783	578	72,148		16,355	1,189,917	
566	Zavala Co. AD	145,477	9,617		8,063		9,723	153,435	
	Totals	\$ 3,034,567,161	\$ 259,406,309	\$ 5,697,466	\$ 199,134,180	\$ 155,350,791	\$ 63,453,205	\$ 3,280,060,790	

¹ Current Service Annuity Reserve Fund

Due to rounding, totals and detail may not equal.

See accompanying independent auditor's report.

¹ Current Service Annuity Reserve Fund

OTHER SUPPLEMENTARY INFORMATION: SUBDIVISION ACCUMULATION FUND

CHANGES IN SUBDIVISION ACCUMULATION FUND, continued on subsequent pages

No.	Employer Name	Balances		Additions			Deductions			Balances Dec. 31, 2005
		Jan. 1, 2005		Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances		
638	Acton MUD	\$ 273,839	\$ 27,133	\$ 24,646	\$ 856	\$ 22,885	\$ 4,624	\$ 320,993		
615	Alamo Area COG	3,287,232	323,017	295,851			93,664	3,790,408		
721	Alamo Reg. Mob.Auth.		25,299				10,179	15,120		
100	Anderson County	6,284,331	553,579	565,590	3,482	236,873	255,008	6,915,101		
691	Anderson Co. CAD	37,510	24,611	3,376				65,497		
101	Andrews County	17,558,933	711,895	1,580,304	12,273	444,435	997,457	18,421,512		
102	Angelina County	11,654,707	879,170	1,048,924	2,799	125,250	487,351	12,972,999		
502	Angelina Co. AD	1,494,108	33,793	134,470	9,161	194,251	20,381	1,456,900		
684	Angelina/Nacogdoches Co. WCID #1	18,058	6,807	1,625				26,490		
576	Angleton DD	435,596	31,576	39,204			5,115	501,261		
614	Aquilla WSD — Hill Co.	153,424	17,991	13,808			2,631	182,593		
103	Aransas County	5,074,038	260,606	456,663	1,390	65,426	119,156	5,608,116		
459	Aransas Co. AD	704,985	33,471	63,449			5,202	722,005		
668	Aransas Co. ND #1	85,930	17,583	7,734				111,246		
104	Archer County	1,638,388	114,083	147,455	427	87,887	80,093	1,732,373		
503	Archer Co. AD	284,273	4,837	25,585			5,143	309,553		
105	Armstrong County	674,664	19,149	60,720	1,325	49,614	16,416	689,828		
106	Atascosa County	7,649,900	326,901	688,491	5,365	153,399	123,525	8,393,733		
551	Atascosa Co. AD	393,855	24,445	35,447			10,392	443,355		
107	Austin County	5,661,955	343,978	509,576	3,480	219,570	110,603	6,188,816		
461	Austin Co. AD	866,325	17,893	77,969			9,337	952,849		
597	Bacliff MUD	270,603	21,094	24,354				316,052		
108	Bailey County	1,026,877	97,556	92,419	1,534	84,326	56,096	1,077,964		
109	Bandera County	3,374,934	300,965	303,744	953	49,755	105,092	3,825,749		
411	Bandera Co. WCID #1	2,393		215			601	2,007		
110	Bastrop County	14,324,683	1,116,957	1,289,221	8,236	320,948	373,695	16,044,454		
111	Baylor County	1,042,305	69,876	93,807	1,152	41,191	33,364	1,132,586		
685	Baylor Co. AD	13,320	4,865	1,199				19,384		
613	Bayview ID #11	58,463	7,393	5,262			620	70,498		
690	Bayview MUD	10,046	3,020	904				13,970		
112	Bee County	5,448,259	335,505	490,343	1,081	79,846	95,063	6,100,280		
113	Bell County	46,982,860	3,095,478	4,228,457	36,896	1,434,550	1,610,446	51,298,696		
506	Bell Co. AD	2,726,366	134,071	245,373			61,336	3,044,474		
418	Bell Co. WCID #1	1,047,452	109,111	94,271	71	6,799	81,142	1,169,692		
708	Benbrook Water and Sewer Auth.	119,750	97,063	10,778			145	220,718		
472	Bexar AD	14,311,950	575,421	1,288,075	27,523	792,041	225,514	15,185,414		
114	Bexar County	258,201,668	15,758,596	23,238,150	206,424	9,429,920	6,763,099	281,206,961		
	Adjustment		(4,858)							
544	Bexar Co. WCID #10	181,316	13,279	16,318			8,256	202,658		

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, 2005	Additions			Deductions		Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances	
716	Bexar Metro 911 Net Dist.	310,508	104,322	27,946			104,322	
616	Bistone MWSD — Limestone Co.	1,225,530	25,900	110,298			3,583	360,771
115	Blanco County	603,747	48,911	54,337			42,170	1,395,162
116	Borden County	3,491	784	314			29,099	677,895
525	Borden Co.AD							4,589
117	Bosque County	1,783,513	114,186	160,516	372	16,660	30,098	2,011,828
521	Bosque Co. CAD	386,082	22,163	34,747				442,992
118	Bowie County	16,888,253	638,778	1,519,943	15,237	580,054	530,365	17,951,790
119	Brazoria County	61,188,473	4,047,755	5,506,963	33,557	1,996,116	1,825,655	66,954,975
508	Brazoria Co.AD	2,092,485	95,784	188,324	550	24,121	59,630	2,293,391
413	Brazoria Co. CRD #3	1,536,242	164,267	138,262	4,015	104,243	33,003	1,705,540
424	Brazoria Co. DD #4	1,831,408	255,428	164,827			92,470	2,159,192
681	Brazoria Co. DD #5	13,646	5,335	1,228				20,209
120	Brazos County	35,754,124	2,497,316	3,217,871	19,675	743,973	1,172,051	39,572,963
689	Brazos Co.AD	274,945	108,200	24,745	201	9,975	739	397,378
600	Brazos Co. ECD	1,217,382	75,268	109,564			8,607	1,393,608
121	Brewster County	1,571,704	139,624	141,453			61,114	1,791,667
581	Brewster Co.AD	98,429	6,292	8,859			3,156	110,424
122	Briscoe County	391,330	21,316	35,220	361	21,117	10,555	416,555
123	Brooks County	6,719,076	154,258	604,717	1,491	51,791	209,064	7,218,686
554	Brookshire-Katy DD	229,432	12,183	20,649			1,198	261,066
522	Brookshire MWD	511,194	23,162	46,007			11,732	568,632
124	Brown County	4,061,099	259,586	365,499	5,270	301,179	88,001	4,302,274
702	Brownville ID	29,589	17,537	2,663			522	49,268
642	Brushy Creek MUD — Williamson Co. Late-reporting penalty	275,053	61,959	24,755			8,900	
			(512)					352,355
125	Burleson County	1,903,241	185,973	171,292	287	7,434	82,659	2,170,700
126	Burnet County	5,877,145	593,492	528,943	1,381	68,323	265,210	6,667,429
609	Burnet Co.AD	742,421	42,316	66,818			895	850,659
127	Caldwell County	2,935,192	170,437	264,167	459	12,636	82,960	3,274,659
718	Caldwell Co.AD		20,886					20,886
128	Calhoun County	6,748,079	490,008	607,327	8,816	212,160	213,346	7,428,723
709	Calhoun Co.AD	25,834	28,200	2,325			23	56,336
129	Callahan County	1,123,877	61,287	101,149			39,657	1,246,655
542	Callahan Co.AD	187,924	7,277	16,913			3,559	208,555
130	Cameron County	54,730,369	3,455,269	4,925,733	24,008	1,085,855	1,366,856	60,682,668
618	Cameron Co.AD	1,859,876	215,208	167,389				2,231,444
692	Cameron Co. DD #1	24,053	16,838	2,165			11,028	
664	Cameron Co. DD #3	81,871	17,243	7,368	41	7,291		99,233

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, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances		
686	Cameron Co. DD #5	12,755	4,999	1,148				18,902	
462	Cameron Co. ID #2	820,464	44,670	73,842	1,197	76,770	39,624	823,778	
590	Cameron Co. ID #6	183,009	8,137	16,471			5,240	202,377	
670	Camp CAD	36,428	7,329	3,279				47,036	
131	Camp County	1,621,685	123,598	145,952	1,325	44,903	80,121	1,767,537	
132	Carson County	1,207,367	105,958	108,663	2,726	69,074	54,216	1,301,424	
133	Cass County	5,461,229	382,359	491,511	945	93,538	210,732	6,031,773	
610	Cass Co. AD	276,125	25,082	24,851			4,387	321,671	
134	Castro County	2,568,838	112,972	231,195			45,224	2,867,782	
719	CAD of Bandera Co.	900,525	9,355	81,047			11,487	935,355	
635	CAD of Johnson Co.	1,435,187	115,061	129,167	1,404	32,956	32,033	1,615,830	
602	CAD of Taylor Co.	9,984	72,379	899				83,262	
712	Central Texas Reg. Mob. Auth.	35,015	9,801	3,151			4,372	43,595	
648	Central WCID — Angelina Co.	18,001,592	955,803	1,620,143	15,015	540,813	690,247	19,361,493	
135	Chambers County	924,838	71,739	83,235			23,738	1,056,075	
531	Chambers Co. AD	995,621	60,120	89,606			13,474		
548	Chambers Co. Public HD		(1,023)					1,130,849	
136	Cherokee County	6,778,084	477,571	610,028	3,900	177,942	224,593	7,467,049	
137	Childress County	405,587	50,924	36,503	285	8,946	16,485	467,868	
511	Childress Co. AD	36,361	4,140	3,272			6,030	37,743	
482	Childress Co. HD	3,874,706	267,477	348,724		11,296	67,942	4,411,669	
565	Cisco HD	130,421		11,738			7,619	134,540	
138	Clay County	2,641,921	203,436	237,773	3,268	83,306	107,060	2,896,031	
485	Clay Co. AD	447,670	13,953	40,290		56,267	6,211	439,435	
703	Coastal Bend GCD	4,364	3,391	393				8,148	
722	Coastal Plains GCD		854					854	
139	Cochran County	1,955,819	154,403	176,024			132,397	2,203,848	
	Lump-sum contribution		50,000						
477	Cochran Co. AD	106,460	3,569	9,581	2,845	49,690	3,486	69,280	
140	Coke County	679,383	75,723	61,144	894	32,161	22,709	762,275	
141	Coleman County	1,451,013	79,974	130,591	5,285	97,423	35,121	1,534,319	
142	Collin County	81,503,287	7,944,205	7,335,296	36,791	1,409,466	2,295,148	93,114,965	
457	Collin Co. CAD	5,891,109	288,520	530,200	3,763	316,657	69,161	6,327,774	
143	Collingsworth County	341,801	72,096	30,762	716	23,880	3,972	417,522	
144	Colorado County	2,854,539	286,235	256,908	359	66,559	71,522	3,259,961	
623	Comal AD	578,005	100,484	52,020			12,633	717,877	
145	Comal County	15,339,037	1,380,071	1,380,513	8,404	426,768	389,684	17,291,575	
146	Comanche County	2,199,137	153,648	197,922	204	35,429	82,454	2,433,028	

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, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances		
147	Concho County	1,077,613	55,733	96,985	1,712	52,556	17,492	1,161,996	
636	Concho Co. HD	402,616	30,557	36,235			26,997	442,411	
148	Cooke County	5,481,383	413,284	493,324	4,521	213,588	165,669	6,013,256	
487	Cooke Co. AD	1,023,490	38,288	92,114			21,504	1,132,389	
149	Coryell County	5,345,937	381,390	481,134	1,532	135,954	148,338	5,925,701	
150	Cottle County	303,248	25,315	27,292			15,377	340,478	
727	Cow Creek GCD		675					675	
151	Crane County	4,184,500	183,086	376,605	3,196	89,643	157,044	4,500,700	
152	Crockett County	5,977,726	326,879	537,995	17,668	549,337	237,178	6,073,752	
409	Crockett Co. WCID #1	498,111	14,848	44,830	8,106	148,557	13,115	404,223	
153	Crosby County	1,063,872	109,498	95,748			70,702	1,198,416	
532	Crosby Co. AD	98,504	1,000	8,865			3,216	105,153	
603	Crosby MUD	293,210	24,590	26,389			3,843	340,347	
710	Cross Roads SUD	6,415	6,782	577				13,774	
154	Culberson County	1,756,028	83,012	158,043	1,776	46,411	31,070	1,921,377	
478	Culberson Co. Hosp.	198,732		17,886			5,206	211,412	
550	Culberson HD	808,543		72,769	1,584	35,536	1,258	846,103	
155	Dallam County	1,801,910	97,747	162,172	1,355	147,775	54,199	1,861,210	
467	Dallas CAD	28,839,833	1,283,384	2,595,585	34,001	1,371,985	563,321	30,817,497	
156	Dallas County	429,589,333	20,905,610	38,663,040	410,263	13,537,215	11,982,194	464,048,837	
430	Dallas Co. Park Cities MUD	1,305,722	87,889	117,515			30,987	1,480,643	
	Late-reporting penalty correction		504					186,334	
687	Dallas Co. WCID #6	113,209	62,936	10,189				2,329,540	
157	Dawson County	2,016,288	306,103	181,466			174,317	3,353	
463	Dawson Co. CAD	506,017	11,340	45,542			3,353	559,547	
158	Deaf Smith County	4,954,830	292,128	445,935	17,985	342,923	177,028	5,190,926	
578	Deaf Smith Co. HD	3,140,353	31,047	282,632	1,673	54,807	39,253	3,361,644	
159	Delta County	606,264	57,103	54,564	936	35,939	48,406	634,522	
583	Denco Area 911 Dist. — Denton Co.	509,948	45,745	45,895				601,588	
482	Denton CAD	3,572,015	293,362	321,481			69,006	4,117,852	
160	Denton County	57,005,023	4,886,180	5,130,452	22,931	714,406	1,011,142	65,319,037	
161	DeWitt County	2,641,436	180,321	237,729	5,040	164,633	100,809	2,799,083	
466	DeWitt Co. AD	437,772	13,707	39,399			1,259	489,619	
162	Dickens County	674,042	96,451	60,664			12,542	779,995	
163	Dimmit County	1,436,851	105,424	129,317			27,007	1,644,584	
164	Donley County	476,636	45,241	42,897			31,916	532,858	
165	Duval County	2,764,778	287,279	248,830	1,201	41,716	174,336	3,086,035	
166	Eastland County	3,027,108	258,352	272,440	9,796	303,231	167,608	3,096,856	
593	Eastland Co. AD	319,057	32,166	28,715			2,251	377,687	

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, 2005	Additions			Deductions		Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances	
167	Ector County Transfer from Ector Co. HD #580	75,868,587	1,342,757	6,828,173	45,206	2,209,064	3,820,440	78,553,755
580	Ector Co. HD Transfer to Ector County #167	72,318,549	5,534,864 (498,538)	6,508,669	45,283	1,701,647	1,244,223	80,962,959
448	Edwards Aquifer Auth. — Bexar Co.	2,194,192	83,026	197,477			18,286	2,456,409
628	Edwards CAD	19,855	392	1,787				22,034
168	Edwards County	337,699	51,602	30,393			10,647	409,047
170	El Paso County	147,142,210	11,310,358	13,242,799	83,790	3,743,924	3,285,201	164,750,032
567	El Paso Co. 911 Dist.	517,173	32,674	46,546			8,130	588,263
541	El Paso Co. HD	54,218,754	3,853,047	4,879,688	16,387	758,991	1,270,371	60,938,513
557	El Paso Co. WA	38,900		3,501			3,174	39,226
456	El Paso WCID Westway	20,944		1,885			845	21,984
169	Ellis County	13,799,846	1,347,873	1,241,986	15,491	481,554	311,385	15,612,258
624	ECD of Ector Co.	238,131	23,056	21,432	715	32,341	2,745	248,249
171	Erath County	4,952,069	360,873	445,686	1,292	13,565	87,817	5,658,539
172	Falls County	3,199,722	202,373	287,975	3,353	150,584	134,827	3,408,012
563	Falls Co. AD	126,286	7,866	11,366			6,691	138,826
173	Fannin County	4,177,196	319,581	375,948	5,768	190,002	95,498	4,592,993
644	Fannin Co. AD	111,126	10,216	10,001			131,344	131,344
174	Fayette County	8,068,077	465,407	726,127	10,212	231,644	197,506	8,840,674
175	Fisher County	595,177	74,465	53,566			39,769	683,439
432	Fisher Co. HD	1,846,801	47,882	166,212			30,065	2,030,830
176	Floyd County	1,504,262	144,658	135,384	569	11,399	56,812	1,716,661
474	Fort Bend CAD	3,906,353	199,018	351,572	3,224	49,825	78,459	4,331,882
178	Fort Bend County	90,722,275	7,066,112	8,165,005	79,784	2,544,538	2,218,215	101,270,422
179	Franklin County	2,218,845	141,322	199,696	3,746	94,474	108,654	2,360,480
180	Freestone County	3,960,905	279,376	356,481			149,080	4,447,682
693	Freestone Co. AD	42,065	23,469	3,786				69,319
181	Frio County	3,906,349	128,713	351,571	173	5,106	105,472	4,276,228
509	Frio Co. AD	581,357	22,359	52,322			1,817	654,222
182	Gaines County	5,214,690	393,319	469,322	16,857	487,881	186,098	5,420,208
546	Galveston CAD	3,742,887	223,037	336,860	2,167	42,144	40,140	4,222,667
183	Galveston County	82,461,366	3,891,119	7,421,523	72,703	3,982,043	2,485,487	87,379,181
547	Galveston Co. Consol. DD	566,805	54,750	51,012			24,598	631,636
464	Galveston Co. DD #1	407,336	19,828	36,660	53	4,638	19,893	439,347
433	Galveston Co. DD #2	1,263,056	36,130	113,675			23,481	1,414,381
589	Lump-sum contribution Galveston Co. ECD	349,539	25,000	31,459				416,885

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, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances		
407	Galveston Co. WCID #1 Lump-sum contribution	2,147,927	161,959 40,000	193,313		112,319		2,430,880	
473	Garza CAD	110,682	7,351	9,961		4,083		123,911	
184	Garza County	2,004,843	107,975	180,436	3,586	119,613		2,113,954	
185	Gillespie County	3,642,243	313,528	327,802		42,547		4,117,325	
186	Glasscock County	1,222,087	78,612	109,988	706	24,902		1,349,686	
187	Goliad County	3,391,833	114,536	305,265	3,225	73,365		3,616,370	
188	Gonzales County	2,683,083	219,198	241,477	308	7,879		3,005,158	
498	Gonzales Co. AD	439,767	20,596	39,579		511		499,431	
189	Gray County	4,246,026	258,846	382,142	1,704	75,479		4,669,749	
518	Gray Co. AD	808,914	12,504	72,802	1,698	38,082		851,185	
190	Grayson County	18,798,992	1,689,452	1,691,909	8,282	258,060		21,260,309	
475	Grayson Co. AD	1,408,261	108,375	126,743		62,244		1,581,136	
528	Greener Harris Co. 911 Emerg. Net.	1,358,727	243,981	122,285		48,750		1,535,687	
429	Greenbelt MWA — Donley Co.	659,542	34,017	59,359		20,940		731,977	
191	Gregg County	22,460,824	1,425,835	2,021,474	9,226	337,570		24,831,847	
192	Grimes County	3,865,997	254,694	347,940	231	39,906		4,326,715	
483	Grimes Co. AD	653,467	41,399	58,812		5,065		748,614	
193	Guadalupe County	11,529,448	1,290,544	1,037,650	5,895	348,485		13,180,284	
587	Guadalupe Co. AD	474,249	46,486	42,682		938		562,480	
526	Gulf Coast WA — Galveston Co.	5,016,301	144,648	451,467	2,377	106,184		5,409,063	
194	Hale County	7,067,220	381,448	636,050	3,158	102,494		7,687,635	
195	Hall County	1,012,494	72,450	91,124		33,221		1,142,848	
196	Hamilton County	883,833	80,877	79,545	797	45,039		970,653	
197	Hansford County	1,051,636	103,477	94,647		14,387		1,177,622	
585	Hansford Co. HD	2,271,072	158,913	204,397	254	8,002		2,573,445	
198	Hardeman County	1,383,090	83,872	124,478	427	12,633		1,540,822	
199	Hardin County	8,805,385	575,038	792,485	6,348	173,947		9,636,179	
527	Hardin Co. AD	675,919	50,731	60,833	579	50,629		723,359	
571	Harlingen ID Cameron Co. #1	735,121	56,461	66,161	336	19,519		819,368	
200	Harris County	1,168,106,582	63,450,985	105,129,592	768,186	29,256,087		1,279,878,898	
598	Harris Co. AD	24,893,150	1,816,994	2,240,383	41,607	637,535		28,394,995	
569	Lump-sum contribution		500,000						
625	Harris Co. WCID #1	522,511	18,933	47,026		6,094		582,377	
201	Harris Co. WCID #50	175,444	13,495	15,790		2,864		201,864	
202	Harrison County	10,785,300	751,284	970,677	10,823	332,072		11,877,600	
520	Hartley County	1,070,069	60,936	96,306	2,283	50,879		1,130,175	
203	Hartley Co. AD	159,803	5,999	14,382		6,709		173,475	
203	Haskell County	1,146,753	111,308	103,208	2,216	119,131		1,183,420	

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, 2005	Additions			Deductions		Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances	
552	Haskell Mem. HD	1,271,531	75,206	114,438			14,126	1,447,048
204	Hays County	29,405,743	2,208,542	2,646,517	10,042		521,074	33,243,163
205	Hemphill County	3,553,968	218,482	319,857	2,867		106,524	3,824,649
640	Hemphill Co.AD	56,928	10,263	5,124			178	72,136
529	Hemphill Co. HD	2,383,582	153,866	214,522			34,432	2,717,539
206	Henderson County	14,212,097	1,016,352	1,279,089	11,726		431,440	15,576,429
704	Henderson Co.AD	63,894	44,574	5,750			3,161	111,057
414	Hidalgo & Cameron Co. ID #9	1,237,671	62,838	111,390			16,671	1,395,228
207	Hidalgo County	74,217,743	5,693,304	6,679,597	31,443		1,780,385	82,745,183
516	Hidalgo Co.AD	4,334,116	221,210	390,070			50,633	4,894,764
401	Hidalgo Co. DD #1	2,296,681	236,027	206,701			142	2,690,216
713	Hidalgo Co. ID #1	15,431	32,017	1,389				48,836
438	Hidalgo Co. ID #2	1,572,981	81,270	141,568	6,513		212,326	1,535,158
486	Hidalgo Co. ID #6	791,626	39,522	71,246	541		122,968	767,204
674	High Plains Underground WCD #1	96,797	29,930	8,712				135,439
208	Hill County	4,043,284	345,606	363,896	16,117		368,687	4,272,920
209	Hockley County	4,235,779	333,413	381,220	3,516		89,076	4,663,734
728	Hockley Co.AD		8,729					8,729
643	Honestead MUD — El Paso Co.	101,220	7,581	9,110				117,911
210	Hood County	5,100,936	440,973	459,084	3,182		97,273	5,775,897
211	Hopkins County	5,644,578	479,338	508,012			160,767	6,471,162
661	Hopkins Co.AD	90,186	17,741	8,117	206		9,626	106,493
212	Houston County	2,022,302	105,461	182,007	705		70,481	2,204,322
694	Houston Co.AD	30,744	15,894	2,767				49,405
213	Howard County	5,668,693	426,695	510,182	2,714		49,908	6,239,516
214	Hudspeth County	1,325,979	84,684	119,338	246		21,330	1,463,569
215	Hunt County	10,466,489	891,509	941,984	6,365		257,989	11,701,457
216	Hutchinson County	6,673,518	335,146	600,617	2,070		55,016	7,360,692
711	Iraan Gen. HD	30,633	74,813	2,757				108,203
217	Irion County	1,439,884	50,501	129,590	900		72,609	1,530,625
218	Jack County	2,449,813	192,765	220,483	2,452		81,747	2,681,079
592	Jack Co.AD	144,042	8,281	12,964			6,161	159,125
219	Jackson County	4,376,766	227,367	393,909	5,732		179,326	4,705,785
441	Jackson Co. County-Wide DD	523,059	28,892	47,075			19,930	579,096
220	Jasper County	5,763,031	657,443	518,673	2,602		90,207	6,536,271
657	Jasper Co. WCID #1	64,233	9,267	5,781				79,280
221	Jeff Davis County	445,948	28,947	40,135			11,545	503,485
222	Jefferson County	73,680,470	4,989,224	6,631,242	107,330		3,105,216	79,796,098
404	Jefferson Co. DD #3	338,826	17,145	30,494			7,086	379,379

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, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances		
408	Jefferson Co. DD #6	6,115,184	348,550	550,367	3,106	243,048	231,431	6,542,728	
405	Jefferson Co. DD #7	6,486,082	425,732	583,747	614	106,270	161,990	7,227,915	
451	Jefferson Co. WCID #10	453,205	6,689	40,788	683	15,316	26,459	459,590	
706	Jefferson Co. Waterway ND	34,145	22,148	3,073	105	9,745	517	49,209	
203	Jim Hogg County	1,886,550	148,116	169,790	703	16,848	72,825	2,115,486	
680	Jim Hogg Co. AD	14,980	4,574	1,348				20,903	
656	Jim Hogg Co. FD #2	12,272	655	1,105				14,032	
641	Jim Hogg Co. WCID #2	163,156	18,338	14,684			662	195,517	
224	Jim Wells County	8,062,780	400,313	725,650	526	27,828	221,328	8,940,114	
225	Johnson County	16,325,543	1,136,976	1,469,299	8,006	409,513	405,059	18,125,253	
584	Johnson Co. Fresh WSD #1	168,205	21,249	15,138			5,274	199,319	
226	Jones County	2,695,318	242,246	242,579	2,686	84,743	135,431	2,962,655	
496	Jones Co. AD	347,699	14,889	31,293	4,874	83,411	6,955	308,389	
227	Karnes County	2,586,140	187,411	232,753	2,320	75,454	96,312	2,836,857	
524	Karnes Co. AD	165,536	8,772	14,898			5,713	183,493	
455	Karnes Co. HD	3,609,767	150,562	324,879			62,529	4,022,679	
228	Kaufman County	11,898,894	968,405	1,070,900	11,836	662,541	368,743	12,918,751	
662	Kaufman Co. AD	357,518	70,747	32,177	157	29,127	14,711	416,761	
671	Kendall AD	140,307	30,587	12,628	101	9,060	1,861	172,701	
229	Kendall County	3,429,509	311,146	308,656	590	100,163	71,060	3,878,678	
619	Kendall Co. WCID #1	242,652	22,945	21,839			84,767	202,669	
230	Kenedy County	1,482,878	203,666	133,459	3,503	75,949	28,162	1,718,887	
	Late-reporting penalty	(507)							
231	Kent County	1,383,843	117,542	124,546	451	19,956	34,081	1,572,345	
594	Kent Co. Tax AD	58,886	8,232	5,300			5,022	67,396	
232	Kerr County	8,665,117	730,555	779,861	4,143	116,762	232,533	9,829,842	
	Late-reporting penalty	(538)							
653	Kerr Emerg. 911 Net	88,303	7,745	7,947				103,995	
233	Kimble County	693,380	47,532	62,404	64	11,088	10,177	782,115	
234	King County	795,734	24,188	71,616			13,682	877,856	
235	Kinney County	1,527,081	62,075	137,437	1,074	62,354	19,301	1,646,013	
579	Kinney Co. AD	42,102	6,388	3,789			4,638	47,641	
236	Kleberg County	13,695,059	558,418	1,232,555	2,161	268,990	593,072	14,626,131	
237	Knox County	880,328	49,815	79,230	2,789	91,866	16,718	903,578	
519	Knox Co. AD	113,196	3,277	10,188			4,290	122,371	
241	La Salle County	2,270,363	132,113	204,333	3,234	101,568	78,945	2,429,528	
540	Laguna Madre WD — Cameron Co.	2,290,224	225,396	206,120	8,113	161,008	58,731	2,510,113	
514	Lakeway MUD — Travis Co.	875,604	61,389	78,804			27,161	988,637	
238	Lamar County	7,815,808	482,455	703,423	5,692	282,226	179,334	8,545,818	

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, 2005	Additions			Deductions		Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances	
239	Lamb County	3,273,795	245,009	294,642	6	531	104,061	3,708,860
240	Lampasas County	2,806,397	370,165	252,576	1,583	209,449	73,698	3,147,574
650	Lampasas Co.AD	70,619	16,668	6,356				93,643
439	Lavaca - Navidad River Auth. — Jackson Co.	2,397,082	193,879	215,737			52,084	2,754,614
242	Lavaca County	5,461,592	361,434	491,543	823	17,861	111,716	6,185,816
243	Lee County	3,133,344	193,842	282,001	3,422	152,280	76,918	3,383,410
244	Lee County	2,210,483	185,913	198,944	371	36,140	27,842	2,531,729
468	Leon Co. CAD	308,449	375	27,760	546	3,638		333,493
245	Liberty County	14,038,938	1,186,365	1,263,504	5,239	262,463	502,585	15,728,999
481	Liberty Co. CAD	1,285,698	66,375	115,713			27,656	1,440,130
246	Limestone County	5,150,301	315,318	463,527	1,281	157,657	103,689	5,669,083
695	Limestone Co.AD	42,991	20,182	3,869				67,042
247	Lipscomb County	1,591,190	120,745	143,207	2,160	154,973	43,204	1,659,125
248	Live Oak County	2,304,472	185,192	207,402	433	25,496	114,975	2,557,028
591	Live Oak Co.AD	251,373	22,033	22,624			9,778	286,251
431	Livingston HD	1,278,035		115,023			66,738	1,326,320
249	Llano County	3,511,474	267,410	316,033	3,506	188,991	80,752	3,828,680
654	Llano Co. Hosp.Auth.	1,107,237		99,651	851	20,022	10,675	1,177,043
436	Llano Mem. Hosp.	2,949,095		265,419	4,867	124,895	127,695	2,966,791
250	Loving County	878,284	60,201	79,046			38,004	979,527
513	Loving Co.AD	11,496		1,035			2,622	16,647
714	Lower Valley WD	31,207	152,141	2,809				186,157
499	Lubbock CAD	4,010,130	159,813	360,912	140	8,802	77,500	4,444,692
251	Lubbock County	36,330,766	2,339,850	3,269,769	53,384	1,554,427	1,197,396	39,241,945
425	Lubbock Co. WCID #1	414,107	11,030	37,270			3,387	459,019
558	Lubbock ECD	301,199	22,557	27,108				350,864
647	Lubbock Reese Redev.Auth.	224,472	13,934	20,203				258,609
639	Lumberton MUD	227,068	45,489	20,436				292,992
252	Lynn County	915,377	68,918	82,384	84	7,250	25,409	1,034,103
497	Lynn Co.AD	59,170	3,954	5,325			2,178	66,271
442	Lynn Co. HD	2,849,022	120,012	256,412	7,337	141,808	100,231	2,990,745
630	Macedonia-Eylau MUD — Bowie Co.	243,025	19,857	21,872				284,754
500	Mackenzie MWA — Briscoe Co.	599,181	11,661	53,926	3,890	64,515	7,838	
	Late-reporting penalty	(502)						
256	Madison County	939,218	99,097	84,530	588	10,717	48,296	595,804
596	Madison Co.AD	99,917	6,737	8,993				1,064,419
257	Marion County	2,646,790	104,193	238,211	1,805	56,588	81,699	2,852,711
675	Marion Co.AD	40,073	11,756	3,607				55,435
658	Marshall-Harrison Co. Health Dist.	74,466	1,585	6,702			756	81,997

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, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances		
258	Martin County	2,373,648	145,880	213,628	2,610	59,959	87,546	2,588,262	
595	Martin Co. AD	64,020	3,307	5,762			1,100	71,989	
259	Mason County	831,630	52,442	74,847	846	18,979	9,079	931,707	
260	Matagorda County	9,328,295	740,738	839,547	4,477	213,361	314,489	10,385,206	
678	Matagorda Co. DD	82,110	22,606	7,390	188	7,708	379	104,208	
440	Matagorda Co. HD	12,479,068	260,856	1,123,116	6,378	252,752	329,540	13,287,125	
677	Matagorda Co. ND #1	48,504	23,742	4,365			1,468	75,143	
261	Maverick County	6,018,694	445,976	541,682	5,225	174,821	139,523	6,697,235	
729	Maverick Co. HD		7,029					7,029	
453	Maverick Co. WCID #1	890,905	40,613	80,181	982	124,512	22,163	866,005	
452	McCamey CHD — Upton Co.	1,625,116	10,482	146,260			10,682	1,771,175	
253	McCulloch County	1,430,625	62,718	128,756			47,976	1,574,123	
512	McCulloch Co. AD	281,364	5,875	25,323				312,562	
254	McLennan County	50,448,792	4,036,659	4,540,391	37,313	1,361,176	2,194,889	55,507,091	
725	McLennan Co. 911 EAD		14,438					14,438	
491	McLennan Co. AD	3,001,712	186,089	270,154	472	179,962	128,897	3,249,567	
	Lump-sum contribution		100,000					14,145	
679	McLennan Co. WCID #2	10,191	3,036	917				820,110	
255	McMullen County	805,849	57,356	72,526	747	96,149	20,220	35,724	
701	Meadowlakes MUD	21,328	12,477	1,920					
599	Medical Arts Hosp. — Dawson Co.	2,415,328	6,813	217,379	2,908	138,482	68,741	2,434,702	
	Late-reporting penalty		(503)					4,939,968	
262	Medina County	4,431,714	300,927	398,854	172	74,308	117,392	15,104	
705	Medina Co. 911 Dist.	7,498	6,931	675				545,030	
535	Medina Co. AD	498,257	27,877	44,843	1,041	23,356	3,632	7,938,961	
419	Memorial Med. Center — Calhoun Co.	7,306,154	263,931	657,554	6,678	183,262	112,093	792,941	
263	Menard County	701,405	51,883	63,126			23,473	2,677,700	
669	Middle Rio Grande Dev. Council	2,096,109	396,576	188,650	94	1,990	1,738	3,525,414	
492	Midland CAD	3,189,715	79,167	287,074			30,543	30,156,390	
264	Midland County	27,887,314	1,607,764	2,509,858	23,448	851,098	1,020,897	225,560	
570	Midland ECD	197,476	10,311	17,773				4,995,567	
265	Milam County	4,821,360	353,647	433,922	8,502	478,819	143,045	1,151,354	
266	Mills County	1,002,891	88,346	90,260			30,143	81,290	
617	Mills Co. AD	70,817	4,100	6,374			198	2,250,369	
267	Mitchell County	1,994,315	146,096	179,488			69,333	161,624	
484	Mitchell Co. AD	144,447	8,111	13,000			3,934	138,426	
268	Montague County	3,322,489	299,394	299,024	1,955	191,333	138,426	3,593,104	
504	Montague Co. Tax AD	488,946	17,940	44,005			8,896	541,995	

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, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances		
605	Montgomery CAD Lump-sum contribution	3,060,324	436,884 60,000	275,429	975	116,031	69,500	3,648,081 86,037,032	
269	Montgomery County	77,141,490	5,411,722	6,942,734	35,660	1,425,786	2,068,789	86,037,032	
667	Montgomery Co.ECD	254,046	74,401	22,864			12,818	338,493	
651	Montgomery Co.ESD #1	131,816	19,622	11,863				163,301	
696	Montgomery Co.ESD #3	18,971	18,771	1,707				39,450	
270	Moore County	5,267,179	434,429	474,046	4,934	149,031	257,344	5,774,214	
412	Moore Co. HD	7,774,680	282,783	699,721	5,847	114,065	92,084	8,556,882	
271	Morris County	3,217,541	197,742	289,579	4,518	105,995	149,913	3,453,471	
273	Nacogdoches County	9,947,439	628,803	895,269	29,236	760,834	238,860	10,501,053	
515	Navarro CAD	679,039	30,517	61,114	3,235	74,395	14,052	685,458	
274	Navarro County	11,540,320	735,336	1,038,629	8,157	526,469	206,201	12,589,772	
572	Newton CAD	488,560	28,634	43,970			1,696	559,469	
275	Newton County	1,954,631	134,028	175,917			83,801	2,180,776	
510	Newton Co. Mem. Hosp.	46,061		4,146			6,470	43,737	
276	Nolan County	3,529,805	231,393	317,682	4,505	178,817	149,788	3,754,782	
556	North Central Texas MWA	384,878	25,881	34,639			9,333	436,066	
415	North Plains HD	1,260,493		113,444			76,886	1,297,052	
646	North Texas Tollway Auth.	9,430,767	1,999,030	848,769	2,290	142,656	40,918	12,097,282	
562	Northeast Texas MWD	389,225	43,305	35,030			20,140	447,420	
632	Northeast Texas Public Health Dist.	2,181,387	201,014	196,325	2,332	77,308	12,435	2,491,316	
277	Nueces County	85,744,999	3,278,227	7,717,050	65,360	2,545,291	2,754,302	91,506,043	
683	Nueces Co.AD	603,280	219,665	54,295	315	8,017	645	868,894	
400	Nueces Co.DD #2	337,640	11,649	30,388			7,213	372,463	
416	Nueces Co.WCID #3	1,059,196	57,869	95,328	3,690	181,033	19,713	1,015,336	
450	Nueces Co.WCID #4	1,351,595	38,644	121,644			14,109	1,497,773	
538	Nueces River Auth. — Uvalde Co.	330,784	8,641	29,771			829	368,367	
278	Ochiltree County	2,912,811	183,547	262,153	2,289	56,966	114,730	3,189,103	
279	Oldham County	1,534,117	61,101	138,071	4,403	74,744	67,266	1,595,682	
517	Oldham Co.AD	179,361	6,455	16,142			201,959		
280	Orange County	23,422,373	1,476,281	2,108,014	15,372	673,634	867,366	25,481,040	
490	Orange Co.AD	1,539,635	31,524	138,567	6,022	244,149	41,526	1,430,072	
421	Orange Co.DD	2,714,197	232,410	244,278	863	30,444	83,657	3,077,647	
665	Orange Co.ESD #1	32,462	7,944	2,922				43,328	
660	Orange Co.Nav. & Port Dist.	107,407	24,278	9,667			1,824	139,528	
631	Orange Co.WCID #1	546,969	50,550	49,227			4,453	642,293	
730	Palo Duro River Auth.		1,959					1,959	
723	Palo Pinto AD		16,368					16,368	

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, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances		
281	Palo Pinto County	5,024,670	371,487	452,220	13,149	494,615	173,899	5,193,013	
282	Panola County	5,425,982	956,470	488,338	1,656	157,770	362,073	6,852,605	
283	Lump-sum contribution		500,000					15,611,490	
717	Parker County	13,936,786	1,011,231	1,254,311	9,707	318,074	282,470	74,760	
284	Parker Co.AD		74,760					1,526,546	
285	Parmer County	1,485,859	123,876	133,727	2,164	136,109	82,972	1,678,329	
285	Pecos County	15,189,083	775,186	1,367,017	3,637	122,873	533,722	287,033	
494	Pecos Co.AD	270,725	3,707	24,365			11,764	3,298,828	
673	Permian Reg. Med Ctr.	2,321,043	788,313	208,894	479	18,196	1,705	14,749	
707	Pineywoods GCD	8,737	5,226	786				135,023	
697	Polk CAD	80,578	47,192	7,252				13,272,883	
286	Polk County	12,263,633	539,620	1,103,727	13,956	332,976	315,078	18,835	
676	Port of Bay City Auth.	12,387	5,334	1,115				2,796,226	
449	Port of Beaumont ND	2,479,656	221,749	223,169	1,023	20,432	108,938	8,138,652	
620	Port of Corpus Christi Auth.	7,266,595	939,842	653,994	5,269	201,554	525,493	940,914	
622	Port of Port Arthur ND	858,047	53,240	77,224			47,596	2,373	
726	Post Oak Savannah GCD		2,373					34,953,485	
287	Potter County	32,768,365	1,963,368	2,949,153	33,966	1,830,885	930,482	1,421,103	
489	Potter Co.AD	1,605,640		144,508	5,912	269,429	72,533	303,435	
560	Transfer from Randall Co.AD #564		7,005					44,043	
626	Potter-Randall Co. ECD	246,280	34,990	22,165				1,859,753	
288	Presidio AD	38,576	1,995	3,472				1,557,559	
289	Presidio County	1,646,933	82,208	148,224				289,773	
537	Rains County	1,439,735	95,651	129,576	347	77,094	30,656	19,341,775	
290	Rains Co.AD	256,752	12,100	23,108				3,902,947	
564	Randall Co.AD	17,251,406	1,215,021	1,552,627	3,668	309,344	371,603	1,364,837	
406	Randall County	3,560,116	205,019	320,410	6,203	131,566	50,231	2,566,619	
291	Transfer to Potter Co.AD #489		(7,005)					1,038,787	
445	Rankin CHD — Upton Co.	1,282,338	33,727	115,410	53	9,147	57,545	1,699,305	
292	Reagan County	2,283,630	182,619	205,527				69,748	
505	Reagan HD	943,378	81,467	84,904	1,894	43,339	29,516	1,963,076	
435	Real County	1,549,750	54,721	139,478				2,483,941	
293	Red Bluff WPCD — Reeves Co.	57,490	11,142	5,174				15,024,239	
294	Red River Auth. — Wichita Co.	1,780,448	61,636	160,240	1,868	33,897	39,248	4,390,930	
588	Red River County	2,260,416	108,730	203,437				2,651,129	
295	Reeves County	12,971,518	1,265,571	1,167,437	3,586	166,457	217,417	14,486	
543	Reeves Co. HD	3,936,354	193,645	354,272	1,792	80,647	14,486	67,601	
543	Refugio County	2,440,898	171,583	219,681				11,660	
543	Refugio Co. DD #1	115,449	7,484	10,390				121,663	

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, 2005	Additions			Deductions			Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances		
296	Roberts County	1,091,420	49,628	98,228	860	148,307	32,591	1,059,239	
480	Roberts Co.AD	165,555		14,900	3,815	85,559	973	97,738	
297	Robertson County	3,237,173	180,465	291,346	1,675	115,637	90,652	3,504,371	
698	Rockwall CAD	99,813	47,656	8,983				156,452	
298	Rockwall County	6,719,886	756,811	604,790	3,320	78,186	173,995	7,832,626	
299	Runnels County	1,947,244	124,104	175,252	898	78,125	44,694	2,124,679	
300	Rusk County	7,928,112	490,071	713,530	8,222	370,435	253,320	8,516,181	
612	Rusk Co.AD	131,065	28,074	11,796			2,579	168,356	
301	Sabine County	1,902,120	53,487	171,191	634	37,963	19,808	2,069,661	
568	Sabine Pass Port Auth.	138,372	9,809	12,453	210	36,223	3,085	121,536	
302	San Augustine County	1,696,917	47,102	152,723	6,441	217,275	22,550	1,663,358	
303	San Jacinto County	2,953,963	207,701	265,857	832	89,849	93,807	3,244,696	
553	San Jacinto Co. CAD	360,108	18,339	32,410			6,338	404,519	
304	San Patricio County	19,763,559	851,360	1,778,720	9,646	813,353	397,180	21,192,752	
495	San Patricio Co.AD	807,119	18,614	72,641	1,652	144,504	21,480		
	Late-reporting penalty		(8)					734,033	
426	San Patricio Co. DD	2,122,860	90,117	191,057			122,552	2,281,482	
422	San Patricio MWD	1,022,034	119,609	91,983			43,324	1,190,303	
305	San Saba County	1,382,944	63,525	124,465	706	41,024	24,610	1,506,007	
306	Schleicher County	1,795,346	78,352	161,581			36,400	1,998,879	
307	Scurry County	12,813,022	529,475	1,153,172	8,921	286,490	415,632	13,802,468	
308	Shackelford County	996,574	53,259	89,692	2,926	60,917	27,960	1,053,573	
470	Shackelford Co.AD	179,062	5,245	16,116			9,691	190,732	
309	Shelby County	2,751,696	216,118	247,653	4,914	328,536	136,569	2,755,276	
627	Shelby Co.AD	129,246	8,679	11,632	125	21,704	2,708	125,271	
523	Shelby Co. Gen. Hosp.	139,174		12,526			21,125	130,575	
310	Sherman County	2,028,432	173,477	182,559	9,873	301,360	67,417	2,025,565	
469	Sherman Co.AD	196,783	8,342	17,710			4,104	218,731	
311	Smith County	27,146,745	2,126,712	2,443,207	25,767	855,051	1,105,857	29,781,523	
555	Smith Co. 911 Comm. Dist.	529,983	65,556	47,698			499	642,739	
606	Smith Co.AD	2,486,370	193,202	223,773	277	47,767	17,115		
	Lump-sum contribution		25,000					2,863,739	
312	Somervell County	6,588,885	431,885	593,000			156,368	7,457,402	
507	Somervell Co. CAD	158,266	11,764	14,244			6,691		
	Late-reporting penalty		(1,024)					176,559	
699	Somervell Co. Water Dist.	11,872	9,157	1,068				22,097	
645	South Texas Dev. Council	543,582	59,178	48,922			10,391	641,292	
313	Starr County	5,741,832	691,295	516,765	6,037	187,383	304,107	6,464,439	
536	Starr Co.AD	627,212	32,115	56,449	551	7,717	10,480	698,130	

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, 2005	Additions			Deductions		Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances	
314	Stephens County	2,572,991	159,593	231,569			83,810	2,880,343
315	Sterling County	1,669,774	119,271	150,280	832	41,072	44,210	1,854,875
316	Stonewall County	973,196	32,645	87,588	1,149	67,157	30,311	997,110
724	Stonewall Co.AD		2,700					2,700
458	Stonewall Mem. HD	942,659	4,811	84,839			23,717	1,008,592
539	Stratford HD — Sherman Co.	558,462	17,999	50,262			3,779	622,943
317	Sutton County	3,162,365	136,646	284,613			69,555	3,514,069
573	Sutton Co. HD	863,329	24,148	77,700			6,883	958,294
318	Swisher County	1,557,826	87,171	140,204	374	51,920	88,221	1,645,435
460	Swisher Co.AD	290,785	10,873	26,171		310	15,137	312,381
534	Swisher Mem. HD	924,957	37,407	83,246	414	24,305	10,715	1,011,003
607	Tarrant AD	12,512,401	975,037	1,126,116	20,279	654,486	299,221	13,680,126
319	Tarrant County	261,255,007	18,291,104	23,512,951	294,733	10,921,841	8,082,364	284,349,591
545	Tarrant Co. 911 EAD	1,096,948	74,471	98,725	672	56,382	348	1,214,086
574	Tax AD of Cottle Co.	35,770	2,133	3,219			279	40,844
320	Taylor County	19,794,879	1,322,739	1,781,539	44,380	1,048,175	706,017	21,189,345
321	Terrill County	600,265	77,976	54,024	2,709	135,113	28,640	571,221
322	Terry County	2,284,504	206,569	205,605	6,885	192,575	97,792	2,413,196
402	Terry Mem. HD	6,878,931	88,679	619,104	1,971	45,482	188,296	7,354,906
437	Texas Assoc. of Counties	8,206,289	643,602	738,566	7,362	211,280	30,220	9,554,320
354	TCDRS	5,391,867	539,136	485,268	5,303	257,941	191,001	5,972,633
634	Texas Eastern 911 Net.	107,456	14,097	9,671				131,223
323	Throckmorton County	588,937	40,122	53,004	1	27	24,506	657,532
324	Titus County	7,001,123	276,207	630,101	2,825	68,426	140,091	7,701,739
501	Titus Co. Fresh WSD	492,963	25,152	44,367			7,842	554,639
325	Tom Green County	18,057,040	1,146,523	1,625,134	16,811	661,818	586,065	19,596,884
	Late-reporting penalty		(741)					
601	Travis CAD	5,256,366	298,156	473,073	1,255	56,316	67,170	5,905,364
326	Travis County	280,355,808	17,459,088	25,232,023	180,724	7,843,488	5,701,583	309,682,572
720	Travis Co. ESD #1		8,734					8,734
666	Travis Co. WCID — Point Venture	27,238	7,055	2,451			1,361	35,384
549	Travis Co. WCID #18	114,732		10,326			199	124,859
659	Tri-Co. SUD	47,728	6,864	4,296	330	7,548	114	51,555
633	Trinity Bay Cons. Dist.	1,072,794	101,838	96,551			29,325	1,241,859
327	Trinity County	1,663,000	129,933	149,670			71,897	1,870,707
328	Tyler County	4,359,229	216,318	392,331		119,736	120,949	4,727,193
471	Tyler Co.AD	724,175	21,421	65,176		64,919	4,106	741,746
561	United ID — Hidalgo Co.	760,946	55,183	68,485	270	12,227	16,870	855,787

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, 2005	Additions			Deductions		Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances	
329	Upshur County	8,086,637	495,888	727,797	9,467	317,520	252,082	8,750,188
330	Upton County	2,423,669	171,110	218,130	3,922	99,965	73,249	2,643,617
682	Upton Co.AD	40,334	13,504	3,630				57,468
331	Uvalde County	6,787,678	378,958	610,891	1,480	142,395	156,519	7,480,093
332	Val Verde County	9,689,507	543,942	872,056	14,284	430,497	208,533	10,480,758
663	Valley MUD #2 — Cameron Co.	69,332	10,966	6,240			425	86,112
586	Valwood Imp.Auth. — Dallas Co.	269,580	14,564	24,262				308,407
333	Van Zandt County	5,374,426	342,918	483,698	3,045	115,267	148,683	5,940,138
672	Van Zandt Co.AD	166,246	30,259	14,962	280	7,351	274	204,123
420	Velasco DD — Brazoria Co.	1,971,481	97,262	177,433			44,677	2,201,499
334	Victoria County	25,478,804	1,948,689	2,293,092	18,075	1,146,687	828,568	27,763,406
423	Victoria Co. DD #3	379,009	8,216	34,111			3,675	417,660
637	Victoria Co.WCID # 1	58,555	3,034	5,270				66,859
335	Walker County	10,172,330	858,612	915,510	4,496	232,288	380,233	11,338,427
336	Waller County	7,441,159	437,805	669,704	7,523	253,466	213,818	8,088,907
337	Ward County	5,796,816	428,735	521,713	3,718	136,592	278,759	6,335,632
565	Ward Co. CAD	237,266	4,330	21,354				262,950
444	Ward Mem. Hosp.	4,818,499	146,358	433,665	2,689	79,068	129,863	5,192,280
338	Washington County	5,665,402	542,947	509,886	11,050	379,544	176,944	6,172,797
339	Webb County	45,075,958	2,926,727	4,056,836	33,939	1,421,391	830,599	49,841,471
604	Webb Co. AD	961,220	65,501	86,510			10,462	1,102,769
443	West Central Texas COG	5,539,325	216,378	498,539	1,456	51,361	184,239	6,020,097
410	West Central Texas MWD	781,893	55,817	70,370			32,908	875,173
454	West Jefferson Co. MWD	607,833	36,399	54,705			17,088	681,849
688	West Nueces - Las Moras Soil & WCID #236	6,121	1,450	551				8,122
340	Wharton County	9,366,643	649,779	842,998	8,632	284,894	367,698	10,215,461
621	Wharton Co.WCID #1	36,260	1,676	3,263				41,200
341	Wheeler County	1,385,818	115,842	124,724			65,494	1,560,890
476	Wheeler Co.AD	249,606	10,914	22,465			3,929	279,055
427	White River MWD — Dickens Co.	496,072	21,945	44,646			15,657	547,006
342	Wichita County	17,971,678	1,231,752	1,617,451	12,816	616,833	445,179	19,771,685
446	Wichita Co.WID #2	743,098	56,410	66,879			37,073	829,314
559	Wichita-Wilbarger 911 Dist.	353,116	29,437	31,780			1,327	413,006
655	Wickson Creek SUD — Brazos Co.	194,587	26,521	17,513				238,622
343	Wilbarger County	3,720,017	259,914	334,802	22,132	471,957	156,492	3,708,416
715	Wilbarger Co.AD		6,981					6,981
530	Wilbarger Co. HD	3,899,694	212,477	350,972			83,499	4,379,643
344	Willacy County	3,577,353	129,481	321,962	3,815	136,025	117,816	3,778,768
575	Willacy Co.AD	227,650	16,207	20,488				264,345

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, 2005	Additions			Deductions		Balances Dec. 31, 2005
			Employer Contributions	Allocated Net Gain	Endowment Fund Transfers ¹	Transfers to CSARF ²	Retirement Allowances	
652	Willacy Co. Housing Auth.	38,346	4,635	3,451		11,798	327	34,307
345	Williamson County	49,881,814	5,250,670	4,489,363	18,584	649,775	848,036	58,142,620
608	Williamson Co. AD	2,881,841	399,810	259,366			70,953	3,470,064
346	Wilson County	3,474,377	277,338	312,694	6,834	293,774	115,921	3,661,548
479	Wilson Co. AD	604,383	25,757	54,394	2,062	62,082	12,922	611,594
347	Winkler County	6,535,578	373,402	588,202	2,460	63,418	310,413	7,125,812
533	Winkler Co. AD	86,501	7,699	7,785			2,513	99,473
348	Wise County	9,330,657	815,641	839,759	3,488	146,353	197,815	10,645,378
493	Wise Co. AD	722,126	23,035	64,991			5,933	804,219
349	Wood County	6,426,532	563,339	578,388	8,604	301,672	245,750	7,029,441
700	Wood Co. AD	71,927	38,140	6,473				116,541
350	Yoakum County	8,960,311	730,775	806,428	5,930	522,847	617,409	9,363,188
351	Young County	4,064,651	234,132	365,819	1,248	117,631	177,003	4,371,216
352	Zapata County	9,960,591	551,049	896,453	2,694	115,094	115,150	11,180,543
649	Zapata Co. AD	54,726	8,035	4,925				67,687
353	Zavala County	3,847,251	88,783	346,253			116,836	4,165,450
566	Zavala Co. AD	267,282	9,618	24,055			5,414	295,541
Totals		\$ 5,389,359,165	\$ 343,108,520	\$ 485,042,325	\$ 4,055,749	\$ 156,459,884	\$ 147,579,089	\$ 5,917,526,786

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

Due to rounding, totals and detail may not equal.

See accompanying independent auditor's report.

READER'S NOTES



❧ INVESTMENT SECTION ❧



DALLAM COUNTY COURTHOUSE, DALHART



(The Dallam County Courthouse was built around the 2-ton safe it purchased from Hall County in 1922.)

CLIFFWATER^{LLC}

April 2006

Board of Trustees
Texas County and District Retirement System
P.O. Box 2034
Austin, Texas 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 (hereinafter referred to as "TCDRS"). Retained in 2005, Cliffwater LLC provides on-going investment consulting services to the Board and its staff, including investment policy development and review, asset allocation analysis, asset class structure analysis, investment manager searches and investment performance monitoring and evaluation. In calculating investment performance, TCDRS uses a time-weighted rate of return methodology based upon market values.

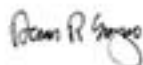
Given monetary tightening, continuing troubles in the Middle East, hurricanes and a run-up in oil prices, the US economy fared relatively well in 2005. While following the heels of double digit returns in 2003 (31.6%) and 2004 (12.5%), the stock market measured by the broad based Wilshire 5000 Index returned a modest 6.4% in 2005. As the US dollar rose against foreign currencies, the non-US developed markets returned 13.5% measured by the MSCI EAFE and the MSCI Emerging Markets Index skyrocketed for a total return of 34.5% in 2005. The threat of inflation and Fed action muted the US Lehman Aggregate Bond Index total return to 2.4% for the year. The decline in rates on the long end of the yield curve benefited TCDRS' managers measured against the Citigroup Large Pension Fund Credit Index. This index returned 3.2% for the year. Lower quality high yield bonds measured against the Merrill Lynch High Yield Master II Index returned 2.9% in 2005 for TCDRS. The Real Estate Investment Trust (REIT) market had another good year with a 13.8% return.

At year end, the \$13.4 billion investment fund had a total return of 7.34% before fees. This one-year return ranked in the 77th (1st is highest) percentile of an industry recognized universe of large public funds. Funds with a high allocation to alternative investments performed best over this period. Over the longer five year period, the total fund return is 8.72% and ranks in the 2nd percentile of the same Russell Mellon universe.

At the asset class level, TCDRS' passively-managed US equities portfolio comprised 34.3% of the total fund at year end and returned an expected market-like performance of 6.4% before fees for the year. International equities returned 13.6% before fees for the year. Emerging markets was the best performing asset class of the year with a return of 33.9%. The actively managed REIT asset class produced the second highest asset class returns for the year of 16.8% before fees. The high quality core fixed income portfolio returned 4.2% before fees for the year. The high yield fixed income asset class returned 3.2% for the year. With the exception of the 33.9% returned by the emerging markets asset class, all other asset classes exceeded the target benchmark before fees.

Last year, it was reported that the Board was reviewing the merits and risks of alternative investment opportunities. After considerable study, the Board approved 5% allocations to both private equity and absolute return strategies in 2005. The Board also approved an allocation up to 2% in distressed debt strategies within high yield asset class on an opportunistic basis. Over this coming year, the Board, staff and consultant will be conducting due diligence and building an alternative investment program with the objective of increasing the opportunity for additional investment returns under a disciplined implementation strategy.

Respectfully submitted,



Dennis R. Sugino, President



Kathleen K. Barchick, Managing Director

A: THE TCDRS ACT AND INVESTMENT POLICY

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 investment authority and emphasizes the importance of a long-term investment philosophy with minimization of risk.

B: INVESTMENT PHILOSOPHY AND STRATEGY

The TCDRS Board of Trustees has established a target investment return of 8% and has diversified its portfolio to include:

- fixed-income securities (core fixed income)
- domestic equities
- international equities
- high-yield debt
- real estate investment trust equity securities (REITs)
- absolute return funds (hedge funds)
- private equity investments

(For more information on these types of securities, please see the Glossary on page 90.)

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 2006 are shown in Table 1, which also includes the long-term expected return, risk (standard deviation) and expected cash yield for each asset class.

C: ASSET ALLOCATION

The board has established asset allocation targets for each asset class within the TCDRS portfolio. Table 2 shows the target for each class. The investment officer allocates funds to the asset classes based upon these targets.

D: ASSET CLASSES, INVESTMENT STYLES AND INVESTMENT MANAGERS

TCDRS uses both active and passive styles of investment management. The passive style seeks to replicate the performance of an established index of assets by holding the same securities as the index. An active style seeks to exceed the performance of a benchmark by allowing the manager to actively trade securities that may deviate from the index.

Asset classes managed actively are core fixed-income, high-yield debt, REITs, emerging market equity, private equity and absolute return. Asset

TABLE 1: CAPITAL MARKET ASSUMPTIONS

Asset Category (Portfolio)	Expected Return	Standard Deviation	Expected Yield
Core Fixed Income	5.00%	6.0%	5.00%
Domestic Equities	7.85	17.0	1.80
International Equities — Developed	7.85	18.0	2.00
International Equities — Emerging	7.85	24.0	2.00
High-Yield Debt	6.50	10.0	6.50
REITs	7.30	16.0	4.60
Private Equity	10.85	25.0	0.00
Absolute Return	7.45	5.7	0.00
Short-Term Investment Fund ¹	3.00	1.0	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
	Target
Core Fixed Income	30%
Domestic Equities	25
International Equities — Developed	17
International Equities — Emerging	3
High-Yield Debt ¹	10
REITs	5
Private Equity	5
Absolute Return	5
Short-Term Investment Fund	0

¹ Target allocations for the high-yield asset class are sub-divided into an 8% allocation for high-yield bonds and 2% for distressed debt.

classes managed passively are domestic equity and developed international equity.

The investment manager responsible for an externally managed portfolio holds any cash that portfolio generates in interest-bearing instruments or accounts until it is reinvested. The TCDRS investment officer manages cash generated from the internally managed core fixed-income portfolio, along with new contributions until allocated to a portfolio.

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) and real estate mortgage investment conduits (REMICs). 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.

BlackRock Financial Management, Inc. (BlackRock); Loomis, Sayles & Company, L.P. (Loomis); and Prudential Investment Management, Inc. (Prudential) manage the remainder of the core fixed-income portfolio, which 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.

Equity Holdings

The system's domestic equities and its developed international equities are passively managed by State Street Global Advisors (SSgA) in commingled index funds. Acadian Asset Management, Inc. (Acadian) actively manages a commingled emerging markets equity fund. Capital Guardian Trust Company (Cap Guardian) maintained a separately managed account for an actively managed equity

portfolio of securities in developed international markets until their services were terminated in the first quarter of 2005.

High-Yield Debt

The board has divided the high-yield asset class into two portfolios. Management of the system's high-yield bonds is divided among three investment managers: Post Advisory Group (Post); Oaktree Capital Management, LLC (Oaktree); and Shenkman Capital Management, Inc. (Shenkman). During the first quarter of 2005, the services of W.R. Huff Asset Management Co, LLC were terminated and Post Advisory Group was hired to manage the remaining assets. The second portion of the high-yield allocation is invested in limited partnerships that invest in distressed debt securities. As of Dec. 31, 2005, \$50 million of capital for distressed debt investments had been committed, of which \$20 million had been funded. Funding of the entire 2% allocation to distressed debt investments may take 3 to 5 years dependent on the availability of market opportunities.

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).

Private Equity

In December 2005, the TCDRS Board of Trustees revised the asset allocation plan to include a 5% allocation to private equity investments. As of Dec. 31, 2005, TCDRS had not funded or committed capital to private equity investments.

Absolute Return

During December 2005, the board also made a 5% allocation to absolute return investments (hedge funds). The vehicles for absolute return investments are typically separate accounts and/or a variety of commingled vehicles, such as limited partnerships, limited liability companies or offshore corporations. The system's absolute return portfolio is currently invested in six absolute return partnerships. As of Dec. 31, 2005, \$340 million of capital for the absolute return portfolio had been committed, of which \$210 million had been funded.

In January 2006, the remaining \$130 million of capital committed in December 2005 was funded.

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.

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. 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 3 relates the associated benchmark portfolio with each asset class contained within the TCDRS investment portfolio.

When multiple asset classes are utilized by a particular investor, like TCDRS, a benchmark portfolio containing asset class benchmarks is selected for measurement of the performance of the entire portfolio.

Performance Results

As shown in Table 4 on page 85, the TCDRS portfolio has outperformed the Policy Benchmark Portfolio over the investment horizons of one, three, five and ten years.

For 2005, the return for each asset class, with the exception of the emerging international equity portfolio, met or exceeded that of its benchmark. For each period, the performance of the REIT portfolio contributed to the positive performance when compared to its benchmark. The REIT portfolio returned 300 basis points more than the benchmark in 2005 due to manager stock selection and sector allocation decisions.

TABLE 3: BENCHMARK PORTFOLIOS FOR PERFORMANCE MEASUREMENT

Asset Category	Benchmark Portfolio
Core Fixed Income	Core Fixed Income Index Citigroup Large Pension Fund (Jan. 2004 through Dec. 2005) Lehman Brothers Aggregate Index (Jan. 1983 through Dec. 2003)
Domestic Equities	Domestic Equity Index Dow Jones Wilshire 5000 Index ¹ (Jan. 2000 through Dec. 2005) S&P 500 Index (Jan. 1997 through Dec. 1999)
International Equities	Developed International Equity Index MSCI EAFE + Canada (Oct. 2005 through Dec. 2005) MSCI EAFE Index (Jan. 2000 through Sept. 2005) Emerging International Equity Index MSCI EM (Emerging Markets) (Oct. 2004 through Dec. 2005)
High-Yield Debt	High-Yield Bond Index Merrill Lynch High Yield Master II Constrained Index (Oct. 2005 through Dec. 2005) Merrill Lynch High Yield Master II Index (Jan. 2003 through Sept. 2005) 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. 2005) Wilshire REIT Index (Oct. 1998 through June 2002)
Private Equity	Dow Jones Wilshire 5000 + 300 bps ³
Absolute Return	LIBOR ⁴ + 400 bps

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."

³ One hundred basis points (bps) equal 1%.

⁴ London Interbank Offered Rate

With the exception of the three-year period, the core fixed-income portfolio returns have exceeded those of its benchmark. Performance of the international equity portfolios has also contributed positively with the developed international equity portfolio earning double-digit returns for the one- and three-year periods while the return of the emerging equity portfolio exceeded 33% in 2005.

F: LISTS OF LARGEST HOLDINGS

Externally Managed Holdings

TCDRS retains external investment managers to administer 17 portfolios. Table 5 on page 86 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, 2005, TCDRS owned a 60% undivided interest in this fund and the fund, in turn, owned equity shares in

more than 4,100 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 6 on page 86 displays our exposure to the 10 largest equity holdings in that fund.

Core Fixed-Income Holdings

Table 7 on page 87 presents the top 10 fixed-income securities owned by TCDRS. The 10 largest fixed-income securities are contained within the internally managed core fixed-income portfolio. At Dec. 31, 2005, that portfolio contained 59 securities with an aggregate fair value of \$2,862,765,774. A complete listing of all securities TCDRS owned at Dec. 31, 2005, 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. Securities lending transactions consist of loans of

TABLE 4: RESULTS FROM INVESTING ACTIVITIES¹

Periods Ended Dec. 31, 2005

TCDRS Portfolio/Benchmark Portfolio	2005 Return	Annualized Returns		
		3 Year	5 Year	10 Year
Total Fund	7.3%	13.3%	8.7%	8.2%
Policy Benchmark Portfolio	7.2	13.0	7.8	7.2
Core Fixed Income	4.2	4.6	7.0	7.4
Core Fixed Income Index Portfolio	3.8	4.8	6.6	6.5
Domestic Equities	6.4	16.4	2.0	—
Domestic Equity Index Benchmark Portfolio	6.4	16.4	2.1	9.8
International Equities — Developed	13.6	23.5	4.5	—
Developed Intl Eq Index Benchmark Portfolio	13.4	23.6	4.5	5.8
International Equities — Emerging	33.9	—	—	—
Emerging Intl Eq Index Benchmark Portfolio	34.5	38.4	19.4	7.0
High-Yield Bonds	3.2	10.4	8.8	—
High Yield Bond Index Benchmark Portfolio ²	2.9	13.5	9.9	—
REITs	16.8	32.4	21.2	—
REIT Index Benchmark Portfolio	13.8	28.1	19.5	15.5
Absolute Return	—	—	—	—

¹ Calculations of performance were prepared using time-weighted rates of return methodology based upon market values.

² Inception date of index within the Benchmark Portfolio is March 31, 1999; therefore, returns for periods exceeding 81 months are unavailable.

Source: Russell/Mellon Fund Analysis, Fourth Quarter 2005

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. The aggregate income and expenses attributable to this securities-lending activity and net lending income of \$3.9 million are shown in Table 8 on page 87.

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 8 is income of \$2.7 million representing TCDRS' share of the 2005 equity portfolios' securities-lending income.

TABLE 5: EXTERNALLY MANAGED HOLDINGS

At Dec. 31, 2005 (\$ Millions)

Fund/Asset Class Description	Total Value ¹
BlackRock Credit Portfolio	\$ 408.2
Loomis Credit Portfolio	392.4
Prudential Credit Portfolio	415.0
<i>Total Core Fixed Income — Credit Portfolio</i>	<i>1,215.6</i>
SSgA Dow Jones Wilshire 5000 Index Fund	4,606.2
<i>Total Domestic Equities</i>	<i>4,606.2</i>
SSgA MSCI EAFE Index Fund (Developed)	1,993.2
Acadian Emerging Markets	286.3
<i>Total International Equities</i>	<i>2,279.5</i>
Oaktree High-Yield Bond Fund	449.1
Post High-Yield Bond Fund	444.1
Shenkman High-Yield Bond Fund	333.5
OCM Distressed Debt	11.1
Wayzata Distressed Debt	8.7
<i>Total High-Yield Debt</i>	<i>1,246.5</i>
Cohen & Steers REIT Equity Fund	324.9
Wellington REIT Equity Fund	358.8
<i>Total REITs</i>	<i>683.7</i>
Credit	26.0
Distressed	33.0
Equity Long/Short	118.0
Event Driven	33.0
<i>Total Absolute Return</i>	<i>210.0</i>

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

H: FEES AND COMMISSIONS

Table 9 on page 87 presents the 2005 investment-manager fees TCDRS incurred, excluding securities-lending fees. The average fee expended for investment management of the entire portfolio (average fair value of \$12,763.9 million) was 10.7 basis points.

Table 10 on page 88 presents the total cost of investment-related fees (excluding securities-lending fees), which is just under \$14.4 million. Based upon an average market value of \$12.8 billion, this represents a cost of 11.26 basis points expended to manage and administer TCDRS' investment assets.

Table 11 on page 88 presents the brokerage commissions paid by the system's equity managers. The managers executed trades of 11.4 million shares through 73 brokers. The commissions earned by these brokers represent \$.04 per share traded.

I: ASSET GROWTH OF THE SYSTEM

As shown in Figure 1 on page 88, the fair value of TCDRS investment assets, including accrued interest and dividends, has increased by \$5.27 billion over the past five years (from \$8.142 billion at Dec. 31, 2000, to \$13.415 billion at Dec. 31, 2005). Figure 2, also on page 88, identifies the components of investment asset growth, the largest of which is investment return that accounts for 84% of the portfolio growth (\$4.43 billion). The remaining component (\$839 million) is employee deposits and employer contributions net of pension payments and refunds.

TABLE 6: LIST OF LARGEST EQUITY HOLDINGS¹

At Dec. 31, 2005 (\$ Millions)

Percent of Fund Represented	Company	Prorated Market Value
2.5%	General Electric Company	\$113.8
2.3	Exxon Mobil Corporation	107.4
1.6	Citigroup Incorporated	75.5
1.6	Microsoft Corporation	73.6
1.3	Procter & Gamble Co.	59.6
1.2	BankAmerica Corp.	56.4
1.2	Johnson & Johnson	54.9
1.2	American International Group	54.4
1.1	Pfizer Incorporated	52.8
1.0	Altria Group Incorporated	47.8

¹ TCDRS owns a 60% undivided interest in a Dow Jones Wilshire 5000 Index fund, which in turn owns equity shares in more than 4,100 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 7: LIST OF LARGEST
FIXED-INCOME HOLDINGS**

At Dec. 31, 2005 (\$ Millions)

Description	Maturity	Interest Rate	Fair Value
U.S. Treasury Bond	02/15/2023	7.125%	\$ 336.4
U.S. Treasury Bond	08/15/2022	7.25	293.1
U.S. Treasury Bond	05/15/2016	7.25	276.3
U.S. Treasury Bond	11/15/2016	7.50	270.1
FNMA Benchmark Note	10/15/2013	4.625	82.1
VENDEE Series 93-2 ZB	06/15/2023	6.75	74.6
FNMA REMIC 2005-5 PA	01/25/2035	5.00	71.9
TVA Bond	05/23/2012	6.79	70.5
U.S. Treasury Bond	02/15/2016	9.25	69.3
FHLMC 2882 JH	10/15/2034	4.50	64.1

TABLE 8: SECURITIES-LENDING ACTIVITY

Year Ended Dec. 31, 2005

Elements of Securities-Lending Activity	Amount
Core Fixed Income	
Gross Earnings	\$ 73,803,531
Rebates Paid to Lenders and Lending Agent's Share of Income	69,910,100
Net Securities-Lending Income (Core Fixed Income)	3,893,431
Equity Portfolios	
Net Securities-Lending Income (Equity Portfolios)	2,677,381
Net Securities-Lending Income	\$ 6,570,812

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, 2005, Table 12 on page 89 reflects TCDRS diversification efforts with 34.3% invested in domestic equities, 17% invested in international equities, 9.3% invested in high-yield debt and 5.1% invested in REITs.

Core fixed income represented 30.6% of the entire portfolio with slightly less than one third (9.1% 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 25 in the Financial Section of this CAFR.

TABLE 9: INVESTMENT MANAGERS' FEES

Year Ended Dec. 31, 2005

Asset Class	Average of Fair Value (\$ Millions)	Fees	Cost Rate (in bps) ¹
Internally Managed Core Fixed Income Plus Short-Term Investment Fund ²	\$ 2,940.1	\$ 1,416,728	4.82
Core Fixed Income — Credit Portfolio	1,330.4	2,314,499	17.40
Total Core Fixed Income	4,270.5	3,731,227	8.74
Domestic Equities	4,446.3	271,517	0.61
International Equities	2,136.5	1,861,847	8.71
High-Yield Debt	1,210.7	5,126,896	42.35
REITs	657.9	2,669,934	40.58
Absolute Return	42.0	0	0
Totals/Average Cost Rate	\$ 12,763.9	\$ 13,661,421	10.70

¹ One hundred basis points (bps) equal 1%.² Fees represent the Investment department expenses shown in the Financial Section.

TABLE 10: INVESTMENT-RELATED FEES

Year Ended Dec. 31, 2005

	Fees
Investment Managers' Fees (Table 9)	\$ 13,661,421
Custodian	477,225
Investment Consultants	238,024
Total Investment-Related Fees	\$ 14,376,670

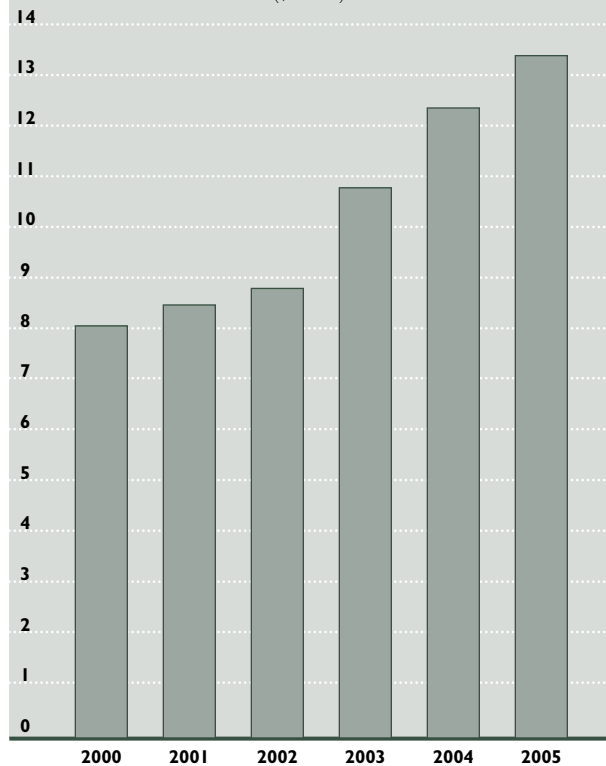
TABLE 11: BROKER COMMISSIONS PAID BY EQUITY MANAGERS

Year Ended Dec. 31, 2005

Brokerage Firm	Shares Traded (Thousands)	Commissions	
		(\$1,000s)	per Share
Lehman Bros.	1,418	\$ 61	\$ 0.04
UBS Securities	1,146	46	0.04
Goldman Sachs & Co.	721	28	0.04
Merrill Lynch	705	26	0.04
Legg Mason Wood	603	28	0.05
Jefferies & Company	532	23	0.04
Morgan Stanley & Co., Inc.	529	12	0.02
Credit Suisse First Boston	475	12	0.02
Wedbush Morgan Securities, Inc.	405	16	0.04
Banc of America Securities	398	18	0.05
Citigroup Global Markets	367	18	0.05
Summary of 62 other firms	4,117	151	0.04
Totals	11,416	\$ 439	\$ 0.04

FIGURE 1: GROWTH IN SYSTEM ASSETS

(\$ Billions)

**FIGURE 2: SOURCES OF ASSET GROWTH**

(\$ Millions)

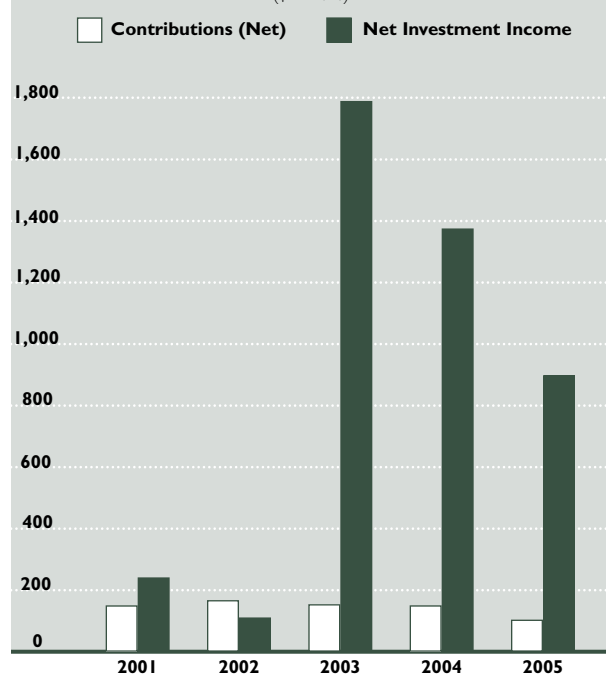


TABLE 12: INVESTMENTS BY ASSET SUBCLASS

At Dec. 31, 2005

Type of Investment	Fair Value	Interest, Dividends and Other Receivables	Total Value	% of Total Value
Core Fixed Income				
U.S. Government	\$ 1,628,568,328	\$ 25,099,302	\$ 1,653,667,630	12.3%
Mortgage-Related	1,234,197,446	5,799,837	1,239,997,283	9.2
Credit Portfolio	1,199,955,595	15,613,741	1,215,569,336	9.1
Total Core Fixed Income	4,062,721,369	46,512,880	4,109,234,249	30.6
Domestic Equities	4,606,208,616	0	4,606,208,616	34.3
International Equities	2,279,519,132	0	2,279,519,132	17.0
High-Yield Debt	1,224,288,044	22,172,122	1,246,460,166	9.3
REITs	680,212,877	3,540,862	683,753,739	5.1
Absolute Return	210,000,000	0	210,000,000	1.6
Short-Term Investment Fund	279,209,848	1,497,298	280,707,146	2.1
Total Investments Shown on Statement of Net Plan Assets	\$ 13,342,159,886	\$ 73,723,162	\$ 13,415,883,048	100.0%

GLOSSARY OF INVESTMENT TERMS

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

ABSOLUTE RETURN INVESTMENTS

Absolute return investments consist of a diversified basket of investments, typically organized as a private investment limited partnership or offshore corporation, that invests in a variety of equity and fixed income securities and employs various strategies and methods for creating positions for profit while managing risk.

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 port-

folios 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.

DISTRESSED DEBT

Distressed debt investments are investments in partnerships that purchase the debt of companies experiencing financial distress ranging from deteriorating financial conditions to bankruptcy. Strategies employed include trading, participating in restructuring transactions and controlling bankruptcy proceedings.

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 (RESI)

This index, developed by Wilshire Associates, measures the performance of publicly traded real estate equity securities.

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.

MERRILL LYNCH HIGH YIELD MASTER II INDEX

This index is designed to measure performance of below-investment-grade U.S. dollar-denominated corporate bonds with at least one year remaining to maturity, a fixed coupon schedule and a minimum amount outstanding of \$100 million (USD).

MERRILL LYNCH HIGH YIELD MASTER II CONSTRAINED INDEX

This index replicates the characteristics of the Merrill Lynch High Yield Master II Index except that it caps the market capitalization of any single issuer at 2% of the total.

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 United States and Canada.

MSCI EAFE INDEX + CANADA

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

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.

DOW JONES WILSHIRE REAL ESTATE INVESTMENT TRUST INDEX (REIT)

This subset of the Dow Jones Wilshire RESI measures the performance of U.S. publicly traded REITs.

NOTES



☪ ACTUARIAL SECTION ☪



DONLEY COUNTY COURTHOUSE, CLARENDON





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May 2, 2006

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, 2005. This valuation was performed using actuarial assumptions that were adopted by the Board in December 2005. These assumptions were developed by Milliman and reported to the Board in the 2005 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 benefits in effect on January 1, 2006. 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 575 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. Please refer to the December 31, 2005 Summary Actuarial Valuation Report for further disclosures.

Sincerely,

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

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

OFFICES IN PRINCIPAL CITIES WORLDWIDE

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 2001-2004. They were recommended by Milliman, Inc., adopted by the TCDRS Board of Trustees in 2005 and first used in the Dec. 31, 2005 actuarial valuation. For an explanation of terms used in this section refer to the glossary of actuarial terms beginning on page 167.

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 2001-2004 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 who had at least one credited month of service on Dec. 31, 1999, and have less than four years of service at termination, 100% are assumed to elect a withdrawal. For members who did not have at least one credited month of service on Dec. 31, 1999, and who do not meet the vesting requirement for retirement at age 60 at termination, 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

TABLE 1: SELECT TERMINATION RATES

Entry Age	Service	Male			Female		
		Low	Mid	High	Low	Mid	High
20 to 29	0	.265	.331	.397	.287	.359	.431
	3	.106	.133	.159	.115	.144	.172
	6	.062	.077	.093	.067	.084	.101
	9	.044	.055	.066	.048	.060	.072
	12	.032	.040	.048	.034	.043	.052
15	.021	.027	.032	.023	.029	.034	
30 to 39	0	.219	.274	.328	.237	.296	.356
	3	.088	.109	.131	.095	.119	.142
	6	.051	.064	.077	.055	.069	.083
	9	.037	.046	.055	.040	.049	.059
	12	.026	.033	.039	.029	.036	.043
15	.018	.022	.026	.019	.024	.029	
40 to 49	0	.196	.245	.294	.212	.265	.318
	3	.078	.098	.118	.085	.106	.127
	6	.046	.057	.069	.050	.062	.074
	9	.033	.041	.049	.035	.044	.053
	12	.024	.029	.035	.026	.032	.038
15	.016	.020	.024	.017	.021	.026	

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

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS

TABLE 3: ACTIVE EMPLOYEE MORTALITY RATES

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 Occupational	Male and Female All Other Causes
35	.00002	.00047
40	.00008	.00111
45	.00016	.00180
50	.00024	.00325
55	.00038	.00577
60	.00066	.00000

TABLE 5: SERVICE RETIREMENT RATES

Age	Male	Female
40-44	.05	.05
45-49	.10	.10
50-61	.14	.16
62	.32	.32
63	.18	.18
64	.18	.18
65	.35	.35
66-74	.25	.25
Over 74	1.00	1.00

which active members are assumed to die are shown in Table 3.

Disability Rates

Members who become disabled are eligible to commence benefit payments regardless of age. Disability rates are shown in Table 4. Before a member is vested, only the occupational disability probabilities are applicable. For members who are vested but not eligible for service retirement, the probability of disablement is the sum of the occupational rate and the all other causes rate. Rates are assumed to be zero after the member has attained eligibility for service retirement.

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. 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 no age adjustment 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. These rates are also used for terminated members who have not elected a refund of their account. For disabled retirees, the RP2000 Disabled Male Table with an age set forward of two years for males, and the RP2000 Disabled Female Table with an age set forward of two years for females 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%

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS

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 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% and a merit, promotion and longevity component ranging from 0.25% to 5.25%. The average annual increase over a member's career is 5.3%. Refer to Table 6 for sample salary increase rates. Note that the wage inflation of 4% 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%, or such smaller percentage as is considered appropriate for each individual county or district (employer), is assumed. The adjustment is based primarily on the size of the employer and prior experience. This assumption is for the aggregate covered payroll of an employer. The assumed percentage does not reflect an increase in the number of employees.

TABLE 6: ANNUAL RATE OF SALARY INCREASE

Years of Service	Entry Age Group			
	< 30	30-39	40-49	≥ 50
1	8.7%	8.2%	7.6%	7.1%
3	7.6	7.1	6.6	6.1
5	6.8	6.2	5.7	5.2
10	5.9	5.4	4.9	4.4
15	5.4	4.9	4.4	4.3
20	4.9	4.4	4.3	4.3
25	4.6	4.3	4.3	4.3

Cost-of-Living Adjustment

An annual increase of 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.

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. 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 fund value of the SAF and the expected value. If after the 10% adjustment, the actuarial value of assets is outside a corridor of between 70% and 130% of the fund value of the SAF, the actuarial value of assets is further adjusted by moving it halfway toward the closest boundary of the corridor. The expected value at 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 fund 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.

C: CHANGE IN ACTUARIAL METHODS

The method for determining the actuarial value of assets for the SAF changed from the 2004 valuation to the 2005 valuation. For the 2005 valuation, the corridor was added as described above; however, this had no impact on the 2005 valuation results, as no employer SAF accounts were outside the corridor.

SUMMARY ACTUARIAL DATA

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
12/31/00	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
12/31/05	2,522	671	1,851	30,347	6.5

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
12/31/00	\$ 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
12/31/05	42,468,195	4,386,868	38,081,326	402,216,571	10.46	13,254

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

SUMMARY ACTUARIAL DATA

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)				
12/31/00	\$ 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
12/31/05	3,280.1	3,797.4	5,794.7	11,767.5	100	100	80.9

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 2007 Required Employer Contribution Rate¹

Number of Depositing Members as of 12/31/2005	Year 2007 Required Employer Contribution Rate Based on the Plan of Benefits in Effect 1/1/2006						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	31	10	11	11	6	
6–15	23	12	12	14	12	27	100
16–30	14	3	4	11	4	15	51
31–50	11	7	5	16	8	21	68
51–85	5	10	4	10	10	27	66
86–150	7	5	9	12	9	19	61
151–250	9	2	10	6	15	13	55
251–500	1	2	1	6	12	11	33
Over 500	0	2	0	4	7	24	37
Total	101	53	56	90	83	174	557

¹ The valuation included 575 plans. This chart excludes 18 nondepositing plans.

SUMMARY ACTUARIAL DATA

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				
12/31/00	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
12/31/05	557	107,212	3,804,497,789	35,486	2.7	343,108,520	9.02

¹ Employer contributions include optional nonrecurring lump-sum contributions.

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	2005	2004
Age and Service Retirements	\$ 10.7	\$ 2.2
Death-in-Service Benefits	1.4	1.1
Other Termination	22.7	(5.5)
Pay Increases	14.7	5.3
Contribution Income	10.0	12.9
Investment Income	0.0	0.0
Death After Retirement	6.1	5.7
Other	4.6	(2.7)
Gain (Loss) From Financial Experience	70.2	19.0
Nonrecurring Items		
Plan Changes	(48.8)	(34.1)
Assumption Changes	(4.6)	0.0
Actuarial Cost Method Change	0.0	0.0
Legislative Changes — Reinstated Service for Prior Forfeitures	0.0	(68.3)
Adjustment to Reflect Audit Comments	0.0	50.2
Gain (Loss) From Nonrecurring Items	(53.4)	(52.2)
Composite Gain (Loss)	\$ 16.8	\$ (33.2)
Composite Gain (Loss) as a % of Actuarial Accrued Liabilities	0.1%	(0.3%)

SUMMARY OF PLAN PROVISIONS

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 TCDRS Act and bears complete responsibility for funding its plan. TCDRS 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 TCDRS.

B: MEMBERSHIP

Prior to 2006, an employee is generally required to become a TCDRS 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. Beginning in 2006, an employee is generally required to become a TCDRS member upon employment unless he or she is not a permanent employee.

C: TERMINATION OF MEMBERSHIP

TCDRS membership with a plan is terminated by death, retirement or withdrawal of account balance from the plan.

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 TCDRS 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

To be eligible for service retirement benefits, a member must be vested and at least 60 years old. A member is also eligible for retirement with 30 years of credited service (or 20 years if the provision was adopted by the employer). Based on the employer's election, an 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 who is vested and who is totally and permanently disabled is eligible for a disability retirement benefit. An employee who is not vested is 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, depending on the vesting provisions selected by the employer. A vested employee has the right to retire at age 60 even if no additional service is earned. An employee who withdraws his or her account balance forfeits vested rights for that account.

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 TCDRS, service credits with all employers can generally be combined to satisfy the various service requirements. Service credits with plans participating in the Texas Proportionate Retirement Program may usually be combined to satisfy retirement eligibility 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 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.

Each employer may elect the partial lump-sum option. 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).

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. A plan is considered adequately financed if the unfunded accrued actuarial liability is expected to be amortized within 30 years.

If a fixed-rate plan has had adverse actuarial experience and is inadequately financed, the employer may 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 required 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 were no systemwide changes in provisions for the 2005 valuation.

SUMMARY ACTUARIAL VALUATION RESULTS

SUMMARY ACTUARIAL VALUATION RESULTS		
	Dec. 31, 2005	Dec. 31, 2004
Valuation Results for Employer Plans		
1 Actuarial present value of future benefits		
Annuitants	\$ 1,331,224,657	\$ 1,188,704,219
Members	11,149,531,541	10,108,990,206
Total	12,480,756,198	11,297,694,425
2 Actuarial present value of future normal cost contributions	2,074,803,117	1,693,107,866
3 Actuarial accrued liability [1 - 2]	10,405,953,081	9,604,586,559
4 Actuarial value of assets		
Employees Saving Fund	3,280,060,790	3,034,567,161
Subdivision Accumulation Fund	5,917,526,786	5,389,359,165
Total	9,197,587,576	8,423,926,326
5 Total unfunded actuarial accrued liability (UAAL)	1,234,010,793	1,203,397,777
6 Total overfunded actuarial accrued liability (OAAL)	(25,645,288)	(22,737,544)
7 Unfunded actuarial accrued liability (UAAL), net of overfunded actuarial accrued liability (OAAL) [5 + 6]. Also equals [3 - 4].	1,208,365,505	1,180,660,233
Valuation Results for Pooled Benefits		
8 Actuarial present value of future benefits from the Current Service Annuity Reserve Fund for annuities in effect	2,466,127,011	2,220,488,322
9 Actuarial value of assets of the Current Service Annuity Reserve Fund	2,569,910,847	2,331,925,517
10 Overfunded actuarial accrued liability (OAAL) [8 - 9]	(103,783,836)	(111,437,195)
11 Systemwide UAAL net of OAAL [7 + 10]	\$ 1,104,581,669	\$ 1,069,223,038

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	638	615	721	100	691
Plan Name	Acton MUD	Alamo Area COG	Alamo Reg. Mob. Auth.	Anderson County	Anderson Co. CAD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 50,631	\$ 746,931	\$ 20,719	\$ 2,181,296	\$ 0
Members	754,830	9,561,274	97,002	15,024,553	353,456
Total	805,461	10,308,205	117,721	17,205,849	353,456
2 Actuarial present value of future normal cost contributions	243,616	3,066,047	84,310	2,516,971	136,962
3 Actuarial accrued liability [line 1 - line 2]	561,845	7,242,158	33,411	14,688,878	216,494
4 Actuarial value of assets	530,391	5,548,714	19,901	12,121,267	145,022
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 31,454	\$ 1,693,444	\$ 13,510	\$ 2,567,611	\$ 71,472
Required employer rates for 2007					
Normal cost	3.32%	6.02%	10.67%	5.46%	4.00%
UAAL or (OAAL)	0.41	2.39	1.62	2.77	1.61
Total required rate	3.73%	8.41%	12.29%	8.23%	5.61%
Elected rate	N/A	N/A	N/A	8.25%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	19.8	20.0
Number of annuitants	1	13	1	103	0
Number of members	47	324	1	330	13
Number of depositing members	23	220	1	232	13
Average age of depositing members	43.2	46.4	57.0	46.0	49.5
Average years of service of depositing members	5.6	6.6	0.8	8.8	13.0

Plan Number	101	102	502	684	576
Plan Name	Andrews County	Angelina County	Angelina Co. AD	Angelina/ Nacogdoches Co. WCID #1	Angleton DD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 8,441,231	\$ 3,850,170	\$ 325,120	\$ 0	\$ 33,116
Members	25,933,332	25,841,326	1,858,938	108,220	1,195,807
Total	34,374,563	29,691,496	2,184,058	108,220	1,228,923
2 Actuarial present value of future normal cost contributions	2,692,396	4,900,177	247,987	52,507	168,942
3 Actuarial accrued liability [line 1 - line 2]	31,682,167	24,791,319	1,936,071	55,713	1,059,981
4 Actuarial value of assets	26,877,208	21,328,571	2,062,815	45,386	955,307
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 4,804,959	\$ 3,462,748	(\$126,744)	\$ 10,327	\$ 104,674
Required employer rates for 2007					
Normal cost	7.11%	6.32%	7.55%	5.28%	4.95%
UAAL or (OAAL)	7.24	2.56	(1.88)	0.97	2.56
Total required rate	14.35%	8.88%	5.67%	6.25%	7.51%
Elected rate	N/A	N/A	7.00%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	0.0	20.0	20.0
Number of annuitants	163	122	6	0	6
Number of members	326	443	18	3	12
Number of depositing members	140	356	13	3	10
Average age of depositing members	46.1	43.8	48.2	49.4	46.5
Average years of service of depositing members	11.1	9.2	13.8	12.4	13.7

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	614	103	459	668	104
Plan Name	Aquilla WSD— Hill Co.	Aransas County	Aransas Co. AD	Aransas Co. ND #1	Archer County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 14,543	\$ 981,444	\$ 138,891	\$ 0	\$ 644,500
Members	431,356	9,552,284	1,131,511	331,287	3,422,951
Total	445,899	10,533,728	1,270,402	331,287	4,067,451
2 Actuarial present value of future normal cost contributions	60,733	1,897,895	161,205	158,720	482,450
3 Actuarial accrued liability [line 1 - line 2]	385,166	8,635,833	1,109,197	172,567	3,585,001
4 Actuarial value of assets	318,879	8,556,978	1,048,792	163,278	3,006,690
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 66,287	\$ 78,855	\$ 60,405	\$ 9,289	\$ 578,311
Required employer rates for 2007					
Normal cost	4.46%	6.19%	8.32%	6.70%	4.96%
UAAL or (OAAL)	3.22	0.17	2.12	0.39	3.58
Total required rate	7.68%	6.36%	10.44%	7.09%	8.54%
Elected rate	9.00%	N/A	12.42%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	10.1	20.0	6.4	20.0	20.0
Number of annuitants	2	44	2	0	36
Number of members	6	221	8	9	77
Number of depositing members	6	158	7	7	59
Average age of depositing members	50.4	45.3	46.2	45.7	47.7
Average years of service of depositing members	14.9	7.6	13.6	14.8	10.4

Plan Number	503	105	106	551	107
Plan Name	Archer Co. AD	Armstrong County	Atascosa County	Atascosa Co. AD	Austin County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 39,840	\$ 151,004	\$ 1,048,315	\$ 83,236	\$ 831,711
Members	424,500	929,181	15,285,731	785,170	13,558,533
Total	464,340	1,080,185	16,334,046	868,406	14,390,244
2 Actuarial present value of future normal cost contributions	62,634	238,378	2,351,376	144,479	1,589,447
3 Actuarial accrued liability [line 1 - line 2]	401,706	841,807	13,982,670	723,927	12,800,797
4 Actuarial value of assets	442,669	1,007,719	13,246,400	695,808	11,321,601
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	(\$40,963)	(\$165,912)	\$ 736,270	\$ 28,119	\$ 1,479,196
Required employer rates for 2007					
Normal cost	7.87%	5.90%	5.69%	7.10%	5.44%
UAAL or (OAAL)	(4.92)	(2.57)	0.98	1.11	2.74
Total required rate	2.95%	3.33%	6.67%	8.21%	8.18%
Elected rate	7.00%	N/A	7.00%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	30.0	12.7	20.0	20.0
Number of annuitants	2	11	63	3	61
Number of members	8	48	342	17	198
Number of depositing members	3	25	235	11	139
Average age of depositing members	36.7	46.2	43.6	50.9	46.4
Average years of service of depositing members	8.6	6.0	9.9	9.0	11.2

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	461	597	108	109	411
Plan Name	Austin Co. AD	Bacliff MUD	Bailey County	Bandera County	Bandera Co. WCID #1
Plan type	Variable	Fixed	Variable	Variable	Fixed
1 Actuarial present value of future benefits					
Annuitants	\$ 63,844	\$ 0	\$ 419,002	\$ 882,816	\$ 2,728
Members	1,304,775	695,312	2,440,016	7,695,317	0
Total	1,368,619	695,312	2,859,018	8,578,133	2,728
2 Actuarial present value of future normal cost contributions	279,288	88,636	336,124	1,886,240	0
3 Actuarial accrued liability [line 1 - line 2]	1,089,331	606,676	2,522,894	6,691,893	2,728
4 Actuarial value of assets	1,319,999	523,169	2,066,812	5,948,970	2,007
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (230,668)	\$ 83,507	\$ 456,082	\$ 742,923	\$ 721
Required employer rates for 2007					
Normal cost	8.44%	3.01%	3.69%	7.06%	0.00%
UAAL or (OAAL)	(3.81)	2.69	2.68	1.43	0.00
Total required rate	4.63%	5.70%	6.37%	8.49%	0.00%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	13.3	20.0	20.0	0.0
Number of annuitants	3	0	29	47	2
Number of members	19	10	91	214	0
Number of depositing members	13	9	64	165	0
Average age of depositing members	42.4	46.6	44.7	45.5	0.0
Average years of service of depositing members	6.2	17.3	6.6	7.1	0.0

Plan Number	110	111	685	613	690
Plan Name	Bastrop County	Baylor County	Baylor Co. AD	Bayview ID #11	Bayview MUD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 3,260,914	\$ 256,513	\$ 0	\$ 5,989	\$ 0
Members	30,606,149	2,333,868	70,554	202,637	39,778
Total	33,867,063	2,590,381	70,554	208,626	39,778
2 Actuarial present value of future normal cost contributions	7,099,486	326,886	26,125	29,724	18,579
3 Actuarial accrued liability [line 1 - line 2]	26,767,577	2,263,495	44,429	178,902	21,199
4 Actuarial value of assets	24,123,071	2,001,155	38,776	148,634	27,923
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 2,644,506	\$ 262,340	\$ 5,653	\$ 30,268	\$ (6,724)
Required employer rates for 2007					
Normal cost	7.79%	5.72%	5.64%	4.52%	3.04%
UAAL or (OAAL)	1.62	2.41	0.75	4.88	(0.86)
Total required rate	9.41%	8.13%	6.39%	9.40%	2.18%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	30.0
Number of annuitants	94	27	0	2	0
Number of members	544	47	3	7	4
Number of depositing members	376	38	3	4	2
Average age of depositing members	44.5	50.3	56.0	39.6	50.5
Average years of service of depositing members	8.5	10.8	9.5	7.9	11.2

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	112	113	506	418	708
Plan Name	Bee County	Bell County	Bell Co. AD	Bell Co. WCID #1	Benbrook Water and Sewer Auth.
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 792,303	\$ 14,054,285	\$ 546,993	\$ 778,282	\$ 1,380
Members	11,883,968	93,375,357	5,562,666	1,714,571	1,311,279
Total	12,676,271	107,429,642	6,109,659	2,492,853	1,312,659
2 Actuarial present value of future normal cost contributions	2,195,210	16,062,580	676,655	288,082	614,470
3 Actuarial accrued liability [line 1 - line 2]	10,481,061	91,367,062	5,433,004	2,204,771	698,189
4 Actuarial value of assets	9,957,584	77,601,750	4,995,465	1,786,762	460,031
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 523,477	\$ 13,765,312	\$ 437,539	\$ 418,009	\$ 238,158
Required employer rates for 2007					
Normal cost	6.06%	7.12%	5.44%	3.02%	4.59%
UAAL or (OAAL)	0.78	3.27	2.42	2.44	1.42
Total required rate	6.84%	10.39%	7.86%	5.46%	6.01%
Elected rate	N/A	N/A	N/A	9.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	5.6	20.0
Number of annuitants	44	264	20	18	1
Number of members	281	1,157	72	55	35
Number of depositing members	228	961	51	39	34
Average age of depositing members	46.1	44.7	44.5	44.7	45.8
Average years of service of depositing members	9.7	10.6	13.4	8.5	12.5

Plan Number	472	114	544	716	616
Plan Name	Bexar AD	Bexar County	Bexar Co. WCID #10	Bexar Metro 911 Net. Dist.	Bistone MWSD—Limestone Co.
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 2,338,643	\$ 66,798,105	\$ 66,183	\$ 0	\$ 34,049
Members	26,199,009	529,776,334	425,651	1,059,257	789,633
Total	28,537,652	596,574,439	491,834	1,059,257	823,682
2 Actuarial present value of future normal cost contributions	3,309,199	91,439,064	52,172	617,835	162,426
3 Actuarial accrued liability [line 1 - line 2]	25,228,453	505,135,375	439,662	441,422	661,256
4 Actuarial value of assets	23,798,936	439,658,564	376,567	181,192	578,087
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,429,517	\$ 65,476,811	\$ 63,095	\$ 260,230	\$ 83,169
Required employer rates for 2007					
Normal cost	6.89%	6.99%	3.37%	7.39%	6.94%
UAAL or (OAAL)	2.15	2.91	3.05	2.47	3.29
Total required rate	9.04%	9.90%	6.42%	9.86%	10.23%
Elected rate	10.00%	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	10.2	20.0	20.0	20.0	20.0
Number of annuitants	45	1,007	3	0	1
Number of members	241	6,030	7	14	6
Number of depositing members	149	4,693	6	14	6
Average age of depositing members	43.7	42.5	49.6	49.5	46.7
Average years of service of depositing members	14.1	11.2	13.6	10.5	15.1

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	115	116	525	117	521
Plan Name	Blanco County	Borden County	Borden Co. AD	Bosque County	Bosque Co. CAD
Plan type	Variable	Variable	Fixed	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 253,385	\$ 204,519	\$ 0	\$ 185,271	\$ 0
Members	3,121,670	1,489,452	18,106	3,148,592	809,124
Total	3,375,055	1,693,971	18,106	3,333,863	809,124
2 Actuarial present value of future normal cost contributions	503,045	179,031	11,366	521,642	93,478
3 Actuarial accrued liability [line 1 - line 2]	2,872,010	1,514,940	6,740	2,812,221	715,646
4 Actuarial value of assets	2,503,489	1,284,849	8,365	3,246,531	706,031
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 368,521	\$ 230,091	\$ (1,625)	\$ (434,310)	\$ 9,615
Required employer rates for 2007					
Normal cost	5.71%	4.86%	4.83%	3.26%	8.59%
UAAL or (OAAL)	2.06	3.94	2.17	(1.30)	0.27
Total required rate	7.77%	8.80%	7.00%	1.96%	8.86%
Elected rate	N/A	N/A	N/A	5.00%	11.00%
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	0.0	0.0	1.1
Number of annuitants	19	21	1	33	0
Number of members	69	25	2	144	10
Number of depositing members	51	23	1	95	8
Average age of depositing members	51.0	47.4	28.0	45.8	56.7
Average years of service of depositing members	10.9	11.7	1.4	7.0	11.9

Plan Number	118	119	508	413	424
Plan Name	Bowie County	Brazoria County	Brazoria Co. AD	Brazoria Co. CRD #3	Brazoria Co. DD #4
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 4,741,459	\$ 15,864,730	\$ 460,332	\$ 325,555	\$ 883,678
Members	26,022,613	127,515,767	4,097,733	4,124,888	4,464,091
Total	30,764,072	143,380,497	4,558,065	4,450,443	5,347,769
2 Actuarial present value of future normal cost contributions	3,614,052	23,079,534	708,152	655,726	1,488,953
3 Actuarial accrued liability [line 1 - line 2]	27,150,020	120,300,963	3,849,913	3,794,717	3,858,816
4 Actuarial value of assets	25,977,416	105,996,023	3,648,157	2,914,654	3,113,843
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,172,604	\$ 14,304,940	\$ 201,756	\$ 880,063	\$ 744,973
Required employer rates for 2007					
Normal cost	6.38%	7.11%	5.80%	8.05%	9.36%
UAAL or (OAAL)	1.06	2.47	1.28	7.28	3.29
Total required rate	7.44%	9.58%	7.08%	15.33%	12.65%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	20.0
Number of annuitants	104	390	13	14	16
Number of members	413	1,569	49	34	49
Number of depositing members	282	1,206	42	29	48
Average age of depositing members	46.4	45.3	45.9	43.5	42.0
Average years of service of depositing members	10.6	10.0	11.4	11.8	8.4

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	681	120	689	600	121
Plan Name	Brazoria Co. DD #5	Brazos County	Brazos Co. AD	Brazos Co. ECD	Brewster County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 11,872,425	\$ 12,144	\$ 87,688	\$ 441,338
Members	95,175	73,050,983	1,465,509	3,019,232	3,928,311
Total	95,175	84,923,408	1,477,653	3,106,920	4,369,649
2 Actuarial present value of future normal cost contributions	43,596	13,488,730	621,093	781,216	728,440
3 Actuarial accrued liability [line 1 - line 2]	51,579	71,434,678	856,560	2,325,704	3,641,209
4 Actuarial value of assets	44,769	58,722,885	613,202	2,252,402	3,077,507
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 6,810	\$ 12,711,793	\$ 243,358	\$ 73,302	\$ 563,702
Required employer rates for 2007					
Normal cost	3.08%	7.37%	8.83%	6.59%	5.93%
UAAL or (OAAL)	0.46	3.99	2.31	0.56	2.62
Total required rate	3.54%	11.36%	11.14%	7.15%	8.55%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	20.0
Number of annuitants	0	151	1	2	20
Number of members	6	959	26	50	111
Number of depositing members	5	702	25	32	67
Average age of depositing members	46.6	42.5	45.3	32.7	44.1
Average years of service of depositing members	6.4	9.2	14.7	8.0	8.8

Plan Number	581	122	123	522	554
Plan Name	Brewster Co. AD	Briscoe County	Brooks County	Brookshire MWD	Brookshire-Katy DD
Plan type	Variable	Variable	Variable	Variable	Fixed
1 Actuarial present value of future benefits					
Annuitants	\$ 16,803	\$ 73,186	\$ 1,704,232	\$ 106,487	\$ 7,770
Members	193,099	866,377	8,157,138	904,512	486,895
Total	209,902	939,563	9,861,370	1,010,999	494,665
2 Actuarial present value of future normal cost contributions	28,859	129,300	1,898,940	85,633	54,084
3 Actuarial accrued liability [line 1 - line 2]	181,043	810,263	7,962,430	925,366	440,581
4 Actuarial value of assets	183,426	766,650	9,156,979	886,251	422,340
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (2,383)	\$ 43,613	\$ (1,194,549)	\$ 39,115	\$ 18,241
Required employer rates for 2007					
Normal cost	3.80%	5.18%	8.63%	5.62%	3.53%
UAAL or (OAAL)	(0.64)	1.24	(2.43)	1.48	1.77
Total required rate	3.16%	6.42%	6.20%	7.10%	5.30%
Elected rate	7.00%	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	20.0	30.0	20.0	4.5
Number of annuitants	1	12	58	1	1
Number of members	7	37	154	13	6
Number of depositing members	3	22	119	7	6
Average age of depositing members	38.3	50.4	46.8	48.6	54.2
Average years of service of depositing members	10.0	7.9	10.0	20.9	14.6

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	124	702	642	125	126
Plan Name	Brown County	Brownsville ID	Brushy Creek MUD—Williamson Co.	Burleson County	Burnet County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 884,944	\$ 4,760	\$ 72,338	\$ 613,581	\$ 2,162,032
Members	8,121,055	271,431	996,362	5,506,960	16,039,908
Total	9,005,999	276,191	1,068,700	6,120,541	18,201,940
2 Actuarial present value of future normal cost contributions	1,546,598	108,112	403,971	808,164	3,588,748
3 Actuarial accrued liability [line 1 - line 2]	7,459,401	168,079	664,729	5,312,377	14,613,192
4 Actuarial value of assets	6,740,338	110,078	584,530	4,293,352	11,162,698
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 719,063	\$ 58,001	\$ 80,199	\$ 1,019,025	\$ 3,450,494
Required employer rates for 2007					
Normal cost	4.93%	3.87%	4.22%	4.44%	6.85%
UAAL or (OAAL)	1.22	1.89	0.65	2.97	3.32
Total required rate	6.15%	5.76%	4.87%	7.41%	10.17%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	20.0
Number of annuitants	53	1	2	38	87
Number of members	220	12	56	152	373
Number of depositing members	162	12	29	111	253
Average age of depositing members	46.7	42.8	39.1	45.4	45.2
Average years of service of depositing members	9.5	10.1	5.2	8.3	8.0

Plan Number	609	127	718	128	709
Plan Name	Burnet Co. AD	Caldwell County	Caldwell County AD	Calhoun County	Calhoun Co. AD
Plan type	Fixed	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 7,732	\$ 584,007	\$ 0	\$ 1,832,845	\$ 180
Members	1,695,766	6,594,922	208,357	15,510,952	471,609
Total	1,703,498	7,178,929	208,357	17,343,797	471,789
2 Actuarial present value of future normal cost contributions	169,033	1,140,228	161,584	2,965,582	259,683
3 Actuarial accrued liability [line 1 - line 2]	1,534,465	6,038,701	46,773	14,378,215	212,106
4 Actuarial value of assets	1,415,041	5,675,950	41,655	12,469,092	110,116
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 119,424	\$ 362,751	\$ 5,118	\$ 1,909,123	\$ 101,990
Required employer rates for 2007					
Normal cost	3.86%	3.47%	4.89%	6.58%	6.19%
UAAL or (OAAL)	3.14	0.62	0.05	2.43	2.12
Total required rate	7.00%	4.09%	4.94%	9.01%	8.31%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	7.4	20.0	20.0	20.0	20.0
Number of annuitants	2	51	0	80	1
Number of members	25	298	15	233	16
Number of depositing members	18	182	13	189	14
Average age of depositing members	51.0	41.4	43.0	45.5	45.0
Average years of service of depositing members	14.9	7.5	1.4	9.8	8.8

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	129	542	130	618	692
Plan Name	Callahan County	Callahan Co. AD	Cameron County	Cameron Co. AD	Cameron Co. DD #1
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 276,472	\$ 28,971	\$ 12,045,028	\$ 101,355	\$ 0
Members	2,558,370	446,284	114,986,887	5,964,526	244,824
Total	2,834,842	475,255	127,031,915	6,065,881	244,824
2 Actuarial present value of future normal cost contributions	282,861	42,773	25,129,396	927,100	136,335
3 Actuarial accrued liability [line 1 - line 2]	2,551,981	432,482	101,902,519	5,138,781	108,489
4 Actuarial value of assets	2,365,897	415,508	93,373,660	4,233,240	98,905
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 186,084	\$ 16,974	\$ 8,528,859	\$ 905,541	\$ 9,584
Required employer rates for 2007					
Normal cost	3.85%	4.15%	6.56%	7.15%	4.37%
UAAL or (OAAL)	1.42	1.22	1.37	5.32	0.27
Total required rate	5.27%	5.37%	7.93%	12.47%	4.64%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	20.0
Number of annuitants	26	1	292	4	0
Number of members	78	7	2,159	72	18
Number of depositing members	53	5	1,655	53	16
Average age of depositing members	50.8	52.5	39.7	44.2	44.5
Average years of service of depositing members	10.8	14.9	8.2	12.1	3.1

Plan Number	664	686	462	590	670
Plan Name	Cameron Co. DD #3	Cameron Co. DD #5	Cameron Co. ID #2	Cameron Co. ID #6	Camp CAD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 0	\$ 281,742	\$ 31,235	\$ 0
Members	364,769	106,069	1,708,584	402,715	177,648
Total	364,769	106,069	1,990,326	433,950	177,648
2 Actuarial present value of future normal cost contributions	130,174	63,173	238,679	60,959	79,899
3 Actuarial accrued liability [line 1 - line 2]	234,595	42,896	1,751,647	372,991	97,749
4 Actuarial value of assets	217,105	41,540	1,595,919	376,689	100,479
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 17,490	\$ 1,356	\$ 155,728	\$ (3,698)	\$ (2,730)
Required employer rates for 2007					
Normal cost	4.31%	5.25%	3.65%	3.97%	4.10%
UAAL or (OAAL)	0.43	0.14	1.70	(0.13)	(0.12)
Total required rate	4.74%	5.39%	5.35%	3.84%	3.98%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	30.0	30.0
Number of annuitants	1	0	30	9	0
Number of members	23	2	52	14	9
Number of depositing members	21	2	33	10	5
Average age of depositing members	52.3	42.2	43.6	51.4	42.4
Average years of service of depositing members	8.1	4.7	11.1	14.7	5.5

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	131	132	133	610	134
Plan Name	Camp County	Carson County	Cass County	Cass Co. AD	Castro County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 661,129	\$ 351,294	\$ 1,553,970	\$ 44,770	\$ 311,086
Members	3,201,712	3,140,731	12,420,288	654,118	4,940,871
Total	3,862,841	3,492,025	13,974,258	698,888	5,251,957
2 Actuarial present value of future normal cost contributions	545,821	452,397	1,767,330	93,662	607,115
3 Actuarial accrued liability [line 1 - line 2]	3,317,020	3,039,628	12,206,928	605,226	4,644,842
4 Actuarial value of assets	2,792,770	2,572,971	10,398,269	534,696	4,480,433
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 524,250	\$ 466,657	\$ 1,808,659	\$ 70,530	\$ 164,409
Required employer rates for 2007					
Normal cost	6.59%	4.92%	5.38%	5.63%	7.28%
UAAL or (OAAL)	3.27	2.91	2.74	2.75	0.93
Total required rate	9.86%	7.83%	8.12%	8.38%	8.21%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	20.0
Number of annuitants	31	37	75	3	20
Number of members	64	73	222	10	86
Number of depositing members	51	52	177	9	59
Average age of depositing members	50.8	48.4	47.6	49.9	50.0
Average years of service of depositing members	9.3	8.0	9.4	16.0	11.5

Plan Number	719	635	602	712	648
Plan Name	CAD of Bandera County	CAD of Johnson Co.	CAD of Taylor Co.	Central Texas Reg. Mob. Auth.	Cent. WCID—Angelina Co.
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 113,079	\$ 237,075	\$ 0	\$ 35,589
Members	107,560	3,171,620	3,001,669	1,243,062	152,460
Total	107,560	3,284,699	3,238,744	1,243,062	188,049
2 Actuarial present value of future normal cost contributions	62,756	712,957	407,761	1,083,343	60,120
3 Actuarial accrued liability [line 1 - line 2]	44,804	2,571,742	2,830,983	159,719	127,929
4 Actuarial value of assets	20,466	1,845,150	2,660,807	124,942	83,991
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 24,338	\$ 726,592	\$ 170,176	\$ 34,777	\$ 43,938
Required employer rates for 2007					
Normal cost	2.90%	7.44%	3.95%	12.24%	4.21%
UAAL or (OAAL)	1.04	5.27	0.86	0.38	3.93
Total required rate	3.94%	12.71%	4.81%	12.62%	8.14%
Elected rate	N/A	14.00%	10.00%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	13.0	1.5	20.0	20.0
Number of annuitants	0	3	9	0	1
Number of members	9	51	35	10	4
Number of depositing members	9	38	29	9	4
Average age of depositing members	41.9	45.9	46.5	46.2	39.7
Average years of service of depositing members	7.2	10.7	14.4	4.4	10.9

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	135	531	548	136	137
Plan Name	Chambers County	Chambers Co. AD	Chambers Co. Public HD	Cherokee County	Childress County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 5,889,038	\$ 209,199	\$ 117,960	\$ 1,888,051	\$ 134,497
Members	31,463,294	1,551,528	2,283,839	15,613,949	1,124,879
Total	37,352,332	1,760,727	2,401,799	17,502,000	1,259,376
2 Actuarial present value of future normal cost contributions	5,977,463	366,309	817,955	2,062,893	218,871
3 Actuarial accrued liability [line 1 - line 2]	31,374,869	1,394,418	1,583,844	15,439,107	1,040,505
4 Actuarial value of assets	29,106,124	1,434,275	1,671,920	12,957,325	817,587
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 2,268,745	\$ (39,857)	\$ (88,076)	\$ 2,481,782	\$ 222,918
Required employer rates for 2007					
Normal cost	7.06%	8.45%	4.97%	5.34%	2.83%
UAAL or (OAAL)	1.53	(1.38)	(0.39)	3.09	1.78
Total required rate	8.59%	7.07%	4.58%	8.43%	4.61%
Elected rate	N/A	14.00%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	0.0	30.0	20.0	20.0
Number of annuitants	166	4	7	90	9
Number of members	423	11	54	300	60
Number of depositing members	338	10	45	218	46
Average age of depositing members	45.3	36.8	40.7	47.7	48.7
Average years of service of depositing members	10.2	10.7	5.8	9.7	8.7

Plan Number	511	582	465	138	485
Plan Name	Childress Co. AD	Childress Co. HD	Cisco HD	Clay County	Clay Co. AD
Plan type	Variable	Variable	Fixed	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 41,062	\$ 506,451	\$ 46,100	\$ 804,941	\$ 100,230
Members	65,939	9,187,083	102,354	6,433,753	577,492
Total	107,001	9,693,534	148,454	7,238,694	677,722
2 Actuarial present value of future normal cost contributions	27,686	2,389,361	0	616,928	67,506
3 Actuarial accrued liability [line 1 - line 2]	79,315	7,304,173	148,454	6,621,766	610,216
4 Actuarial value of assets	59,229	7,378,514	157,515	5,330,738	623,080
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 20,086	\$ (74,341)	\$ (9,061)	\$ 1,291,028	\$ (12,864)
Required employer rates for 2007					
Normal cost	2.97%	4.54%	0.00%	4.62%	8.25%
UAAL or (OAAL)	2.84	(0.06)	0.00	5.19	(0.76)
Total required rate	5.81%	4.48%	0.00%	9.81%	7.49%
Elected rate	N/A	N/A	N/A	11.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	30.0	0.0	14.4	30.0
Number of annuitants	3	36	6	49	3
Number of members	4	259	3	83	7
Number of depositing members	3	213	0	64	5
Average age of depositing members	44.4	41.9	0.0	49.0	59.1
Average years of service of depositing members	7.5	8.1	0.0	10.8	10.8

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	703	722	139	477	140
Plan Name	Coastal Bend GCD	Coastal Plains GCD	Cochran County	Cochran Co. AD	Coke County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 0	\$ 981,808	\$ 35,237	\$ 135,884
Members	81,869	20,770	4,168,548	66,184	2,318,010
Total	81,869	20,770	5,150,356	101,421	2,453,894
2 Actuarial present value of future normal cost contributions	62,219	18,718	494,648	23,839	232,499
3 Actuarial accrued liability [line 1 - line 2]	19,650	2,052	4,655,708	77,582	2,221,395
4 Actuarial value of assets	18,867	1,974	3,789,593	89,254	1,798,554
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 783	\$ 78	\$ 866,115	\$ (11,672)	\$ 422,841
Required employer rates for 2007					
Normal cost	4.88%	5.27%	5.37%	5.41%	4.82%
UAAL or (OAAL)	0.11	0.03	4.83	(2.31)	5.46
Total required rate	4.99%	5.30%	10.20%	3.10%	10.28%
Elected rate	N/A	N/A	12.00%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	12.3	30.0	20.0
Number of annuitants	0	0	40	3	36
Number of members	2	1	79	2	65
Number of depositing members	2	1	57	2	43
Average age of depositing members	27.8	41.0	47.7	45.9	52.0
Average years of service of depositing members	2.5	1.4	10.6	5.7	8.6

Plan Number	141	142	457	143	144
Plan 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	\$ 282,689	\$ 23,140,496	\$ 857,654	\$ 54,550	\$ 598,457
Members	3,066,414	192,193,288	11,264,812	1,155,667	8,246,443
Total	3,349,103	215,333,784	12,122,466	1,210,217	8,844,900
2 Actuarial present value of future normal cost contributions	303,244	50,232,696	1,894,120	293,817	1,755,421
3 Actuarial accrued liability [line 1 - line 2]	3,045,859	165,101,088	10,228,346	916,400	7,089,479
4 Actuarial value of assets	2,819,209	138,518,370	9,714,661	679,281	6,075,370
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 226,650	\$ 26,582,718	\$ 513,685	\$ 237,119	\$ 1,014,109
Required employer rates for 2007					
Normal cost	5.16%	9.07%	7.73%	7.02%	5.33%
UAAL or (OAAL)	1.89	2.92	1.22	3.66	1.49
Total required rate	7.05%	11.99%	8.95%	10.68%	6.82%
Elected rate	N/A	12.00%	N/A	N/A	7.50%
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	19.9	20.0	20.0	11.5
Number of annuitants	26	245	19	9	49
Number of members	52	1,808	97	59	252
Number of depositing members	43	1,474	81	40	195
Average age of depositing members	53.3	43.5	48.2	48.4	43.5
Average years of service of depositing members	11.5	10.2	11.0	9.2	6.7

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	623	145	146	147	636
Plan 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	\$ 112,942	\$ 3,335,674	\$ 627,998	\$ 139,260	\$ 228,503
Members	1,928,577	38,057,720	4,774,407	1,880,115	739,642
Total	2,041,519	41,393,394	5,402,405	2,019,375	968,145
2 Actuarial present value of future normal cost contributions	338,018	8,771,315	668,803	388,574	150,648
3 Actuarial accrued liability [line 1 - line 2]	1,703,501	32,622,079	4,733,602	1,630,801	817,497
4 Actuarial value of assets	1,192,125	28,119,178	4,063,400	1,708,172	676,277
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 511,376	\$ 4,502,901	\$ 670,202	\$ (77,371)	\$ 141,220
Required employer rates for 2007					
Normal cost	7.59%	6.77%	3.65%	7.16%	2.80%
UAAL or (OAAL)	7.27	2.02	1.85	(0.62)	2.09
Total required rate	14.86%	8.79%	5.50%	6.54%	4.89%
Elected rate	N/A	N/A	N/A	7.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	0.0	20.0
Number of annuitants	4	123	42	14	10
Number of members	23	601	195	81	36
Number of depositing members	20	484	121	45	20
Average age of depositing members	49.4	44.0	46.7	49.1	46.3
Average years of service of depositing members	14.6	9.1	9.4	9.0	8.2

Plan Number	148	487	149	150	727
Plan Name	Cooke County	Cooke Co. AD	Coryell County	Cottle County	Cow Creek GCD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,379,584	\$ 168,499	\$ 1,391,139	\$ 70,358	\$ 0
Members	11,976,816	1,771,070	11,757,497	694,548	76,545
Total	13,356,400	1,939,569	13,148,636	764,906	76,545
2 Actuarial present value of future normal cost contributions	2,328,745	330,311	2,354,383	89,573	73,356
3 Actuarial accrued liability [line 1 - line 2]	11,027,655	1,609,258	10,794,253	675,333	3,189
4 Actuarial value of assets	9,811,797	1,625,565	9,694,374	617,992	1,354
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,215,858	\$ (16,307)	\$ 1,099,879	\$ 57,341	\$ 1,835
Required employer rates for 2007					
Normal cost	5.02%	8.60%	6.61%	4.29%	6.18%
UAAL or (OAAL)	1.35	(0.20)	1.69	1.30	0.32
Total required rate	6.37%	8.40%	8.30%	5.59%	6.50%
Elected rate	N/A	N/A	N/A	7.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	30.0	20.0	6.3	20.0
Number of annuitants	57	7	65	15	0
Number of members	259	26	208	30	2
Number of depositing members	200	17	167	20	2
Average age of depositing members	43.1	48.2	45.6	55.2	35.3
Average years of service of depositing members	8.0	10.2	9.1	10.6	2.7

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	151	152	409	153	532
Plan Name	Crane County	Crockett County	Crockett Co. WCID #1	Crosby County	Crosby Co. AD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,279,610	\$ 2,352,703	\$ 147,990	\$ 494,800	\$ 33,884
Members	7,598,309	10,169,415	595,071	3,213,650	43,845
Total	8,877,919	12,522,118	743,061	3,708,450	77,729
2 Actuarial present value of future normal cost contributions	1,228,193	1,230,367	100,400	309,745	23,836
3 Actuarial accrued liability [line 1 - line 2]	7,649,726	11,291,751	642,661	3,398,705	53,893
4 Actuarial value of assets	7,306,472	9,499,490	632,651	2,528,579	115,240
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 343,254	\$ 1,792,261	\$ 10,010	\$ 870,126	\$ (61,347)
Required employer rates for 2007					
Normal cost	5.68%	4.68%	4.57%	4.07%	5.47%
UAAL or (OAAL)	1.00	3.67	0.30	6.11	(5.47)
Total required rate	6.68%	8.35%	4.87%	10.18%	0.00%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	0.0
Number of annuitants	71	43	5	30	2
Number of members	139	219	12	52	2
Number of depositing members	97	161	8	46	2
Average age of depositing members	47.1	48.6	45.6	50.0	48.4
Average years of service of depositing members	8.2	9.6	13.6	11.7	3.2

Plan Number	603	710	154	478	550
Plan Name	Crosby MUD	Cross Roads SUD	Culberson County	Culberson Co. Hosp.	Culberson HD
Plan type	Variable	Variable	Variable	Fixed	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 35,479	\$ 0	\$ 246,527	\$ 17,672	\$ 30,953
Members	488,493	68,778	3,123,921	250,377	531,967
Total	523,972	68,778	3,370,448	268,049	562,920
2 Actuarial present value of future normal cost contributions	149,544	28,564	430,031	0	0
3 Actuarial accrued liability [line 1 - line 2]	374,428	40,214	2,940,417	268,049	562,920
4 Actuarial value of assets	467,227	24,944	3,036,420	285,733	1,073,904
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (92,799)	\$ 15,270	\$ (96,003)	\$ (17,684)	\$ (510,984)
Required employer rates for 2007					
Normal cost	5.27%	3.96%	5.39%	0.00%	0.00%
UAAL or (OAAL)	(3.15)	1.34	(0.67)	0.00	0.00
Total required rate	2.12%	5.30%	4.72%	0.00%	0.00%
Elected rate	7.00%	N/A	7.00%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	20.0	0.0	0.0	0.0
Number of annuitants	1	0	13	2	3
Number of members	10	4	64	4	30
Number of depositing members	9	4	48	0	0
Average age of depositing members	37.5	56.7	47.6	0.0	0.0
Average years of service of depositing members	7.0	9.6	14.0	0.0	0.0

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	155	467	156	430	687
Plan Name	Dallam County	Dallas CAD	Dallas County	Dallas Co. Park Cities MUD	Dallas Co. WCID #6
Plan type	Variable	Variable	Fixed	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 416,661	\$ 6,131,346	\$ 108,521,912	\$ 246,378	\$ 0
Members	3,594,610	47,563,279	816,282,229	3,118,336	985,626
Total	4,011,271	53,694,625	924,804,141	3,364,714	985,626
2 Actuarial present value of future normal cost contributions	511,441	6,859,467	133,161,564	519,473	504,208
3 Actuarial accrued liability [line 1 - line 2]	3,499,830	46,835,158	791,642,577	2,845,241	481,418
4 Actuarial value of assets	3,187,302	44,090,061	715,013,386	2,522,911	415,228
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 312,528	\$ 2,745,097	\$ 76,629,191	\$ 322,330	\$ 66,190
Required employer rates for 2007					
Normal cost	5.69%	7.95%	6.38%	6.81%	4.03%
UAAL or (OAAL)	1.86	1.84	2.12	2.85	0.45
Total required rate	7.55%	9.79%	8.50%	9.66%	4.48%
Elected rate	N/A	11.00%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	9.1	23.2	20.0	20.0
Number of annuitants	23	65	1,732	8	0
Number of members	71	335	7,765	24	54
Number of depositing members	50	248	6,054	23	38
Average age of depositing members	47.8	43.2	43.2	50.1	40.7
Average years of service of depositing members	9.6	11.2	10.5	12.0	6.7

Plan Number	157	463	158	578	159
Plan Name	Dawson County	Dawson Co. CAD	Deaf Smith County	Deaf Smith Co. HD	Delta County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,217,862	\$ 22,914	\$ 1,599,274	\$ 287,637	\$ 332,954
Members	7,091,929	887,646	9,914,647	4,767,287	1,257,977
Total	8,309,791	910,560	11,513,921	5,054,924	1,590,931
2 Actuarial present value of future normal cost contributions	1,284,120	102,091	1,625,747	736,632	204,863
3 Actuarial accrued liability [line 1 - line 2]	7,025,671	808,469	9,888,174	4,318,292	1,386,068
4 Actuarial value of assets	5,114,187	849,348	8,525,307	5,181,653	1,109,998
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,911,484	\$ (40,879)	\$ 1,362,867	\$ (863,361)	\$ 276,070
Required employer rates for 2007					
Normal cost	5.02%	7.46%	6.16%	1.90%	4.81%
UAAL or (OAAL)	4.93	(1.88)	3.02	(1.44)	3.22
Total required rate	9.95%	5.58%	9.18%	0.46%	8.03%
Elected rate	N/A	7.00%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	0.0	20.0	30.0	20.0
Number of annuitants	48	2	55	20	23
Number of members	126	7	173	258	56
Number of depositing members	99	6	118	160	39
Average age of depositing members	45.5	44.9	43.6	42.2	52.1
Average years of service of depositing members	10.2	14.2	9.8	8.2	7.9

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	583	482	160	161	466
Plan Name	Denco Area 911 Dist.— Denton Co.	Denton CAD	Denton County	DeWitt County	DeWitt Co. AD
Plan type	Variable	Variable	Variable	Variable	Fixed
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 631,960	\$ 9,480,461	\$ 770,581	\$ 494
Members	1,501,394	8,152,010	138,053,357	6,019,225	914,939
Total	1,501,394	8,783,970	147,533,818	6,789,806	915,433
2 Actuarial present value of future normal cost contributions	347,001	1,838,058	30,067,863	953,494	65,058
3 Actuarial accrued liability [line 1 - line 2]	1,154,393	6,945,912	117,465,955	5,836,312	850,375
4 Actuarial value of assets	1,098,356	6,114,065	102,382,719	5,082,521	845,225
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 56,037	\$ 831,847	\$ 15,083,236	\$ 753,791	\$ 5,150
Required employer rates for 2007					
Normal cost	5.76%	7.66%	6.99%	4.89%	5.39%
UAAL or (OAAL)	0.68	2.28	1.88	2.31	1.61
Total required rate	6.44%	9.94%	8.87%	7.20%	7.00%
Elected rate	8.00%	11.00%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	3.3	10.3	20.0	20.0	0.9
Number of annuitants	0	12	221	67	1
Number of members	12	86	1,986	130	9
Number of depositing members	11	69	1,441	96	7
Average age of depositing members	43.3	44.2	43.0	45.6	45.0
Average years of service of depositing members	11.1	12.2	9.2	9.3	17.7

Plan Number	162	163	164	165	166
Plan Name	Dickens County	Dimmit County	Donley County	Duval County	Eastland County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 118,348	\$ 229,508	\$ 242,900	\$ 1,358,315	\$ 1,482,162
Members	1,916,261	3,079,445	1,017,195	6,493,612	5,534,100
Total	2,034,609	3,308,953	1,260,095	7,851,927	7,016,262
2 Actuarial present value of future normal cost contributions	410,106	783,993	139,077	685,097	1,095,267
3 Actuarial accrued liability [line 1 - line 2]	1,624,503	2,524,960	1,121,018	7,166,830	5,920,995
4 Actuarial value of assets	1,430,398	2,457,941	934,446	4,949,968	4,782,532
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 194,105	\$ 67,019	\$ 186,572	\$ 2,216,862	\$ 1,138,463
Required employer rates for 2007					
Normal cost	6.01%	6.73%	3.87%	2.73%	6.85%
UAAL or (OAAL)	1.31	0.45	2.81	4.32	3.44
Total required rate	7.32%	7.18%	6.68%	7.05%	10.29%
Elected rate	N/A	N/A	N/A	N/A	11.00%
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	14.8
Number of annuitants	15	11	15	68	47
Number of members	64	124	42	309	137
Number of depositing members	55	78	34	214	97
Average age of depositing members	52.3	42.7	54.0	50.3	46.6
Average years of service of depositing members	6.6	7.0	9.4	12.9	6.9

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	593	167	580	448	628
Plan Name	Eastland Co. AD	Ector County*	Ector Co. HD*	Edwards Aquifer Auth.—Bexar Co.	Edwards CAD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 19,628	\$ 34,674,302	\$ 12,895,946	\$ 138,600	\$ 0
Members	787,914	88,277,565	155,951,174	4,863,824	47,783
Total	807,542	122,951,867	168,847,120	5,002,424	47,783
2 Actuarial present value of future normal cost contributions	55,994	10,008,548	23,693,539	630,487	30,479
3 Actuarial accrued liability [line 1 - line 2]	751,548	112,943,319	145,153,581	4,371,937	17,304
4 Actuarial value of assets	596,032	102,268,989	123,839,333	4,199,087	32,224
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 155,516	\$ 10,674,330	\$ 21,314,248	\$ 172,850	\$ (14,920)
Required employer rates for 2007					
Normal cost	6.42%	8.24%	5.99%	3.74%	3.67%
UAAL or (OAAL)	8.49	1.43	5.36	0.96	(1.66)
Total required rate	14.91%	9.67%	11.35%	4.70%	2.01%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	30.0
Number of annuitants	1	530	251	3	0
Number of members	6	948	1,993	62	4
Number of depositing members	5	545	1,289	36	2
Average age of depositing members	53.7	44.6	43.3	44.7	39.5
Average years of service of depositing members	21.9	10.6	9.9	9.5	4.5

Plan Number	168	170	567	541	557
Plan Name	Edwards County	El Paso County	El Paso Co. 911 Dist.	El Paso Co. HD	El Paso Co. WA
Plan type	Variable	Variable	Variable	Variable	Fixed
1 Actuarial present value of future benefits					
Annuitants	\$ 88,509	\$ 31,279,519	\$ 69,494	\$ 11,493,262	\$ 31,530
Members	1,081,385	332,162,636	1,196,420	128,062,446	0
Total	1,169,894	363,442,155	1,265,914	139,555,708	31,530
2 Actuarial present value of future normal cost contributions	274,282	78,994,139	171,790	19,936,675	0
3 Actuarial accrued liability [line 1 - line 2]	895,612	284,448,016	1,094,124	119,619,033	31,530
4 Actuarial value of assets	691,926	244,104,650	952,992	101,613,026	39,226
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 203,686	\$ 40,343,366	\$ 141,132	\$ 18,006,007	\$ (7,696)
Required employer rates for 2007					
Normal cost	6.43%	8.67%	7.83%	3.83%	0.00%
UAAL or (OAAL)	3.04	2.74	4.94	1.95	0.00
Total required rate	9.47%	11.41%	12.77%	5.78%	0.00%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	0.0
Number of annuitants	6	496	1	248	3
Number of members	45	3,458	9	2,545	0
Number of depositing members	30	2,710	6	1,702	0
Average age of depositing members	48.1	41.1	47.3	42.1	0.0
Average years of service of depositing members	10.2	9.9	8.5	9.4	0.0

* See footnote A on page 163

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	456	169	624	171	172
Plan Name	El Paso WCID Westway	Ellis County	ECD of Ector Co.	Erath County	Falls County
Plan type	Fixed	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 5,093	\$ 2,779,268	\$ 38,099	\$ 700,720	\$ 1,033,470
Members	0	33,832,128	547,376	12,262,421	6,585,841
Total	5,093	36,611,396	585,475	12,963,141	7,619,311
2 Actuarial present value of future normal cost contributions	0	7,493,669	142,073	2,098,133	973,397
3 Actuarial accrued liability [line 1 - line 2]	5,093	29,117,727	443,402	10,865,008	6,645,914
4 Actuarial value of assets	21,984	24,597,263	385,711	9,627,448	5,674,766
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (16,891)	\$ 4,520,464	\$ 57,691	\$ 1,237,560	\$ 971,148
Required employer rates for 2007					
Normal cost	0.00%	6.99%	10.09%	6.08%	5.90%
UAAL or (OAAL)	0.00	2.14	3.71	1.87	3.10
Total required rate	0.00%	9.13%	13.80%	7.95%	9.00%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	20.0	20.0	20.0	20.0
Number of annuitants	1	100	1	54	53
Number of members	0	628	3	206	151
Number of depositing members	0	453	3	167	106
Average age of depositing members	0.0	43.9	46.7	46.4	47.6
Average years of service of depositing members	0.0	7.8	19.7	10.9	9.2

Plan Number	563	173	644	174	175
Plan Name	Falls Co. AD	Fannin County	Fannin Co. AD	Fayette County	Fisher County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 59,316	\$ 788,742	\$ 0	\$ 1,605,439	\$ 236,851
Members	187,855	9,151,889	186,165	18,557,884	1,764,055
Total	247,171	9,940,631	186,165	20,163,323	2,000,906
2 Actuarial present value of future normal cost contributions	43,735	1,965,447	48,205	2,421,559	228,651
3 Actuarial accrued liability [line 1 - line 2]	203,436	7,975,184	137,960	17,741,764	1,772,255
4 Actuarial value of assets	216,283	7,271,010	196,557	15,583,824	1,411,582
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (12,847)	\$ 704,174	\$ (58,597)	\$ 2,157,940	\$ 360,673
Required employer rates for 2007					
Normal cost	3.55%	7.12%	2.34%	5.57%	4.56%
UAAL or (OAAL)	(1.46)	1.45	(2.34)	2.93	3.73
Total required rate	2.09%	8.57%	0.00%	8.50%	8.29%
Elected rate	7.00%	N/A	4.00%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	20.0	0.0	20.0	20.0
Number of annuitants	3	43	0	64	32
Number of members	7	177	22	274	61
Number of depositing members	5	135	12	191	41
Average age of depositing members	35.5	44.5	48.1	44.1	46.3
Average years of service of depositing members	8.7	8.9	4.8	11.1	7.9

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	432	176	474	178	179
Plan Name	Fisher Co. HD	Floyd County	Fort Bend CAD	Fort Bend County	Franklin County
Plan type	Variable	Variable	Fixed	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 245,021	\$ 263,019	\$ 724,792	\$ 20,418,788	\$ 907,206
Members	2,887,272	4,852,131	7,370,477	214,594,441	3,720,169
Total	3,132,293	5,115,150	8,095,269	235,013,229	4,627,375
2 Actuarial present value of future normal cost contributions	554,253	653,592	1,390,058	42,275,100	838,827
3 Actuarial accrued liability [line 1 - line 2]	2,578,040	4,461,558	6,705,211	192,738,129	3,788,548
4 Actuarial value of assets	2,906,025	3,231,023	6,546,458	163,275,616	3,448,988
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (327,985)	\$ 1,230,535	\$ 158,753	\$ 29,462,513	\$ 339,560
Required employer rates for 2007					
Normal cost	3.78%	7.16%	7.26%	7.22%	7.04%
UAAL or (OAAL)	(1.29)	7.27	2.74	3.10	1.58
Total required rate	2.49%	14.43%	10.00%	10.32%	8.62%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	20.0	2.1	20.0	20.0
Number of annuitants	17	32	13	334	38
Number of members	77	67	84	2,323	72
Number of depositing members	52	52	62	1,807	62
Average age of depositing members	43.9	46.6	43.4	43.1	47.5
Average years of service of depositing members	8.7	11.2	11.3	10.3	7.8

Plan Number	180	693	181	509	182
Plan Name	Freestone County	Freestone Co. AD	Frio County	Frio Co. AD	Gaines County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,235,342	\$ 0	\$ 835,819	\$ 15,818	\$ 1,584,730
Members	11,627,748	339,693	6,112,512	1,199,662	12,141,596
Total	12,863,090	339,693	6,948,331	1,215,480	13,726,326
2 Actuarial present value of future normal cost contributions	2,141,020	169,838	1,243,468	125,764	2,056,689
3 Actuarial accrued liability [line 1 - line 2]	10,722,070	169,855	5,704,863	1,089,716	11,669,637
4 Actuarial value of assets	7,471,838	126,534	6,114,336	1,029,933	9,872,828
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 3,250,232	\$ 43,321	\$ (409,473)	\$ 59,783	\$ 1,796,809
Required employer rates for 2007					
Normal cost	9.02%	6.59%	5.98%	6.14%	5.84%
UAAL or (OAAL)	6.93	1.48	(0.97)	1.96	3.06
Total required rate	15.95%	8.07%	5.01%	8.10%	8.90%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	30.0	20.0	20.0
Number of annuitants	51	0	32	1	91
Number of members	157	12	150	12	151
Number of depositing members	121	10	119	11	129
Average age of depositing members	48.6	45.3	43.3	50.6	46.7
Average years of service of depositing members	10.3	10.5	9.3	16.5	9.7

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	546	183	547	464	433
Plan Name	Galveston CAD	Galveston County*	Galveston Co. Consol. DD	Galveston Co. DD #1	Galveston Co. DD #2
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 384,689	\$ 20,686,749	\$ 155,741	\$ 164,594	\$ 155,493
Members	7,592,736	147,982,912	1,351,391	523,678	2,138,622
Total	7,977,425	168,669,661	1,507,132	688,272	2,294,115
2 Actuarial present value of future normal cost contributions	975,109	20,836,961	271,786	232,157	225,322
3 Actuarial accrued liability [line 1 - line 2]	7,002,316	147,832,700	1,235,346	456,115	2,068,793
4 Actuarial value of assets	6,317,945	132,532,292	1,030,415	550,353	2,037,616
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 684,371	\$ 15,300,408	\$ 204,931	\$ (94,238)	\$ 31,177
Required employer rates for 2007					
Normal cost	8.84%	6.96%	7.70%	8.11%	8.62%
UAAL or (OAAL)	3.67	2.88	4.76	(1.75)	0.67
Total required rate	12.51%	9.84%	12.46%	6.36%	9.29%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	30.0	20.0
Number of annuitants	11	705	6	6	7
Number of members	60	1,549	15	13	11
Number of depositing members	49	1,094	11	11	11
Average age of depositing members	49.3	43.6	46.7	44.8	40.9
Average years of service of depositing members	13.8	9.9	9.8	4.5	15.8

Plan Number	589	407	473	184	185
Plan Name	Galveston Co. ECD	Galveston Co. WCID #1	Garza CAD	Garza County	Gillespie County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 708,108	\$ 27,258	\$ 537,278	\$ 1,074,271
Members	950,630	4,719,108	230,540	3,706,061	9,216,558
Total	950,630	5,427,216	257,798	4,243,339	10,290,829
2 Actuarial present value of future normal cost contributions	229,630	882,830	32,861	688,929	1,371,949
3 Actuarial accrued liability [line 1 - line 2]	721,000	4,544,386	224,937	3,554,410	8,918,880
4 Actuarial value of assets	640,281	3,909,485	203,694	3,332,608	7,437,283
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 80,719	\$ 634,901	\$ 21,243	\$ 221,802	\$ 1,481,597
Required employer rates for 2007					
Normal cost	9.44%	6.52%	6.61%	5.90%	5.86%
UAAL or (OAAL)	2.65	3.40	2.63	1.02	3.48
Total required rate	12.09%	9.92%	9.24%	6.92%	9.34%
Elected rate	N/A	N/A	N/A	N/A	9.80%
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	16.3
Number of annuitants	0	12	2	23	44
Number of members	5	61	3	71	154
Number of depositing members	5	39	3	57	105
Average age of depositing members	48.0	40.7	54.6	46.7	48.0
Average years of service of depositing members	14.7	8.7	12.7	9.0	11.0

* See footnote D on page 163

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	186	187	188	498	189
Plan Name	Glasscock County	Goliad County	Gonzales County	Gonzales Co. AD	Gray County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 268,232	\$ 1,029,634	\$ 1,018,916	\$ 4,333	\$ 1,077,524
Members	2,744,120	5,326,022	6,094,581	923,538	8,656,469
Total	3,012,352	6,355,656	7,113,497	927,871	9,733,993
2 Actuarial present value of future normal cost contributions	207,038	912,558	853,158	181,784	1,335,709
3 Actuarial accrued liability [line 1 - line 2]	2,805,314	5,443,098	6,260,339	746,087	8,398,284
4 Actuarial value of assets	2,336,580	5,517,308	5,150,420	753,172	7,858,995
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 468,734	\$ (74,210)	\$ 1,109,919	\$ (7,085)	\$ 539,289
Required employer rates for 2007					
Normal cost	4.69%	5.44%	4.51%	8.79%	5.42%
UAAL or (OAAL)	5.72	(0.21)	2.97	(0.19)	1.03
Total required rate	10.41%	5.23%	7.48%	8.60%	6.45%
Elected rate	N/A	N/A	7.75%	9.00%	7.00%
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	30.0	17.3	0.0	10.7
Number of annuitants	20	59	41	1	77
Number of members	35	121	163	16	179
Number of depositing members	29	90	120	10	129
Average age of depositing members	50.8	44.9	46.7	48.9	47.5
Average years of service of depositing members	14.9	9.3	10.5	10.6	8.9

Plan Number	518	475	190	528	429
Plan Name	Gray Co. AD	Grayson Co. AD	Grayson County	Greater Harris Co. 911 Emerg. Net.	Greenbelt MIWA—Donley Co.
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 85,453	\$ 596,411	\$ 5,467,166	\$ 541,843	\$ 146,986
Members	1,126,609	2,754,202	44,413,303	3,865,176	1,425,209
Total	1,212,062	3,350,613	49,880,469	4,407,019	1,572,195
2 Actuarial present value of future normal cost contributions	163,400	549,126	8,769,115	1,709,987	158,568
3 Actuarial accrued liability [line 1 - line 2]	1,048,662	2,801,487	41,111,354	2,697,032	1,413,627
4 Actuarial value of assets	1,206,040	2,406,219	33,378,754	2,234,972	1,271,465
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (157,378)	\$ 395,268	\$ 7,732,600	\$ 462,060	\$ 142,162
Required employer rates for 2007					
Normal cost	7.59%	7.22%	7.60%	9.55%	5.35%
UAAL or (OAAL)	(3.09)	3.55	3.67	2.25	3.11
Total required rate	4.50%	10.77%	11.27%	11.80%	8.46%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	20.0	20.0	20.0	20.0
Number of annuitants	4	12	185	6	6
Number of members	12	44	579	30	12
Number of depositing members	9	28	451	27	12
Average age of depositing members	47.4	45.0	45.3	42.6	45.9
Average years of service of depositing members	11.5	8.7	9.6	7.4	16.5

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	191	192	483	587	193
Plan Name	Gregg County	Grimes County	Grimes Co. AD	Guadalupe Co. AD	Guadalupe County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 6,141,410	\$ 723,486	\$ 40,326	\$ 4,647	\$ 3,118,966
Members	49,354,189	6,880,235	1,509,636	1,420,088	30,236,113
Total	55,495,599	7,603,721	1,549,962	1,424,735	33,355,079
2 Actuarial present value of future normal cost contributions	7,635,868	1,400,051	179,480	317,061	7,816,861
3 Actuarial accrued liability [line 1 - line 2]	47,859,731	6,203,670	1,370,482	1,107,674	25,538,218
4 Actuarial value of assets	41,938,445	6,695,271	1,229,273	917,485	21,328,771
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 5,921,286	\$ (491,601)	\$ 141,209	\$ 190,189	\$ 4,209,447
Required employer rates for 2007					
Normal cost	6.17%	5.36%	7.51%	6.27%	6.99%
UAAL or (OAAL)	2.70	(0.93)	3.96	3.38	2.10
Total required rate	8.87%	4.43%	11.47%	9.65%	9.09%
Elected rate	N/A	7.00%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	0.0	20.0	20.0	20.0
Number of annuitants	196	48	2	1	113
Number of members	738	200	11	31	611
Number of depositing members	522	147	10	20	476
Average age of depositing members	44.3	45.8	49.7	41.8	43.3
Average years of service of depositing members	10.1	7.4	16.7	10.6	7.8

Plan Number	526	194	195	196	197
Plan Name	Gulf Coast WA—Galveston Co.	Hale County	Hall County	Hamilton County	Hansford County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 934,939	\$ 2,596,812	\$ 246,091	\$ 214,125	\$ 425,404
Members	8,404,980	14,038,572	2,214,546	2,264,589	3,110,816
Total	9,339,919	16,635,384	2,460,637	2,478,714	3,536,220
2 Actuarial present value of future normal cost contributions	925,685	2,255,404	283,884	422,556	289,569
3 Actuarial accrued liability [line 1 - line 2]	8,414,234	14,379,980	2,176,753	2,056,158	3,246,651
4 Actuarial value of assets	8,372,119	12,627,875	1,967,980	1,775,764	2,536,876
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 42,115	\$ 1,752,105	\$ 208,773	\$ 280,394	\$ 709,775
Required employer rates for 2007					
Normal cost	5.34%	5.41%	5.68%	4.46%	4.54%
UAAL or (OAAL)	0.04	2.41	1.89	1.65	6.02
Total required rate	5.38%	7.82%	7.57%	6.11%	10.56%
Elected rate	7.00%	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.3	20.0	20.0	20.0	20.0
Number of annuitants	20	84	26	25	28
Number of members	56	233	55	91	54
Number of depositing members	41	190	40	63	42
Average age of depositing members	46.1	43.1	55.4	46.5	49.2
Average years of service of depositing members	13.8	9.4	11.9	8.0	13.0

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	585	198	199	527	571
Plan Name	Hansford Co. HD	Hardeman County	Hardin County	Hardin Co. AD	Harlingen ID Cameron Co. #1
Plan type	Variable	Variable	Variable	Variable	Fixed
1 Actuarial present value of future benefits					
Annuitants	\$ 428,871	\$ 273,042	\$ 3,092,414	\$ 127,148	\$ 170,870
Members	4,165,054	2,717,148	18,080,583	1,298,576	1,636,385
Total	4,593,925	2,990,190	21,172,997	1,425,724	1,807,255
2 Actuarial present value of future normal cost contributions	743,861	373,825	2,812,964	184,457	273,956
3 Actuarial accrued liability [line 1 - line 2]	3,850,064	2,616,365	18,360,033	1,241,267	1,533,299
4 Actuarial value of assets	3,950,461	2,577,042	15,807,564	1,086,642	1,514,300
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (100,397)	\$ 39,323	\$ 2,552,469	\$ 154,625	\$ 18,999
Required employer rates for 2007					
Normal cost	2.72%	5.15%	5.59%	8.88%	2.80%
UAAL or (OAAL)	(0.34)	0.13	2.62	3.77	2.20
Total required rate	2.38%	5.28%	8.21%	12.65%	5.00%
Elected rate	4.00%	7.00%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	0.8	20.0	20.0	0.0
Number of annuitants	21	19	98	3	15
Number of members	298	61	303	15	66
Number of depositing members	155	52	230	13	54
Average age of depositing members	43.6	49.5	48.3	54.5	46.2
Average years of service of depositing members	7.2	9.6	10.5	13.1	9.9

Plan Number	200	598	569	625	201
Plan Name	Harris County	Harris Co. AD	Harris Co. WCID #1	Harris Co. WCID #50	Harrison County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 257,432,198	\$ 4,492,969	\$ 53,373	\$ 28,816	\$ 2,672,364
Members	2,311,851,483	69,842,132	1,235,745	417,876	24,641,223
Total	2,569,283,681	74,335,101	1,289,118	446,692	27,313,587
2 Actuarial present value of future normal cost contributions	411,406,157	9,914,632	120,099	44,630	3,928,881
3 Actuarial accrued liability [line 1 - line 2]	2,157,877,524	64,420,469	1,169,019	402,062	23,384,706
4 Actuarial value of assets	1,950,248,224	55,490,284	1,037,575	347,707	20,087,250
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 207,629,300	\$ 8,930,185	\$ 131,444	\$ 54,355	\$ 3,297,456
Required employer rates for 2007					
Normal cost	7.81%	6.43%	4.60%	3.34%	6.46%
UAAL or (OAAL)	2.41	3.88	3.27	2.29	2.97
Total required rate	10.22%	10.31%	7.87%	5.63%	9.43%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	20.0
Number of annuitants	3,828	89	1	1	113
Number of members	18,999	648	12	7	397
Number of depositing members	15,071	503	10	7	299
Average age of depositing members	43.6	45.4	48.0	52.1	45.3
Average years of service of depositing members	11.7	12.1	19.2	20.8	9.9

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	202	520	203	552	204
Plan Name	Hartley County	Hartley Co. AD	Haskell County	Haskell Mem. HD	Hays County
Plan type	Variable	Fixed	Variable	Fixed	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 401,699	\$ 49,374	\$ 414,691	\$ 102,768	\$ 4,804,536
Members	1,718,754	222,548	3,001,148	1,913,506	68,076,688
Total	2,120,453	271,922	3,415,839	2,016,274	72,881,224
2 Actuarial present value of future normal cost contributions	358,325	30,875	380,180	286,704	14,680,632
3 Actuarial accrued liability [line 1 - line 2]	1,762,128	241,047	3,035,659	1,729,570	58,200,592
4 Actuarial value of assets	1,665,425	246,893	2,333,197	2,272,316	51,498,850
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 96,703	\$ (5,846)	\$ 702,462	\$ (542,746)	\$ 6,701,742
Required employer rates for 2007					
Normal cost	6.70%	6.99%	4.67%	2.60%	7.32%
UAAL or (OAAL)	1.19	3.01	4.44	2.40	1.97
Total required rate	7.89%	10.00%	9.11%	5.00%	9.29%
Elected rate	8.00%	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	16.6	0.0	20.0	0.0	20.0
Number of annuitants	21	1	34	15	101
Number of members	40	3	64	70	983
Number of depositing members	29	2	51	51	740
Average age of depositing members	45.7	50.9	49.2	48.1	42.0
Average years of service of depositing members	9.9	15.6	9.8	9.6	9.4

Plan Number	205	640	529	206	704
Plan Name	Hemphill County	Hemphill Co. AD	Hemphill Co. HD	Henderson County	Henderson Co. AD
Plan type	Variable	Variable	Fixed	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,279,217	\$ 1,863	\$ 291,594	\$ 4,621,219	\$ 29,187
Members	7,011,862	288,229	4,736,704	28,238,506	564,307
Total	8,291,079	290,092	5,028,298	32,859,725	593,494
2 Actuarial present value of future normal cost contributions	879,850	169,822	995,821	6,121,387	224,843
3 Actuarial accrued liability [line 1 - line 2]	7,411,229	120,270	4,032,477	26,738,338	368,651
4 Actuarial value of assets	6,110,841	125,882	4,011,589	23,092,175	213,926
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,300,388	\$ (5,612)	\$ 20,888	\$ 3,646,163	\$ 154,725
Required employer rates for 2007					
Normal cost	7.03%	7.11%	8.10%	7.89%	3.90%
UAAL or (OAAL)	5.76	(0.29)	1.40	2.67	2.32
Total required rate	12.79%	6.82%	9.50%	10.56%	6.22%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	30.0	1.5	20.0	20.0
Number of annuitants	39	1	10	118	1
Number of members	82	6	75	391	26
Number of depositing members	58	5	52	310	23
Average age of depositing members	48.9	38.3	44.8	43.9	45.1
Average years of service of depositing members	10.5	9.0	7.5	9.0	8.1

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	414	207	516	401	713
Plan Name	Hidalgo & Cameron Counties ID #9	Hidalgo County	Hidalgo Co. AD	Hidalgo Co. DD #1	Hidalgo County ID #1
Plan type	Fixed	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 124,960	\$ 20,197,072	\$ 440,958	\$ 463,640	\$ 0
Members	2,691,460	169,126,177	9,416,056	5,703,775	364,240
Total	2,816,420	189,323,249	9,857,014	6,167,415	364,240
2 Actuarial present value of future normal cost contributions	248,827	40,521,466	1,499,738	1,599,130	136,152
3 Actuarial accrued liability [line 1 - line 2]	2,567,593	148,801,783	8,357,276	4,568,285	228,088
4 Actuarial value of assets	2,655,616	127,793,599	7,770,073	4,079,733	98,144
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (88,023)	\$ 21,008,184	\$ 587,203	\$ 488,552	\$ 129,944
Required employer rates for 2007					
Normal cost	3.89%	6.67%	6.91%	8.55%	2.77%
UAAL or (OAAL)	3.11	2.12	2.06	1.58	1.93
Total required rate	7.00%	8.79%	8.97%	10.13%	4.70%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	20.0	20.0	20.0	20.0
Number of annuitants	25	360	9	21	0
Number of members	43	3,054	103	91	30
Number of depositing members	39	2,438	82	83	30
Average age of depositing members	50.1	39.3	44.5	48.4	50.4
Average years of service of depositing members	14.9	7.8	14.3	9.5	14.6

Plan Number	438	486	674	208	209
Plan Name	Hidalgo Co. ID #2	Hidalgo Co. ID #6	High Plains Underground WCD #1	Hill County	Hockley County
Plan type	Variable	Fixed	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 436,055	\$ 137,690	\$ 0	\$ 1,075,801	\$ 1,694,590
Members	2,975,418	1,305,021	502,481	9,548,685	10,124,020
Total	3,411,473	1,442,711	502,481	10,624,486	11,818,610
2 Actuarial present value of future normal cost contributions	355,642	213,509	172,639	1,890,565	1,415,725
3 Actuarial accrued liability [line 1 - line 2]	3,055,831	1,229,202	329,842	8,733,921	10,402,885
4 Actuarial value of assets	2,773,778	1,216,986	287,177	7,564,552	8,359,084
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 282,053	\$ 12,216	\$ 42,665	\$ 1,169,369	\$ 2,043,801
Required employer rates for 2007					
Normal cost	4.81%	5.19%	3.45%	4.74%	5.79%
UAAL or (OAAL)	2.83	1.81	0.58	1.57	5.25
Total required rate	7.64%	7.00%	4.03%	6.31%	11.04%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	0.2	20.0	20.0	20.0
Number of annuitants	21	8	0	58	65
Number of members	44	24	19	254	138
Number of depositing members	40	22	17	190	109
Average age of depositing members	47.5	46.7	51.2	45.3	46.4
Average years of service of depositing members	14.6	14.9	14.4	8.2	11.8

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	728	643	210	211	661
Plan Name	Hockley Co. AD	Homestead MUD— El Paso Co.*	Hood County	Hopkins County	Hopkins Co. AD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 0	\$ 1,083,158	\$ 1,451,441	\$ 1,962
Members	291,970	176,767	12,277,318	14,413,005	296,495
Total	291,970	176,767	13,360,476	15,864,446	298,457
2 Actuarial present value of future normal cost contributions	121,425	64,209	2,744,309	2,944,071	116,755
3 Actuarial accrued liability [line 1 - line 2]	170,545	112,558	10,616,167	12,920,375	181,702
4 Actuarial value of assets	13,097	179,542	9,728,261	10,444,746	180,992
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 157,448	\$ (66,984)	\$ 887,906	\$ 2,475,629	\$ 710
Required employer rates for 2007					
Normal cost	5.75%	3.76%	4.98%	7.68%	6.01%
UAAL or (OAAL)	5.95	(3.76)	0.83	3.38	(0.07)
Total required rate	11.70%	0.00%	5.81%	11.06%	5.94%
Elected rate	13.99%	5.00%	N/A	N/A	7.00%
Years (beginning in 2007) required to amortize the UAAL or OAAL	10.5	0.0	20.0	20.0	0.0
Number of annuitants	0	0	36	60	1
Number of members	8	10	358	261	12
Number of depositing members	8	5	264	181	11
Average age of depositing members	47.4	43.3	46.2	45.0	47.3
Average years of service of depositing members	12.7	4.6	7.4	8.9	10.3

Plan Number	212	694	213	214	215
Plan Name	Houston County	Houston Co. AD	Howard County	Hudspeth County	Hunt County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 247,455	\$ 0	\$ 2,869,187	\$ 354,669	\$ 2,905,406
Members	4,604,128	223,504	12,066,280	2,309,405	24,207,892
Total	4,851,583	223,504	14,935,467	2,664,074	27,113,298
2 Actuarial present value of future normal cost contributions	790,501	93,550	1,684,652	501,868	5,625,038
3 Actuarial accrued liability [line 1 - line 2]	4,061,082	129,954	13,250,815	2,162,206	21,488,260
4 Actuarial value of assets	3,977,091	97,888	10,578,735	2,200,131	18,524,433
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 83,991	\$ 32,066	\$ 2,672,080	\$ (37,925)	\$ 2,963,827
Required employer rates for 2007					
Normal cost	4.60%	4.89%	5.62%	4.07%	6.84%
UAAL or (OAAL)	0.28	1.27	4.80	(0.22)	1.99
Total required rate	4.88%	6.16%	10.42%	3.85%	8.83%
Elected rate	N/A	7.00%	N/A	5.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	7.9	20.0	0.0	20.0
Number of annuitants	45	0	77	28	95
Number of members	149	9	209	103	477
Number of depositing members	103	9	146	69	351
Average age of depositing members	47.4	49.2	46.4	45.2	44.0
Average years of service of depositing members	8.1	13.2	11.1	8.1	7.8

* See footnote H on page 163

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	216	711	217	218	592
Plan Name	Hutchinson County	Iraan General Hospital District	Irion County	Jack County	Jack Co. AD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,514,500	\$ 0	\$ 174,730	\$ 806,008	\$ 46,708
Members	13,935,425	992,114	2,500,929	5,321,321	319,732
Total	15,449,925	992,114	2,675,659	6,127,329	366,440
2 Actuarial present value of future normal cost contributions	1,638,521	591,321	346,309	919,890	39,215
3 Actuarial accrued liability [line 1 - line 2]	13,811,404	400,793	2,329,350	5,207,439	327,225
4 Actuarial value of assets	12,677,140	206,585	2,315,212	4,513,007	285,767
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,134,264	\$ 194,208	\$ 14,138	\$ 694,432	\$ 41,458
Required employer rates for 2007					
Normal cost	5.83%	6.54%	7.41%	5.77%	3.81%
UAAL or (OAAL)	2.15	1.32	0.20	2.23	3.54
Total required rate	7.98%	7.86%	7.61%	8.00%	7.35%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	20.0
Number of annuitants	72	0	15	27	2
Number of members	158	36	39	124	6
Number of depositing members	125	34	28	90	5
Average age of depositing members	49.9	44.6	48.9	47.1	45.3
Average years of service of depositing members	12.3	8.3	10.1	8.5	12.7

Plan Number	219	441	220	657	221
Plan Name	Jackson County	Jackson Co. County-Wide DD	Jasper County	Jasper Co. WCID #1	Jeff Davis County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 942,492	\$ 173,907	\$ 2,710,189	\$ 0	\$ 74,621
Members	9,294,978	870,638	14,399,945	232,446	900,572
Total	10,237,470	1,044,545	17,110,134	232,446	975,193
2 Actuarial present value of future normal cost contributions	1,167,738	202,581	2,495,065	50,559	163,759
3 Actuarial accrued liability [line 1 - line 2]	9,069,732	841,964	14,615,069	181,887	811,434
4 Actuarial value of assets	8,205,322	793,921	10,602,079	152,041	835,221
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 864,410	\$ 48,043	\$ 4,012,990	\$ 29,846	\$ (23,787)
Required employer rates for 2007					
Normal cost	5.44%	9.59%	7.78%	4.58%	5.88%
UAAL or (OAAL)	2.30	1.80	6.24	2.26	(0.61)
Total required rate	7.74%	11.39%	14.02%	6.84%	5.27%
Elected rate	N/A	N/A	N/A	7.00%	7.00%
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	16.9	0.0
Number of annuitants	63	5	66	0	10
Number of members	141	10	191	5	29
Number of depositing members	109	9	152	4	20
Average age of depositing members	46.9	51.6	48.3	44.7	48.2
Average years of service of depositing members	12.1	9.5	10.5	17.3	8.4

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	222	404	408	405	451
Plan Name	Jefferson County	Jefferson Co. DD #3	Jefferson Co. DD #6	Jefferson Co. DD #7	Jefferson Co. WCID #10
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 22,484,502	\$ 43,578	\$ 2,240,088	\$ 1,247,960	\$ 261,494
Members	165,114,011	746,681	10,731,866	16,361,168	316,406
Total	187,598,513	790,259	12,971,954	17,609,128	577,900
2 Actuarial present value of future normal cost contributions	24,803,011	70,867	2,142,377	1,822,460	161,321
3 Actuarial accrued liability [line 1 - line 2]	162,795,502	719,392	10,829,577	15,786,668	416,579
4 Actuarial value of assets	136,447,673	719,443	9,521,550	13,520,579	531,768
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 26,347,829	\$ (51)	\$ 1,308,027	\$ 2,266,089	\$ (115,189)
Required employer rates for 2007					
Normal cost	6.60%	4.52%	8.05%	5.62%	5.68%
UAAL or (OAAL)	4.21	(0.39)	3.08	4.12	(3.40)
Total required rate	10.81%	4.13%	11.13%	9.74%	2.28%
Elected rate	N/A	8.50%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	0.0	20.0	20.0	30.0
Number of annuitants	474	5	25	48	5
Number of members	1,383	9	75	81	10
Number of depositing members	1,082	8	71	76	8
Average age of depositing members	44.8	50.1	46.0	46.2	39.6
Average years of service of depositing members	13.0	14.3	12.8	16.8	3.8

Plan Number	706	223	680	656	641
Plan Name	Jefferson Co. Waterway ND	Jim Hogg County	Jim Hogg Co. AD	Jim Hogg Co. FD #2	Jim Hogg Co. WCID #2
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 6,421	\$ 476,262	\$ 0	\$ 0	\$ 3,467
Members	180,337	3,996,483	57,425	24,984	458,143
Total	186,758	4,472,745	57,425	24,984	461,610
2 Actuarial present value of future normal cost contributions	97,079	630,456	30,802	14,162	72,895
3 Actuarial accrued liability [line 1 - line 2]	89,679	3,842,289	26,623	10,822	388,715
4 Actuarial value of assets	80,139	3,556,671	35,589	21,022	329,959
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 9,540	\$ 285,618	\$ (8,966)	\$ (10,200)	\$ 58,756
Required employer rates for 2007					
Normal cost	6.91%	3.25%	5.36%	2.95%	3.97%
UAAL or (OAAL)	0.32	0.85	(1.65)	(2.95)	2.04
Total required rate	7.23%	4.10%	3.71%	0.00%	6.01%
Elected rate	N/A	5.00%	7.00%	N/A	6.41%
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	7.0	0.0	0.0	13.4
Number of annuitants	1	41	0	0	1
Number of members	6	169	6	2	10
Number of depositing members	5	140	3	1	10
Average age of depositing members	48.1	45.7	50.3	35.0	52.5
Average years of service of depositing members	6.2	10.5	8.4	0.9	23.9

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	224	225	584	226	496
Plan Name	Jim Wells County	Johnson County	Johnson Co. Fresh WSD #1	Jones County	Jones Co. AD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,677,480	\$ 3,490,098	\$ 42,306	\$ 962,616	\$ 88,275
Members	16,161,137	33,957,086	316,084	6,600,633	504,302
Total	17,838,617	37,447,184	358,390	7,563,249	592,577
2 Actuarial present value of future normal cost contributions	2,558,226	6,644,755	79,201	1,078,445	61,181
3 Actuarial accrued liability [line 1 - line 2]	15,280,391	30,802,429	279,189	6,484,804	531,396
4 Actuarial value of assets	13,624,883	28,142,322	305,412	4,882,876	507,577
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,655,508	\$ 2,660,107	\$ (26,223)	\$ 1,601,928	\$ 23,819
Required employer rates for 2007					
Normal cost	6.60%	6.28%	3.83%	7.76%	5.52%
UAAL or (OAAL)	2.09	1.25	(1.55)	5.91	1.26
Total required rate	8.69%	7.53%	2.28%	13.67%	6.78%
Elected rate	N/A	N/A	7.00%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	0.0	20.0	20.0
Number of annuitants	81	150	3	49	3
Number of members	312	792	13	139	7
Number of depositing members	210	544	7	90	5
Average age of depositing members	47.2	44.3	39.3	46.2	52.7
Average years of service of depositing members	10.4	7.6	6.5	8.3	10.0

Plan Number	227	524	455	228	662
Plan Name	Karnes County	Karnes Co. AD	Karnes Co. HD	Kaufman County	Kaufman Co. AD
Plan type	Variable	Variable	Fixed	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 762,048	\$ 47,461	\$ 511,386	\$ 3,329,455	\$ 149,331
Members	5,620,591	326,418	6,562,510	23,993,023	1,058,538
Total	6,382,639	373,879	7,073,896	27,322,478	1,207,869
2 Actuarial present value of future normal cost contributions	1,061,100	49,933	1,228,400	6,454,625	337,096
3 Actuarial accrued liability [line 1 - line 2]	5,321,539	323,946	5,845,496	20,867,853	870,773
4 Actuarial value of assets	4,771,483	301,416	6,056,575	19,365,639	630,964
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 550,056	\$ 22,530	\$ (211,079)	\$ 1,502,214	\$ 239,809
Required employer rates for 2007					
Normal cost	5.94%	4.94%	5.69%	6.45%	6.38%
UAAL or (OAAL)	1.78	2.15	0.31	0.82	3.60
Total required rate	7.72%	7.09%	6.00%	7.27%	9.98%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	0.0	20.0	20.0
Number of annuitants	55	2	16	90	3
Number of members	161	5	84	598	28
Number of depositing members	112	4	75	440	21
Average age of depositing members	46.9	45.2	45.7	42.4	45.7
Average years of service of depositing members	9.3	16.3	10.3	6.2	9.0

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	671	229	619	230	231
Plan Name	Kendall AD	Kendall County	Kendall Co. WCID #1	Kenedy County	Kent County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 17,291	\$ 490,164	\$ 104,691	\$ 423,971	\$ 259,065
Members	460,484	9,490,947	406,406	4,372,917	3,775,046
Total	477,775	9,981,111	511,097	4,796,888	4,034,111
2 Actuarial present value of future normal cost contributions	175,930	2,160,427	110,722	979,139	563,327
3 Actuarial accrued liability [line 1 - line 2]	301,845	7,820,684	400,375	3,817,749	3,470,784
4 Actuarial value of assets	264,371	6,908,039	304,647	2,810,572	3,095,948
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 37,474	\$ 912,645	\$ 95,728	\$ 1,007,177	\$ 374,836
Required employer rates for 2007					
Normal cost	5.59%	5.45%	5.56%	9.47%	5.15%
UAAL or (OAAL)	0.82	1.25	4.72	6.65	1.89
Total required rate	6.41%	6.70%	10.28%	16.12%	7.04%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	20.0
Number of annuitants	1	38	2	16	31
Number of members	22	242	6	69	94
Number of depositing members	15	171	6	48	66
Average age of depositing members	48.5	45.6	41.2	44.9	50.8
Average years of service of depositing members	9.5	8.1	10.2	10.0	9.6

Plan Number	594	232	653	233	234
Plan Name	Kent Co. Tax AD	Kerr County	Kerr Emerg. 911 Net.	Kimble County	King County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 40,106	\$ 1,751,510	\$ 0	\$ 73,720	\$ 98,467
Members	125,899	20,791,537	198,361	1,738,963	1,649,517
Total	166,005	22,543,047	198,361	1,812,683	1,747,984
2 Actuarial present value of future normal cost contributions	32,589	4,004,064	102,665	486,816	168,506
3 Actuarial accrued liability [line 1 - line 2]	133,416	18,538,983	95,696	1,325,867	1,579,478
4 Actuarial value of assets	105,318	16,152,206	149,174	1,319,623	1,463,986
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 28,098	\$ 2,386,777	\$ (53,478)	\$ 6,244	\$ 115,492
Required employer rates for 2007					
Normal cost	8.05%	6.16%	7.63%	5.88%	5.84%
UAAL or (OAAL)	4.97	1.96	(4.85)	0.03	2.11
Total required rate	13.02%	8.12%	2.78%	5.91%	7.95%
Elected rate	N/A	N/A	7.00%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	0.0	20.0	20.0
Number of annuitants	3	82	0	21	10
Number of members	2	405	4	60	20
Number of depositing members	2	281	3	44	16
Average age of depositing members	54.3	44.5	41.7	45.3	53.2
Average years of service of depositing members	9.5	9.2	4.3	6.7	14.0

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	235	579	236	237	519
Plan Name	Kinney County	Kinney Co. AD	Kleberg County	Knox County	Knox Co. AD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 168,305	\$ 42,472	\$ 4,972,453	\$ 138,437	\$ 33,379
Members	2,597,790	75,592	19,746,692	1,463,982	167,380
Total	2,766,095	118,064	24,719,145	1,602,419	200,759
2 Actuarial present value of future normal cost contributions	448,373	17,972	3,722,193	262,836	22,619
3 Actuarial accrued liability [line 1 - line 2]	2,317,722	100,092	20,996,952	1,339,583	178,140
4 Actuarial value of assets	2,445,233	77,089	20,036,177	1,415,576	172,887
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (127,511)	\$ 23,003	\$ 960,775	\$ (75,993)	\$ 5,253
Required employer rates for 2007					
Normal cost	6.71%	4.89%	7.29%	5.92%	5.33%
UAAL or (OAAL)	(0.76)	3.03	1.06	(0.79)	1.02
Total required rate	5.95%	7.92%	8.35%	5.13%	6.35%
Elected rate	N/A	N/A	N/A	7.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	20.0	20.0	0.0	20.0
Number of annuitants	17	2	112	20	2
Number of members	70	3	389	49	5
Number of depositing members	50	3	260	35	3
Average age of depositing members	46.4	59.9	43.5	52.3	51.1
Average years of service of depositing members	8.5	5.3	9.2	8.7	13.6

Plan Number	241	540	514	238	239
Plan Name	La Salle County	Laguna Madre WD—Cameron Co.	Lakeway MUD—Travis Co.	Lamar County	Lamb County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 767,474	\$ 656,166	\$ 273,634	\$ 1,641,131	\$ 801,569
Members	3,787,789	5,478,541	2,335,172	15,989,746	7,706,783
Total	4,555,263	6,134,707	2,608,806	17,630,877	8,508,352
2 Actuarial present value of future normal cost contributions	907,867	978,611	492,465	2,847,604	1,160,184
3 Actuarial accrued liability [line 1 - line 2]	3,647,396	5,156,096	2,116,341	14,783,273	7,348,168
4 Actuarial value of assets	3,354,112	4,064,927	1,734,552	13,085,449	6,297,803
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 293,284	\$ 1,091,169	\$ 381,789	\$ 1,697,824	\$ 1,050,365
Required employer rates for 2007					
Normal cost	7.99%	7.01%	5.93%	7.07%	6.36%
UAAL or (OAAL)	1.44	4.89	3.79	2.28	3.11
Total required rate	9.43%	11.90%	9.72%	9.35%	9.47%
Elected rate	N/A	N/A	11.00%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	11.8	20.0	20.0
Number of annuitants	23	19	4	63	45
Number of members	89	90	26	250	116
Number of depositing members	71	73	20	193	85
Average age of depositing members	39.8	42.7	41.7	45.1	47.6
Average years of service of depositing members	6.7	15.5	10.8	10.0	11.1

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	240	650	242	439	243
Plan Name	Lampasas County	Lampasas Co. AD	Lavaca County	Lavaca - Navidad River Auth.— Jackson Co.	Lee County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 761,913	\$ 0	\$ 1,028,723	\$ 523,165	\$ 634,826
Members	6,996,789	300,519	13,975,350	5,535,763	6,714,002
Total	7,758,702	300,519	15,004,073	6,058,928	7,348,828
2 Actuarial present value of future normal cost contributions	1,443,667	112,946	2,011,732	1,141,139	801,288
3 Actuarial accrued liability [line 1 - line 2]	6,315,035	187,573	12,992,341	4,917,789	6,547,540
4 Actuarial value of assets	5,039,647	152,599	11,360,781	4,407,993	5,768,483
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,275,388	\$ 34,974	\$ 1,631,560	\$ 509,796	\$ 779,057
Required employer rates for 2007					
Normal cost	8.34%	7.38%	5.61%	6.76%	4.20%
UAAL or (OAAL)	3.76	2.01	2.56	2.06	2.29
Total required rate	12.10%	9.39%	8.17%	8.82%	6.49%
Elected rate	13.76%	N/A	N/A	10.70%	8.00%
Years (beginning in 2007) required to amortize the UAAL or OAAL	11.2	20.0	20.0	7.7	9.5
Number of annuitants	36	0	53	12	31
Number of members	117	7	230	69	111
Number of depositing members	87	6	174	52	92
Average age of depositing members	49.4	44.8	45.9	42.4	46.6
Average years of service of depositing members	9.7	12.4	12.2	8.3	12.3

Plan Number	244	468	245	481	246
Plan Name	Leon County	Leon Co. CAD	Liberty County	Liberty Co. CAD	Limestone County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 149,557	\$ 0	\$ 4,167,546	\$ 253,844	\$ 917,008
Members	4,484,270	562,441	30,861,224	2,344,984	9,986,122
Total	4,633,827	562,441	35,028,770	2,598,828	10,903,130
2 Actuarial present value of future normal cost contributions	851,709	58,845	5,259,274	543,511	1,721,674
3 Actuarial accrued liability [line 1 - line 2]	3,782,118	503,596	29,769,496	2,055,317	9,181,456
4 Actuarial value of assets	4,346,078	595,519	23,826,265	2,059,844	9,235,616
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (563,960)	\$ (91,923)	\$ 5,943,231	\$ (4,527)	\$ (54,160)
Required employer rates for 2007					
Normal cost	4.57%	3.91%	8.36%	8.47%	5.43%
UAAL or (OAAL)	(1.61)	(2.93)	4.69	0.00	(0.18)
Total required rate	2.96%	0.98%	13.05%	8.47%	5.25%
Elected rate	7.00%	N/A	N/A	N/A	7.00%
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	30.0	20.0	30.0	0.0
Number of annuitants	36	1	113	6	59
Number of members	138	8	408	51	208
Number of depositing members	106	6	307	30	162
Average age of depositing members	49.3	49.2	46.4	45.3	46.0
Average years of service of depositing members	7.6	14.4	10.0	9.4	9.3

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	695	247	248	591	431
Plan Name	Limestone Co. AD	Lipscomb County	Live Oak County	Live Oak Co. AD	Livingston HD
Plan type	Variable	Variable	Variable	Variable	Fixed
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 383,604	\$ 821,316	\$ 85,275	\$ 431,047
Members	301,852	4,030,759	5,548,215	558,164	171,815
Total	301,852	4,414,363	6,369,531	643,439	602,862
2 Actuarial present value of future normal cost contributions	117,389	608,202	865,008	104,293	0
3 Actuarial accrued liability [line 1 - line 2]	184,463	3,806,161	5,504,523	539,146	602,862
4 Actuarial value of assets	120,073	3,035,855	4,287,475	428,496	1,370,941
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 64,390	\$ 770,306	\$ 1,217,048	\$ 110,650	\$ (768,079)
Required employer rates for 2007					
Normal cost	7.42%	7.05%	7.13%	5.99%	0.00%
UAAL or (OAAL)	2.68	5.05	5.26	5.85	0.00
Total required rate	10.10%	12.10%	12.39%	11.84%	0.00%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	0.0
Number of annuitants	0	30	40	2	15
Number of members	8	69	104	12	7
Number of depositing members	8	48	81	7	0
Average age of depositing members	50.1	50.0	47.2	45.0	0.0
Average years of service of depositing members	17.5	9.6	10.2	7.2	0.0

Plan Number	249	654	436	250	513
Plan Name	Llano County	Llano Co. Hosp.Auth.*	Llano Mem. Hosp.*	Loving County	Loving Co. AD
Plan type	Variable	Variable	Fixed	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 575,927	\$ 107,233	\$ 1,136,352	\$ 258,400	\$ 22,696
Members	8,176,997	787,109	2,498,058	1,991,774	67,110
Total	8,752,924	894,342	3,634,410	2,250,174	89,806
2 Actuarial present value of future normal cost contributions	1,321,398	0	0	158,548	41,654
3 Actuarial accrued liability [line 1 - line 2]	7,431,526	894,342	3,634,410	2,091,626	48,152
4 Actuarial value of assets	6,636,022	1,462,574	3,755,721	1,727,759	27,400
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 795,504	\$ (568,232)	\$ (121,311)	\$ 363,867	\$ 20,752
Required employer rates for 2007					
Normal cost	5.93%	0.00%	0.00%	6.23%	7.72%
UAAL or (OAAL)	1.61	0.00	0.00	7.13	4.26
Total required rate	7.54%	0.00%	0.00%	13.36%	11.98%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	0.0	0.0	20.0	20.0
Number of annuitants	49	26	41	11	2
Number of members	173	85	60	19	3
Number of depositing members	140	0	0	16	2
Average age of depositing members	50.8	0.0	0.0	54.1	45.1
Average years of service of depositing members	9.4	0.0	0.0	15.6	7.4

* See footnote B on page 163

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	714	499	251	425	558
Plan Name	Lower Valley Water District	Lubbock CAD	Lubbock County	Lubbock Co. WCID #1	Lubbock ECD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 722,088	\$ 10,785,793	\$ 23,770	\$ 0
Members	1,589,330	7,399,750	73,111,467	425,094	812,385
Total	1,589,330	8,121,838	83,897,260	448,864	812,385
2 Actuarial present value of future normal cost contributions	1,072,280	981,384	12,588,284	131,629	168,402
3 Actuarial accrued liability [line 1 - line 2]	517,050	7,140,454	71,308,976	317,235	643,983
4 Actuarial value of assets	300,871	6,781,576	61,086,974	571,739	596,992
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 216,179	\$ 358,878	\$ 10,222,002	\$ (254,504)	\$ 46,991
Required employer rates for 2007					
Normal cost	7.76%	7.11%	6.40%	7.78%	6.61%
UAAL or (OAAL)	1.38	1.81	2.83	(7.55)	1.61
Total required rate	9.14%	8.92%	9.23%	0.23%	8.22%
Elected rate	N/A	9.10%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	16.2	20.0	30.0	20.0
Number of annuitants	0	19	251	4	0
Number of members	62	70	1,181	18	10
Number of depositing members	58	52	863	10	6
Average age of depositing members	44.0	46.0	42.5	44.3	47.6
Average years of service of depositing members	5.3	11.8	8.7	6.0	8.3

Plan Number	647	639	252	497	442
Plan Name	Lubbock Reese Redev. Auth.	Lumberton MUD	Lynn County	Lynn Co. AD	Lynn Co. HD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 0	\$ 126,692	\$ 16,515	\$ 1,004,869
Members	322,105	1,013,477	1,604,963	134,616	3,947,185
Total	322,105	1,013,477	1,731,655	151,131	4,952,054
2 Actuarial present value of future normal cost contributions	91,291	387,008	259,599	36,024	825,325
3 Actuarial accrued liability [line 1 - line 2]	230,814	626,469	1,472,056	115,107	4,126,729
4 Actuarial value of assets	385,666	550,181	1,655,625	112,563	4,015,518
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (154,852)	\$ 76,288	\$ (183,569)	\$ 2,544	\$ 111,211
Required employer rates for 2007					
Normal cost	3.14%	4.29%	3.28%	4.86%	5.17%
UAAL or (OAAL)	(3.00)	0.75	(1.18)	0.28	0.51
Total required rate	0.14%	5.04%	2.10%	5.14%	5.68%
Elected rate	N/A	N/A	3.00%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	20.0	0.0	20.0	20.0
Number of annuitants	1	2	18	1	18
Number of members	14	39	63	3	100
Number of depositing members	8	29	52	3	77
Average age of depositing members	53.7	38.4	46.0	53.8	42.7
Average years of service of depositing members	4.7	6.1	9.1	9.5	7.0

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	630	500	256	596	257
Plan Name	Macedonia-Eylau MUD—Bowie Co.	Mackenzie MWA—Briscoe Co.	Madison County	Madison Co. AD	Marion County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 112,167	\$ 396,012	\$ 0	\$ 675,176
Members	549,463	701,656	2,100,717	259,508	4,297,931
Total	549,463	813,823	2,496,729	259,508	4,973,107
2 Actuarial present value of future normal cost contributions	74,071	25,381	347,463	31,761	694,708
3 Actuarial accrued liability [line 1 - line 2]	475,392	788,442	2,149,266	227,747	4,278,399
4 Actuarial value of assets	466,565	858,383	1,776,929	202,775	4,172,502
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 8,827	\$ (69,941)	\$ 372,337	\$ 24,972	\$ 105,897
Required employer rates for 2007					
Normal cost	3.82%	4.32%	3.95%	2.62%	7.21%
UAAL or (OAAL)	(0.04)	(4.32)	1.62	1.59	0.59
Total required rate	3.78%	0.00%	5.57%	4.21%	7.80%
Elected rate	8.00%	9.00%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	0.0	20.0	20.0	20.0
Number of annuitants	0	5	30	0	33
Number of members	7	4	103	8	90
Number of depositing members	6	4	75	5	68
Average age of depositing members	46.0	58.3	53.5	48.6	49.2
Average years of service of depositing members	16.7	18.6	9.1	20.3	9.3

Plan Number	675	658	258	595	259
Plan Name	Marion Co. AD	Marshall-Harrison Co. Health Dist.	Martin County	Martin Co. AD	Mason County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 6,666	\$ 655,256	\$ 8,953	\$ 67,882
Members	146,946	70,127	4,946,498	154,752	2,135,510
Total	146,946	76,793	5,601,754	163,705	2,203,392
2 Actuarial present value of future normal cost contributions	73,496	21,199	629,293	22,756	313,339
3 Actuarial accrued liability [line 1 - line 2]	73,450	55,594	4,972,461	140,949	1,890,053
4 Actuarial value of assets	89,667	115,837	4,188,936	136,746	1,694,417
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (16,217)	\$ (60,243)	\$ 783,525	\$ 4,203	\$ 195,636
Required employer rates for 2007					
Normal cost	5.28%	6.12%	6.45%	3.62%	5.85%
UAAL or (OAAL)	(1.19)	(6.12)	4.70	0.48	2.07
Total required rate	4.09%	0.00%	11.15%	4.10%	7.92%
Elected rate	7.13%	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	0.0	20.0	20.0	20.0
Number of annuitants	0	2	28	1	22
Number of members	5	10	76	3	66
Number of depositing members	5	2	53	3	38
Average age of depositing members	48.6	47.5	49.7	53.2	48.6
Average years of service of depositing members	12.5	1.2	11.0	14.3	8.4

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	260	678	440	677	261
Plan Name	Matagorda County	Matagorda Co. DD	Matagorda Co. HD	Matagorda Co. ND #1	Maverick County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 2,703,002	\$ 6,370	\$ 2,633,945	\$ 11,296	\$ 1,332,059
Members	22,228,124	339,600	19,568,891	394,677	12,333,642
Total	24,931,126	345,970	22,202,836	405,973	13,665,701
2 Actuarial present value of future normal cost contributions	2,987,590	128,780	3,530,569	302,032	3,023,056
3 Actuarial accrued liability [line 1 - line 2]	21,943,536	217,190	18,672,267	103,941	10,642,645
4 Actuarial value of assets	17,579,421	171,767	20,003,887	111,063	9,760,721
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 4,364,115	\$ 45,423	\$ (1,331,620)	\$ (7,122)	\$ 881,924
Required employer rates for 2007					
Normal cost	6.70%	7.71%	4.33%	10.28%	6.03%
UAAL or (OAAL)	5.51	1.90	(0.86)	(0.22)	1.02
Total required rate	12.21%	9.61%	3.47%	10.06%	7.05%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	30.0	30.0	20.0
Number of annuitants	110	1	105	2	44
Number of members	296	8	473	10	338
Number of depositing members	212	8	336	8	250
Average age of depositing members	45.2	50.7	43.1	45.9	43.3
Average years of service of depositing members	11.0	14.1	6.7	2.5	7.9

Plan Number	729	453	452	253	512
Plan Name	Maverick County Hospital District	Maverick Co. WCID #1	McCamey Co. HD—Upton Co.	McCulloch County	McCulloch Co. AD
Plan type	Variable	Fixed	Fixed	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 191,834	\$ 66,157	\$ 364,117	\$ 0
Members	272,600	1,689,149	1,262,874	1,919,848	509,879
Total	272,600	1,880,983	1,329,031	2,283,965	509,879
2 Actuarial present value of future normal cost contributions	171,625	167,723	0	328,961	44,658
3 Actuarial accrued liability [line 1 - line 2]	100,975	1,713,260	1,329,031	1,955,004	465,221
4 Actuarial value of assets	13,049	1,646,526	2,108,358	2,262,058	483,040
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 87,926	\$ 66,734	\$ (779,327)	\$ (307,054)	\$ (17,819)
Required employer rates for 2007					
Normal cost	2.84%	2.47%	0.00%	5.68%	6.97%
UAAL or (OAAL)	1.31	2.53	0.00	(2.45)	(2.02)
Total required rate	4.15%	5.00%	0.00%	3.23%	4.95%
Elected rate	N/A	N/A	N/A	7.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	2.8	0.0	0.0	30.0
Number of annuitants	0	17	4	19	0
Number of members	15	47	10	52	3
Number of depositing members	15	36	0	38	3
Average age of depositing members	43.1	47.2	0.0	47.6	43.6
Average years of service of depositing members	4.6	12.7	0.0	8.4	19.1

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	254	725	491	679	255
Plan Name	McLennan County	McLennan Co. 911 Emergency Assist. Dist.	McLennan Co. AD	McLennan Co. WCID #2	McMullen County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 19,371,184	\$ 0	\$ 1,344,186	\$ 0	\$ 218,509
Members	105,269,810	328,503	4,994,550	43,232	2,006,056
Total	124,640,994	328,503	6,338,736	43,232	2,224,565
2 Actuarial present value of future normal cost contributions	19,764,039	289,448	655,809	19,147	175,978
3 Actuarial accrued liability [line 1 - line 2]	104,876,955	39,055	5,682,927	24,085	2,048,587
4 Actuarial value of assets	83,239,901	21,657	4,866,153	24,748	1,684,500
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 21,637,054	\$ 17,398	\$ 816,774	\$ (663)	\$ 364,087
Required employer rates for 2007					
Normal cost	8.61%	11.74%	6.59%	3.01%	4.65%
UAAL or (OAAL)	5.40	0.68	4.80	(0.12)	5.18
Total required rate	14.01%	12.42%	11.39%	2.89%	9.83%
Elected rate	N/A	14.00%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	3.3	20.0	30.0	20.0
Number of annuitants	290	0	22	0	19
Number of members	1,062	6	44	2	39
Number of depositing members	832	5	39	2	32
Average age of depositing members	44.6	43.7	48.8	49.0	53.0
Average years of service of depositing members	10.7	9.2	13.3	12.4	13.7

Plan Number	701	599	262	705	535
Plan Name	Meadowlakes MUD	Med. Arts Hosp.—Dawson Co.	Medina County	Medina Co. 911 Dist	Medina Co. AD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 591,822	\$ 935,788	\$ 0	\$ 27,923
Members	214,262	2,233,505	8,941,885	123,705	1,160,552
Total	214,262	2,825,327	9,877,673	123,705	1,188,475
2 Actuarial present value of future normal cost contributions	126,000	0	1,676,343	93,299	139,115
3 Actuarial accrued liability [line 1 - line 2]	88,262	2,825,327	8,201,330	30,406	1,049,360
4 Actuarial value of assets	79,776	3,521,807	7,821,671	27,972	964,841
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 8,486	\$ (696,480)	\$ 379,659	\$ 2,434	\$ 84,519
Required employer rates for 2007					
Normal cost	5.04%	0.00%	5.40%	6.28%	4.72%
UAAL or (OAAL)	0.37	0.00	0.58	0.20	2.25
Total required rate	5.41%	0.00%	5.98%	6.48%	6.97%
Elected rate	N/A	N/A	7.00%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	0.0	5.3	20.0	20.0
Number of annuitants	0	24	61	0	2
Number of members	7	78	234	3	16
Number of depositing members	6	0	178	3	12
Average age of depositing members	45.2	0.0	45.6	40.4	49.3
Average years of service of depositing members	12.0	0.0	7.9	4.9	15.6

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	419	263	669	492	264
Plan Name	Mem. Med. Center—Calhoun Co.	Menard County	Mid. Rio Grande Dev. Council	Midland CAD	Midland County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 895,554	\$ 177,534	\$ 16,319	\$ 255,187	\$ 8,248,091
Members	12,962,080	1,547,513	7,294,334	5,616,983	54,862,970
Total	13,857,634	1,725,047	7,310,653	5,872,170	63,111,061
2 Actuarial present value of future normal cost contributions	2,342,918	276,279	2,448,262	448,128	7,008,036
3 Actuarial accrued liability [line 1 - line 2]	11,514,716	1,448,768	4,862,391	5,424,042	56,103,025
4 Actuarial value of assets	12,636,002	1,340,809	3,908,700	5,444,531	47,492,310
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (1,121,286)	\$ 107,959	\$ 953,691	\$ (20,489)	\$ 8,610,715
Required employer rates for 2007					
Normal cost	5.16%	5.85%	9.08%	7.49%	5.66%
UAAL or (OAAL)	(1.25)	1.45	2.69	(0.14)	3.82
Total required rate	3.91%	7.30%	11.77%	7.35%	9.48%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	20.0	20.0	30.0	20.0
Number of annuitants	39	12	3	5	178
Number of members	304	50	151	30	740
Number of depositing members	180	31	115	26	544
Average age of depositing members	44.2	47.9	44.8	52.0	44.8
Average years of service of depositing members	7.4	10.2	11.0	18.0	10.4

Plan Number	570	265	266	617	267
Plan Name	Midland ECD	Milam County	Mills County	Mills Co. AD	Mitchell County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 1,281,433	\$ 196,412	\$ 0	\$ 572,544
Members	497,118	9,011,845	2,557,932	94,603	5,046,873
Total	497,118	10,293,278	2,754,344	94,603	5,619,417
2 Actuarial present value of future normal cost contributions	66,220	1,397,997	466,587	20,782	623,470
3 Actuarial accrued liability [line 1 - line 2]	430,898	8,895,281	2,287,757	73,821	4,995,947
4 Actuarial value of assets	409,229	8,063,187	1,905,854	118,750	4,205,796
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 21,669	\$ 832,094	\$ 381,903	\$ (44,929)	\$ 790,151
Required employer rates for 2007					
Normal cost	6.08%	6.28%	7.18%	3.02%	5.32%
UAAL or (OAAL)	1.45	1.70	2.81	(3.02)	3.47
Total required rate	7.53%	7.98%	9.99%	0.00%	8.79%
Elected rate	N/A	10.00%	N/A	4.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	6.7	20.0	0.0	20.0
Number of annuitants	0	68	23	0	30
Number of members	5	199	60	7	78
Number of depositing members	3	136	45	4	66
Average age of depositing members	49.8	48.6	50.2	48.2	50.3
Average years of service of depositing members	13.6	9.5	9.5	6.4	12.2

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	484	268	504	605	269
Plan Name	Mitchell Co. AD	Montague County	Montague Co. Tax AD	Montgomery CAD	Montgomery County
Plan type	Variable	Variable	Fixed	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 15,844	\$ 1,178,846	\$ 65,647	\$ 700,999	\$ 19,612,066
Members	283,935	7,641,124	911,310	8,311,631	161,019,392
Total	299,779	8,819,970	976,957	9,012,630	180,631,458
2 Actuarial present value of future normal cost contributions	68,845	1,241,977	81,187	1,406,944	34,885,473
3 Actuarial accrued liability [line 1 - line 2]	230,934	7,577,993	895,770	7,605,686	145,745,985
4 Actuarial value of assets	245,684	5,976,803	858,385	5,498,878	125,919,566
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (14,750)	\$ 1,601,190	\$ 37,385	\$ 2,106,808	\$ 19,826,419
Required employer rates for 2007					
Normal cost	9.42%	7.03%	6.25%	8.10%	7.43%
UAAL or (OAAL)	(1.39)	4.64	4.55	7.95	2.47
Total required rate	8.03%	11.67%	10.80%	16.05%	9.90%
Elected rate	N/A	N/A	N/A	18.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	20.0	5.3	13.0	20.0
Number of annuitants	1	60	2	13	327
Number of members	5	149	9	84	2,019
Number of depositing members	4	97	6	65	1,578
Average age of depositing members	57.7	47.0	49.7	47.4	44.1
Average years of service of depositing members	9.7	8.3	19.3	13.9	9.6

Plan Number	667	651	696	270	412
Plan Name	Montgomery Co. ECD	Montgomery Co. ESD #1	Montgomery Co. ESD #3	Moore County	Moore Co. HD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 124,821	\$ 0	\$ 0	\$ 2,241,960	\$ 704,383
Members	1,124,960	617,915	308,182	11,776,435	13,658,939
Total	1,249,781	617,915	308,182	14,018,395	14,363,322
2 Actuarial present value of future normal cost contributions	229,476	326,195	181,603	2,274,975	3,014,146
3 Actuarial accrued liability [line 1 - line 2]	1,020,305	291,720	126,579	11,743,420	11,349,176
4 Actuarial value of assets	570,999	309,293	95,677	9,626,460	12,994,756
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 449,306	\$ (17,573)	\$ 30,902	\$ 2,116,960	\$ (1,645,580)
Required employer rates for 2007					
Normal cost	6.44%	5.99%	3.74%	6.38%	5.26%
UAAL or (OAAL)	7.02	(0.47)	0.76	3.63	(1.26)
Total required rate	13.46%	5.52%	4.50%	10.01%	4.00%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	30.0	20.0	20.0	30.0
Number of annuitants	2	0	0	49	33
Number of members	19	9	19	166	493
Number of depositing members	10	9	16	135	245
Average age of depositing members	52.7	34.5	32.5	44.8	41.7
Average years of service of depositing members	9.0	6.3	5.7	9.7	6.6

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	271	273	515	274	572
Plan Name	Morris County	Nacogdoches County	Navarro CAD	Navarro County	Newton CAD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,229,949	\$ 2,389,245	\$ 170,403	\$ 1,819,968	\$ 12,480
Members	6,551,956	19,713,571	1,075,691	25,355,575	1,078,101
Total	7,781,905	22,102,816	1,246,094	27,175,543	1,090,581
2 Actuarial present value of future normal cost contributions	789,786	3,651,825	107,317	4,640,688	116,990
3 Actuarial accrued liability [line 1 - line 2]	6,992,119	18,450,991	1,138,777	22,534,855	973,591
4 Actuarial value of assets	5,857,696	16,464,180	1,053,789	20,770,313	898,412
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,134,423	\$ 1,986,811	\$ 84,988	\$ 1,764,542	\$ 75,179
Required employer rates for 2007					
Normal cost	5.50%	6.38%	6.67%	6.61%	6.94%
UAAL or (OAAL)	4.93	1.92	3.20	1.42	2.88
Total required rate	10.43%	8.30%	9.87%	8.03%	9.82%
Elected rate	N/A	N/A	10.58%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	12.9	20.0	20.0
Number of annuitants	44	79	4	75	1
Number of members	92	378	10	330	18
Number of depositing members	69	270	8	279	10
Average age of depositing members	47.9	42.8	52.7	46.1	49.1
Average years of service of depositing members	12.6	8.3	14.8	10.0	10.7

Plan Number	275	510	276	556	415
Plan Name	Newton County	Newton Co. Mem. Hosp.	Nolan County	North Cent. Texas MWA	North Plains HD
Plan type	Variable	Fixed	Variable	Fixed	Fixed
1 Actuarial present value of future benefits					
Annuitants	\$ 679,767	\$ 44,273	\$ 1,228,274	\$ 87,725	\$ 585,853
Members	3,440,024	6,488	7,041,566	928,927	21,682
Total	4,119,791	50,761	8,269,840	1,016,652	607,535
2 Actuarial present value of future normal cost contributions	734,370	0	1,033,029	81,461	0
3 Actuarial accrued liability [line 1 - line 2]	3,385,421	50,761	7,236,811	935,191	607,535
4 Actuarial value of assets	3,358,385	46,981	6,117,080	837,450	1,305,407
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 27,036	\$ 3,780	\$ 1,119,731	\$ 97,741	\$ (697,872)
Required employer rates for 2007					
Normal cost	5.30%	0.00%	5.64%	4.01%	0.00%
UAAL or (OAAL)	(0.02)	0.00	3.24	5.69	0.00
Total required rate	5.28%	0.00%	8.88%	9.70%	0.00%
Elected rate	7.00%	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	0.0	20.0	8.1	0.0
Number of annuitants	31	4	47	3	18
Number of members	107	1	124	13	24
Number of depositing members	84	0	96	9	0
Average age of depositing members	45.6	0.0	47.1	49.4	0.0
Average years of service of depositing members	7.8	0.0	9.1	16.1	0.0

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	646	562	632	277	683
Plan Name	North Texas Tollway Auth.	Northeast Texas MWD	Northeast Texas Public Health Dist.	Nueces County	Nueces Co. AD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 473,512	\$ 160,299	\$ 132,833	\$ 24,064,946	\$ 11,600
Members	37,362,077	875,383	5,034,162	143,013,603	3,158,038
Total	37,835,589	1,035,682	5,166,995	167,078,549	3,169,638
2 Actuarial present value of future normal cost contributions	17,930,651	213,548	1,509,802	19,938,884	1,249,404
3 Actuarial accrued liability [line 1 - line 2]	19,904,938	822,134	3,657,193	147,139,665	1,920,234
4 Actuarial value of assets	18,812,011	787,459	3,872,579	136,173,277	1,412,228
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,092,927	\$ 34,675	\$ (215,386)	\$ 10,966,388	\$ 508,006
Required employer rates for 2007					
Normal cost	8.26%	4.14%	5.06%	6.41%	8.11%
UAAL or (OAAL)	0.47	0.34	(0.36)	2.17	2.08
Total required rate	8.73%	4.48%	4.70%	8.58%	10.19%
Elected rate	N/A	7.00%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	1.2	30.0	20.0	20.0
Number of annuitants	28	3	12	486	2
Number of members	808	16	208	1,735	70
Number of depositing members	703	15	153	1,258	65
Average age of depositing members	43.9	46.7	44.3	43.8	48.9
Average years of service of depositing members	4.9	10.3	5.0	10.4	13.0

Plan Number	400	416	450	538	278
Plan 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	\$ 64,742	\$ 160,775	\$ 120,691	\$ 5,963	\$ 888,894
Members	610,497	2,439,981	2,418,147	603,697	6,329,039
Total	675,239	2,600,756	2,538,838	609,660	7,217,933
2 Actuarial present value of future normal cost contributions	92,194	237,157	246,202	0	741,465
3 Actuarial accrued liability [line 1 - line 2]	583,045	2,363,599	2,292,636	609,660	6,476,468
4 Actuarial value of assets	613,406	2,091,386	2,326,736	639,344	5,567,090
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (30,361)	\$ 272,213	\$ (34,100)	\$ (29,684)	\$ 909,378
Required employer rates for 2007					
Normal cost	3.30%	4.33%	5.86%	0.00%	5.55%
UAAL or (OAAL)	(0.78)	3.33	1.14	0.00	3.53
Total required rate	2.52%	7.66%	7.00%	0.00%	9.08%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	20.0	0.0	0.0	20.0
Number of annuitants	8	8	4	1	38
Number of members	19	24	16	3	92
Number of depositing members	17	18	14	0	68
Average age of depositing members	44.7	45.7	46.9	0.0	49.3
Average years of service of depositing members	11.4	16.0	18.1	0.0	11.4

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	279	517	280	490	421
Plan 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	\$ 532,601	\$ 0	\$ 7,864,296	\$ 480,426	\$ 815,978
Members	2,392,649	331,577	46,905,410	1,663,026	5,850,944
Total	2,925,250	331,577	54,769,706	2,143,452	6,666,922
2 Actuarial present value of future normal cost contributions	372,589	8,992	8,515,082	265,886	1,177,890
3 Actuarial accrued liability [line 1 - line 2]	2,552,661	322,585	46,254,624	1,877,566	5,489,032
4 Actuarial value of assets	2,408,356	328,123	39,668,334	1,932,394	4,818,246
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 144,305	\$ (5,538)	\$ 6,586,290	\$ (54,828)	\$ 670,786
Required employer rates for 2007					
Normal cost	6.72%	3.83%	7.33%	7.58%	7.40%
UAAL or (OAAL)	1.57	(1.30)	3.28	(0.95)	2.64
Total required rate	8.29%	2.53%	10.61%	6.63%	10.04%
Elected rate	N/A	9.00%	N/A	N/A	11.35%
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	0.0	20.0	30.0	10.4
Number of annuitants	23	0	183	8	16
Number of members	39	4	480	18	59
Number of depositing members	31	3	408	15	50
Average age of depositing members	48.4	61.7	44.5	48.0	45.9
Average years of service of depositing members	10.9	20.7	11.4	10.5	10.4

Plan Number	665	660	631	730	723
Plan Name	Orange Co. ESD #1	Orange Co. Nav. & Port Dist.	Orange Co. WCID #1	Palo Duro River Authority	Palo Pinto AD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 16,587	\$ 34,963	\$ 0	\$ 0
Members	176,018	606,041	1,109,463	105,484	232,712
Total	176,018	622,628	1,144,426	105,484	232,712
2 Actuarial present value of future normal cost contributions	66,977	116,695	204,963	94,475	144,600
3 Actuarial accrued liability [line 1 - line 2]	109,041	505,933	939,463	11,009	88,112
4 Actuarial value of assets	92,365	415,863	1,055,296	3,914	34,081
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 16,676	\$ 90,070	\$ (115,833)	\$ 7,095	\$ 54,031
Required employer rates for 2007					
Normal cost	2.93%	4.35%	3.96%	6.20%	4.50%
UAAL or (OAAL)	0.74	2.40	(1.42)	0.54	1.54
Total required rate	3.67%	6.75%	2.54%	6.74%	6.04%
Elected rate	N/A	N/A	N/A	7.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	30.0	9.5	20.0
Number of annuitants	0	1	2	0	0
Number of members	6	8	25	4	13
Number of depositing members	6	7	23	4	13
Average age of depositing members	41.9	52.4	47.8	44.9	39.6
Average years of service of depositing members	8.7	9.6	13.7	9.1	10.2

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	281	282	283	717	284
Plan Name	Palo Pinto County	Panola County	Parker County	Parker County AD	Parmer County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,790,017	\$ 3,191,048	\$ 2,810,024	\$ 0	\$ 681,217
Members	10,182,839	18,258,749	30,503,029	906,169	2,939,847
Total	11,972,856	21,449,797	33,313,053	906,169	3,621,064
2 Actuarial present value of future normal cost contributions	1,872,282	3,441,913	6,301,534	460,161	529,044
3 Actuarial accrued liability [line 1 - line 2]	10,100,574	18,007,884	27,011,519	446,008	3,092,020
4 Actuarial value of assets	8,497,648	11,692,314	23,622,421	140,338	2,532,649
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,602,926	\$ 6,315,570	\$ 3,389,098	\$ 305,670	\$ 559,371
Required employer rates for 2007					
Normal cost	6.20%	9.16%	6.61%	4.58%	5.47%
UAAL or (OAAL)	2.71	9.36	1.85	2.79	2.93
Total required rate	8.91%	18.52%	8.46%	7.37%	8.40%
Elected rate	N/A	22.38%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	12.0	20.0	20.0	20.0
Number of annuitants	54	102	82	0	30
Number of members	186	222	601	33	81
Number of depositing members	145	173	414	32	59
Average age of depositing members	47.0	46.1	44.0	42.1	48.5
Average years of service of depositing members	9.0	10.1	8.5	9.4	7.8

Plan Number	285	494	673	707	697
Plan Name	Pecos County	Pecos Co. AD	Permian Reg. Med Ctr.	Pineywoods GCD	Polk CAD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 4,159,423	\$ 84,376	\$ 28,396	\$ 0	\$ 0
Members	28,388,314	319,863	13,114,242	68,295	610,363
Total	32,547,737	404,239	13,142,638	68,295	610,363
2 Actuarial present value of future normal cost contributions	4,803,312	72,120	6,317,912	39,929	342,289
3 Actuarial accrued liability [line 1 - line 2]	27,744,425	332,119	6,824,726	28,366	268,074
4 Actuarial value of assets	26,096,435	386,073	5,605,609	23,588	209,513
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,647,990	\$ (53,954)	\$ 1,219,117	\$ 4,778	\$ 58,561
Required employer rates for 2007					
Normal cost	6.17%	6.29%	7.17%	10.31%	9.18%
UAAL or (OAAL)	1.18	(3.42)	0.84	1.00	1.33
Total required rate	7.35%	2.87%	8.01%	11.31%	10.51%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	30.0	20.0	20.0	20.0
Number of annuitants	145	3	7	0	0
Number of members	538	5	446	1	15
Number of depositing members	359	3	333	1	15
Average age of depositing members	44.4	35.8	43.0	57.0	42.8
Average years of service of depositing members	8.9	7.9	6.3	3.4	7.1

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	286	676	449	620	622
Plan Name	Polk County	Port of Bay City Auth.	Port of Beaumont ND	Port of Corpus Christi Auth.	Port of Port Arthur ND
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 2,917,445	\$ 0	\$ 757,232	\$ 4,533,588	\$ 422,636
Members	20,171,429	118,884	6,250,255	16,165,126	1,654,189
Total	23,088,874	118,884	7,007,487	20,698,714	2,076,825
2 Actuarial present value of future normal cost contributions	4,547,942	88,066	536,950	2,520,833	254,856
3 Actuarial accrued liability [line 1 - line 2]	18,540,932	30,818	6,470,537	18,177,881	1,821,969
4 Actuarial value of assets	18,696,224	30,599	5,564,957	13,572,671	1,635,500
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (155,292)	\$ 219	\$ 905,580	\$ 4,605,210	\$ 186,469
Required employer rates for 2007					
Normal cost	7.60%	9.00%	4.12%	3.97%	4.36%
UAAL or (OAAL)	(0.09)	(0.02)	4.03	4.24	2.04
Total required rate	7.51%	8.98%	8.15%	8.21%	6.40%
Elected rate	N/A	N/A	12.00%	11.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	30.0	6.9	9.1	20.0
Number of annuitants	86	0	22	66	4
Number of members	364	2	40	193	18
Number of depositing members	268	2	38	161	16
Average age of depositing members	44.4	32.0	49.1	49.2	52.7
Average years of service of depositing members	8.5	5.5	16.7	12.3	11.8

Plan Number	726	287	489	560	626
Plan Name	Post Oak Savannah GCD	Potter County	Potter Co. AD*	Potter-Randall Co. ECD	Presidio AD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 8,828,436	\$ 735,906	\$ 0	\$ 0
Members	60,873	64,894,724	1,339,213	713,489	113,636
Total	60,873	73,723,160	2,075,119	713,489	113,636
2 Actuarial present value of future normal cost contributions	53,155	11,895,659	0	190,398	21,040
3 Actuarial accrued liability [line 1 - line 2]	7,718	61,827,501	2,075,119	523,091	92,596
4 Actuarial value of assets	4,928	54,026,239	1,953,013	470,580	87,840
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 2,790	\$ 7,801,262	\$ 122,106	\$ 52,511	\$ 4,756
Required employer rates for 2007					
Normal cost	5.45%	7.23%	0.00%	12.51%	2.05%
UAAL or (OAAL)	0.31	2.77	0.00	1.79	0.52
Total required rate	5.76%	10.00%	0.00%	14.30%	2.57%
Elected rate	6.50%	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	3.2	20.0	0.0	20.0	20.0
Number of annuitants	0	196	21	0	0
Number of members	2	716	16	6	5
Number of depositing members	2	571	0	5	4
Average age of depositing members	46.0	42.0	0.0	56.3	37.4
Average years of service of depositing members	2.4	10.2	0.0	9.8	13.5

* See footnote C on page 163

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	288	289	537	290	564
Plan Name	Presidio County	Rains County	Rains Co. AD	Randall County	Randall Co. AD*
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 158,876	\$ 253,833	\$ 18,397	\$ 3,328,236	\$ 537,544
Members	3,355,830	2,399,441	505,193	37,979,090	6,869,052
Total	3,514,706	2,653,274	523,590	41,307,326	7,406,596
2 Actuarial present value of future normal cost contributions	707,502	568,214	116,139	8,016,598	934,142
3 Actuarial accrued liability [line 1 - line 2]	2,807,204	2,085,060	407,451	33,290,728	6,472,454
4 Actuarial value of assets	2,858,871	2,274,963	438,975	30,409,674	5,932,969
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (51,667)	\$ (189,903)	\$ (31,524)	\$ 2,881,054	\$ 539,485
Required employer rates for 2007					
Normal cost	5.99%	6.25%	8.49%	6.98%	8.00%
UAAL or (OAAL)	(0.25)	(1.09)	(1.09)	1.45	3.60
Total required rate	5.74%	5.16%	7.40%	8.43%	11.60%
Elected rate	6.00%	7.00%	N/A	N/A	12.00%
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	0.0	30.0	20.0	16.2
Number of annuitants	11	19	1	89	13
Number of members	92	88	16	496	52
Number of depositing members	61	62	8	387	44
Average age of depositing members	40.8	47.4	47.0	42.4	46.6
Average years of service of depositing members	8.1	6.7	8.7	9.5	14.8

Plan Number	406	291	445	292	505
Plan Name	Rankin Co. HD —Upton Co.	Reagan County	Reagan HD	Real County	Red Bluff WPCD— Reeves Co.
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 485,353	\$ 447,473	\$ 237,934	\$ 350,210	\$ 28,497
Members	1,549,931	5,823,514	2,259,752	2,394,845	219,480
Total	2,035,284	6,270,987	2,497,686	2,745,055	247,977
2 Actuarial present value of future normal cost contributions	328,136	1,005,920	338,626	336,536	55,816
3 Actuarial accrued liability [line 1 - line 2]	1,707,148	5,265,067	2,159,060	2,408,519	192,161
4 Actuarial value of assets	1,832,579	4,375,561	1,891,298	2,369,539	148,440
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (125,431)	\$ 889,506	\$ 267,762	\$ 38,980	\$ 43,721
Required employer rates for 2007					
Normal cost	6.40%	7.34%	5.89%	8.80%	5.12%
UAAL or (OAAL)	(1.59)	4.14	3.63	0.54	3.11
Total required rate	4.81%	11.48%	9.52%	9.34%	8.23%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	20.0	20.0	20.0	20.0
Number of annuitants	16	22	12	17	6
Number of members	27	77	37	50	4
Number of depositing members	17	59	27	31	4
Average age of depositing members	46.2	45.3	46.1	51.2	52.5
Average years of service of depositing members	10.0	11.0	8.2	12.1	7.1

* See footnote C on page 163

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	435	293	294	588	295
Plan Name	Red River Auth.— Wichita Co.	Red River County	Reeves County	Reeves Co. HD	Refugio County
Plan type	Fixed	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 349,876	\$ 494,864	\$ 1,749,319	\$ 124,318	\$ 514,321
Members	2,272,107	4,112,160	29,607,311	8,314,287	6,078,927
Total	2,621,983	4,607,024	31,356,630	8,438,605	6,593,248
2 Actuarial present value of future normal cost contributions	446,052	677,769	9,293,489	2,071,822	926,873
3 Actuarial accrued liability [line 1 - line 2]	2,175,931	3,929,255	22,063,141	6,366,783	5,666,375
4 Actuarial value of assets	2,687,112	3,782,313	22,988,012	6,975,286	5,104,102
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (511,181)	\$ 146,942	\$ (924,871)	\$ (608,503)	\$ 562,273
Required employer rates for 2007					
Normal cost	5.89%	6.62%	6.27%	5.40%	4.84%
UAAL or (OAAL)	1.11	0.81	(0.47)	(0.86)	1.72
Total required rate	7.00%	7.43%	5.80%	4.54%	6.56%
Elected rate	N/A	N/A	7.00%	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	20.0	0.0	30.0	20.0
Number of annuitants	9	26	62	14	57
Number of members	33	111	790	277	150
Number of depositing members	28	74	596	162	109
Average age of depositing members	44.3	46.0	40.4	43.6	45.7
Average years of service of depositing members	10.2	6.9	6.1	7.8	8.3

Plan Number	543	296	480	297	698
Plan Name	Refugio Co. DD #1	Roberts County	Roberts Co. AD	Robertson County	Rockwall CAD
Plan type	Fixed	Variable	Fixed	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 69,055	\$ 241,236	\$ 32,547	\$ 738,125	\$ 0
Members	235,497	1,877,631	112,527	6,799,715	819,911
Total	304,552	2,118,867	145,074	7,537,840	819,911
2 Actuarial present value of future normal cost contributions	40,295	267,015	0	1,366,676	343,368
3 Actuarial accrued liability [line 1 - line 2]	264,257	1,851,852	145,074	6,171,164	476,543
4 Actuarial value of assets	232,357	1,788,707	148,058	5,890,530	266,398
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 31,900	\$ 63,145	\$ (2,984)	\$ 280,634	\$ 210,145
Required employer rates for 2007					
Normal cost	4.15%	5.72%	0.00%	5.53%	7.43%
UAAL or (OAAL)	2.85	0.72	0.00	0.70	3.43
Total required rate	7.00%	6.44%	0.00%	6.23%	10.86%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	23.8	20.0	0.0	20.0	20.0
Number of annuitants	6	20	1	40	0
Number of members	8	49	1	133	18
Number of depositing members	6	33	0	102	16
Average age of depositing members	45.8	51.5	0.0	45.5	48.7
Average years of service of depositing members	9.2	8.7	0.0	8.5	10.0

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	298	299	300	612	301
Plan Name	Rockwall County	Runnels County	Rusk County	Rusk Co. AD	Sabine County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,342,242	\$ 288,170	\$ 2,052,171	\$ 21,351	\$ 169,773
Members	18,742,824	4,829,401	16,895,526	663,717	2,927,188
Total	20,085,066	5,117,571	18,947,697	685,068	3,096,961
2 Actuarial present value of future normal cost contributions	4,223,102	604,345	2,625,976	330,196	481,040
3 Actuarial accrued liability [line 1 - line 2]	15,861,964	4,513,226	16,321,721	354,872	2,615,921
4 Actuarial value of assets	13,003,283	4,230,147	14,719,282	314,887	3,073,047
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 2,858,681	\$ 283,079	\$ 1,602,439	\$ 39,985	\$ (457,126)
Required employer rates for 2007					
Normal cost	6.58%	4.57%	5.32%	7.90%	5.57%
UAAL or (OAAL)	2.33	1.04	1.65	0.99	(2.12)
Total required rate	8.91%	5.61%	6.97%	8.89%	3.45%
Elected rate	N/A	N/A	N/A	N/A	3.75%
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	20.0	0.0
Number of annuitants	45	54	98	1	18
Number of members	321	108	321	9	74
Number of depositing members	237	90	247	9	57
Average age of depositing members	44.5	50.7	46.7	48.5	48.7
Average years of service of depositing members	8.0	10.5	9.3	4.9	8.7

Plan Number	568	302	303	553	304
Plan Name	Sabine Pass Port Auth.	San Augustine County	San Jacinto County	San Jacinto Co. CAD	San Patricio County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 9,679	\$ 390,081	\$ 731,369	\$ 57,907	\$ 3,473,347
Members	342,865	2,094,229	6,156,419	674,687	37,997,541
Total	352,544	2,484,310	6,887,788	732,594	41,470,888
2 Actuarial present value of future normal cost contributions	39,114	393,525	1,112,438	178,123	5,636,440
3 Actuarial accrued liability [line 1 - line 2]	313,430	2,090,785	5,775,350	554,471	35,834,448
4 Actuarial value of assets	265,410	2,241,235	5,381,291	606,196	34,033,744
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 48,020	\$ (150,450)	\$ 394,059	\$ (51,725)	\$ 1,800,704
Required employer rates for 2007					
Normal cost	4.05%	5.10%	5.61%	7.37%	5.88%
UAAL or (OAAL)	3.71	(0.93)	0.93	(1.48)	1.10
Total required rate	7.76%	4.17%	6.54%	5.89%	6.98%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	30.0	20.0	30.0	20.0
Number of annuitants	3	16	56	4	139
Number of members	6	83	200	27	651
Number of depositing members	6	52	136	10	464
Average age of depositing members	47.8	45.8	47.2	41.2	44.7
Average years of service of depositing members	15.8	6.3	6.8	6.0	10.6

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	495	426	422	305	306
Plan Name	San Patricio Co. AD	San Patricio Co. DD	San Patricio MWD	San Saba County	Schleicher County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 201,006	\$ 1,199,852	\$ 304,123	\$ 186,665	\$ 255,371
Members	974,831	3,121,467	3,348,144	2,685,725	3,499,666
Total	1,175,837	4,321,319	3,652,267	2,872,390	3,755,037
2 Actuarial present value of future normal cost contributions	144,411	78,409	664,760	340,961	518,354
3 Actuarial accrued liability [line 1 - line 2]	1,031,426	4,242,910	2,987,507	2,531,429	3,236,683
4 Actuarial value of assets	1,043,697	3,310,911	2,483,506	2,451,152	3,096,906
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (12,271)	\$ 931,999	\$ 504,001	\$ 80,277	\$ 139,777
Required employer rates for 2007					
Normal cost	6.67%	2.16%	5.11%	6.52%	7.46%
UAAL or (OAAL)	(0.32)	14.91	2.64	0.80	1.28
Total required rate	6.35%	17.07%	7.75%	7.32%	8.74%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	20.0	20.0	20.0	20.0
Number of annuitants	4	11	9	20	13
Number of members	12	16	37	49	43
Number of depositing members	12	16	31	36	36
Average age of depositing members	47.9	50.3	47.2	51.9	47.9
Average years of service of depositing members	11.1	19.3	9.7	9.6	11.0

Plan Number	307	308	470	309	627
Plan Name	Scurry County	Shackelford County	Shackelford Co. AD	Shelby County	Shelby Co. AD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 3,191,746	\$ 213,939	\$ 79,699	\$ 1,188,814	\$ 21,315
Members	21,825,787	1,994,953	272,578	4,629,373	225,133
Total	25,017,533	2,208,892	352,277	5,818,187	246,448
2 Actuarial present value of future normal cost contributions	3,266,860	293,776	26,305	1,169,821	40,842
3 Actuarial accrued liability [line 1 - line 2]	21,750,673	1,915,116	325,972	4,648,366	205,606
4 Actuarial value of assets	21,309,404	1,785,424	317,977	4,124,171	219,098
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 441,269	\$ 129,692	\$ 7,995	\$ 524,195	\$ (13,492)
Required employer rates for 2007					
Normal cost	5.51%	5.65%	3.87%	5.71%	2.18%
UAAL or (OAAL)	0.38	1.44	0.85	1.31	(0.79)
Total required rate	5.89%	7.09%	4.72%	7.02%	1.39%
Elected rate	N/A	N/A	7.00%	N/A	4.00%
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	2.9	20.0	0.0
Number of annuitants	154	11	2	56	2
Number of members	445	50	5	126	15
Number of depositing members	282	35	3	101	8
Average age of depositing members	45.3	50.0	46.0	46.0	42.2
Average years of service of depositing members	7.8	8.8	15.1	7.1	8.3

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	523	310	469	311	555
Plan Name	Shelby Co. Gen. Hosp.	Sherman County	Sherman Co. AD	Smith County	Smith Co. 911 Comm. Dist.
Plan type	Fixed	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 144,365	\$ 754,614	\$ 28,324	\$ 9,900,213	\$ 5,587
Members	0	4,001,895	442,025	56,358,404	1,642,182
Total	144,365	4,756,509	470,349	66,258,617	1,647,769
2 Actuarial present value of future normal cost contributions	0	519,059	21,444	10,300,660	663,421
3 Actuarial accrued liability [line 1 - line 2]	144,365	4,237,450	448,905	55,957,957	984,348
4 Actuarial value of assets	130,575	3,216,699	410,886	46,102,246	1,018,077
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 13,790	\$ 1,020,751	\$ 38,019	\$ 9,855,711	\$ (33,729)
Required employer rates for 2007					
Normal cost	0.00%	8.47%	4.05%	6.41%	6.74%
UAAL or (OAAL)	0.00	7.45	3.62	3.21	(0.23)
Total required rate	0.00%	15.92%	7.67%	9.62%	6.51%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	20.0	20.0	20.0	30.0
Number of annuitants	11	32	2	235	1
Number of members	0	60	4	1,004	45
Number of depositing members	0	42	4	731	31
Average age of depositing members	0.0	52.5	54.9	42.5	37.0
Average years of service of depositing members	0.0	11.6	20.2	8.6	4.4

Plan Number	606	312	507	699	645
Plan Name	Smith Co. AD	Somervell County	Somervell Co. CAD	Somervell Co. Water Dist.	South Texas Dev. Council
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 193,041	\$ 1,324,992	\$ 58,840	\$ 0	\$ 95,615
Members	4,625,975	13,776,128	255,923	136,328	1,436,785
Total	4,819,016	15,101,120	314,763	136,328	1,532,400
2 Actuarial present value of future normal cost contributions	673,821	2,559,604	117,614	91,692	203,392
3 Actuarial accrued liability [line 1 - line 2]	4,145,195	12,541,516	197,149	44,636	1,329,008
4 Actuarial value of assets	4,003,867	11,259,654	234,786	43,846	1,016,190
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 141,328	\$ 1,281,862	\$ (37,637)	\$ 790	\$ 312,818
Required employer rates for 2007					
Normal cost	7.32%	8.40%	8.14%	5.63%	3.79%
UAAL or (OAAL)	0.38	2.36	(2.10)	(0.08)	4.20
Total required rate	7.70%	10.76%	6.04%	5.55%	7.99%
Elected rate	14.00%	N/A	7.00%	7.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.6	20.0	0.0	0.0	20.0
Number of annuitants	2	39	2	0	2
Number of members	51	171	14	3	30
Number of depositing members	33	139	5	3	18
Average age of depositing members	44.2	46.2	43.8	51.3	49.0
Average years of service of depositing members	12.1	9.8	2.8	2.4	16.4

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	313	536	314	315	316
Plan Name	Starr County	Starr Co. AD	Stephens County	Sterling County	Stonewall County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 2,890,919	\$ 98,294	\$ 578,869	\$ 388,461	\$ 235,492
Members	14,084,206	1,320,474	5,227,703	3,522,696	1,539,897
Total	16,975,125	1,418,768	5,806,572	3,911,157	1,775,389
2 Actuarial present value of future normal cost contributions	2,512,457	213,403	580,600	635,155	172,175
3 Actuarial accrued liability [line 1 - line 2]	14,462,668	1,205,365	5,225,972	3,276,002	1,603,214
4 Actuarial value of assets	10,327,550	1,101,819	4,654,683	2,775,784	1,618,874
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 4,135,118	\$ 103,546	\$ 571,289	\$ 500,218	\$ (15,660)
Required employer rates for 2007					
Normal cost	3.80%	6.81%	6.51%	9.20%	4.89%
UAAL or (OAAL)	3.65	3.19	3.11	3.28	(0.33)
Total required rate	7.45%	10.00%	9.62%	12.48%	4.56%
Elected rate	N/A	N/A	12.00%	N/A	6.00%
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	8.8	20.0	0.0
Number of annuitants	97	4	24	27	13
Number of members	687	18	51	88	45
Number of depositing members	435	15	45	43	33
Average age of depositing members	42.2	41.9	50.0	50.5	51.2
Average years of service of depositing members	9.9	11.8	13.5	8.2	11.1

Plan Number	724	458	539	317	573
Plan Name	Stonewall Co. AD	Stonewall Mem. HD	Stratford HD—Sherman Co.	Sutton County	Sutton Co. HD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 169,022	\$ 34,129	\$ 558,957	\$ 52,360
Members	25,193	1,435,317	960,841	6,063,127	1,504,900
Total	25,193	1,604,339	994,970	6,622,084	1,557,260
2 Actuarial present value of future normal cost contributions	18,269	209,601	271,012	950,841	506,997
3 Actuarial accrued liability [line 1 - line 2]	6,924	1,394,738	723,958	5,671,243	1,050,263
4 Actuarial value of assets	5,063	1,544,873	927,040	5,725,327	1,364,644
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,861	\$ (150,135)	\$ (203,082)	\$ (54,084)	\$ (314,381)
Required employer rates for 2007					
Normal cost	6.90%	1.99%	3.86%	5.82%	5.07%
UAAL or (OAAL)	0.34	(0.92)	(1.89)	(0.26)	(1.67)
Total required rate	7.24%	1.07%	1.97%	5.56%	3.40%
Elected rate	8.00%	N/A	N/A	7.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	3.4	30.0	30.0	0.0	30.0
Number of annuitants	0	11	4	23	6
Number of members	2	58	84	90	64
Number of depositing members	2	44	40	67	37
Average age of depositing members	56.7	42.5	43.7	45.2	42.1
Average years of service of depositing members	11.4	7.1	4.8	11.9	5.7

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	318	460	534	607	319
Plan Name	Swisher County	Swisher Co. AD	Swisher Mem. HD	Tarrant AD	Tarrant County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 627,995	\$ 125,358	\$ 72,241	\$ 2,957,307	\$ 74,529,506
Members	2,661,609	428,872	1,909,387	26,244,188	570,649,683
Total	3,289,604	554,230	1,981,628	29,201,495	645,179,189
2 Actuarial present value of future normal cost contributions	407,340	57,112	446,645	3,345,056	107,503,956
3 Actuarial accrued liability [line 1 - line 2]	2,882,264	497,118	1,534,983	25,856,439	537,675,233
4 Actuarial value of assets	2,543,785	453,929	1,761,806	21,500,780	455,967,992
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 338,479	\$ 43,189	\$ (226,823)	\$ 4,355,659	\$ 81,707,241
Required employer rates for 2007					
Normal cost	6.56%	6.56%	2.08%	5.71%	7.34%
UAAL or (OAAL)	2.94	4.26	(0.50)	4.57	3.27
Total required rate	9.50%	10.82%	1.58%	10.28%	10.61%
Elected rate	N/A	N/A	N/A	11.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	30.0	14.8	20.0
Number of annuitants	37	3	15	48	1,207
Number of members	58	5	145	239	4,980
Number of depositing members	44	4	98	196	4,057
Average age of depositing members	52.7	45.5	45.8	48.6	45.4
Average years of service of depositing members	9.4	12.5	6.9	13.7	11.3

Plan Number	545	574	320	321	322
Plan Name	Tarrant Co. 911 EAD	Tax AD of Cottle Co.	Taylor County	Terrell County	Terry County
Plan type	Variable	Fixed	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 4,662	\$ 200	\$ 6,307,017	\$ 231,508	\$ 734,868
Members	3,363,333	90,757	45,707,722	1,637,299	5,908,599
Total	3,367,995	90,957	52,014,739	1,868,807	6,643,467
2 Actuarial present value of future normal cost contributions	571,223	9,821	5,264,366	322,047	884,163
3 Actuarial accrued liability [line 1 - line 2]	2,796,772	81,136	46,750,373	1,546,760	5,759,304
4 Actuarial value of assets	2,211,284	79,355	37,132,159	1,187,350	4,763,234
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 585,488	\$ 1,781	\$ 9,618,214	\$ 359,410	\$ 996,070
Required employer rates for 2007					
Normal cost	8.06%	5.21%	4.36%	5.00%	4.65%
UAAL or (OAAL)	4.41	1.79	4.32	3.38	2.70
Total required rate	12.47%	7.00%	8.68%	8.38%	7.35%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	2.8	20.0	20.0	20.0
Number of annuitants	1	1	145	20	59
Number of members	16	2	749	42	115
Number of depositing members	14	2	575	38	99
Average age of depositing members	50.0	55.1	44.3	47.1	48.3
Average years of service of depositing members	13.5	18.4	10.3	9.0	9.0

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	402	354	437	634	323
Plan Name	Terry Mem. HD	TCDRS	Texas Assoc. of Counties	Texas Eastern 911 Net.	Throckmorton County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,468,524	\$ 1,621,079	\$ 422,412	\$ 0	\$ 201,536
Members	8,544,648	12,218,917	19,268,874	250,568	1,322,416
Total	10,013,172	13,839,996	19,691,286	250,568	1,523,952
2 Actuarial present value of future normal cost contributions	1,274,542	3,238,368	3,835,315	58,887	136,471
3 Actuarial accrued liability [line 1 - line 2]	8,738,630	10,601,628	15,855,971	191,681	1,387,481
4 Actuarial value of assets	10,018,915	9,284,054	14,905,227	226,707	1,215,039
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (1,280,285)	\$ 1,317,574	\$ 950,744	\$ (35,026)	\$ 172,442
Required employer rates for 2007					
Normal cost	4.22%	7.38%	7.87%	5.48%	4.09%
UAAL or (OAAL)	(2.02)	1.77	0.99	(2.91)	2.85
Total required rate	2.20%	9.15%	8.86%	2.57%	6.94%
Elected rate	N/A	9.50%	N/A	10.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	15.1	20.0	0.0	20.0
Number of annuitants	41	12	9	0	12
Number of members	271	126	158	4	36
Number of depositing members	154	90	121	4	28
Average age of depositing members	44.1	44.0	49.2	51.8	52.3
Average years of service of depositing members	8.7	7.4	11.0	10.3	9.8

Plan Number	324	501	325	601	326
Plan Name	Titus County	Titus Co. Fresh WSD	Tom Green County	Travis CAD	Travis County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,217,249	\$ 101,562	\$ 5,011,308	\$ 501,747	\$ 56,603,205
Members	11,422,450	848,291	38,730,138	12,082,379	596,696,933
Total	12,639,699	949,853	43,741,446	12,584,126	653,300,138
2 Actuarial present value of future normal cost contributions	1,867,183	181,322	6,372,621	1,259,836	125,860,601
3 Actuarial accrued liability [line 1 - line 2]	10,772,516	768,531	37,368,825	11,324,290	527,439,537
4 Actuarial value of assets	10,754,902	804,432	32,709,456	10,189,615	469,129,341
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 17,614	\$ (35,901)	\$ 4,659,369	\$ 1,134,675	\$ 58,310,196
Required employer rates for 2007					
Normal cost	7.90%	6.94%	5.14%	3.87%	8.14%
UAAL or (OAAL)	0.07	(0.98)	2.11	2.36	2.40
Total required rate	7.97%	5.96%	7.25%	6.23%	10.54%
Elected rate	N/A	7.00%	N/A	7.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	0.0	20.0	11.7	20.0
Number of annuitants	36	4	161	18	748
Number of members	166	11	866	142	5,413
Number of depositing members	121	10	633	103	4,217
Average age of depositing members	45.6	51.6	43.3	47.8	43.1
Average years of service of depositing members	11.0	10.5	8.9	12.5	10.6

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	720	666	549	659	633
Plan Name	Travis Co. Emer. Services Dist. #1	Travis Co. WCID—Point Venture	Travis Co. WCID #18	Tri-County SUD	Trinity Bay Cons. Dist.
Plan type	Variable	Variable	Fixed	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 0	\$ 14,475	\$ 2,136	\$ 4,112	\$ 265,100
Members	170,379	147,572	151,993	148,298	2,510,401
Total	170,379	162,047	154,129	152,410	2,775,501
2 Actuarial present value of future normal cost contributions	130,663	86,806	0	61,845	320,219
3 Actuarial accrued liability [line 1 - line 2]	39,716	75,241	154,129	90,565	2,455,282
4 Actuarial value of assets	21,674	71,307	174,707	92,106	1,743,772
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 18,042	\$ 3,934	\$ (20,578)	\$ (1,541)	\$ 711,510
Required employer rates for 2007					
Normal cost	2.42%	3.62%	0.00%	3.73%	3.68%
UAAL or (OAAL)	0.31	0.20	0.00	(0.09)	4.85
Total required rate	2.73%	3.82%	0.00%	3.64%	8.53%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	0.0	30.0	20.0
Number of annuitants	0	1	1	1	5
Number of members	15	8	3	7	46
Number of depositing members	14	5	0	7	40
Average age of depositing members	41.1	38.2	0.0	45.4	46.8
Average years of service of depositing members	2.3	4.4	0.0	5.3	15.9

Plan Number	327	328	471	561	329
Plan 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	\$ 613,910	\$ 1,085,720	\$ 96,391	\$ 127,831	\$ 2,280,488
Members	3,792,436	7,941,503	756,672	1,325,326	15,402,492
Total	4,406,346	9,027,223	853,063	1,453,157	17,682,980
2 Actuarial present value of future normal cost contributions	417,511	1,300,509	139,424	234,761	2,957,677
3 Actuarial accrued liability [line 1 - line 2]	3,988,835	7,726,714	713,639	1,218,396	14,725,303
4 Actuarial value of assets	3,326,530	7,254,707	965,789	1,410,823	13,314,172
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 662,305	\$ 472,007	\$ (252,150)	\$ (192,427)	\$ 1,411,131
Required employer rates for 2007					
Normal cost	5.50%	6.89%	7.23%	3.81%	7.19%
UAAL or (OAAL)	3.88	1.37	(0.23)	3.19	1.89
Total required rate	9.38%	8.26%	7.00%	7.00%	9.08%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	0.0	0.0	20.0
Number of annuitants	29	54	4	12	74
Number of members	99	137	11	39	270
Number of depositing members	59	108	10	34	205
Average age of depositing members	49.7	47.9	49.3	47.8	45.5
Average years of service of depositing members	10.6	11.4	14.6	10.5	8.7

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	330	682	331	332	663
Plan 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	\$ 441,938	\$ 0	\$ 1,318,654	\$ 1,921,532	\$ 3,477
Members	6,382,618	177,402	13,172,225	18,708,261	245,709
Total	6,824,556	177,402	14,490,879	20,629,793	249,186
2 Actuarial present value of future normal cost contributions	895,652	69,565	2,251,650	3,163,954	63,335
3 Actuarial accrued liability [line 1 - line 2]	5,928,904	107,837	12,239,229	17,465,839	185,851
4 Actuarial value of assets	5,245,617	100,344	11,475,710	15,748,636	161,597
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 683,287	\$ 7,493	\$ 763,519	\$ 1,717,203	\$ 24,254
Required employer rates for 2007					
Normal cost	4.91%	7.69%	6.65%	7.08%	2.25%
UAAL or (OAAL)	2.18	0.43	1.16	2.00	0.74
Total required rate	7.09%	8.12%	7.81%	9.08%	2.99%
Elected rate	N/A	8.63%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	5.5	20.0	20.0	20.0
Number of annuitants	45	0	41	56	1
Number of members	102	5	244	272	12
Number of depositing members	78	5	185	213	10
Average age of depositing members	45.9	57.0	46.3	44.7	44.1
Average years of service of depositing members	10.6	19.9	9.6	10.9	12.0

Plan Number	586	333	672	420	334
Plan 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	\$ 1,203,757	\$ 7,383	\$ 367,097	\$ 7,428,438
Members	674,809	11,616,935	554,012	4,515,237	57,584,048
Total	674,809	12,820,692	561,395	4,882,334	65,012,486
2 Actuarial present value of future normal cost contributions	103,183	1,746,807	194,321	394,561	10,920,804
3 Actuarial accrued liability [line 1 - line 2]	571,626	11,073,885	367,074	4,487,773	54,091,682
4 Actuarial value of assets	543,820	9,843,934	319,355	4,173,258	45,109,402
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 27,806	\$ 1,229,951	\$ 47,719	\$ 314,515	\$ 8,982,280
Required employer rates for 2007					
Normal cost	3.31%	5.61%	6.94%	3.65%	7.40%
UAAL or (OAAL)	0.76	1.85	1.10	3.35	3.66
Total required rate	4.07%	7.46%	8.04%	7.00%	11.06%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	20.0	20.0	10.6	20.0
Number of annuitants	0	67	1	11	140
Number of members	8	310	21	26	776
Number of depositing members	7	194	16	26	548
Average age of depositing members	46.4	46.0	50.8	44.8	42.5
Average years of service of depositing members	14.3	8.3	11.0	15.8	9.9

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	423	637	335	336	337
Plan 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	\$ 26,439	\$ 0	\$ 3,299,745	\$ 1,747,414	\$ 2,557,234
Members	876,321	137,754	24,377,826	15,451,217	12,357,886
Total	902,760	137,754	27,677,571	17,198,631	14,915,120
2 Actuarial present value of future normal cost contributions	23,778	33,956	5,169,428	2,458,238	2,267,506
3 Actuarial accrued liability [line 1 - line 2]	878,982	103,798	22,508,143	14,740,393	12,647,614
4 Actuarial value of assets	781,472	113,372	18,594,952	13,537,488	9,586,500
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 97,510	\$ (9,574)	\$ 3,913,191	\$ 1,202,905	\$ 3,061,114
Required employer rates for 2007					
Normal cost	4.13%	4.62%	6.73%	5.50%	8.47%
UAAL or (OAAL)	7.10	(1.01)	2.80	1.46	6.53
Total required rate	11.23%	3.61%	9.53%	6.96%	15.00%
Elected rate	N/A	N/A	N/A	7.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	30.0	20.0	19.2	20.0
Number of annuitants	2	0	97	99	82
Number of members	6	4	483	278	173
Number of depositing members	4	3	311	186	130
Average age of depositing members	59.8	53.0	42.0	45.7	45.9
Average years of service of depositing members	24.2	13.2	8.0	10.8	9.6

Plan Number	565	444	338	339	604
Plan 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	\$ 1,148,138	\$ 1,519,648	\$ 7,702,058	\$ 100,708
Members	470,300	7,486,558	14,579,253	91,550,075	2,481,757
Total	470,300	8,634,696	16,098,901	99,252,133	2,582,465
2 Actuarial present value of future normal cost contributions	40,630	1,644,684	3,087,312	22,181,602	450,983
3 Actuarial accrued liability [line 1 - line 2]	429,670	6,990,012	13,011,589	77,070,531	2,131,482
4 Actuarial value of assets	444,178	7,409,964	10,506,366	73,726,548	1,986,603
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (14,508)	\$ (419,952)	\$ 2,505,223	\$ 3,343,983	\$ 144,879
Required employer rates for 2007					
Normal cost	4.21%	6.32%	6.65%	6.59%	3.57%
UAAL or (OAAL)	(0.97)	(1.19)	3.17	0.59	0.89
Total required rate	3.24%	5.13%	9.82%	7.18%	4.46%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	30.0	30.0	20.0	20.0	20.0
Number of annuitants	0	36	58	247	4
Number of members	8	161	251	1,705	78
Number of depositing members	4	86	193	1,328	45
Average age of depositing members	46.4	40.3	42.2	41.0	39.0
Average years of service of depositing members	15.3	7.0	8.9	9.3	9.5

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	443	410	454	688	340
Plan Name	West Cent. Texas COG	West Cent. Texas 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	\$ 1,782,994	\$ 280,855	\$ 138,231	\$ 0	\$ 2,841,105
Members	8,106,403	1,572,989	1,249,457	30,452	20,425,963
Total	9,889,397	1,853,844	1,387,688	30,452	23,267,068
2 Actuarial present value of future normal cost contributions	1,168,479	297,476	160,439	13,481	3,169,344
3 Actuarial accrued liability [line 1 - line 2]	8,720,918	1,556,368	1,227,249	16,971	20,097,724
4 Actuarial value of assets	8,397,460	1,432,334	1,067,291	16,337	17,135,746
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 323,458	\$ 124,034	\$ 159,958	\$ 634	\$ 2,961,978
Required employer rates for 2007					
Normal cost	8.35%	5.69%	6.12%	5.21%	5.89%
UAAL or (OAAL)	1.12	1.47	5.28	0.28	3.20
Total required rate	9.47%	7.16%	11.40%	5.49%	9.09%
Elected rate	11.00%	N/A	N/A	N/A	9.38%
Years (beginning in 2007) required to amortize the UAAL or OAAL	6.1	20.0	20.0	20.0	17.3
Number of annuitants	27	12	6	0	110
Number of members	105	35	11	3	287
Number of depositing members	45	25	9	1	232
Average age of depositing members	47.6	47.6	43.3	42.0	46.9
Average years of service of depositing members	10.6	8.8	15.0	8.7	12.4

Plan Number	621	341	476	427	342
Plan 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	\$ 490,604	\$ 33,168	\$ 123,842	\$ 3,708,165
Members	64,522	3,314,341	451,214	725,614	41,563,221
Total	64,522	3,804,945	484,382	849,456	45,271,386
2 Actuarial present value of future normal cost contributions	3,632	464,536	45,475	118,475	5,368,000
3 Actuarial accrued liability [line 1 - line 2]	60,890	3,340,409	438,907	730,981	39,903,386
4 Actuarial value of assets	68,201	2,823,922	426,317	886,541	34,193,689
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (7,311)	\$ 516,487	\$ 12,590	\$ (155,560)	\$ 5,709,697
Required employer rates for 2007					
Normal cost	3.68%	5.66%	7.40%	3.85%	5.67%
UAAL or (OAAL)	(1.88)	3.56	0.95	3.15	3.00
Total required rate	1.80%	9.22%	8.35%	7.00%	8.67%
Elected rate	5.00%	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	0.0	20.0	20.0	0.0	20.0
Number of annuitants	0	31	2	5	154
Number of members	4	68	4	10	638
Number of depositing members	2	52	4	9	457
Average age of depositing members	64.0	48.5	58.2	43.4	44.4
Average years of service of depositing members	20.8	9.2	16.0	10.3	10.6

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Number	446	559	655	343	715
Name	Wichita Co. WID #2	Wichita-Wilbarger 911 Dist.	Wickson Creek SUD—Brazos Co.	Wilbarger County	Wilbarger County AD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 267,242	\$ 9,519	\$ 0	\$ 1,622,811	\$ 0
Members	1,928,581	844,407	633,012	6,602,278	74,784
Total	2,195,823	853,926	633,012	8,225,089	74,784
2 Actuarial present value of future normal cost contributions	213,704	84,848	186,604	1,066,872	59,531
3 Actuarial accrued liability [line 1 - line 2]	1,982,119	769,078	446,408	7,158,217	15,253
4 Actuarial value of assets	1,632,915	681,628	368,512	5,833,224	12,410
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 349,204	\$ 87,450	\$ 77,896	\$ 1,324,993	\$ 2,843
Required employer rates for 2006					
Normal cost	4.73%	8.55%	5.74%	6.55%	6.44%
UAAL or (OAAL)	6.06	3.64	2.26	4.28	0.13
Total required rate	10.79%	12.19%	8.00%	10.83%	6.57%
Elected rate	11.00%	N/A	N/A	N/A	9.00%
Years (beginning in 2006) required to amortize the UAAL or OAAL	18.6	20.0	20.0	20.0	0.5
Number of annuitants	10	1	0	42	0
Number of members	17	5	12	96	3
Number of depositing members	14	5	9	87	3
Average age of depositing members	45.1	60.0	44.0	48.9	46.1
Average length of service of depositing members	14.0	14.1	9.8	10.1	8.5

Number	530	344	575	652	345
Name	Wilbarger Co. HD	Willacy County	Willacy Co. AD	Willacy Co. Housing Auth.	Williamson County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 635,296	\$ 905,817	\$ 0	\$ 4,869	\$ 8,075,814
Members	6,784,658	5,944,370	538,469	85,779	136,102,229
Total	7,419,954	6,850,187	538,469	90,648	144,178,043
2 Actuarial present value of future normal cost contributions	817,349	1,173,395	52,589	34,212	38,604,097
3 Actuarial accrued liability [line 1 - line 2]	6,602,605	5,676,792	485,880	56,436	105,573,946
4 Actuarial value of assets	7,021,862	5,707,337	402,556	56,474	90,021,322
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ (419,257)	\$ (30,545)	\$ 83,324	\$ (38)	\$ 15,552,624
Required employer rates for 2006					
Normal cost	2.56%	6.18%	6.66%	5.71%	8.70%
UAAL or (OAAL)	(1.09)	(0.08)	7.29	0.01	2.20
Total required rate	1.47%	6.10%	13.95%	5.72%	10.90%
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	30.0	20.0	20.0	20.0
Number of annuitants	23	41	0	1	168
Number of members	190	163	6	6	1,875
Number of depositing members	133	102	5	5	1,436
Average age of depositing members	44.2	41.8	48.1	56.6	43.1
Average length of service of depositing members	10.1	7.5	17.0	11.4	8.0

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	608	346	479	347	533
Plan Name	Williamson Co. AD	Wilson County	Wilson Co. AD	Winkler County	Winkler Co. AD
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 624,495	\$ 953,599	\$ 118,938	\$ 2,443,743	\$ 24,567
Members	8,292,437	7,705,557	1,075,195	11,605,505	211,052
Total	8,916,932	8,659,156	1,194,133	14,049,248	235,619
2 Actuarial present value of future normal cost contributions	1,790,809	1,514,127	217,273	1,761,852	55,114
3 Actuarial accrued liability [line 1 - line 2]	7,126,123	7,145,029	976,860	12,287,396	180,505
4 Actuarial value of assets	5,451,543	6,327,036	937,433	10,849,126	167,750
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,674,580	\$ 817,993	\$ 39,427	\$ 1,438,270	\$ 12,755
Required employer rates for 2007					
Normal cost	8.37%	5.57%	6.32%	5.95%	7.67%
UAAL or (OAAL)	5.24	1.66	0.89	2.76	1.63
Total required rate	13.61%	7.23%	7.21%	8.71%	9.30%
Elected rate	14.18%	7.50%	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	16.2	15.7	20.0	20.0	20.0
Number of annuitants	13	45	4	86	2
Number of members	93	205	19	189	6
Number of depositing members	63	150	15	151	3
Average age of depositing members	47.0	45.0	44.1	46.0	47.1
Average years of service of depositing members	11.0	9.1	9.8	9.8	11.3

Plan Number	348	493	349	700	350
Plan Name	Wise County	Wise Co. AD	Wood County	Wood Co. AD	Yoakum County
Plan type	Variable	Variable	Variable	Variable	Variable
1 Actuarial present value of future benefits					
Annuitants	\$ 1,685,360	\$ 50,525	\$ 2,120,994	\$ 0	\$ 5,406,368
Members	22,265,587	1,259,611	14,170,425	482,232	16,775,458
Total	23,950,947	1,310,136	16,291,419	482,232	22,181,826
2 Actuarial present value of future normal cost contributions	5,218,362	344,856	2,842,019	220,539	2,925,432
3 Actuarial accrued liability [line 1 - line 2]	18,732,585	965,280	13,449,400	261,693	19,256,394
4 Actuarial value of assets	16,446,966	1,146,899	11,498,207	195,965	15,013,681
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 2,285,619	\$ (181,619)	\$ 1,951,193	\$ 65,728	\$ 4,242,713
Required employer rates for 2007					
Normal cost	7.30%	7.12%	6.45%	6.51%	5.33%
UAAL or (OAAL)	1.74	(2.18)	2.44	1.53	4.05
Total required rate	9.04%	4.94%	8.89%	8.04%	9.38%
Elected rate	N/A	N/A	9.75%	9.00%	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	30.0	12.8	8.2	20.0
Number of annuitants	62	5	90	0	117
Number of members	395	25	250	17	306
Number of depositing members	314	17	195	13	244
Average age of depositing members	43.9	41.9	45.3	43.9	45.0
Average years of service of depositing members	8.2	8.6	9.1	10.5	8.2

ACTUARIAL SECTION

ACTUARIAL VALUATION RESULTS BY EMPLOYER As of Dec. 31, 2005

Plan Number	351	352	649	353	566
Plan Name	Young County	Zapata County	Zapata Co. AD	Zavala County	Zavala Co. AD
Plan type	Variable	Variable	Variable	Variable	Fixed
1 Actuarial present value of future benefits					
Annuitants	\$ 1,341,937	\$ 1,072,347	\$ 0	\$ 992,304	\$ 43,081
Members	8,031,533	19,376,198	208,711	4,928,737	358,270
Total	9,373,470	20,448,545	208,711	5,921,041	401,351
2 Actuarial present value of future normal cost contributions	1,090,348	4,631,046	53,915	745,717	40,815
3 Actuarial accrued liability [line 1 - line 2]	8,283,122	15,817,499	154,796	5,175,324	360,536
4 Actuarial value of assets	7,239,563	16,266,476	118,569	5,355,368	448,975
5 Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)] [line 3 - line 4]	\$ 1,043,559	\$ (448,977)	\$ 36,227	\$ (180,044)	\$ (88,439)
Required employer rates for 2007					
Normal cost	5.63%	7.73%	4.06%	8.07%	4.08%
UAAL or (OAAL)	2.90	(0.35)	2.36	(0.88)	2.92
Total required rate	8.53%	7.38%	6.42%	7.19%	7.00%
Elected rate	N/A	N/A	N/A	N/A	N/A
Years (beginning in 2007) required to amortize the UAAL or OAAL	20.0	30.0	20.0	30.0	0.0
Number of annuitants	55	41	0	15	1
Number of members	151	423	8	82	6
Number of depositing members	105	348	6	58	5
Average age of depositing members	47.6	40.9	42.3	44.0	52.6
Average years of service of depositing members	9.7	9.0	15.5	9.7	14.9

Explanatory Notes

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

1. Due to rounding, totals and detail may not equal.
2. If an **elected rate** is shown, the **years (beginning in 2007) required to amortize the UAAL or OAAL** (amortization period) reflects the elected contribution rate, and the calculated **UAAL** rate for 2007 reflects a 20-year amortization period (30-year amortization period if there is an **overfunded actuarial accrued liability** amount).
3. If an **elected rate** is shown, but it is less than the **total required rate** for 2007, the TCDRS Act requires the employer to contribute at the higher required rate.
4. Variable-rate plans that have required contribution rates in excess of 11% for the first time in 2007 are required to either elect a waiver to contribute at a rate greater than 11% or reduce future benefit accruals.
5. For fixed-rate plans, if the **years (beginning in 2007) required to amortize the UAAL or OAAL** (amortization period) are greater than 30 years, the **total required rate** for 2007 does not provide an adequate financing arrangement.
6. 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 is being 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 2005 valuation, there are no fixed-rate plans with an inadequate financing arrangement (in other words, an amortization period in excess of 30 years shown in the actuarial valuation results).

F:

Variable-rate plans that have required contribution rates in excess of 11% for the first time are required to either elect a waiver to contribute at a rate greater than 11% or reduce future benefit accruals. For the 2005 valuation, no variable-rate plans exceeded an 11% required contribution rate for the first time.

G:

Recent legislation allowed for the termination of employer plans under specific circumstances. Several plans that are no longer active participating in TCDRS are in the process of being terminated in 2006, and the member accounts are being converted to annuities. This has not been reflected in the 2005 valuation.

H:

Subsequent to the valuation date, Homestead MUD ceased actively participating in the Texas County & District Retirement System. This is not reflected in the Dec. 31, 2005 actuarial valuation.



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May 2, 2006

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

Dear Trustees:

Milliman has performed an actuarial valuation for the Supplemental Death Benefit Fund (SDBF) which is administered by the Texas County & District Retirement System for purposes of complying with GASB 43/45. The SDBF is an optional cost-sharing multiple-employer defined benefit OPEB plan which provides death benefits to active and, if elected, retired employees of participating subdivisions. This valuation was performed using actuarial assumptions that were adopted by the Board in December 2005. These assumptions were developed by Milliman and reported to the Board in the 2005 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.

The financing objective of the SDBF is to operate as a group term insured benefit, charging each employer its premium based on current actuarial assumptions and its own demographic membership (number of active and retired members covered by SDBF). The funding of the SDBF is in accordance with Section 845.406 of the TCDRS statutes. Contribution rates are established as a percentage of pay.

The SDBF provides death benefits to both active and retired members. Each participating subdivision can elect to cover just active members, or active and retired members. Only those subdivisions that have elected to cover both active members and retired members are included in the actuarial valuation for purposes of the OPEB valuation under GASB 43/45. The required contribution rates are equal to a premium rate which 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 TCDRS's participating employers. The rate is expressed as a percentage of the compensation of members employed by the participating employer. The required contributions are determined using a one year term cost funding method. However, this method does not meet the parameters under GASB 43/45. Therefore, for purposes of meeting the GASB financial reporting requirements, SDBF retiree benefits are evaluated using the entry age normal cost method for employer contributions due in 2007. Active accruals are assumed to be equal to the corresponding premium rate.

The GASB required valuation was performed for all counties and districts participating in the retiree benefit for the SDBF based on the plan benefits in effect on January 1, 2006. The results of this valuation are presented in the following tables, as well as Tables 12-13 of the Financial Section. The assumptions and methods used in this valuation are summarized in the actuarial section and are intended to meet the parameters of Governmental Accounting Standards Board Statement No. 43. 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, the schedule of funding progress and the notes to these schedules in the financial section of the comprehensive annual financial report. Please refer to the December 31, 2005 Summary Actuarial Valuation Report for further disclosures.

Sincerely,

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

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

A: ACTUARIAL ASSUMPTIONS AND METHODS

The actuarial assumptions for the Supplemental Death Benefit Fund (SDBF), an OPEB plan, were developed from an actuarial investigation of the experience of TCDRS over the four years 2001-2004. They were recommended by Milliman, Inc., adopted by the TCDRS Board of Trustees in 2005 and first used in the Dec. 31, 2005 actuarial valuation. For an explanation of terms used in this section refer to the glossary of actuarial terms beginning on page 167.

Investment Return

The rate of return is 7%, which is a statutory allocation, and is not dependent on a certain level of investment earnings.

Actuarial Value of Assets

All assets are valued at fund value. The fund's assets are pooled with those of the Pension Trust Fund under provisions of the TCDS Act.

Mortality

Active Employee Mortality Rates

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 97.

Retiree Mortality Rates

For calculating the actuarial accrued liability and normal cost, the UP-1994 Male Table for males and the UP-1994 Female Table for females are used for retirees. For disabled retirees, the RP2000 Disabled Male Table with an age set forward of two years for males and the RP2000 Disabled Female Table with an age set forward of two years for females are used.

Service Retirement

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. Rates are shown in Table 5 page 97.

Disability Retirement

Members who become disabled are eligible to commence benefit payments regardless of age. Disability rates are shown in Table 4 on page 97. 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. Rates are assumed to be zero after the member has attained eligibility for service retirement

Termination of Employment

For TCDRS pension purposes, 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. For purposes of the SDBF valuation, we assume the middle termination group for the aggregate of all active members covered by the SDBF. The rates are equal to the middle rates shown in Table 1 on page 96.

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 on page 96. For members who had at least one credited month of service on Dec. 31, 1999, and have less than four years of service at termination, 100% are assumed to elect a withdrawal. For members who did not have at least one credited month of service on Dec. 31, 1999, and who do not meet the vesting requirement for retirement at age 60 at termination, 100% are assumed to elect a withdrawal. For the SDBF valuation, we have assumed the same probability of withdrawal as for those plans with 10-year vesting.

Payroll Increase

An annual increase of 4%, 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. For the SDBF valuation, we have assumed an annual increase of 4%.

Actuarial Cost Method

For the retiree death benefit, the entry age actuarial cost method is used. The normal cost rate used in the GASB valuation was calculated based on all current active members who are currently covered under the SDBF but only if the participating employer also covers its retirees. The actuarial

SDBF: SUMMARY OF ACTUARIAL ASSUMPTIONS, METHODS AND DATA

present values of projected death benefits payable after retirement and of projected salaries for all active members were calculated. The ratio of the two is the aggregate normal cost rate. The unfunded actuarial accrued liability (UAAL) created by this method, including gains and losses, is amortized as a level percentage of the covered members projected payroll.

The unit credit cost method for determining one-year term life insurance is used for the active death benefit. Thus, the normal cost is equal to the active premium rate. The total SDBF normal cost is the sum of this normal cost and the entry age normal cost for the retiree death benefit.

B: PROVISIONS OF GOVERNING LAW

Eligibility

The county or district must have elected the applicable SDBF coverage for the calendar year in which the member dies.

Amount of Death Benefit

Prior to Retirement

If death occurs while actively employed, the benefit is equal to an amount equal to the total compensation received during their most recent 12 consecutive months of employment.

After Retirement

The death benefit is equal to a single lump-sum payment of \$5,000.

TABLE 13: SDBF RETIREE DATA — MEMBERS COVERED

Year Ended	New Retirees Added	Retirees Removed	Net Change in Retirees	Total Number of Retirees ¹	Percent Change in Number of Accounts
12/31/05	N/A	N/A	N/A	7,099	N/A

¹ A single individual may have coverage with more than one participating employer.
N/A = Not Applicable

TABLE 14: SDBF PARTICIPATING EMPLOYERS AND ACTIVE MEMBERS¹

Valuation Date	Number of Participating Employers	Contributing Members		Average Annual Pay	Percent Increase in Average Annual Pay	Employer Contributions	Average Employer Rate
		Number	Annual Payroll				
12/31/05	121	30,846	\$ 1,156,639,796	\$ 37,497	N/A	N/A	N/A

¹ Includes only employers with SDBF retiree death benefit coverage.
N/A = Not Applicable

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

GLOSSARY OF ACTUARIAL TERMS

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 and becomes inadequately financed, the employer must regain adequate financing by either contributing at a higher fixed-rate (greater than the employee deposit rate) or by reducing future benefit accruals.

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, 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.

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, predominant actuarial losses over time will cause the rate to increase from year to year.



🌀 STATISTICAL SECTION 🌀



LAVACA COUNTY COURTHOUSE, HALLETTSVILLE



Texas County & District Retirement System adopted the provisions of GASB Statement No. 44: *Economic Condition Reporting: The Statistical Section*, in fiscal year 2005.

TABLE I: CHANGES IN PLAN NET ASSETS, LAST TEN FISCAL YEARS

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Additions										
Employee Deposits	\$148,050,176	\$157,961,739	\$170,573,346	\$184,276,393	\$195,266,734	\$208,517,277	\$224,387,814	\$235,662,740	\$249,968,480	\$259,406,309
Employer Contributions	162,649,174	177,836,096	195,998,879	249,038,681	255,470,236	270,644,950	291,313,309	315,637,689	338,116,653	343,108,520
Total Net Investment Income	648,918,292	774,954,976	712,584,377	93,065,829	687,848,475	238,488,998	110,578,992	1,793,165,259	1,384,420,848	900,637,780
Other Additions	405,978	1,456,635	1,468,661	1,594,117	1,808,005	1,766,188	1,765,891	1,827,396	1,760,962	2,040,623
Total Additions	960,023,620	1,112,209,446	1,080,625,263	527,975,020	1,140,393,450	719,417,413	628,046,006	2,346,293,084	1,974,266,943	1,505,193,232
Deductions										
Benefit Allowances:										
Service Retirements	137,846,462	155,565,803	170,575,862	192,332,893	210,095,346	237,686,898	263,809,988	298,914,757	331,771,825	373,973,847
Disability Retirements	5,461,424	6,218,782	6,923,652	7,784,213	8,409,345	9,194,235	9,850,998	10,527,831	11,286,878	11,938,508
Distributive Benefit	6,139,508	3,101	1,239	-	-	-	-	-	-	-
Total Benefit Allowances	149,447,394	161,787,686	177,500,753	200,117,106	218,504,691	246,881,133	273,660,986	309,442,588	343,058,703	385,912,355
Withdrawals:										
Separation	51,403,746	58,080,107	57,352,923	59,646,578	64,007,655	61,063,274	53,802,941	56,608,902	58,344,802	63,552,951
Death / Ineligible	1,193,897	1,140,836	1,192,328	1,211,164	849,872	912,852	714,892	389,193	806,323	349,447
Total Withdrawals	52,597,643	59,220,943	58,545,251	60,857,742	64,857,527	61,976,126	54,517,833	56,998,095	59,151,125	63,902,398
Administrative and Building Operations Expenses	5,784,113	6,108,761	6,532,111	7,034,098	7,368,849	8,135,163	8,379,382	9,831,601	12,223,085	11,731,184
Interest Allocation to Supplemental Death Benefit Fund	117,502	130,823	168,313	183,782	214,085	243,342	233,155	250,456	307,668	398,799
Total Deductions	207,946,652	227,248,213	242,746,428	268,192,728	290,945,152	317,235,764	336,791,356	376,522,740	414,740,581	461,944,736
Change in Net Assets	\$ 752,076,968	\$ 884,961,233	\$ 837,878,835	\$ 259,782,292	\$ 849,448,298	\$ 402,181,649	\$ 291,254,650	\$ 1,969,770,344	\$ 1,559,526,362	\$ 1,043,248,496

SUMMARY FINANCIAL DATA

FIGURE 1: REVENUES BY SOURCE — 2005

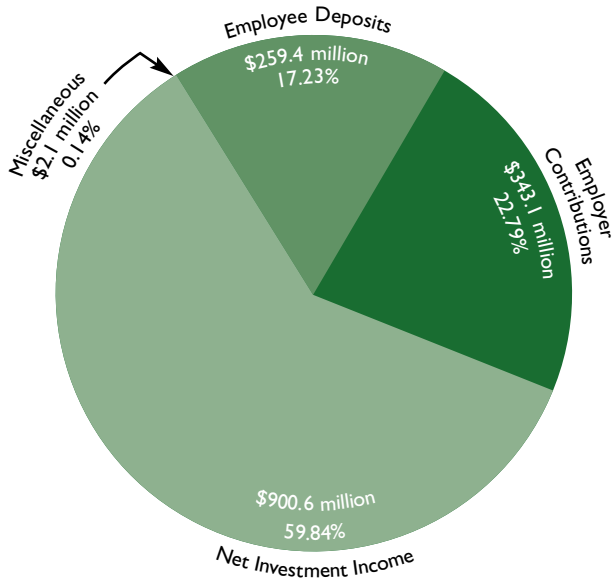


FIGURE 2: EXPENSES BY TYPE — 2005

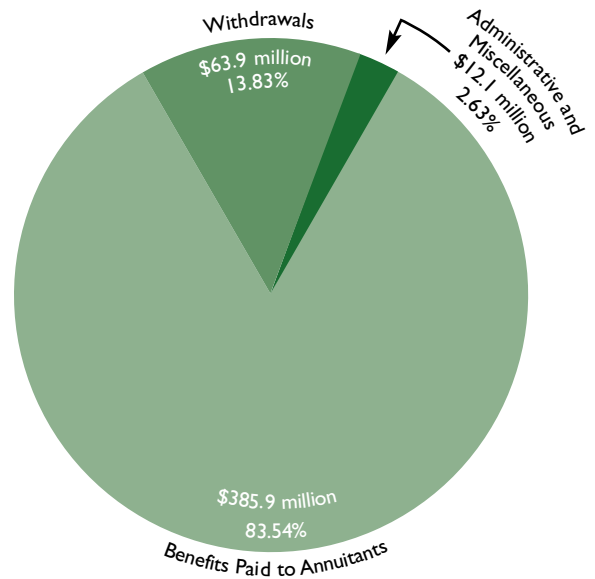
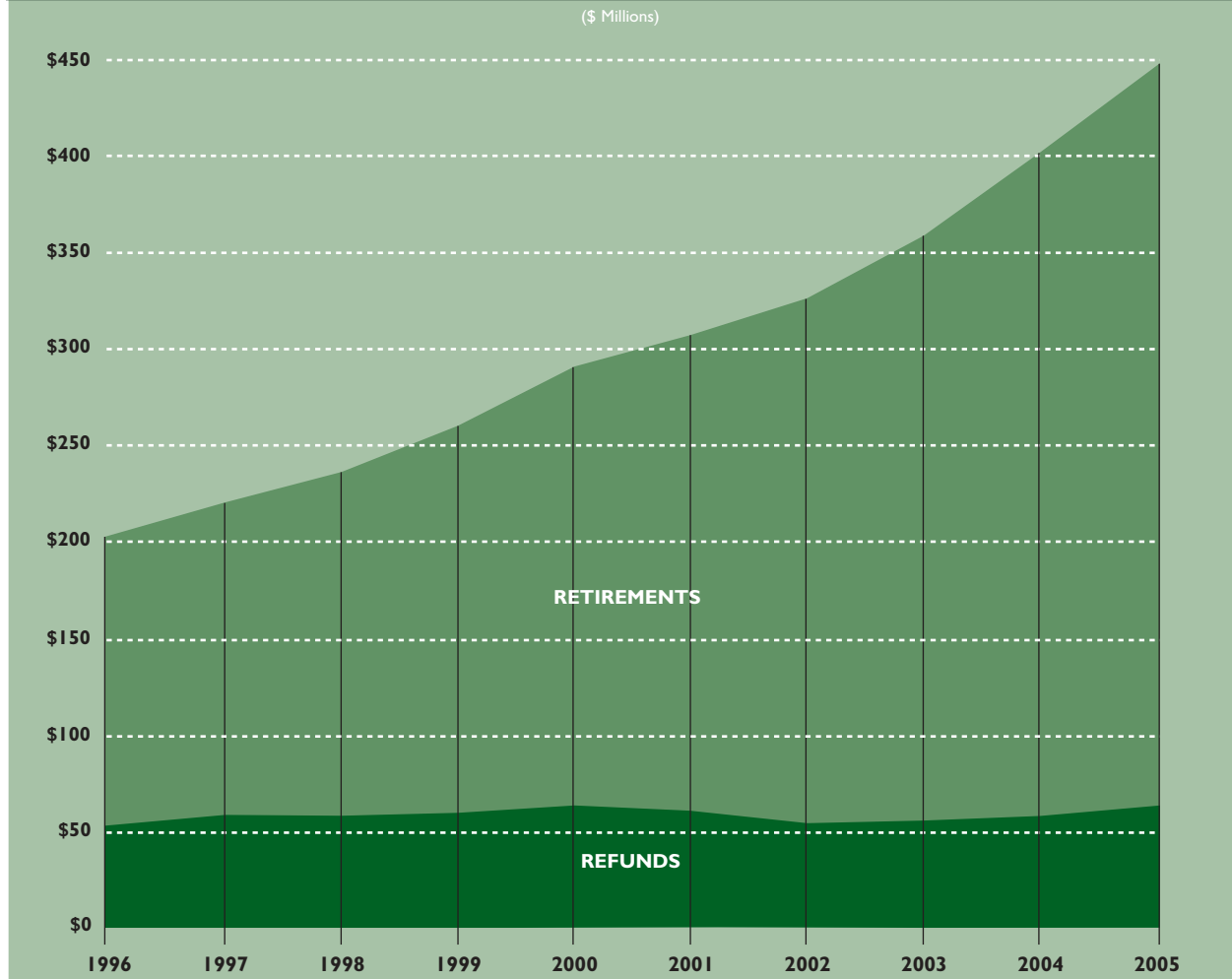


FIGURE 3: BENEFIT EXPENSES BY TYPE



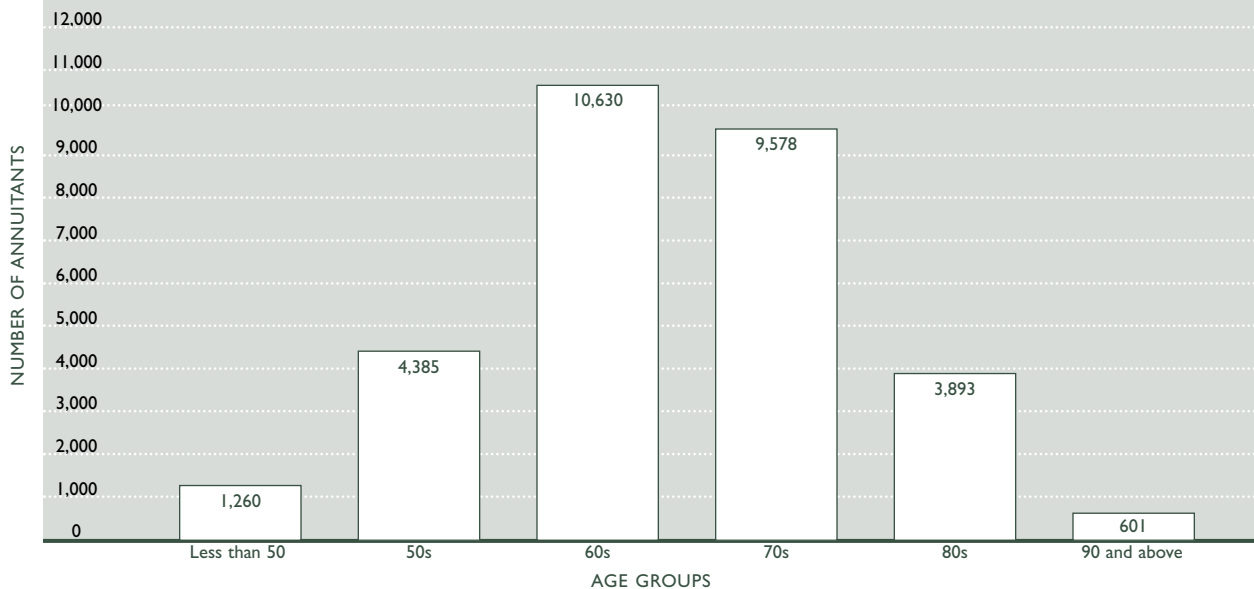
PLAN BENEFIT INFORMATION

TABLE 2: 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+
1996							
Average Monthly Benefit	\$ 221	400	630	1,149	1,531	1,848	2,268
Number of Annuitants	55	250	467	300	251	156	143
1997							
Average Monthly Benefit	\$ 164	410	624	1,145	1,534	1,994	2,135
Number of Annuitants	52	249	426	269	224	122	84
1998							
Average Monthly Benefit	\$ 193	395	697	1,106	1,521	2,176	2,585
Number of Annuitants	80	311	468	354	302	200	123
1999							
Average Monthly Benefit	\$ 166	407	666	1,065	1,655	2,138	2,034
Number of Annuitants	56	301	440	332	258	145	102
2000							
Average Monthly Benefit	\$ 180	409	705	1,187	1,640	2,212	2,804
Number of Annuitants	73	310	425	409	318	230	114
2001							
Average Monthly Benefit	\$ 168	416	685	1,211	1,696	2,481	2,553
Number of Annuitants	62	248	456	357	352	210	106
2002							
Average Monthly Benefit	\$ 211	479	794	1,235	1,804	2,712	3,041
Number of Annuitants	174	362	480	404	473	235	147
2003							
Average Monthly Benefit	\$ 216	521	875	1,235	1,836	2,530	3,445
Number of Annuitants	160	355	463	403	390	223	130
2004							
Average Monthly Benefit	\$ 238	488	942	1,322	1,845	2,563	3,370
Number of Annuitants	197	378	562	435	549	309	160
2005							
Average Monthly Benefit	\$ 211	535	878	1,312	1,801	2,575	3,269
Number of Annuitants	196	347	481	470	506	266	141

FIGURE 4: NUMBER OF ANNUITANTS GROUPED BY AGE



PLAN BENEFIT INFORMATION

**TABLE 3: SCHEDULE OF PRINCIPAL PARTICIPATING EMPLOYERS —
CURRENT YEAR AND NINE YEARS AGO**

Employer	2005			1996		
	Number of Current Employee's Accounts	Rank	% of Total System	Number of Current Employee's Accounts	Rank	% of Total System
Harris County	15,071	1	14.1%	12,561	1	14.5%
Dallas County	6,054	2	5.6	5,392	2	6.2
Bexar County	4,693	3	4.4	3,840	3	4.4
Travis County	4,217	4	3.9	3,241	5	3.7
Tarrant County	4,057	5	3.8	3,619	4	4.2
El Paso County	2,710	6	2.5	1,990	6	2.3
Hidalgo County	2,438	7	2.3	1,411	9	1.6
Fort Bend County	1,807	8	1.7	1,218	11	1.4
El Paso Co. HD	1,702	9	1.6	1,497	7	1.7
Cameron County	1,655	10	1.5	1,139	12	1.3
All others	62,808		58.6	50,940		58.7
Totals	107,212		100.0%	86,848		100.0%

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.

PLAN BENEFIT INFORMATION

TABLE 4: ANNUITANTS BY TYPE OF BENEFIT

Amount of Monthly Benefit	Annuitants						Retirement Option Selected					
	Retiree	Beneficiary	Life Only	100% to Beneficiary	100% 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	7,185	2,677	3,162	3,398	411	263	758	204	866	539	261	
500 – 999	7,055	1,305	2,983	2,666	414	257	682	120	663	358	217	
1,000 – 1,499	4,257	531	1,600	1,430	322	188	482	94	371	178	123	
1,500 – 1,999	2,513	250	914	784	203	140	295	65	183	106	73	
2,000 – 2,499	1,700	131	569	533	131	88	268	26	121	54	41	
2,500 – 2,999	931	66	337	269	80	60	111	13	69	38	20	
3,000 – 3,499	625	40	208	187	55	46	83	11	44	18	13	
3,500 – 3,999	365	24	136	109	29	17	43	6	30	11	8	
4,000 – 4,499	229	6	70	62	17	13	42	4	11	11	5	
4,500 – 4,999	138	7	47	39	10	8	18	4	8	7	4	
5,000 – 5,499	93	1	24	22	10	14	18	1	2	1	2	
5,500 – 5,999	48	3	14	14	5	6	7	0	3	2	0	
6,000 & Over	154	13	46	45	9	17	17	8	15	8	2	
Subtotals	25,293	5,054	10,110	9,558	1,696	1,117	2,824	556	2,386	1,331	769	
Totals	30,347		30,347									

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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	18.00%	6%	2.00	100%	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	18.00%	6%	2.00	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	21.00%	7%	2.00	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%	8	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
		2006	3%	Yes	Yes			01/92	01/92		615
				Yes	Yes			01/05	01/05	Active Only	721
		2006	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%	2006	4%	Yes	Yes	Yes	Yes	01/77	01/92		102
		2006	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%	2006	3%		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
2006	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

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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	21.00%	7%	2.00	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	18.00%	6%	2.00	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%	8	75	Yes
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	CAD of Bandera County	10.00%	5%	1.00	40%	10	75	
635	CAD of Johnson Co.	21.00%	7%	2.00	100%	8	75	
602	CAD of Taylor Co.	14.00%	7%	1.00	100%	10	80	
648	Central WCID — Angelina Co.	12.00%	6%	1.00	50%	8	80	
712	Central Texas 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 Year	Most Recent Annuitant COLA Pct.	Most Recent 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
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%	2006	4%		Yes			05/72	01/95	Active & Retired	424
				Yes				04/02	04/02		681
2006	50%	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	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
		2006	4%	Yes	Yes			01/74	01/95		131
1995	30%				Yes			01/68	01/92	Active Only	132
					Yes			01/68	01/95		133
2006	80%				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

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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	15.75%	7%	1.25	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	
722	Coastal Plains GCD	14.00%	7%	1.00	0%	10	80	
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	
727	Cow Creek GCD	15.00%	6%	1.50	0%	10	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	17.50%	7%	1.50	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

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
					Yes			10/96	10/96		137
								05/82	01/01		511
								01/90	01/02		582
					Yes			08/70	01/06		138
					Yes			05/81	01/92	Active & Retired	485
								04/03	04/03		703
								04/05	04/05		722
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%	2006	8%	Yes	Yes	Yes	Yes	01/70	01/92	Active & Retired	142
2006	100%	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
2006	50%				Yes	Yes	Yes	03/75	01/92	Active & Retired	145
2006	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%	2006	4%		Yes	Yes	Yes	04/75	01/95	Active & Retired	149
								03/89	01/95		150
								10/05	10/05		727
		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	Yes			07/68	01/98		155
2006	100%				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

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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
159	Delta County	15.75%	7%	1.25	110%	8	75	
732	Delta Lake ID	10.00%	5%	1.00	10%	10	80	
583	Denco Area 911 Dist. — Denton Co.	17.50%	7%	1.50	105%	8	75	
482	Denton CAD	21.00%	6%	2.50	175%	8	75	Yes
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	
448	Edwards Aquifer Auth. — Bexar Co.	11.20%	4%	1.80	140%	8	75	
628	Edwards CAD	10.00%	5%	1.00	100%	8	80	
168	Edwards County	19.25%	7%	1.75	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	15.75%	7%	1.25	100%	8	75	
432	Fisher Co. HD	12.00%	4%	2.00	155%	10	80	
176	Floyd County	21.00%	7%	2.00	150%	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	24.50%	7%	2.50	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	24.50%	7%	2.50	135%	8	75	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 Year	Most Recent Annuitant COLA Pct.	Most Recent 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
								01/87	01/95	Active & Retired	159
				Yes				01/06	01/06		732
								01/90	01/95		583
2006	80%				Yes			04/81	01/93	Active Only	482
2006	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	01/06		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	Yes			02/78	01/95		448
					Yes			07/93	07/93		628
					Yes			10/93	10/93		168
1999	80%	2006	3%		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%	2006	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
		2006	3%					01/88	01/01	Active Only	563
					Yes			01/68	01/92	Active Only	173
					Yes			04/97	04/97	Active & Retired	644
2006	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
2006	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
2006	40%			Yes	Yes			07/86	01/96	Active & Retired	547
				Yes				01/81	01/96		464
				Yes	Yes			10/75	01/00		433

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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
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	
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	22.75%	7%	2.25	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	Yes
475	Grayson Co. AD	21.00%	7%	2.00	150%	8	75	
190	Grayson County	22.75%	7%	2.25	160%	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	19.25%	7%	1.75	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	10.00%	4%	1.50	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	19.25%	7%	1.75	110%	8	75	
569	Harris Co. WCID #1	15.75%	7%	1.25	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	

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 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
				Yes				05/90	01/97		589
2004	60%	2000	3%		Yes			05/68	01/94	Active & Retired	407
								02/81	01/96		473
		2006	3%	Yes	Yes			10/79	01/96	Active Only	184
					Yes			12/80	01/99		185
1994	80%				Yes		Yes	02/80	01/92	Active & Retired	186
2006	40%				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
2006	70%	2005	6%	Yes	Yes			01/83	01/96		518
2006	30%							03/81	01/99	Active & Retired	475
					Yes	Yes		01/68	01/94	Active Only	190
								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%	2006	6%	Yes	Yes	Yes		05/74	01/92		193
								03/84	01/03	Active & Retired	526
2006	80%				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
2006	50%				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
2006	60%				Yes			01/91	01/94	Active & Retired	598
				Yes				01/89	01/95	Active Only	569
		2006	6%	Yes	Yes			01/93	01/93	Active & Retired	625
1998	30%	2006	3%		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%	2006	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
		2006	5%		Yes	Yes	Yes	01/68	01/95	Active Only	206
								07/03	07/03		704

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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
414	Hidalgo & Cameron Co. 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
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	
728	Hockley Co. AD	17.50%	7%	1.50	40%	10	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	22.75%	7%	2.25	160%	8	75	
661	Hopkins Co. AD	17.50%	7%	1.50	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	19.50%	6%	2.25	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	22.75%	7%	2.25	135%	8	75	
496	Jones Co. AD	16.10%	7%	1.30	145%	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 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			07/70			414
		2006	3%	Yes	Yes	Yes		01/68	01/98		207
				Yes				11/82	01/03		516
		2006	3%	Yes	Yes			01/68	01/98		401
								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
					Yes			10/05	10/05		728
								10/96	10/96		643
2001	50%	2006	3%		Yes			10/84	01/95	Active Only	210
2006	100%	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
2006	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%	2006	2%		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

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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
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	
671	Kendall AD	15.00%	5%	2.00	10%	8	75	
229	Kendall County	17.50%	7%	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	17.50%	7%	1.50	105%	8	75	Yes
234	King County	16.50%	6%	1.75	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
731	La Salle Co. AD	15.75%	7%	1.25	0%	10	80	
540	Laguna Madre WD — Cameron Co.	21.00%	7%	2.00	40%	8	75	Yes
514	Lakeway MUD — Travis Co.	19.25%	7%	1.75	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	21.00%	7%	2.00	0%	10	75	
247	Lipscomb County	19.25%	7%	1.75	115%	8	75	
248	Live Oak County	21.00%	7%	2.00	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

¹ **Total Benefit Rate**

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Most Recent CPI-Based Year	Most Recent Annuitant COLA Pct.	Most Recent 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
1994	50%			Yes	Yes	Yes		03/74	01/92		227
					Yes			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
				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%	2006	5%		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
								01/06	01/06	Active Only	731
1998	50%	2002	5%	Yes				10/85	01/96		540
2006	80%	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
2006	80%				Yes			06/76	01/05	Active Only	439
2006	60%	2003	3%		Yes	Yes	Yes	07/70	01/92	Active & Retired	242
		2002	4%		Yes			01/70	01/96		243
				Yes	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
		2006	1%	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
2006	80%			Yes	Yes			01/75	01/92	Active & Retired	250
2006	80%			Yes	Yes			08/82	01/92	Active & Retired	513
								10/04	10/04		714
2006	30%			Yes				01/82	01/04		499

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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
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	11.25%	5%	1.25	100%	8	75	
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	17.50%	7%	1.50	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	
729	Maverick Co. HD	9.00%	4%	1.25	50%	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	
725	McLennan Co. 911 EAD	24.50%	7%	2.50	0%	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	Memorial Med. Ctr. — Calhoun Co.	17.50%	7%	1.50	110%	8	75	
263	Menard County	17.50%	7%	1.50	115%	10	75	
669	Middle Rio Grande Dev. Council	24.50%	7%	2.50	30%	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	21.00%	7%	2.00	95%	8	75	
617	Mills Co. AD	9.00%	4%	1.25	110%	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 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	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
		2006	3%		Yes			12/81	01/93	Active Only	497
					Yes			01/77	01/95		442
					Yes			08/93	08/93	Active & Retired	630
2006	30%				Yes			01/82	01/99		500
					Yes	Yes		01/90	01/92		256
				Yes				01/91	01/03	Active Only	596
		2006	1%		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
2006	70%	2004	3%	Yes	Yes			01/70	01/97	Active & Retired	261
					Yes			10/05	10/05	Active Only	729
								09/79			453
2006	80%			Yes	Yes			01/68	01/95		253
								07/82	01/99		512
2006	80%				Yes	Yes		01/69	01/95		254
				Yes	Yes			07/05	07/05	Active Only	725
2006	50%	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
2006	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

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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
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	17.50%	7%	1.50	125%	8	75	
651	Montgomery Co. ESD #1	15.75%	7%	1.25	110%	8	75	
696	Montgomery Co. ESD #3	14.00%	7%	1.00	0%	10	80	
270	Moore County	18.90%	7%	1.70	135%	8	75	
733	Moore Co. AD	15.75%	7%	1.25	0%	10	80	
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	17.50%	7%	1.50	125%	8	75	
276	Nolan County	18.90%	7%	1.70	130%	10	75	
556	North Central Texas MWA	14.00%	7%	1.00	90%	10	80	
646	North Texas Tollway Auth.	21.00%	6%	2.50	0%	10	75	
562	Northeast Texas MWD	14.00%	7%	1.00	50%	10	80	
632	Northeast Texas Public Health Dist.	15.00%	5%	2.00	0%	8	75	
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	
730	Palo Duro River Auth.	15.75%	7%	1.25	0%	10	80	
723	Palo Pinto AD	15.75%	7%	1.25	0%	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	

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 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
		2006	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
		2006	4%		Yes			06/91	01/94		605
2002	30%	2006	2%		Yes	Yes	Yes	02/71	01/95		269
				Yes				01/01	01/01	Active Only	667
				Yes				07/98	07/98		651
								01/03	01/03	Active Only	696
1999	60%	2006	4%		Yes			01/70	01/98	Active Only	270
								01/06	01/06		733
					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
2006	30%				Yes	Yes		01/79	01/95		275
					Yes			02/69	01/98		276
				Yes				04/87		Active & Retired	556
2006	50%							09/97	09/97		646
					Yes			01/88	01/92	Active & Retired	562
					Yes			10/94	10/94	Active & Retired	632
					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%	2006	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%	2006	3%		Yes	Yes	Yes	04/68	01/94		280
1995	80%	2003	3%					08/81	01/93	Active & Retired	490
2006	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
								10/05	10/05		730
								04/05	04/05	Active Only	723
2006	60%	2005	3%		Yes	Yes		01/68	01/92	Active & Retired	281
2006	80%				Yes	Yes		12/77	01/92	Active & Retired	282
1999	30%	2006	5%		Yes	Yes		02/75	01/95	Active & Retired	283
								01/05	01/05		717
		2006	3%		Yes			09/73	01/98	Active Only	284
		2005	3%		Yes	Yes		01/68	01/97	Active & Retired	285

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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
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	Yes
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	
726	Post Oak Savannah GCD	14.00%	7%	1.00	20%	10	80	
287	Potter County	21.70%	7%	2.10	155%	8	75	Yes
489	Potter County AD	Non-Depositing		2.00	150%		75	
560	Potter-Randall Co. ECD	24.50%	7%	2.50	100%	10	80	
626	Presidio AD	8.00%	4%	1.00	100%	10	80	
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	21.00%	7%	2.00	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	17.50%	7%	1.50	25%	8	80	Yes
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	

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 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
								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
		2006	3%		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
2006	40%			Yes	Yes			08/92	08/92	Active Only	622
								07/05	07/05		726
					Yes	Yes	Yes	01/68	01/95	Active Only	287
								07/81	06/88		489
					Yes			01/88	01/99	Active Only	560
					Yes			04/93	04/93		626
2005	80%	2006	6%	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	Active Only	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%	2006	3%		Yes			01/70	01/97		298
					Yes		Yes	01/68	01/97	Active & Retired	299
2006	40%				Yes	Yes	Yes	01/69	01/92		300
				Yes				07/91	01/06		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

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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
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 CD	19.25%	7%	1.75	135%	8	75	Yes
606	Smith Co.AD	22.75%	7%	2.25	120%	8	75	
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. WD	14.00%	7%	1.00	100%	8	75	Yes
645	South Texas 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	24.50%	7%	2.50	115%	8	75	
316	Stonewall County	15.75%	7%	1.25	110%	8	75	
724	Stonewall Co.AD	15.75%	7%	1.25	0%	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	17.50%	7%	1.50	95%	8	75	
319	Tarrant County	21.00%	7%	2.00	150%	8	75	
545	Tarrant Co. 911 EAD	21.00%	7%	2.00	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%	8	75	
354	TCDRS	21.00%	7%	2.00	210%	8	75	Yes
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	Texas Assoc. of Counties	22.40%	7%	2.20	145%	10	75	
634	Texas 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	19.25%	7%	1.75	85%	8	80	
325	Tom Green County	17.50%	7%	1.50	160%	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 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	50%				Yes			03/72	01/92	Active Only	422
1995	40%				Yes			01/70	01/95	Active & Retired	305
		2006	2%		Yes			07/68	01/93	Active & Retired	306
					Yes			08/69	01/93		307
1999	30%	2006	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	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
2006	50%	2001	5%		Yes			04/68	01/97		315
					Yes			01/80	01/95	Active & Retired	316
								04/05	04/05	Active Only	724
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
2006	80%				Yes			07/91	01/92		607
2006	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
2006	50%			Yes	Yes			04/68	01/93	Active & Retired	354
2006	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
2006	40%				Yes			04/76	01/95	Active Only	437
					Yes			01/95	01/95		634
		2006	3%		Yes			06/84	01/93		323
					Yes			03/72	01/95		324
2006	80%				Yes			02/82	01/03		501
					Yes	Yes	Yes	01/68	01/96		325

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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
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-County SUD	12.00%	6%	1.00	55%	8	75	
633	Trinity Bay CD	12.50%	5%	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	
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	19.25%	7%	1.75	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	12.50%	5%	1.50	80%	10	80	
637	Victoria Co. WCID # 1	12.00%	6%	1.00	20%	8	75	
335	Walker County	21.00%	7%	2.00	130%	8	75	Yes
336	Waller County	18.20%	7%	1.60	130%	8	75	
337	Ward County	24.50%	7%	2.50	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 Central Texas COG	24.50%	7%	2.50	175%	10	75	
410	West Central Texas 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	

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 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
								04/91	01/99		601
1995	30%	2006	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
		2006	3%		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
					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
					Yes			01/72		Active Only	420
2003	80%	2006	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
2006	40%				Yes	Yes	Yes	01/68	01/95		335
					Yes			01/68	01/95	Active & Retired	336
2006	30%				Yes	Yes		01/70	01/92		337
					Yes			07/88	01/97	Active & Retired	565
					Yes			08/77	01/95		444
		2006	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%	2006	2%	Yes	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%	2006	5%		Yes			10/87	01/94		559
								10/98	10/98		655
		2006	3%		Yes	Yes		01/68	01/95		343

RETIREMENT PLANS OF PARTICIPATING EMPLOYERS As of Jan. 1, 2006

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
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	
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	12.00%	4%	2.00	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
								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
2006	60%				Yes	Yes	Yes	01/69	01/94		345
		2004	3%		Yes			07/91	01/95		608
2006	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
								01/03	01/03		700
2000	50%	2006	2%		Yes	Yes	Yes	01/68	01/95		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, 2006

Employer Number	Employer Name	Employer Matching Rate ¹	Allocated Prior Service Credit Percentage ¹	Years of Service for Vesting for Retirement at Age 60	Alternate Retirement Eligibility With Satisfaction of Rule of...	Qualified Military Service Credit Recognized
411	Bandera Co.WCID #1	1.00	20%			Yes
465	Cisco HD	1.42	81%			
478	Culberson Co. Hosp.	2.00	150%			
550	Culberson HD	2.00	150%	4	75	Yes
456	El Paso WCID Westway	1.10	105%		80	Yes
557	Horizon Reg. MUD	1.00	60%		80	
431	Livingston HD	3.63	256%			Yes
654	Llano Co. Hosp.Auth.	2.25	0%	4	75	Yes
436	Llano Mem. Hosp.	2.70	175%		80	Yes
452	McCamey CHD — Upton Co.	3.40	310%		80	Yes
599	Med.Arts Hosp. — Dawson Co.	1.00	50%	8	75	
510	Newton Co. Mem. Hosp.	1.00	41%		80	
415	North Plains HD	2.27	161%			
538	Nueces River Auth. — Uvalde Co.	1.00	40%	10	80	
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 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.

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

READER'S NOTES

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