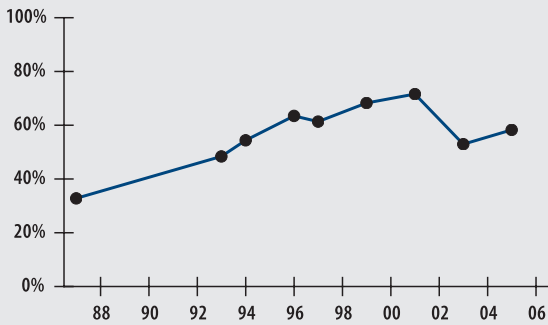
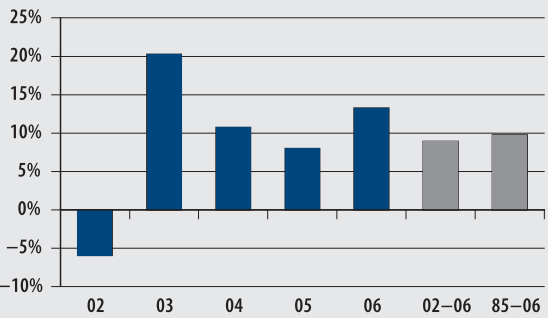


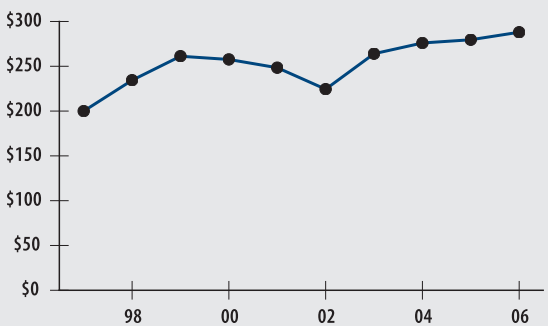
► **Funded Ratio (1987-2006)**



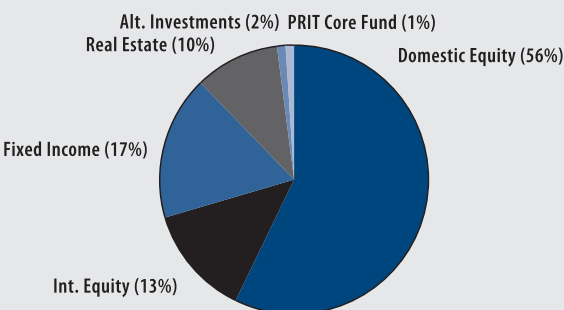
► **Investment Return (2002-2006, 5 Year and 22 Year Averages)**



► **Asset Growth (1997-2006) (Market Value in Millions)**



► **Asset Allocation (12/31/06)**



► **ACTUARIAL**

| | |
|---|------------------|
| • Funded Ratio | 58.3% |
| • Date of Last Valuation | 01/05 |
| • Actuary | Stone |
| • Assumed Rate of Return | 8.00% |
| • Funding Schedule | 2.75% Increasing |
| • Year Fully Funded | 2028 |
| • Unfunded Liability | \$197.8 M |
| • Total Pension Appropriation (Fiscal 2007) | \$19.1 M |

| | Active | Retired |
|--------------------------|---------------|----------------|
| • Number of Members | 1,339 | 1,773 |
| • Total Payroll/Benefit | \$59.5 M | \$34.0 M |
| • Average Salary/Benefit | \$44,400 | \$19,200 |
| • Average Age | 47 | 71 |
| • Average Service | 11.4 years | NA |

► **INVESTMENT**

Domestic Equity

- Chicago Equity Partners, LLC
- Earnest Partners, LLC
- PENN Small Cap Fund
- RhumbLine Russell 1000 Growth Pooled Index Fund
- RhumbLine Russell 1000 Value Pooled Index Fund

General Allocation

- PRIT

Consultant

- Meketa Investment Group

Custodian

- State Street

International Equity

- INVESCO IRT International Equity Fund

Domestic Fixed Income

- GoldenTree High Yield Value Fund
- SSgA Passive Bond Market Index SL Fund
- SSgA Treasury Inflation Protected Securities (TIPS) Fund

Real Estate

- AEW Partners V, L.P.
- UBS Participating Mortgage Separate Account (PMSA)
- UBS Real Estate Separate Account (RESA)

Alternative Investments

- Goldman Sachs Private Equity Partners Fund 2005
- North American Strategic Partners 2006, L.P.
- PRIT

| | |
|---------------------------------|------------------|
| ► 2006 Return | 13.28% |
| ► 2006 Target | 8.25% |
| ► 2006 Market Value | \$287.8 M |
| ► 2002-2006 (Annualized) | 8.92% |
| ► 1985-2006 (Annualized) | 9.78% |