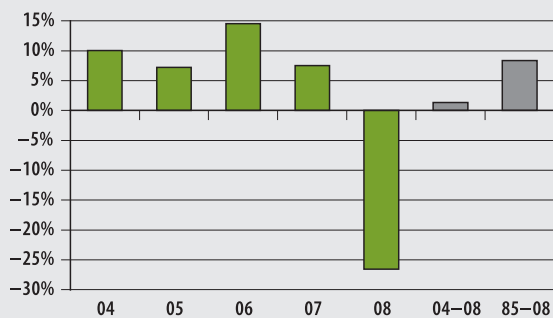


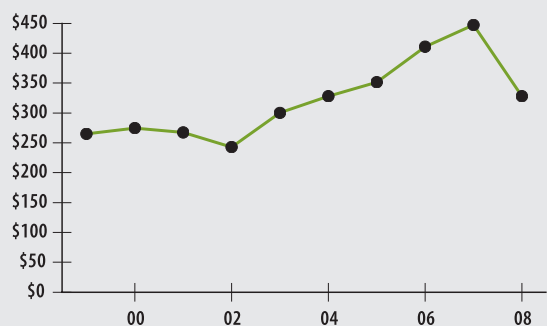
**Funded Ratio (1987-2008)**



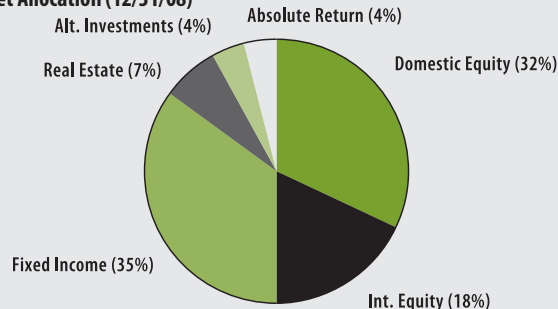
**Investment Return (2004-2008, 5 Year and 24 Year Averages)**



**Asset Growth (1999-2008) (Market Value in Millions)**



**Asset Allocation (12/31/08)**



**ACTUARIAL**

• Funded Ratio	65.8%
• Date of Last Valuation	01/07
• Actuary	Buck Consultants
• Assumed Rate of Return	8.50%
• Funding Schedule	4.5% Increasing
• Year Fully Funded	2023
• Unfunded Liability	\$203.1 M
• Total Pension Appropriation (Fiscal 2009)	\$28.7 M

	<b>Active</b>	<b>Retired</b>
• Number of Members	4,022	1,956
• Total Payroll/Benefit	\$147.0 M	\$30.3 M
• Average Salary/Benefit	\$36,500	\$15,500
• Average Age	NA	72
• Average Service	NA	NA

**INVESTMENT**

**Domestic Equity**

- Earnest Partners, LLC
- INTECH Large Cap Growth Equity Fund
- LSV Asset Management
- Rice Hall James & Associates
- UBS US Large Cap Equity Fund

**International Equity**

- Arrowstreet Capital, L.P.
- Lazard Emerging Markets Equity Portfolio
- Voyageur International Fund

**Domestic Fixed Income**

- Income Research & Management
- PIMCO Diversified Real Return Fund
- SSgA Passive Bond Market Index SL Fund

**Global Fixed Income**

- Delaware Pooled Trust Global Fixed Income Portfolio

**Real Estate**

- BlackRock Apartment Value Fund III, L.P.
- Hancock ForesTree IV & V, L.P.
- Hancock Timberland IX Fund
- New Boston Institutional Fund, L.P. VI
- RREEF America REIT II
- SSgA Tuckerman / Residential Income and Value Added (RIVA) Fund
- TA Realty Associates Fund VII

**Alternative Investments**

- BlackRock Diversified Private Equity Program III
- Charles River Partnership VII, VIII, IX, X, & XI
- DCM Private Equity Fund II
- DN Partners, L.P.
- DN Partners II, L.P.
- New England Growth Fund II, L.P.
- Senior Tour Players Fund I

**Absolute Return**

- PRIT

**Consultant**

- RogersCasey

**Custodian**

- State Street

▶ 2008 Return	-26.22%
▶ 2008 Target	8.50%
▶ 2008 Market Value	\$329.5 M
▶ 2004-2008 (Annualized)	1.40%
▶ 1985-2008 (Annualized)	8.39%