

***Summit Strategies Group***

*7700 Bonhomme Avenue, Suite 300  
St. Louis, Missouri 63105  
314/727-7211*

**Investment Performance Review**  
*December 31, 2005*

**El Paso County  
Retirement Plan**

## **Table of Contents**

The Economy and Markets	Page 1
Market Environment	2
Style Performance Ranking	3
Total Fund Asset Allocation	4
Total Fund Performance	5
Total Fund Risk vs. Return	8
Total Fund Performance Summary	9
Domestic Equity Composite	11
SSgA Index Plus	15
OFI Institutional	19
Gardner Lewis	23
Lee Munder Investments	27
Roxbury Capital Management	30
International Equity Composite	33
New Star International	35
LSV	37
Fixed Income Composite	40
Loomis, Sayles	43
SSgA Bond Fund	46
Clarion Real Estate	49
Capital Market Review – 4th Quarter 2005	Appendix

---

## **The Economy and Markets**

December 31, 2005

### **The Economy**

- The economy grew at a slower than expected 1.1% pace in the fourth quarter as consumers spent at the slowest rate since 2001. Consumer spending, which accounts for 70% of the economy, only rose at a 1.1% annual rate in the fourth quarter, well below the average of 3.4% over the last 20 years. Business fixed investment rose at a 2.8% annual rate in the fourth quarter, which follows an 8.5% annual rate in the third quarter. The U.S. economy expanded at a finalized 4.1% annual rate in the third quarter, just below the last forecast of 4.3%. For the year, the economy expanded 3.5% after a 4.2% pace in 2004. U.S. consumer prices unexpectedly fell for the second consecutive month in December as energy prices declined for the third month. Consumer prices were up 3.4% for the calendar year 2005. Core prices rose 2.2% for the year, matching the rise in 2004 and the average for the last decade. Producer prices rose 5.4% in 2005, compared with 4.2% in 2004. The increase reflects a 24% surge in the cost of energy for the year. The core PPI rose only 1.7% for the year, less than the 2.3% increase in 2004. The U.S. unemployment rate fell to 4.9% and housing starts fell to a nine-month low in December, declining -8.9% to a 1.93 million annual rate. In 2005, 2.07 million homes were started, second only to a record 2.36 million in 1972.

### **U.S. Equity Markets**

- U.S. equity indices posted solid gains for the quarter as energy prices declined. The S&P 500 Index returned 2.1% in the fourth quarter, ending the year up 4.9%. Small cap stocks, represented by the Russell 2000 Index, earned 1.1% for the quarter and 4.6% for the year, underperforming large cap stocks by 100 bps and 30 bps, respectively. Mid cap stocks continued to outperform both large and small cap stocks as the Russell Mid Cap Index earned 2.4% for the quarter. Mid cap stocks dominated the U.S. equity market for the year, up 12.7%. The Nasdaq Composite posted a 2.5% return for the quarter, but notably trailed for the year, returning only 1.4%. During the fourth quarter, growth outperformed value across all market capitalizations. Large cap growth stocks outperformed large cap value stocks by 173 bps, but continued to trail by almost 180 bps for the year. Mid cap growth stocks returned 3.4% for the quarter, outperforming their value counterparts by 210 bps. Small cap growth outperformed small cap value in the fourth quarter by 93 bps, but trailed for the year by just over 55 bps.

### **International Equity Markets**

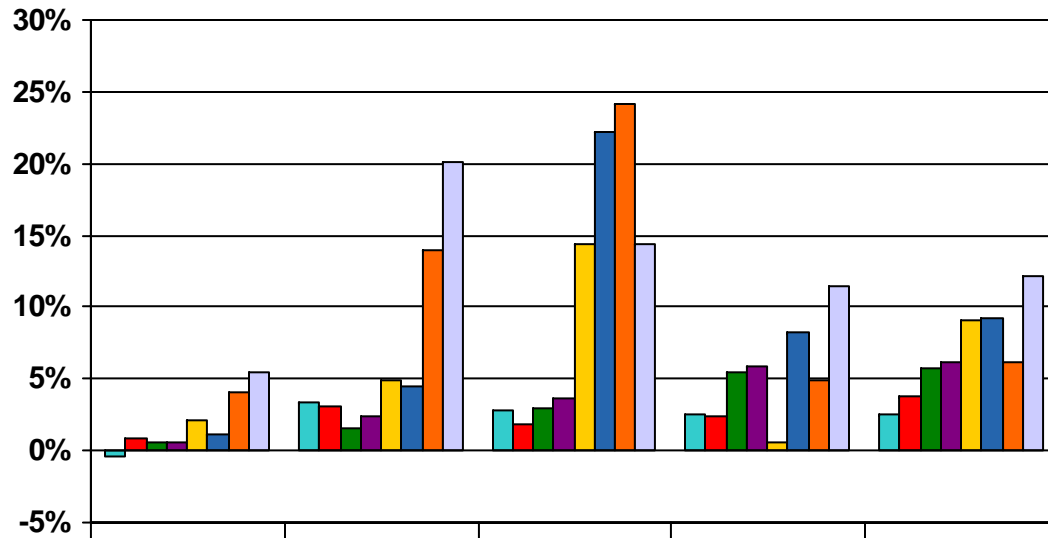
- International equity, as represented by the MSCI EAFE Index, continued to outpace domestic equity for the quarter with a 4.1% return. A volatile dollar during the quarter detracted approximately 300 bps from performance as the MSCI EAFE Index in local currency gained 7.2%. The MSCI EAFE Index earned 14.0% in all of 2005, outperforming the S&P 500 Index by 910 bps. International value stocks slightly trailed growth stocks by 50 bps for the quarter as the MSCI EAFE Value Index returned 3.9% while the MSCI EAFE Growth Index earned 4.4%. Emerging market equity, as represented by the MSCI EM Index, had another outstanding quarter gaining 7.2%. Emerging markets jumped 5.9% in December alone. For the year, emerging markets outperformed the rest of the market, returning an impressive 34.1%.

### **Fixed Income Markets**

- As widely anticipated, the Fed raised the fed funds rate at both FOMC meetings during the quarter to reach 4.25%, an increase of 25 bps in November and 25 bps in December. The Fed has now increased the rate a consecutive thirteen times by a total of 325 bps. The Fed suggested that the funds rate was nearing neutrality and that future policy actions would be data dependent. For the quarter, yields rose modestly and the curve continued to flatten, ending the year with a slight inversion in the belly of the curve. The 2-year Treasury yield rose 24 basis points to 4.40% while the 5-year Treasury yield increased 16 basis points to 4.35%. The 10-year Treasury yield rose 7 basis points during the quarter to end the quarter at 4.39%, and the 30-year Treasury yield fell 3 basis points to 4.54%. The spread between 2-year and 30-year Treasury yields narrowed to 14 bps. Fixed income posted gains in the fourth quarter as energy costs moderated and the Fed appeared to be closer to a neutral rate. The Lehman Aggregate Index rose almost 60 bps for the quarter, finishing the year up 2.4%. U.S. credit securities trailed government bonds and mortgage backed securities for the quarter, earning just under 50 bps. Government bonds rose 67 bps while mortgage backed securities earned 60 bps. For the year, government bonds and mortgage backed securities were both up 2.6%. Credit securities underperformed the Lehman Aggregate by almost 50 bps for the year while long bonds notably outperformed, gaining 5.3%. High yield bonds earned 39 bps for the quarter and 2.1% for the year. Foreign bonds lost more ground for the quarter, returning -2.6%. Foreign bonds fell -9.2% for the year.

## Market Environment

December 31, 2005



	1 Qtr.	1 Year	3 Years	5 Years	10 Years	
■ CPI	-0.4%	3.4%	2.8%	2.5%	2.5%	Inflation
■ Treasury Bills	0.9%	3.1%	1.8%	2.3%	3.9%	Cash
■ Lehman Intermed Govt/Credit	0.5%	1.6%	3.0%	5.5%	5.8%	Intermediate Bonds
■ Lehman Aggregate	0.6%	2.4%	3.6%	5.9%	6.2%	Core Bonds
■ S&P 500	2.1%	4.9%	14.4%	0.6%	9.1%	Domestic Large Cap Stocks
■ Russell 2000	1.1%	4.6%	22.1%	8.2%	9.3%	Domestic Small Cap Stocks
■ EAFE	4.1%	14.0%	24.2%	4.9%	6.2%	International Stocks
■ NCREIF	5.4%	20.1%	14.4%	11.4%	12.1%	Core Real Estate

## Style Performance Ranking

Calendar Years through December 31, 2005

Over the past 23 years, no particular style dominates – small value, international, and large growth stocks each exhibit at least five years of outperformance. However, international stocks were the worst performers in seven of the past 23 years. Close to the height of the bubble, small growth finished as the top performer, returning 43.1%, and small value was the worst performer losing -1.5%. For 2000 and 2001, small value was the best performer, returning 22.8% and 14.0%, respectively. Small growth topped 2003, returning 48.5%, but small value led in 2004, up 22.3%. International stocks outperformed in 2005, up 14.0%

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	*10 Yr ROR	*20 Yr ROR
Best Performing	Small Value 38.6%	Core Bonds 15.2%	EAFE 56.7%	EAFE 69.9%	EAFE 24.9%	Small Value 29.5%	Large Growth 36.4%	LB Int Treas 9.5%	Small Growth 51.2%	Small Value 29.1%	EAFE 32.9%	EAFE 8.1%	Large Growth 38.1%	Large Growth 24.0%	Large Growth 36.5%	Large Growth 42.2%	Small Growth 43.1%	Small Value 22.8%	Small Value 14.0%	Core Bonds 10.3%	Small Growth 48.5%	Small Value 22.3%	EAFE 14.0%	Small Value 13.1%	Small Value 12.7%
	Small Cap 29.1%	LB Int Treas 14.3%	Large Growth 33.3%	Large Value 21.7%	Large Growth 6.5%	EAFE 28.6%	S&P 500 31.7%	Core Bonds 9.0%	Small Cap 46.1%	Small Cap 18.4%	Small Value 23.8%	Large Growth 3.1%	S&P 500 37.6%	S&P 500 23.0%	S&P 500 33.4%	S&P 500 28.6%	Large Growth 28.3%	Core Bonds 11.6%	Core Bonds 8.4%	LB Int Treas 9.6%	Small Cap 47.3%	EAFE 20.7%	Large Value 6.3%	Large Value 9.4%	Large Value 12.0%
	Large Value 28.9%	Large Value 10.5%	S&P 500 31.7%	S&P 500 18.7%	S&P 500 5.3%	Small Value 24.9%	Large Value 26.1%	Large Growth 0.2%	Small Value 41.7%	Large Value 10.5%	Small Cap 18.9%	S&P 500 1.3%	Large Value 37.0%	Large Value 22.0%	Small Value 31.8%	EAFE 20.3%	EAFE 27.3%	LB Int Treas 10.3%	LB Int Treas 8.2%	Small Value -11.4%	Small Value 46.0%	Small Cap 18.3%	S&P 500 4.9%	Small Cap 9.3%	S&P 500 11.9%
	EAFE 24.6%	EAFE 7.9%	Small Cap 31.1%	Core Bonds 15.3%	Large Value 3.7%	Large Value 21.7%	Small Growth 20.2%	S&P 500 -3.1%	Large Growth 38.4%	Small Growth 7.8%	Large Value 18.6%	Large Value -0.6%	Small Growth 31.0%	Small Value 21.4%	Large Value 30.0%	Large Value 14.7%	Small Cap 21.3%	Large Value 6.1%	Small Cap 2.5%	EAFE -15.7%	EAFE 39.2%	Large Value 15.7%	Small Value 4.7%	S&P 500 9.1%	Large Growth 11.4%
	S&P 500 22.6%	S&P 500 6.3%	Small Growth 31.0%	Large Growth 14.5%	LB Int Treas 3.6%	Small Growth 20.4%	Small Cap 16.2%	Large Value -6.8%	S&P 500 30.5%	S&P 500 7.6%	Small Growth 13.4%	Small Value -1.5%	Small Cap 28.4%	Small Cap 16.5%	Small Cap 22.4%	Core Bonds 8.7%	S&P 500 21.0%	Small Cap -3.0%	Small Growth -9.2%	Small Cap -20.5%	Large Value 31.8%	Small Growth 14.3%	Small Cap 4.6%	Large Growth 8.3%	Small Cap 10.3%
	Small Growth 20.1%	Large Growth 2.3%	Small Value 31.0%	LB Int Treas 13.1%	Core Bonds 2.8%	S&P 500 16.6%	Core Bonds 14.5%	Small Growth -17.4%	Large Value 22.6%	Core Bonds 7.4%	S&P 500 10.1%	Small Cap -1.8%	Small Value 25.8%	Small Growth 11.3%	Small Growth 12.9%	LB Int Treas 8.6%	Large Value 12.7%	S&P 500 -9.1%	Large Value -11.7%	Large Value -20.9%	S&P 500 28.7%	S&P 500 10.9%	Small Growth 4.1%	EAFE 6.2%	EAFE 10.0%
	Large Growth 16.2%	Small Value 2.3%	Large Value 29.7%	Small Value 7.4%	Small Value -7.1%	Large Growth 11.9%	LB Int Treas 12.7%	Small Cap -19.5%	Core Bonds 16.0%	LB Int Treas 7.0%	Core Bonds 9.8%	LB Int Treas -1.8%	Core Bonds 18.5%	EAFE 6.4%	Core Bonds 9.7%	Small Growth 1.2%	LB Int Treas 0.4%	EAFE -14.0%	S&P 500 -11.9%	S&P 500 -22.1%	Large Growth 25.7%	Large Growth 6.2%	Large Growth 3.5%	Core Bonds 6.2%	Core Bonds 7.9%
	Core Bonds 8.4%	Small Cap -7.3%	Core Bonds 22.1%	Small Cap 5.7%	Small Cap -8.8%	Core Bonds 7.9%	Small Value 12.4%	Small Value -21.8%	LB Int Treas 14.1%	Large Growth 5.1%	LB Int Treas 8.2%	Small Growth -2.4%	LB Int Treas 14.4%	LB Int Treas 4.0%	LB Int Treas 7.7%	Small Cap -2.5%	Core Bonds -0.8%	Large Growth -22.1%	Large Growth -12.7%	Large Growth -23.6%	Core Bonds 4.1%	Core Bonds 4.3%	Core Bonds 2.4%	LB Int Treas 5.4%	Small Growth 7.4%
	LB Int Treas 8.1%	Small Growth -15.8%	LB Int Treas 18.2%	Small Growth 3.6%	Small Growth -10.5%	LB Int Treas 6.3%	EAFE 10.8%	EAFE -23.2%	EAFE 12.5%	EAFE -11.8%	Large Growth 1.7%	Core Bonds -2.9%	EAFE 11.6%	Core Bonds 3.6%	EAFE 2.1%	Small Value -6.5%	Small Value -1.5%	Small Growth -22.4%	EAFE -21.2%	Small Growth -30.3%	LB Int Treas 2.1%	LB Int Treas 2.0%	LB Int Treas 1.6%	Small Growth 4.7%	LB Int Treas 7.0%

As of December 31, 2005  
 Source: Standard & Poors, Frank Russell, Lehman Brothers, MSCI

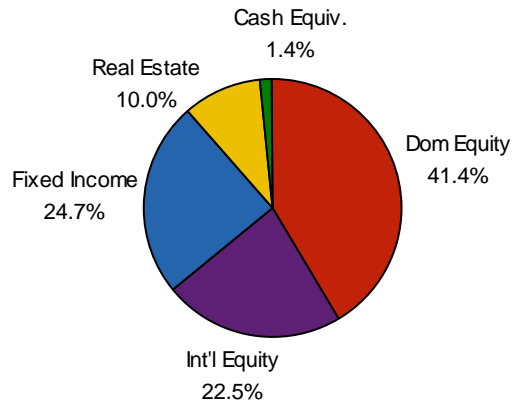
## Total Fund Asset Allocation

December 31, 2005

### Asset Allocation

Dom Equity	\$98,472,043
Int'l Equity	53,680,004
Fixed Income	58,799,497
Real Estate	23,691,589
Cash Equiv.	<u>3,435,148</u>

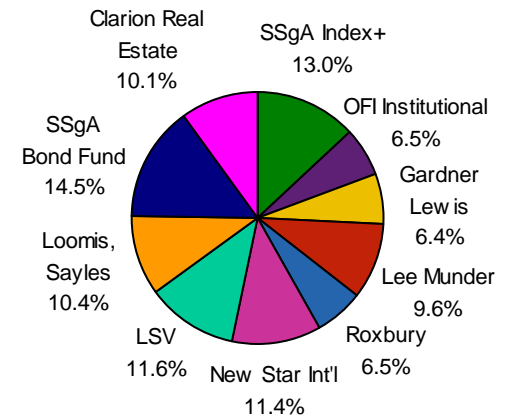
Total: \$238,078,281



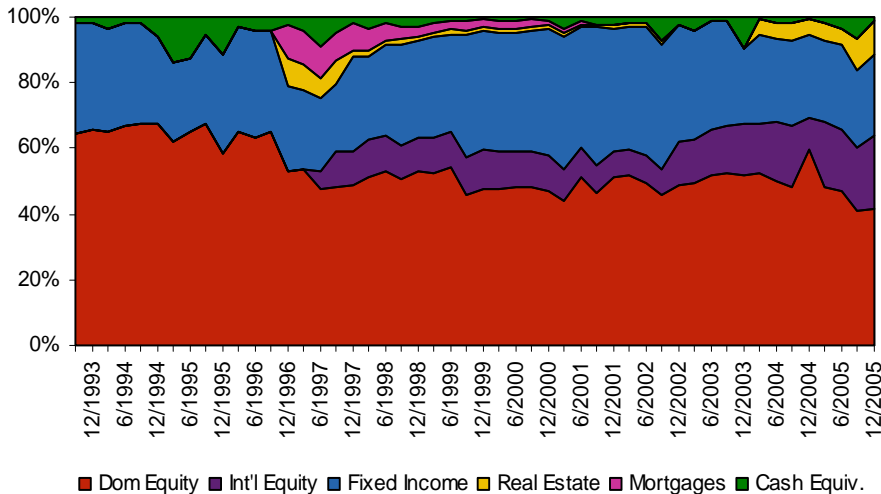
### Manager Allocation

SSgA Index+	\$30,908,333
OFI Institutional	15,375,890
Gardner Lewis	15,297,077
Lee Munder	22,880,835
Roxbury	15,554,542
New Star Int'l	27,190,383
LSV	27,503,672
Loomis, Sayles	24,759,028
SSgA Bond Fund	34,595,904
Clarion Real Estate	<u>24,012,617</u>

Total: \$238,078,281



### Asset Allocation History



### Asset Allocation Comparison

As of December 31, 2005

	Equity Commitment	Fixed Income Commitment
Total Fund Composite	63.9%	24.7%
Median Total Fund	61.7%	28.8%
Median Public Fund	60.2%	29.6%

## Total Fund Performance

December 31, 2005

### Performance Returns

	1 Qtr.	1 Year	3 Yrs.	5 Yrs.	10 Yrs.
<b>Total Fund Composite</b>	<b>2.0%</b>	<b>6.6%</b>	<b>14.8%</b>	<b>6.6%</b>	<b>8.4%</b>
Total Fund Policy Index	2.6%	8.0%	13.7%	4.8%	N/A
Strategy Index	2.4%	7.4%	14.3%	5.7%	N/A
Allocation Index	1.8%	6.1%	14.3%	6.9%	10.1%
Median Public Fund	2.0%	6.9%	13.3%	5.1%	8.6%
Median Total Fund	2.0%	7.1%	13.2%	5.2%	8.5%
CPI	(0.4%)	3.4%	2.8%	2.5%	2.5%
<b>Domestic Equity Composite</b>	<b>2.1%</b>	<b>4.8%</b>	<b>17.8%</b>	<b>4.2%</b>	<b>8.1%</b>
R3000	2.0%	6.1%	15.9%	1.6%	9.2%
Median Dom Equity Comp	2.4%	7.6%	17.6%	3.2%	10.0%
<b>Int'l Equity Composite</b>	<b>2.7%</b>	<b>13.1%</b>	<b>21.2%</b>	<b>3.2%</b>	<b>N/A</b>
MSCI EAFE	4.1%	14.0%	24.2%	4.9%	6.2%
Median Intl Equity Comp	4.8%	16.3%	24.4%	6.6%	9.2%
<b>Global Equity Composite</b>	<b>2.3%</b>	<b>7.2%</b>	<b>18.8%</b>	<b>4.3%</b>	<b>N/A</b>
Global Equity Policy Index	2.8%	8.7%	18.2%	2.7%	8.9%
<b>Fixed Income Composite</b>	<b>0.5%</b>	<b>2.1%</b>	<b>5.1%</b>	<b>6.6%</b>	<b>N/A</b>
LB Aggregate	0.6%	2.4%	3.6%	5.9%	6.2%
Median Fixed Income Comp	0.6%	2.7%	4.6%	6.4%	6.3%
<b>Clarion Real Estate</b>	<b>4.1%</b>	<b>18.3%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
NCREIF Property Index	5.4%	20.1%	14.4%	11.4%	12.1%
Median Real Estate Fund	3.2%	16.3%	13.5%	10.6%	12.1%

### Performance Goals

- Over a market cycle, achieve an annualized total rate of return, net of fees, which: (1) meets or exceeds 8.5%, and (2) meets or exceeds the Policy Index.

### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$233,891	\$225,910
Net External Growth	(536)	(2,565)
Return on Investment	4,724	14,733
Income Received	799	3,822
Gain/Loss	3,925	10,911
Ending Market Value	\$238,078	\$238,078

### Commentary

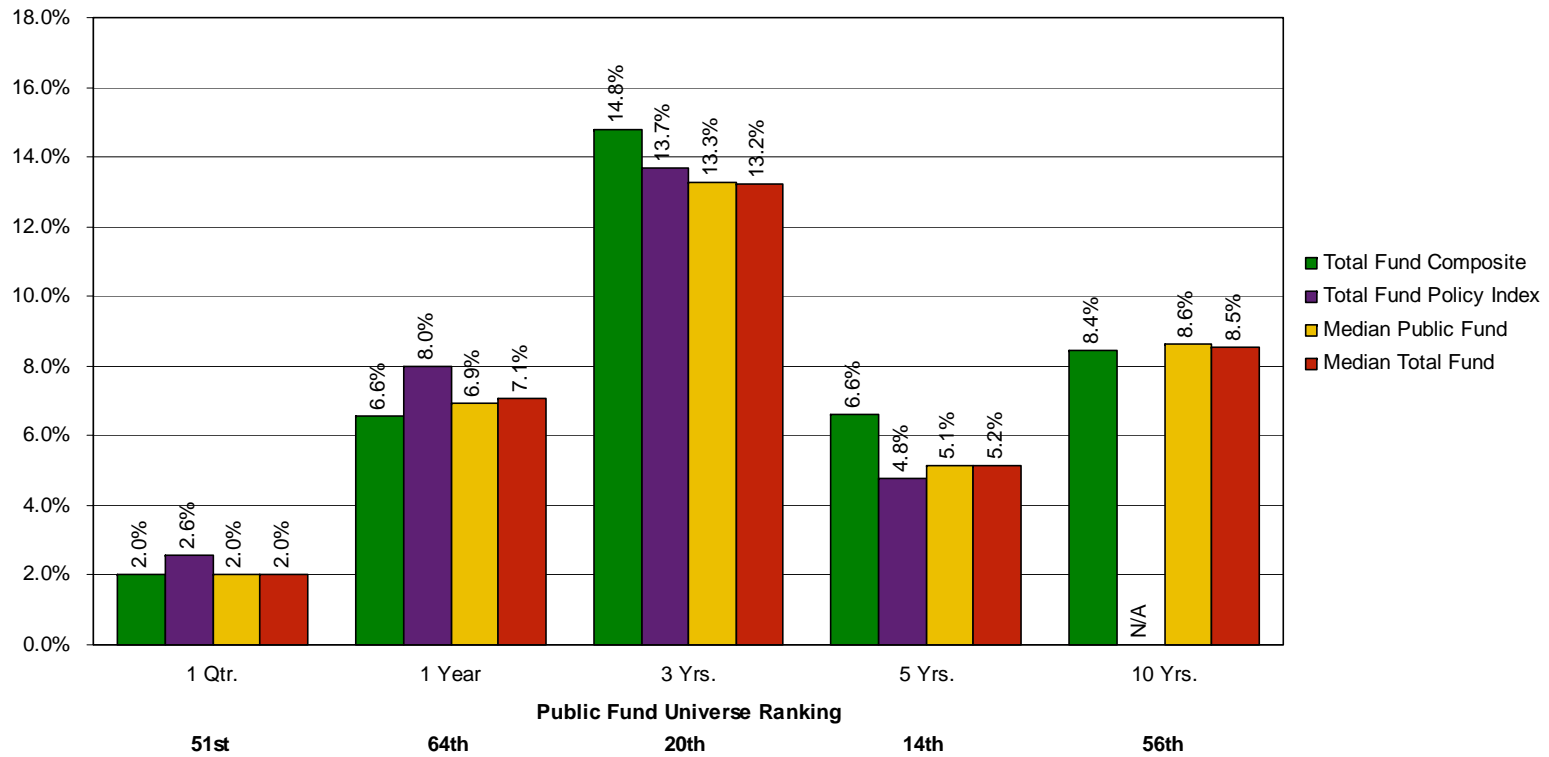
- The Total Fund trails the policy index for the quarter by 60 basis points for the quarter and by 1.4% basis points for the year.
- For the 3- and 5-year periods, the Fund exceeds the policy index by 1.1% and 1.8%, respectively. The Fund outperformed its strategy indices over these periods as well.
- The Fund is in the 20th percentile for the three years ending December 31. For the five year period, it is in the 14<sup>th</sup> percentile.
- Domestic equities trailed the index for the year but outperformed longer term. International numbers are disappointing, due to manager-specific shortfalls, which have been addressed.
- The fixed income composite trailed for the year, but added value over all longer periods. Real estate trails the NCREIF index.

Note: The policy index is comprised of 42% R3000, 23% MSCI EAFE, 25% LB Aggregate, and 10% NCREIF. The strategy index is comprised of 26% S&P 500, 16% R2000, 23% MSCI EAFE, 25% LB Aggregate and 10% NCREIF. The allocation index is actual allocation of accounts and their respective benchmarks. The global equity policy index is comprised of 65% R3000 and 35% MSCI EAFE. The ICC Public Fund Universe contains 147 public pension plans with an average market value of \$2.72 billion. Returns are shown gross of fees and are annualized for periods longer than one year.

## Total Fund Performance

December 31, 2005

### Performance

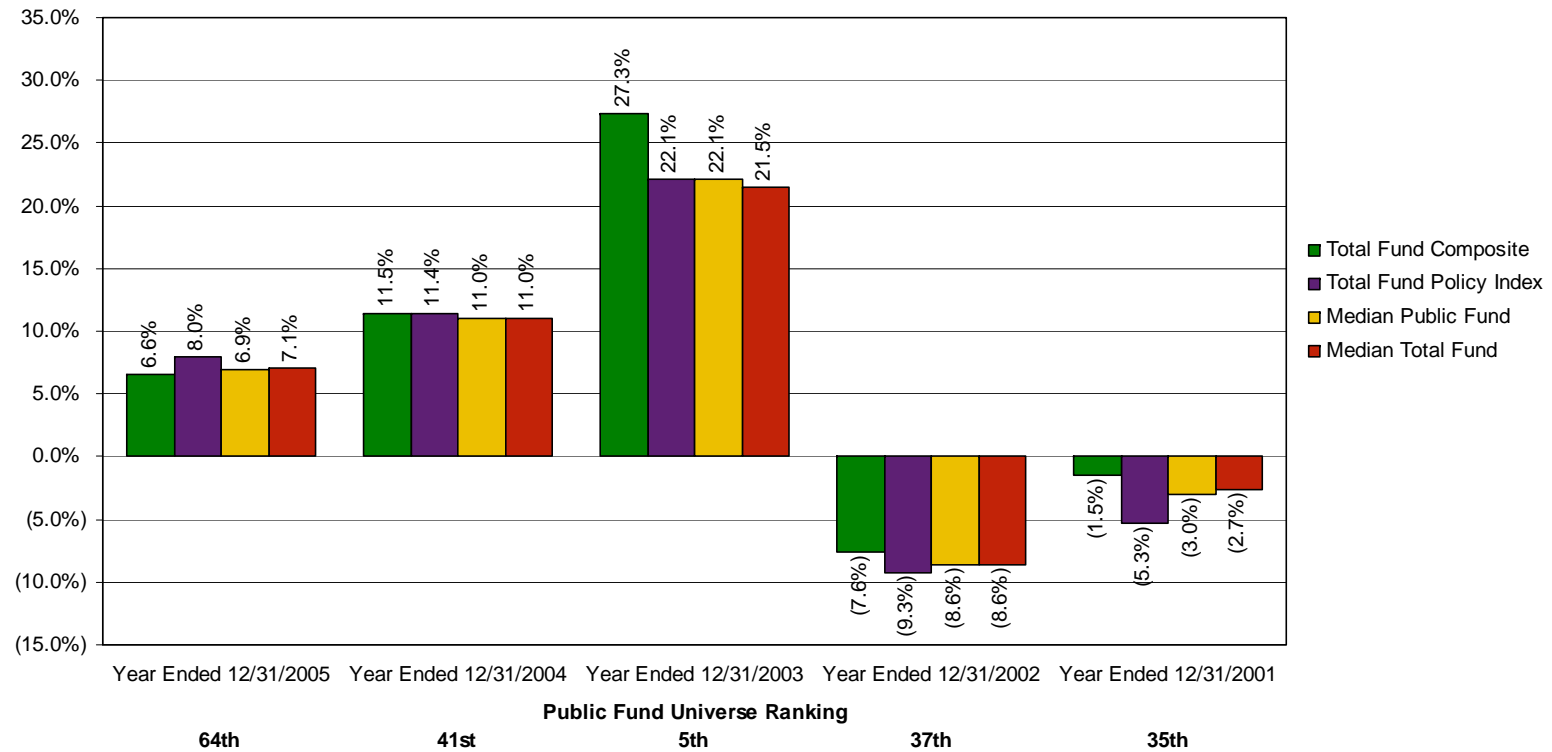


Note: The policy index is comprised of 42% R3000, 23% MSCI EAFE, 25% LB Aggregate, and 10% NCREIF. The ICC Public Fund Universe contains 147 public pension plans with an average market value of \$2.72 billion. Returns are shown gross of fees and are annualized for periods longer than one year.

## Total Fund Performance

December 31, 2005

### Performance

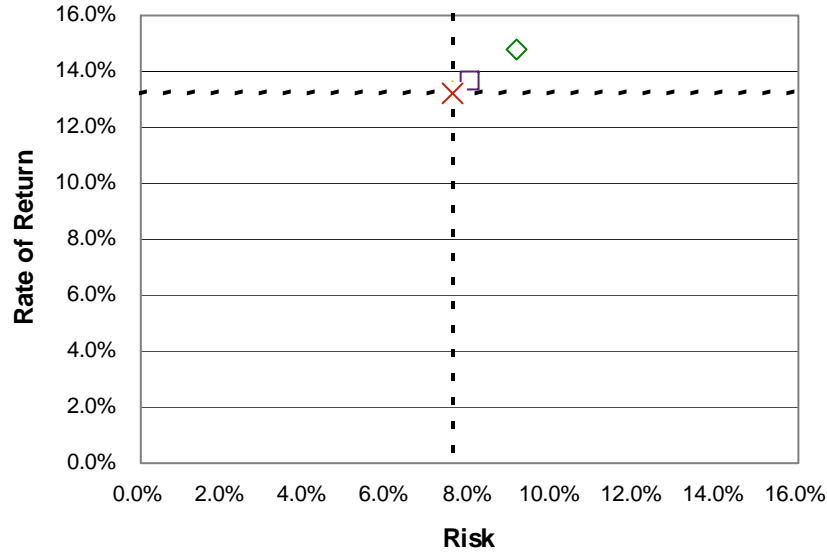


Note: The policy index is comprised of 42% R3000, 23% MSCI EAFE, 25% LB Aggregate, and 10% NCREIF. The ICC Public Fund Universe contains 147 public pension plans with an average market value of \$2.72 billion. Returns are shown gross of fees and are annualized for periods longer than one year.

## Total Fund Risk vs. Return

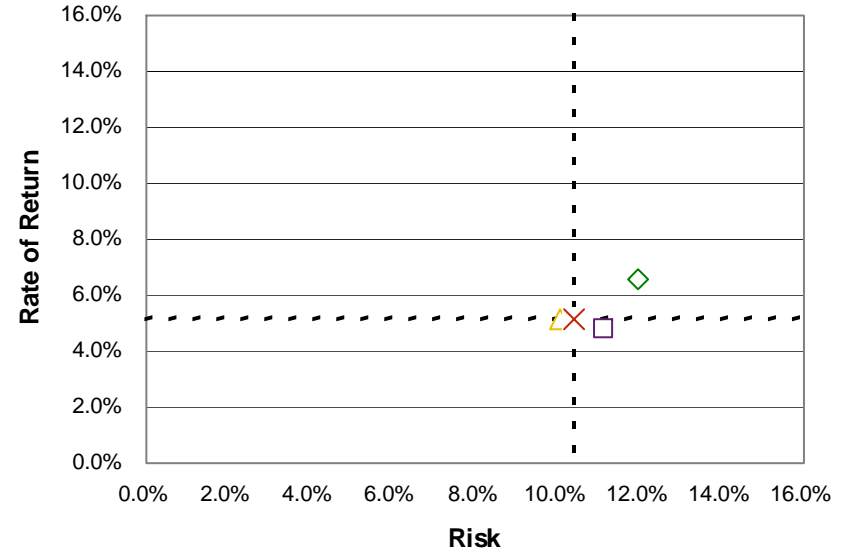
December 31, 2005

### Last Three Years



◇ Total Fund Composite    □ Total Fund Policy Index  
△ Median Public Fund    × Median Total Fund

### Last Five Years



◇ Total Fund Composite    □ Total Fund Policy Index  
△ Median Public Fund    × Median Total Fund

	Return	Risk
Total Fund Composite	14.8%	9.2%
Total Fund Policy Index	13.7%	8.0%
Median Public Fund	13.3%	7.6%
Median Total Fund	13.2%	7.6%

	Return	Risk
Total Fund Composite	6.6%	12.0%
Total Fund Policy Index	4.8%	11.2%
Median Public Fund	5.1%	10.1%
Median Total Fund	5.2%	10.4%

Note: The policy index is comprised of 42% R3000, 23% MSCI EAFE, 25% LB Aggregate, and 10% NCREIF. The ICC Public Fund Universe contains 147 public pension plans with an average market value of \$2.72 billion. Returns are shown gross of fees and are annualized for periods longer than one year.

## Total Fund

December 31, 2005

### Performance Summary

	Asset \$	Index Returns (Blue), Actual Returns (Black)											
		1 Qtr	Rank	2 Qtr	Rank	3 Qtr	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Domestic Equity Managers</b>													
<b>SSGA Index Plus</b>	\$30,908,333	2.1%	42	5.9%	46	7.9%	43	6.1%	43	N/A	N/A	N/A	N/A
<i>S&amp;P 500</i>		2.1%		5.8%		7.2%		4.9%		14.4%		0.6%	
<i>Over/Under</i>		0.0%		0.2%		0.7%		1.1%		N/A		N/A	
<b>OFI Institutional</b>	\$15,375,890	1.7%	60	3.8%	89	7.0%	72	6.4%	71	18.6%	35	6.6%	44
<i>Russell 1000 Value</i>		1.3%		5.2%		7.0%		7.1%		17.5%		5.3%	
<i>Over/Under</i>		0.4%		-1.4%		0.0%		-0.7%		1.1%		1.3%	
<b>Gardner Lewis</b>	\$15,297,077	0.7%	95	4.3%	95	7.3%	91	3.0%	90	N/A	N/A	N/A	N/A
<i>Russell 1000 Growth</i>		3.0%		7.1%		9.8%		5.3%		13.2%		-3.6%	
<i>Over/Under</i>		-2.3%		-2.9%		-2.4%		-2.3%		N/A		N/A	
<b>Lee Munder Investments</b>	\$22,880,835	2.2%	13	4.9%	39	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>Russell 2000 Value</i>		0.7%		3.8%		9.0%		4.7%		23.2%		13.6%	
<i>Over/Under</i>		1.5%		1.1%		N/A		N/A		N/A		N/A	
<b>Roxbury Capital Management</b>	\$15,554,542	3.7%	21	11.1%	19	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>Russell 2000 Growth</i>		1.6%		8.0%		11.8%		4.1%		20.9%		2.3%	
<i>Over/Under</i>		2.1%		3.1%		N/A		N/A		N/A		N/A	
<b>Domestic Equity Composite</b>													
<i>Russell 3000</i>	\$100,016,677	2.1%	64	6.0%	78	8.8%	67	4.8%	89	17.8%	46	4.2%	33
<i>Over/Under</i>		2.0%		6.1%		8.5%		6.1%		15.9%		1.6%	
		0.1%		-0.1%		0.3%		-1.3%		1.9%		2.6%	
<b>International Equity Managers</b>													
<b>New Star</b>	\$27,190,383	2.4%	88	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>MSCI EAFE</i>		4.1%		15.0%		14.1%		14.0%		24.2%		4.9%	
<i>Over/Under</i>		-1.7%		N/A		N/A		N/A		N/A		N/A	
<b>LSV</b>	\$27,503,672	3.1%	79	15.4%	54	15.4%	47	16.8%	43	N/A	N/A	N/A	N/A
<i>MSCI EAFE + Canada (net)</i>		4.0%		15.4%		14.8%		15.0%		24.7%		5.1%	
<i>Over/Under</i>		-0.9%		-0.1%		0.6%		1.8%		N/A		N/A	
<b>International Equity Composite</b>													
<i>MSCI EAFE</i>	\$54,694,055	2.7%	90	13.0%	83	12.7%	81	13.1%	78	21.2%	86	3.2%	87
<i>Over/Under</i>		4.1%		15.0%		14.1%		14.0%		24.2%		4.9%	
		-1.5%		-2.0%		-1.4%		-0.9%		-3.0%		-1.7%	
<b>Total Equity Composite</b>													
<i>Policy Index</i>	\$154,710,732	2.3%	76	8.0%	69	10.0%	70	7.2%	81	18.8%	51	4.3%	46
<i>Over/Under</i>		2.8%		8.9%		10.4%		8.7%		18.2%		2.7%	
		-0.5%		-0.9%		-0.4%		-1.5%		0.5%		1.6%	

Note: The policy index is comprised of 42% R3000, 23% MSCI EAFE, 25% LB Aggregate, and 10% NCREIF. The strategy index is comprised of 26% S&P 500, 16% R2000, 23% MSCI EAFE, 25% LB Aggregate and 10% NCREIF. The allocation index is actual allocation of accounts and their respective benchmarks. The global equity policy index is comprised of 65% R3000 and 35% MSCI EAFE. Returns are shown gross of fees and are annualized for periods longer than one year.

## Total Fund

December 31, 2005

### Performance Summary (Continued)

	Asset \$	Index Returns (Blue), Actual Returns (Black)											
		1 Qtr	Rank	2 Qtr	Rank	3 Qtr	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Fixed Income Managers</b>													
<b>Loomis Sayles</b>	\$24,759,028	0.3%	93	-0.1%	81	2.6%	88	1.8%	92	5.9%	5	7.7%	2
<i>Lehman Aggregate</i>		0.6%		-0.1%		2.9%		2.4%		3.6%		5.9%	
<i>Over/Under</i>		-0.3%		0.0%		-0.3%		-0.6%		2.3%		1.8%	
<b>SSGA Bond Fund</b>	\$34,595,904	0.6%	65	-0.1%	81	2.9%	65	2.4%	71	3.6%	73	N/A	N/A
<i>Lehman Aggregate</i>		0.6%		-0.1%		2.9%		2.4%		3.6%		5.9%	
<i>Over/Under</i>		0.0%		0.0%		0.0%		0.0%		0.0%		N/A	
<b>Fixed Income Composite</b>	\$59,354,932	0.5%	67	-0.1%	79	2.8%	68	2.1%	77	5.1%	33	6.6%	43
<i>Lehman Aggregate</i>		0.6%		-0.1%		2.9%		2.4%		3.6%		5.9%	
<i>Over/Under</i>		-0.1%		0.0%		-0.1%		-0.3%		1.5%		0.7%	
<b>Real Estate</b>													
<b>Clarion</b>	\$24,012,617	4.1%	31	9.7%	28	13.8%	49	18.3%	40	N/A	N/A	N/A	N/A
<i>NCREIF</i>		5.4%		10.1%		16.0%		20.1%		14.4%		11.4%	
<i>Over/Under</i>		-1.3%		-0.5%		-2.2%		-1.8%		N/A		N/A	
<b>Total Fund Composite</b>	\$238,078,281	2.0%	51	6.2%	41	8.5%	40	6.6%	64	14.8%	20	6.6%	14
<i>Policy Index</i>		2.6%		6.8%		9.0%		8.0%		13.7%		4.8%	
<i>Strategy Index</i>		2.4%		6.7%		9.1%		7.4%		14.3%		5.7%	
<i>Allocation Index</i>		1.8%		5.4%		7.8%		6.1%		14.3%		6.9%	

Note: The policy index is comprised of 42% R3000, 23% MSCI EAFE, 25% LB Aggregate, and 10% NCREIF. The strategy index is comprised of 26% S&P 500, 16% R2000, 23% MSCI EAFE, 25% LB Aggregate and 10% NCREIF. The allocation index is actual allocation of accounts and their respective benchmarks. The global equity policy index is comprised of 70% R3000 and 30 MSCI EAFE. Returns are shown gross of fees and are annualized for periods longer than one year.

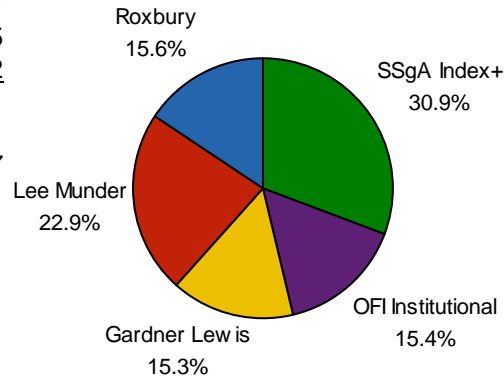
## Domestic Equity Composite

December 31, 2005

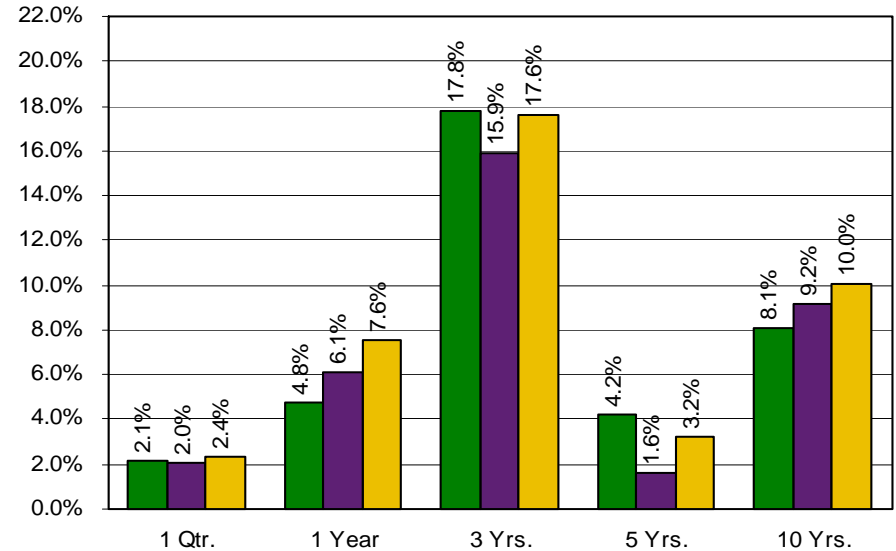
### Manager Allocation

SSgA Index+	\$30,908,333
OFI Institutional	15,375,890
Gardner Lewis	15,297,077
Lee Munder	22,880,835
Roxbury	<u>15,554,542</u>

Total: \$100,016,677



### Performance



#### Domestic Equity Composite Universe Ranking

64th      89th      46th      33rd      85th

■ Domestic Equity Composite   ■ R3000   ■ Median Dom Equity Comp

### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$108,907	\$114,000
Net External Growth	(10,931)	(18,718)
Return on Investment	2,041	4,735
Income Received	243	938
Gain/Loss	1,797	3,797
Ending Market Value	\$100,017	\$100,017

### Commentary

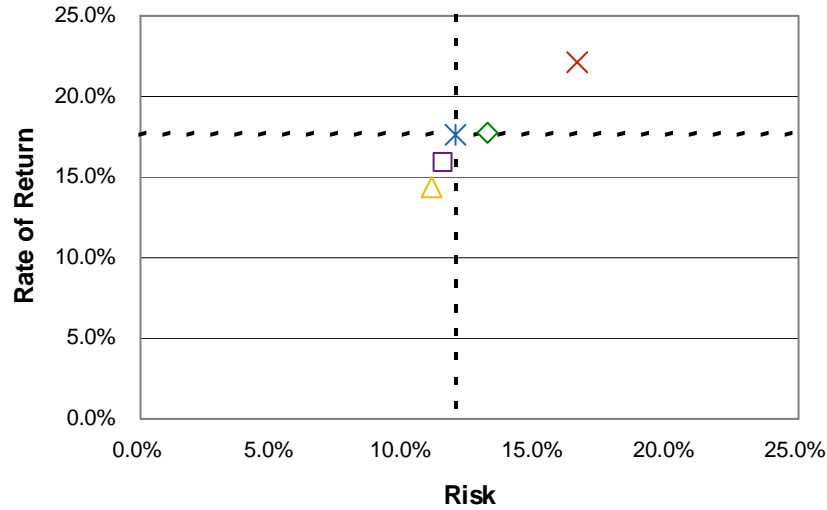
- The domestic equity composite outperformed the index slightly for the quarter, but trailed for the year.
- 3- and 5-year numbers are ahead of the market by 1.9% and 2.6% respectively.
- In the Large Cap portfolio, SSgA had a good year, while OFI and Gardner Lewis trailed their respective indices.
- Of the new Small Cap managers, both Lee Munder and Roxbury had a good quarter, ahead of their indices by 1.5% and 2.1%, respectively. Relative to peers, their universe rankings are solidly top quartile.

Note: Returns are shown gross of fees and are annualized for periods longer than one year.

## Domestic Equity Composite

December 31, 2005

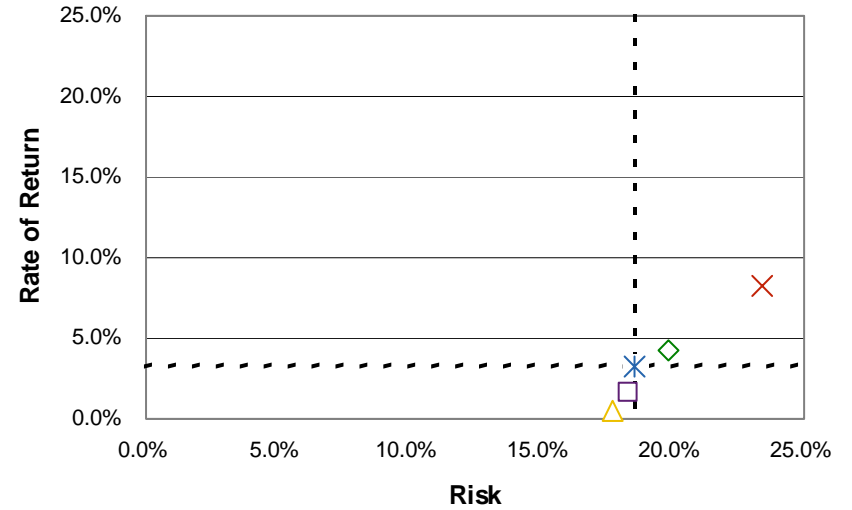
**Risk vs. Return: Last Three Years**



- ◇ Domestic Equity Composite    □ R3000
- △ S&P 500                            × R2000
- ✱ Median Dom Equity Comp

	Return	Risk
Domestic Equity Composite	17.8%	13.2%
R3000	15.9%	11.5%
S&P 500	14.4%	11.1%
R2000	22.1%	16.6%
Median Dom Equity Comp	17.6%	12.0%

**Risk vs. Return: Last Five Years**



- ◇ Domestic Equity Composite    □ R3000
- △ S&P 500                            × R2000
- ✱ Median Dom Equity Comp

	Return	Risk
Domestic Equity Composite	4.2%	19.9%
R3000	1.6%	18.3%
S&P 500	0.6%	17.7%
R2000	8.2%	23.4%
Median Dom Equity Comp	3.2%	18.6%

Note: Returns are shown gross of fees and are annualized for periods longer than one year.

## Domestic Equity Composite

December 31, 2005

### Equity Portfolio Characteristics

	Dom Equity Comp 9/30/2005	Dom Equity Comp 12/31/2005	R3000 12/31/2005
No. of Securities	550	536	2,992
Equity Segment Yield	1.40%	1.39%	1.71%
Equity Segment P/E	17.40x	17.23x	17.17x
Equity Segment Beta	1.12	1.17	1.08
P/B Ratio	3.25x	3.25x	3.75x
5-Year Earnings Growth	11.67%	11.58%	12.36%
Avg. Market Cap (millions)	\$46,689	\$45,827	\$72,078

### Ten Largest Equity Holdings

EXXON MOBIL CORP	1.7%
CITIGROUP INC	1.5%
BANK OF AMERICA CORP	1.3%
GENERAL ELEC CO	1.0%
GOLDMAN SACHS GROUP INC	0.9%
TIME WARNER INC NEW	0.9%
CHEVRON CORP	0.8%
PFIZER INC	0.8%
WAL MART STORES INC	0.8%
WACHOVIA CORP	0.8%

### Ten Best Performers

DRESS BARN INC	69.6%
KENEXA CORP	68.5%
SIGMA DESIGNS INC	40.1%
EXPRESS SCRIPTS INC	34.7%
APPLE COMPUTER INC	34.1%
BUILD A BEAR WORKSHOP	32.9%
PERINI CORP	32.7%
CIRCUIT CITY STORES INC	31.7%
GOOGLE INC	31.1%
ARCH CHEMICALS INC	29.6%

### Ten Worst Performers

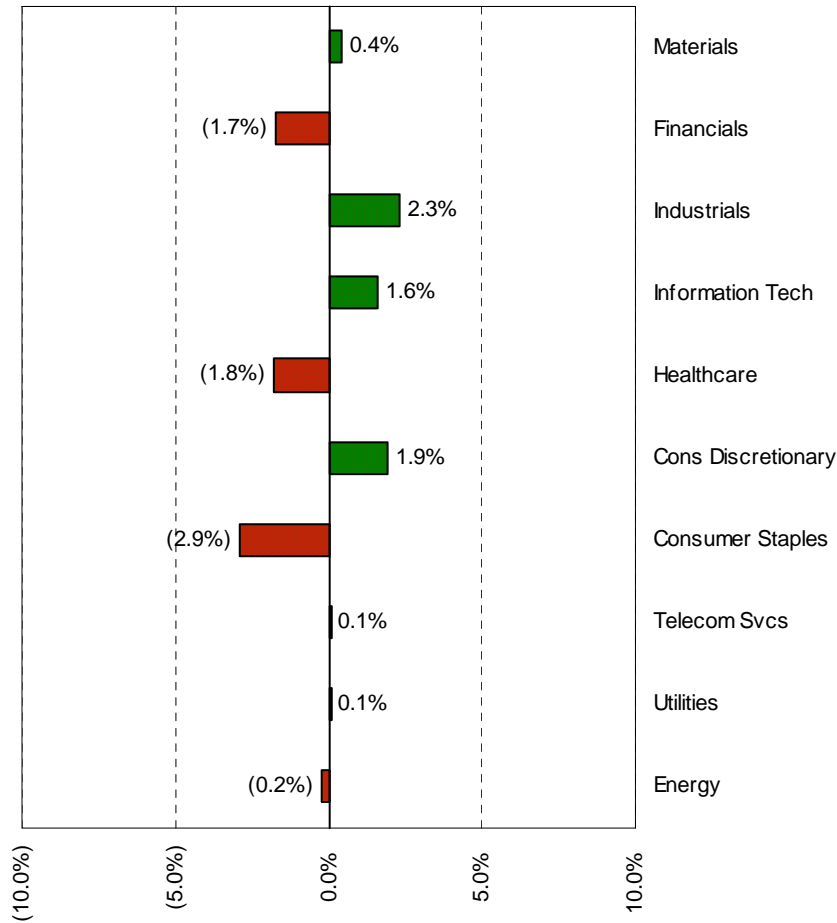
GENERAL MTRS CORP	(35.3%)
TENET HEALTHCARE CORP	(31.8%)
VALASSIS COMMUNICATIONS INC	(25.4%)
SCHOOL SPECIALTY INC	(25.3%)
FLIR SYS INC	(24.5%)
XM SATELLITE RADIO HLDGS INC	(24.0%)
MILLS CORP	(22.9%)
SYMANTEC CORP	(22.8%)
RADIO ONE INC	(21.3%)
EDUCATION RLTY TR INC	(21.3%)

## Domestic Equity Composite

December 31, 2005

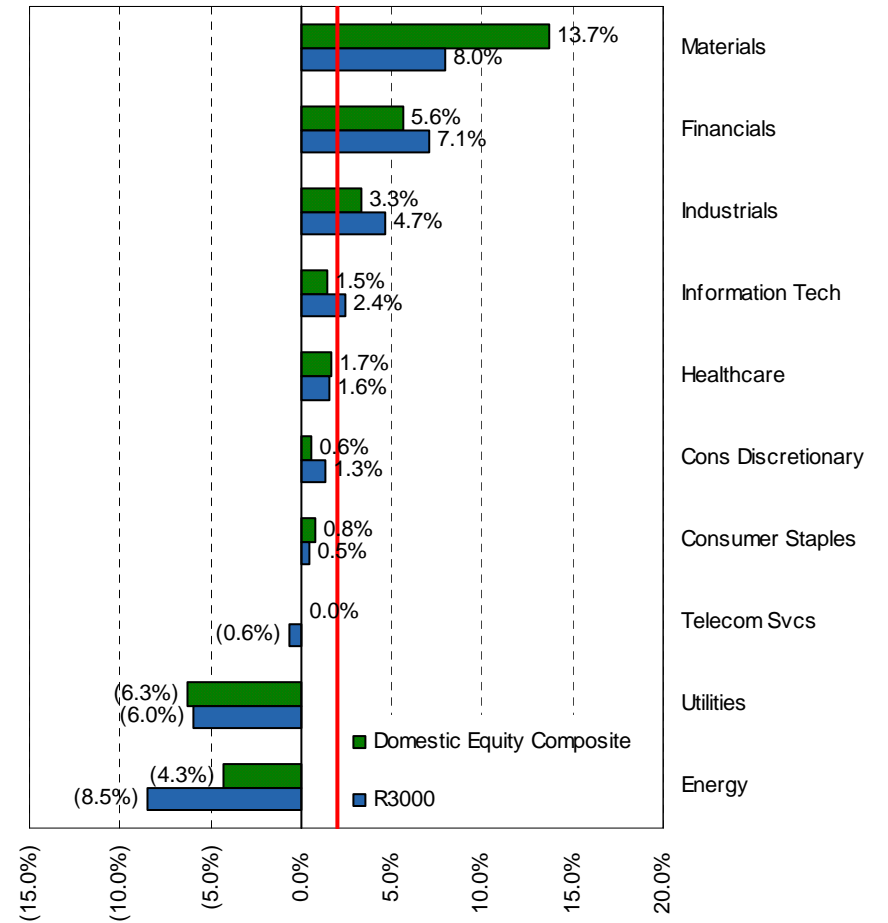
### Sector Allocation

Domestic Equity Composite vs. R3000  
Sector Allocation  
(under)/over weighting



### Sector Performance

Domestic Equity Composite vs. R3000 Performance  
Quarter Ending December 31, 2005



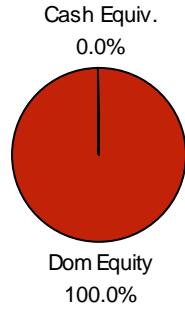
Note: Red line marks the index's total return for the quarter.

## SSgA Index Plus

December 31, 2005

### Asset Allocation

Dom Equity	\$30,908,333
Cash Equiv.	0
<b>Total:</b>	<b>\$30,908,333</b>



### Strategy

- Large Cap Core Enhanced Index

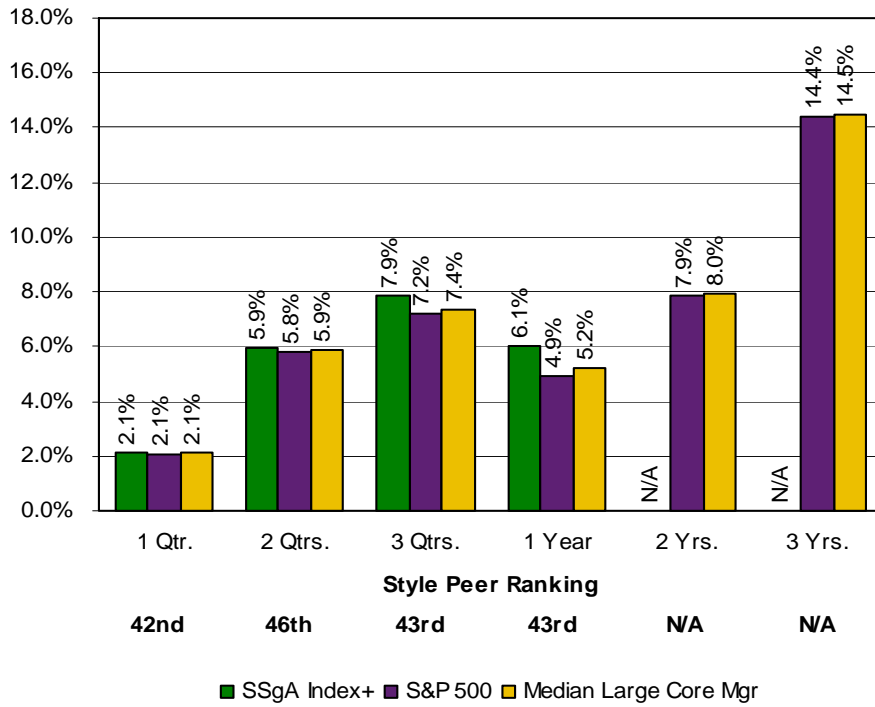
### Performance Goals

- Over a market cycle, achieve an annualized total rate of return, net of fees, which: (1) exceeds the S&P 500 Index by 50-100 basis points, and (2) maintains tracking error to the index of 1.25%.

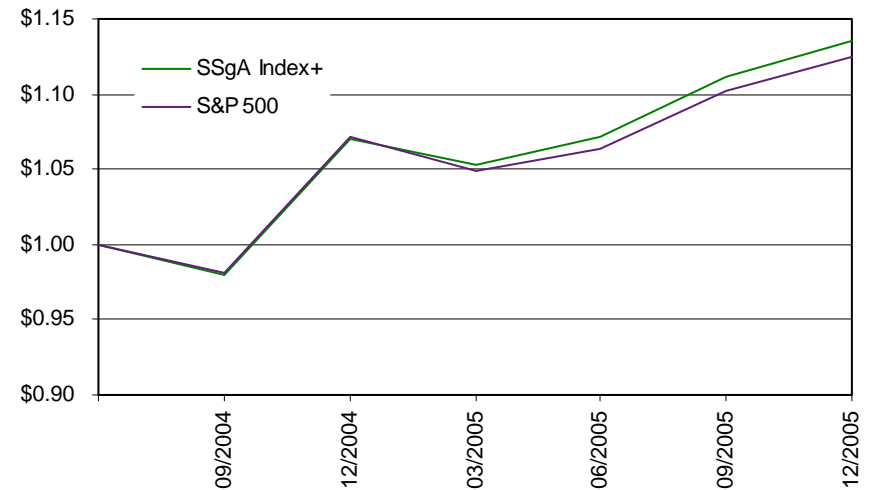
### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$29,243	\$30,543
Net External Growth	1,000	(1,500)
Return on Investment	666	1,866
Income Received	0	0
Gain/Loss	666	1,866
Ending Market Value	\$30,908	\$30,908

### Performance



### Growth of \$1.00

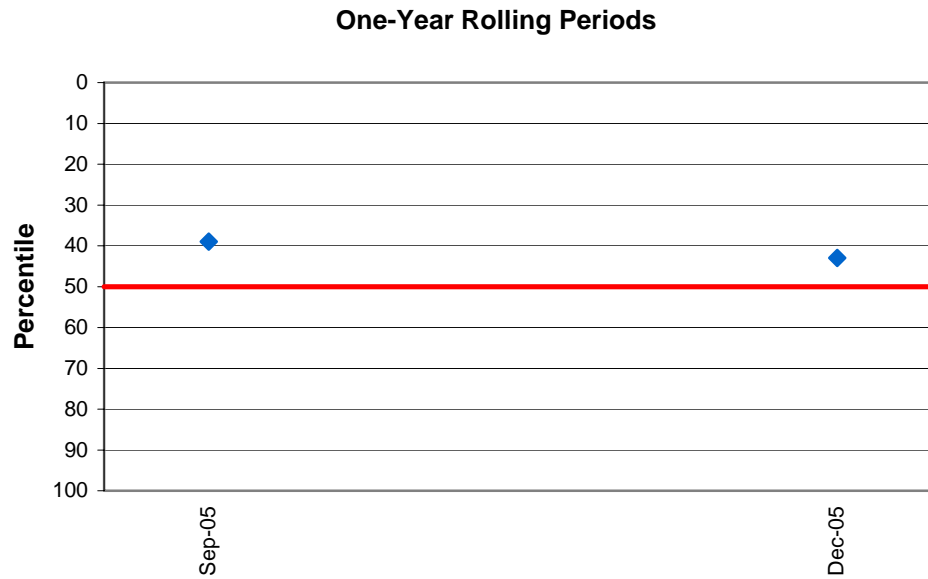


Note: Returns are shown gross of fees and are annualized for periods longer than one year.

# SSgA Index Plus

December 31, 2005

## Rolling Period Ranking vs. Large Cap Core Peers



## SSgA Index Plus

December 31, 2005

### Equity Portfolio Characteristics

	SSgA Index+ 9/30/2005	SSgA Index+ 12/31/2005	S&P 500 12/31/2005
No. of Securities	303	291	500
Equity Segment Yield	1.69%	1.73%	1.84%
Equity Segment P/E	16.34x	16.20x	16.92x
Equity Segment Beta	1.03	1.06	1.00
P/B Ratio	3.59x	3.64x	3.72x
5-Year Earnings Growth	11.79%	11.94%	12.14%
Avg. Market Cap (millions)	\$91,966	\$90,617	\$87,701

### Ten Largest Equity Holdings

EXXON MOBIL CORP	3.6%
GENERAL ELEC CO	3.0%
CITIGROUP INC	2.7%
BANK OF AMERICA CORP	2.1%
JOHNSON & JOHNSON	2.0%
PFIZER INC	1.9%
MICROSOFT CORP	1.9%
INTEL CORP	1.8%
AMERICAN INTL GROUP INC	1.7%
INTERNATIONAL BUSINESS MACHS CORP	1.6%

### Ten Best Performers

EXPRESS SCRIPTS INC	34.7%
APPLE COMPUTER INC	34.1%
CIRCUIT CITY STORES INC	31.7%
GOOGLE INC	31.1%
DARDEN RESTAURANTS INC	28.9%
RED HAT INC	28.7%
MONSANTO CO NEW	23.9%
CHECKFREE CORP	21.4%
TEREX CORP NEW	20.2%
JABIL CIRCUIT INC	20.0%

### Ten Worst Performers

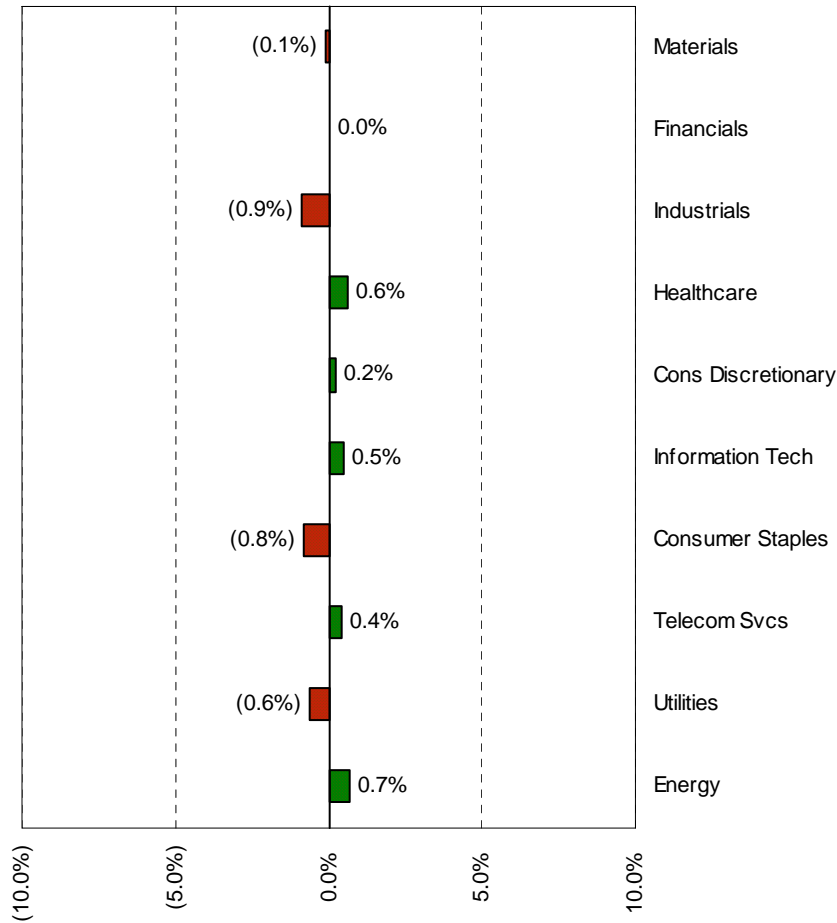
MILLS CORP	(22.9%)
NVR INC	(20.7%)
CONOCOPHILLIPS	(16.4%)
CENDANT CORP	(15.9%)
BAUSCH & LOMB INC	(15.7%)
TOTAL SYS SVCS INC	(14.9%)
CENTERPOINT ENERGY INC	(13.2%)
DELL INC	(12.4%)
CMS ENERGY CORP	(11.8%)
COMCAST CORP NEW	(11.8%)

# SSgA Index Plus

December 31, 2005

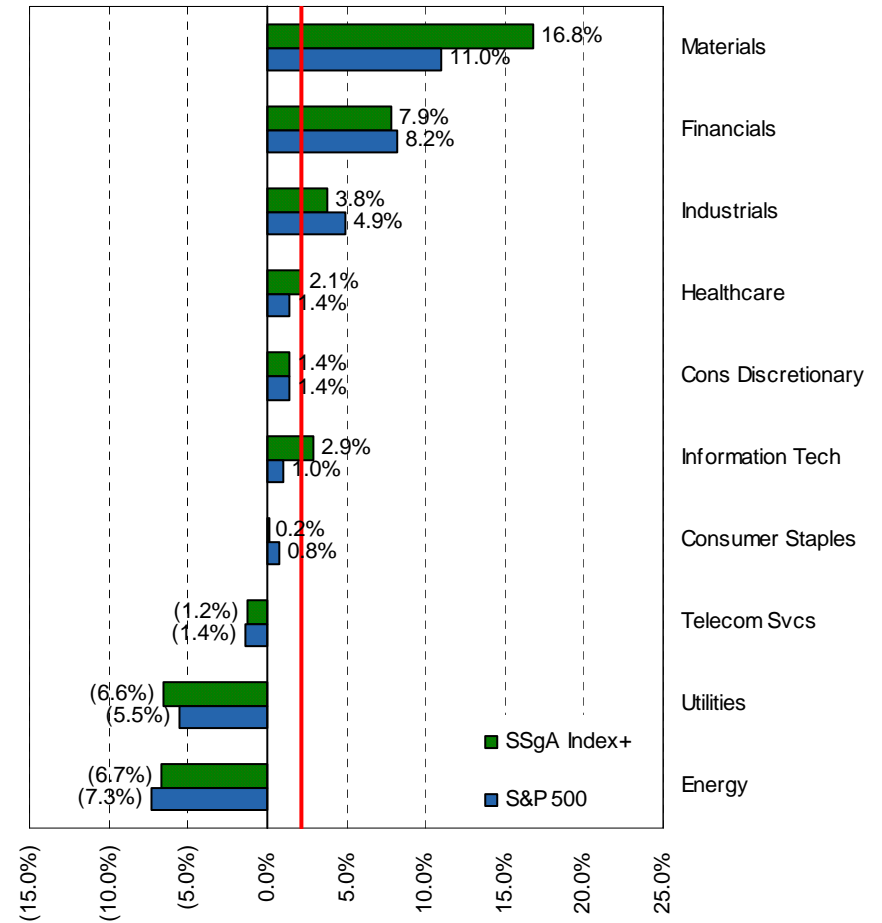
## Sector Allocation

SSgA Index+ vs. S&P 500  
Sector Allocation  
(under)/over weighting



## Sector Performance

SSgA Index+ vs. S&P 500 Performance  
Quarter Ending December 31, 2005



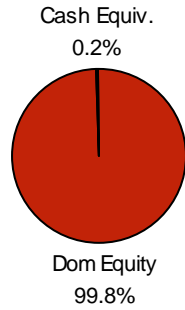
Note: Red line marks the Index's total return for the quarter.

## OFI Institutional

December 31, 2005

### Asset Allocation

Dom Equity	\$15,347,088
Cash Equiv.	<u>28,802</u>
<b>Total:</b>	<b>\$15,375,890</b>



### Strategy

- Large Cap Value Equity

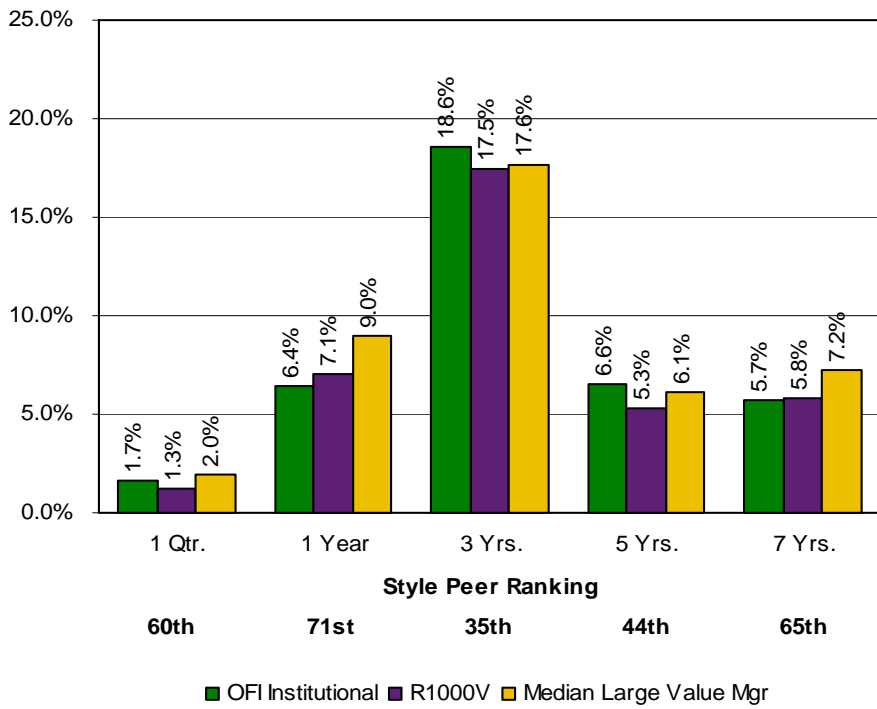
### Performance Goals

- Over a market cycle, achieve an annualized total rate of return, net of fees, which: (1) exceeds the Russell 1000 Value Index by 2%, and (2) ranks above median compared to style peers.

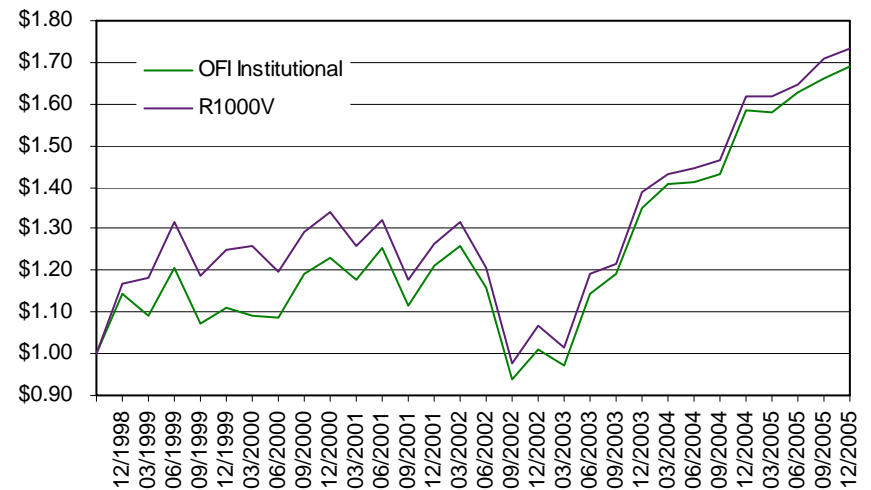
### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$17,344	\$19,537
Net External Growth	(2,210)	(5,249)
Return on Investment	242	1,088
Income Received	117	458
Gain/Loss	124	629
<b>Ending Market Value</b>	<b>\$15,376</b>	<b>\$15,376</b>

### Performance



### Growth of \$1.00

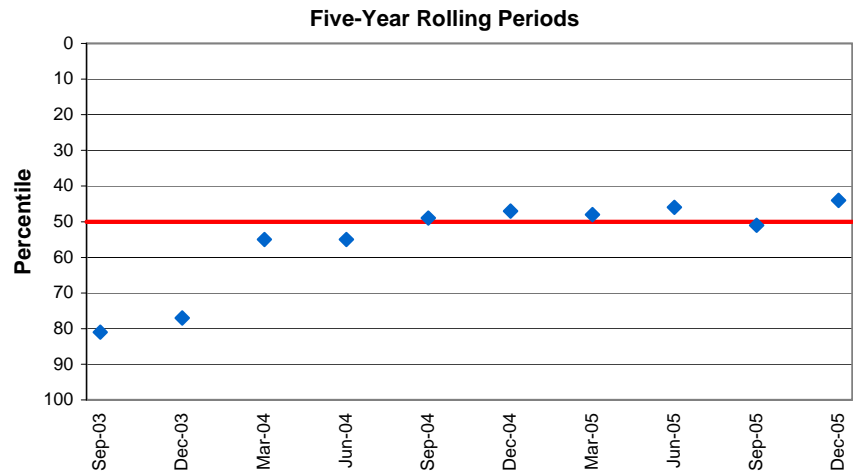
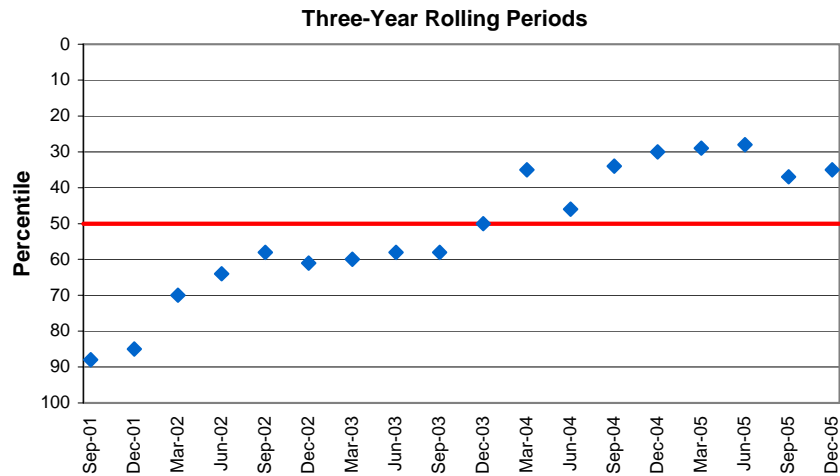
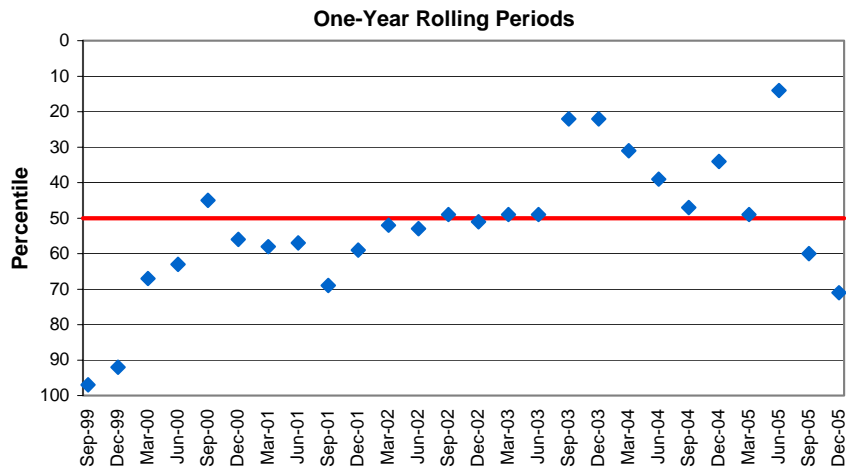


Note: Returns are shown gross of fees and are annualized for periods longer than one year.

# OFI Institutional

December 31, 2005

## Rolling Period Ranking vs. Large Cap Value Peers



## OFI Institutional

December 31, 2005

### Equity Portfolio Characteristics

	OFI Institutional 9/30/2005	OFI Institutional 12/31/2005	R1000V 12/31/2005
No. of Securities	79	83	645
Equity Segment Yield	2.49%	2.38%	2.48%
Equity Segment P/E	12.85x	12.60x	14.23x
Equity Segment Beta	0.97	0.97	0.95
P/B Ratio	2.52x	2.28x	2.40x
5-Year Earnings Growth	13.15%	13.12%	9.76%
Avg. Market Cap (millions)	\$77,123	\$67,108	\$81,136

### Ten Largest Equity Holdings

BANK OF AMERICA CORP	4.3%
CITIGROUP INC	4.2%
EXXON MOBIL CORP	4.1%
CHEVRON CORP	4.0%
AT & T INC	3.3%
HEWLETT PACKARD CO	3.0%
WACHOVIA CORP	3.0%
COUNTRYWIDE CR INDS INC	2.4%
US BANCORP DEL	2.4%
MCKESSON HBOC INC	2.3%

### Ten Best Performers

ROHM & HAAS CO	18.5%
J P MORGAN CHASE & CO	18.2%
CIT GROUP INC NEW	15.0%
INTERNATIONAL PAPER COMPANY	13.7%
WACHOVIA CORP	12.1%
BANK OF AMERICA CORP	10.8%
CENTEX CORP	10.8%
AETNA INC	9.5%
PRUDENTIAL FINL INC	9.5%
EQUIFAX INC	8.9%

### Ten Worst Performers

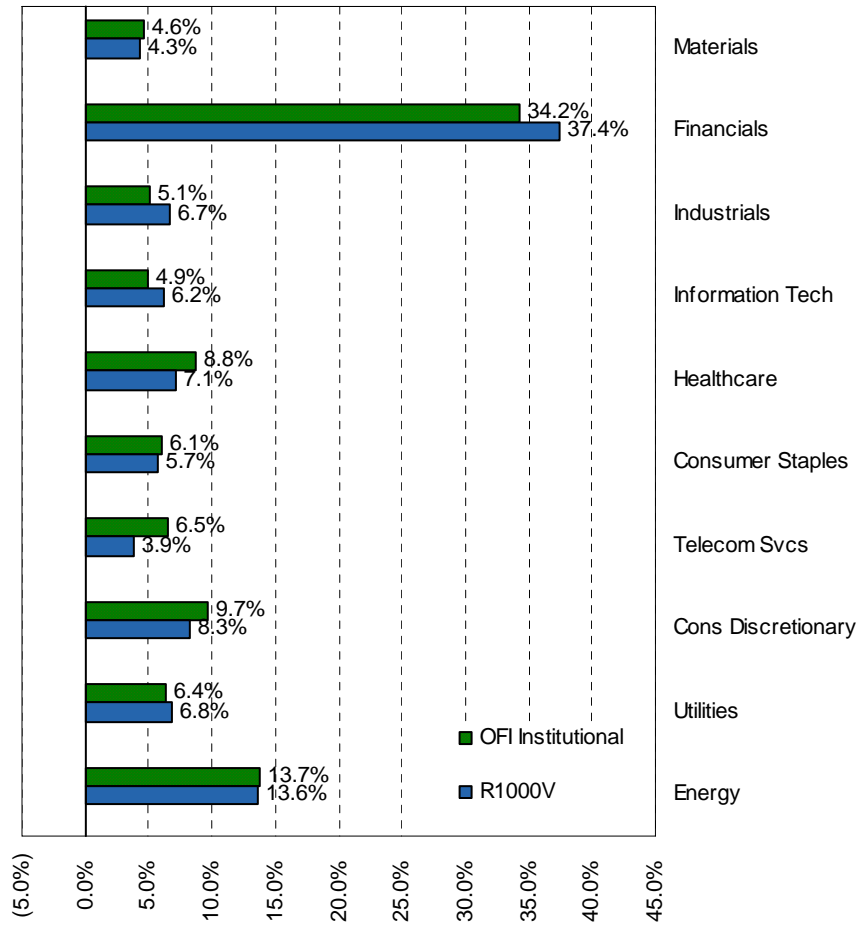
GENERAL MTRS CORP	(35.3%)
SYMANTEC CORP	(22.8%)
CONOCOPHILLIPS	(16.4%)
TRIAD HOSPS INC	(13.3%)
CENTERPOINT ENERGY INC	(13.2%)
CHEVRON CORP	(11.6%)
EXXON MOBIL CORP	(11.2%)
MARATHON OIL CORP	(11.1%)
APACHE CORP	(8.8%)
EDISON INTL	(7.2%)

# OFI Institutional

December 31, 2005

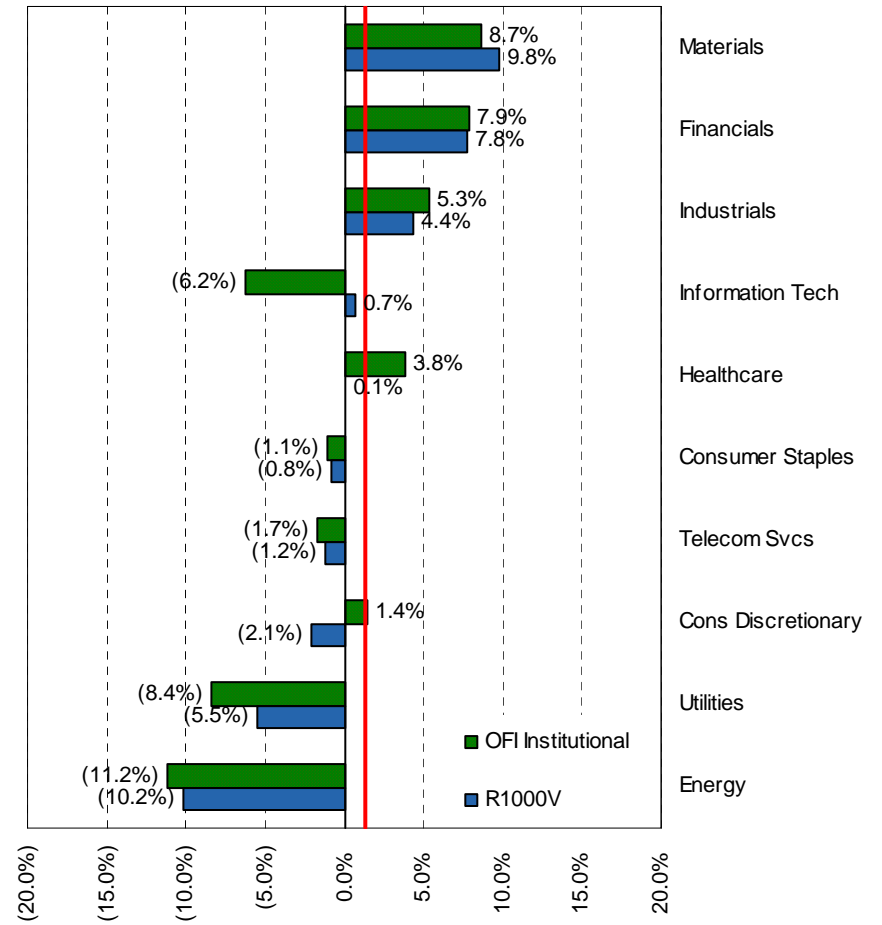
## Sector Allocation

OFI Institutional vs. R1000V  
Sector Allocation



## Sector Performance

OFI Institutional vs. R1000V Performance  
Quarter Ending December 31, 2005



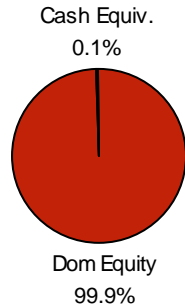
Note: Red line marks the index's total return for the quarter.

## Gardner Lewis

December 31, 2005

### Asset Allocation

Dom Equity	\$15,274,931
Cash Equiv.	<u>22,146</u>
<b>Total:</b>	<b>\$15,297,077</b>



### Strategy

- Large Cap Growth Equity

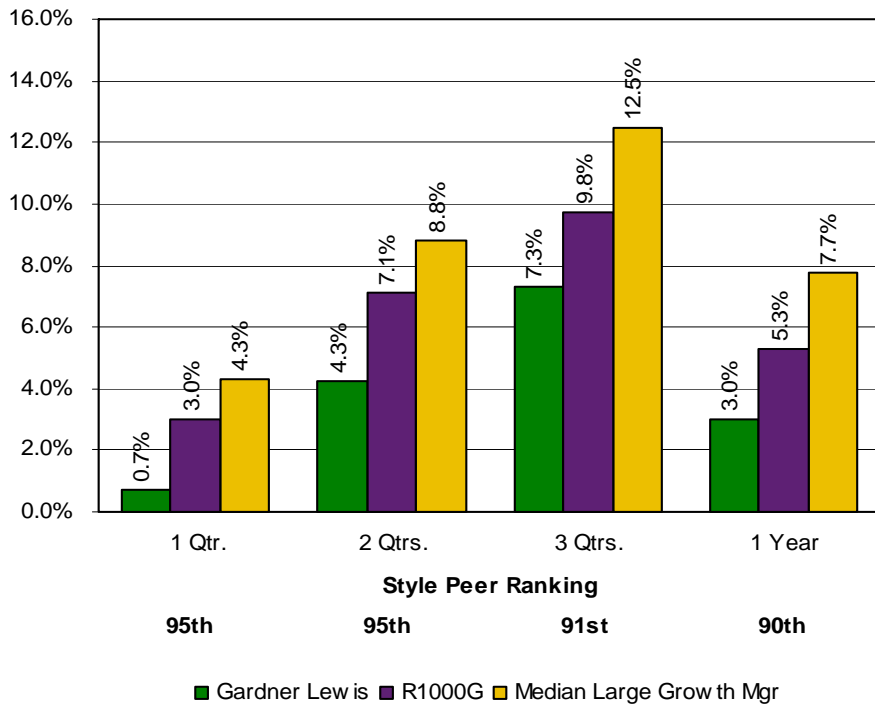
### Performance Goals

- Over a market cycle, achieve an annualized total rate of return, net of fees, which: (1) exceeds the Russell 1000 Growth Index by 2%, and (2) ranks above median compared to style peers.

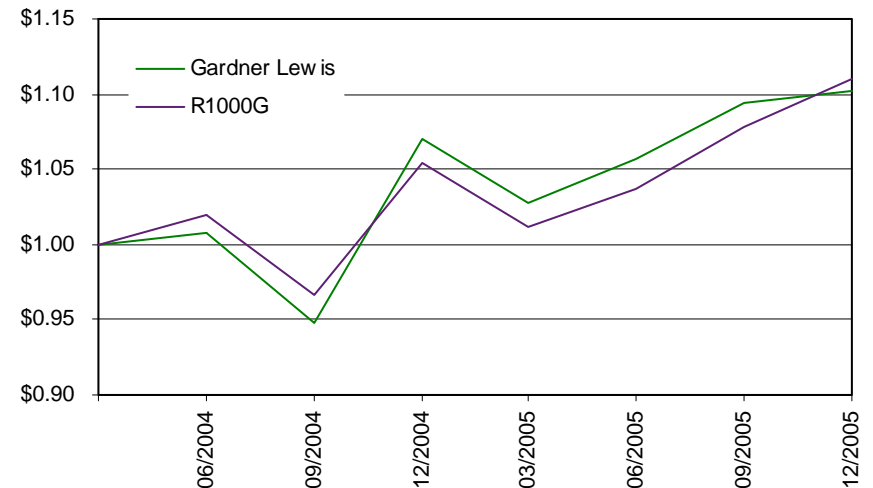
### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$17,328	\$19,127
Net External Growth	(2,136)	(4,256)
Return on Investment	105	426
Income Received	25	124
Gain/Loss	81	302
<b>Ending Market Value</b>	<b>\$15,297</b>	<b>\$15,297</b>

### Performance



### Growth of \$1.00

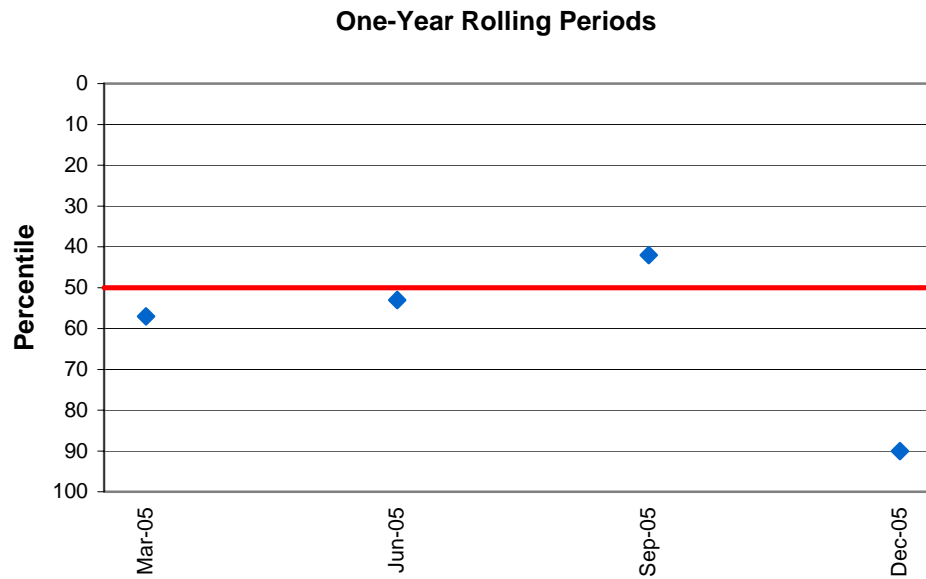


Note: Returns are shown gross of fees and are annualized for periods longer than one year.

## Gardner Lewis

December 31, 2005

### Rolling Period Ranking vs. Large Cap Growth Peers



## Gardner Lewis

December 31, 2005

### Equity Portfolio Characteristics

	Gardner Lewis 9/30/2005	Gardner Lewis 12/31/2005	R1000G 12/31/2005
No. of Securities	47	45	639
Equity Segment Yield	0.81%	0.78%	1.09%
Equity Segment P/E	21.71x	22.38x	21.40x
Equity Segment Beta	1.29	1.35	1.17
P/B Ratio	4.12x	4.58x	5.19x
5-Year Earnings Growth	19.61%	17.82%	15.28%
Avg. Market Cap (millions)	\$37,167	\$42,005	\$76,710

### Ten Largest Equity Holdings

MONSANTO CO NEW	4.0%
CAPITAL ONE FINL CORP	3.4%
CIGNA CORP COM USD1	3.3%
ST JUDE MED INC	3.2%
GOLDMAN SACHS GROUP INC	3.2%
AMERICAN EXPRESS CO	3.1%
TEVA PHARMACEUTICAL INDS LTD	3.0%
STARWOOD HOTELS & RESORTS WORLDWIDE	2.9%
E M C CORP MASS	2.8%
QUALCOMM INC	2.6%

### Ten Best Performers

GOOGLE INC	31.1%
TEVA PHARMACEUTICAL INDS LTD	28.9%
MONSANTO CO NEW	23.9%
ADOBE SYS INC	23.8%
TRANSOCEAN INC	13.7%
STARWOOD HOTELS & RESORTS WORLDWIDE	13.2%
CHICAGO MERCANTILE EXCHANGE HLDGS	9.1%
CAPITAL ONE FINL CORP	8.7%
MICROCHIP TECHNOLOGY INC	7.3%
ST JUDE MED INC	7.3%

### Ten Worst Performers

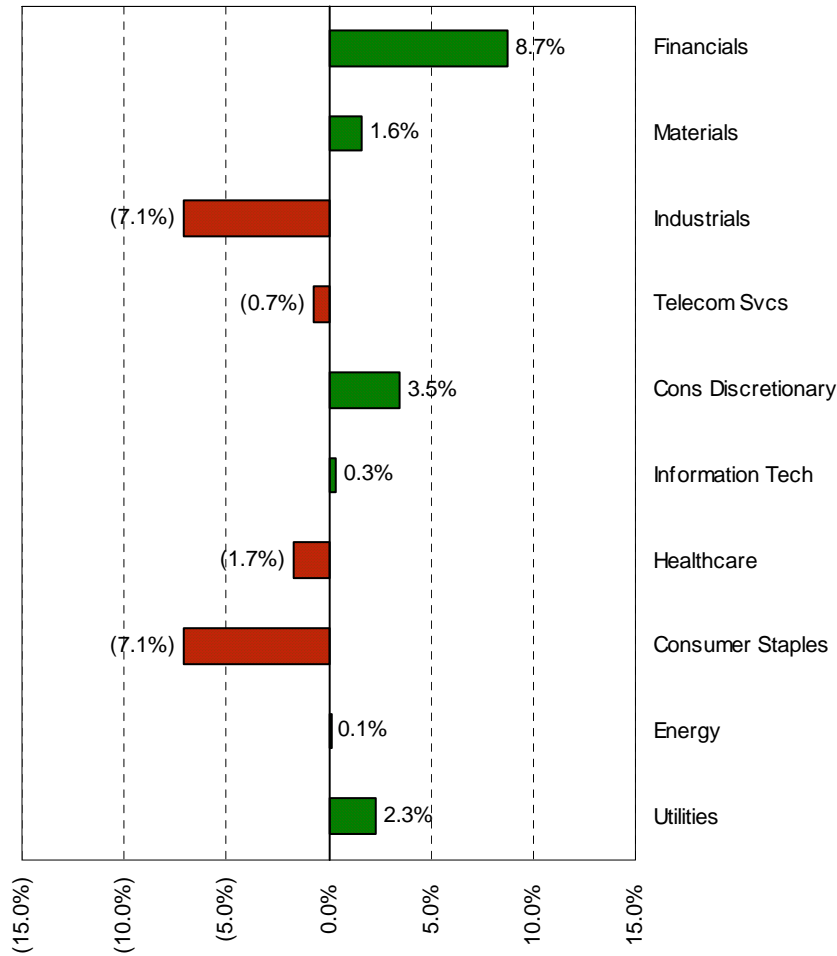
TENET HEALTHCARE CORP	(31.8%)
XM SATELLITE RADIO HLDGS INC	(24.0%)
SYMANTEC CORP	(22.8%)
COMCAST CORP NEW	(10.7%)
APOLLO GROUP INC	(8.9%)
ELECTRONIC ARTS INC	(8.1%)
JUNIPER NETWORKS INC	(6.3%)
CONSTELLATION ENERGY GROUP	(5.9%)
CIGNA CORP COM USD1	(5.2%)
NATIONAL-OILWELL VARCO INC	(4.7%)

# Gardner Lewis

December 31, 2005

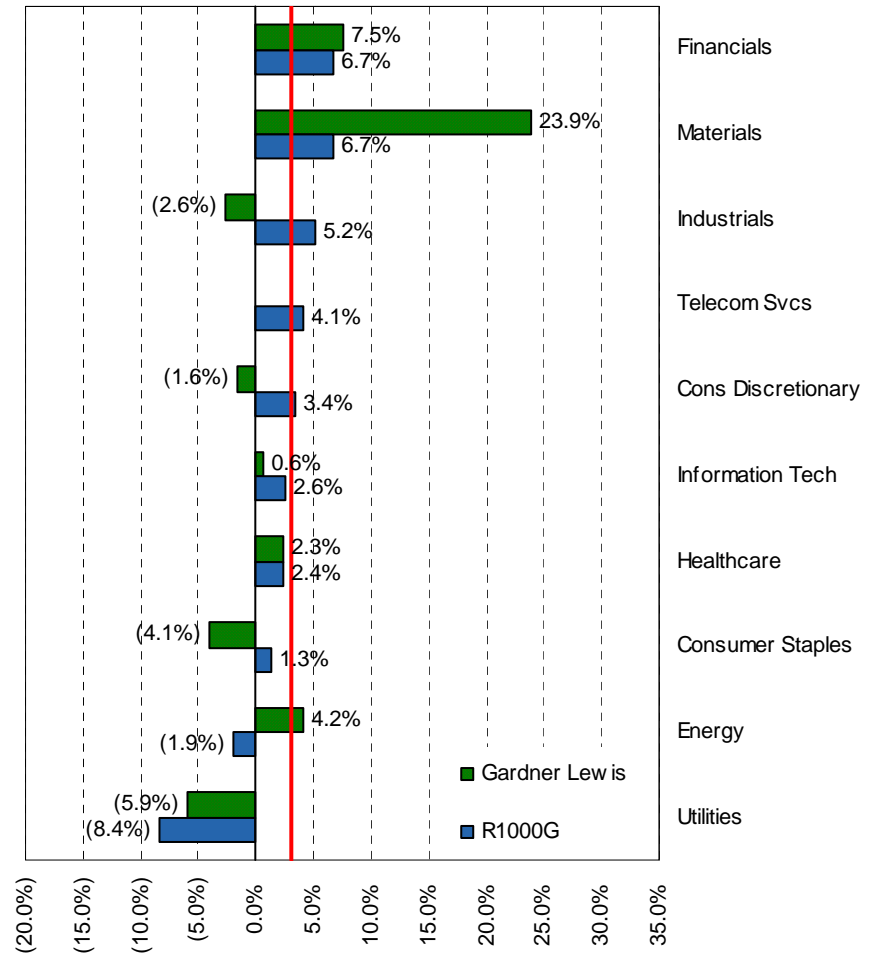
## Sector Allocation

Gardner Lewis vs. R1000G  
Sector Allocation  
(under)/over weighting



## Sector Performance

Gardner Lewis vs. R1000G Performance  
Quarter Ending December 31, 2005



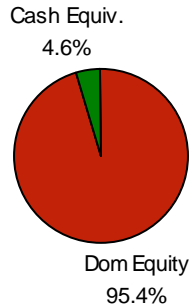
Note: Red line marks the index's total return for the quarter.

## Lee Munder Investments

December 31, 2005

### Asset Allocation

Dom Equity	\$21,837,744
Cash Equiv.	<u>1,043,091</u>
<b>Total:</b>	<b>\$22,880,835</b>



### Strategy

- Small Cap Relative Value Equity

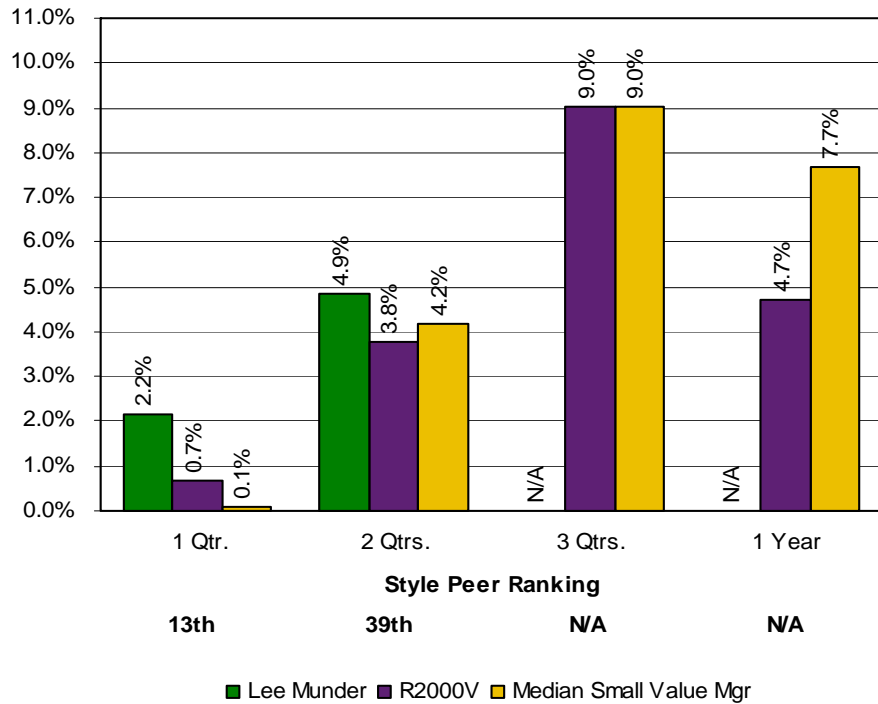
### Performance Goals

- Over a market cycle, achieve an annualized rate of return, net of fees, which: 1) exceeds the Russell 2000 Value Index by 2%, and 2) ranks above median compared to style peers.

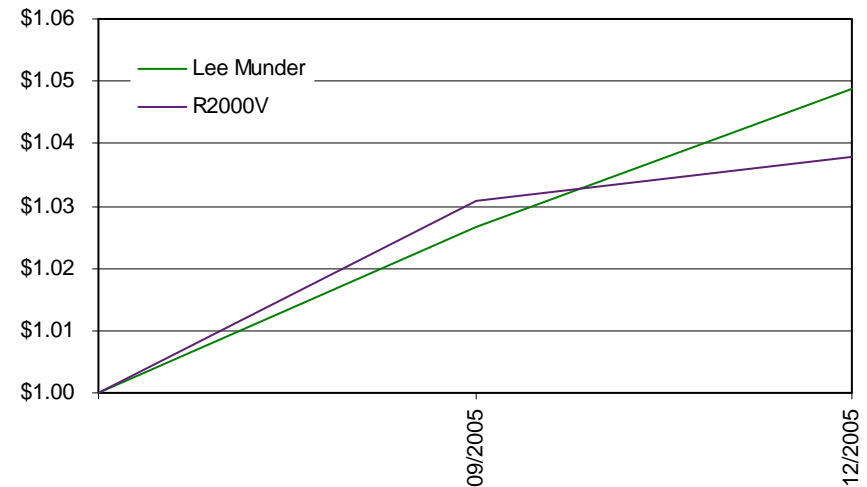
### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$25,557	N/A
Net External Growth	(3,149)	
Return on Investment	473	
Income Received	88	
Gain/Loss	385	
Ending Market Value	\$22,881	

### Performance



### Growth of \$1.00



Note: Returns are shown gross of fees and are annualized for periods longer than one year.

## Lee Munder Investments

December 31, 2005

### Equity Portfolio Characteristics

	Lee Munder 9/30/2005	Lee Munder 12/31/2005	R2000V 12/31/2005
No. of Securities	109	109	1,442
Equity Segment Yield	1.39%	1.41%	1.68%
Equity Segment P/E	18.73x	18.43x	14.37x
Equity Segment Beta	1.06	1.12	1.18
P/B Ratio	2.36x	2.30x	1.99x
5-Year Earnings Growth	2.80%	4.15%	5.40%
Avg. Market Cap (millions)	\$1,345	\$1,382	\$1,059

### Ten Largest Equity Holdings

KAYDON CORP	3.5%
BRIGGS & STRATTON CORP	1.7%
REGIS CORP MINN	1.6%
W-H ENERGY SERVICES INC	1.6%
UMB FINL CORP	1.5%
APTARGROUP INC	1.5%
KANSAS CITY SOUTHN INDS INC	1.5%
SWIFT ENERGY CO	1.4%
WESTAR ENERGY INC	1.4%
COHERENT INC	1.4%

### Ten Best Performers

DRESS BARN INC	69.9%
ARCH CHEMICALS INC	29.6%
JAKKS PAC INC	29.0%
BELDEN CDT INC	26.0%
SMITH(A.O.) CORP	23.8%
ATLAS AMER INC COM	23.3%
ALLIANCE GAMING COR	20.0%
CORN PRODUCTS INTL	18.8%
VINTAGE PETE INC	16.9%
AEROFLEX INC	14.9%

### Ten Worst Performers

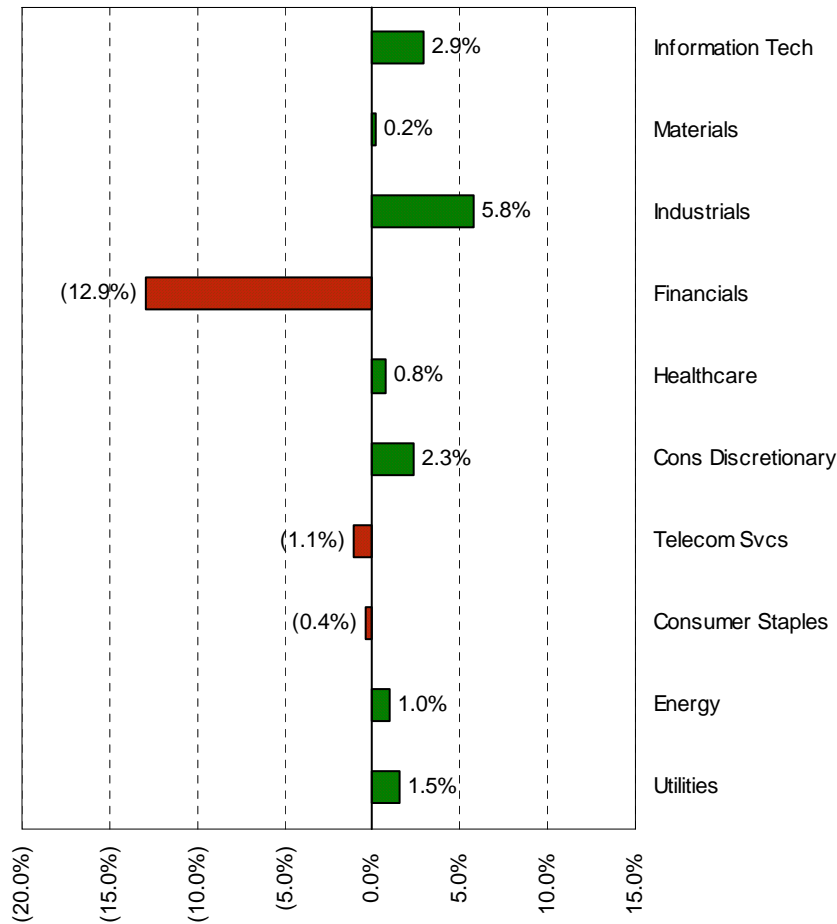
VALASSIS COMMUNICATIONS INC	(25.4%)
SCHOOL SPECIALTY INC	(25.3%)
EDUCATION RLTY TR INC	(21.3%)
AMERICAN AXLE & MFG HLDGS INC	(20.0%)
AMERICAN GREETINGS CORP CL A	(19.6%)
QUANTA CAP HLDGS LTD	(15.0%)
TRIAD HOSPS INC	(13.3%)
METHODE ELECTRS INC	(13.1%)
PARAMETRIC TECHNOLOGY CORP	(12.5%)
FEDERAL SIGNAL CORP	(11.8%)

## Lee Munder Investments

December 31, 2005

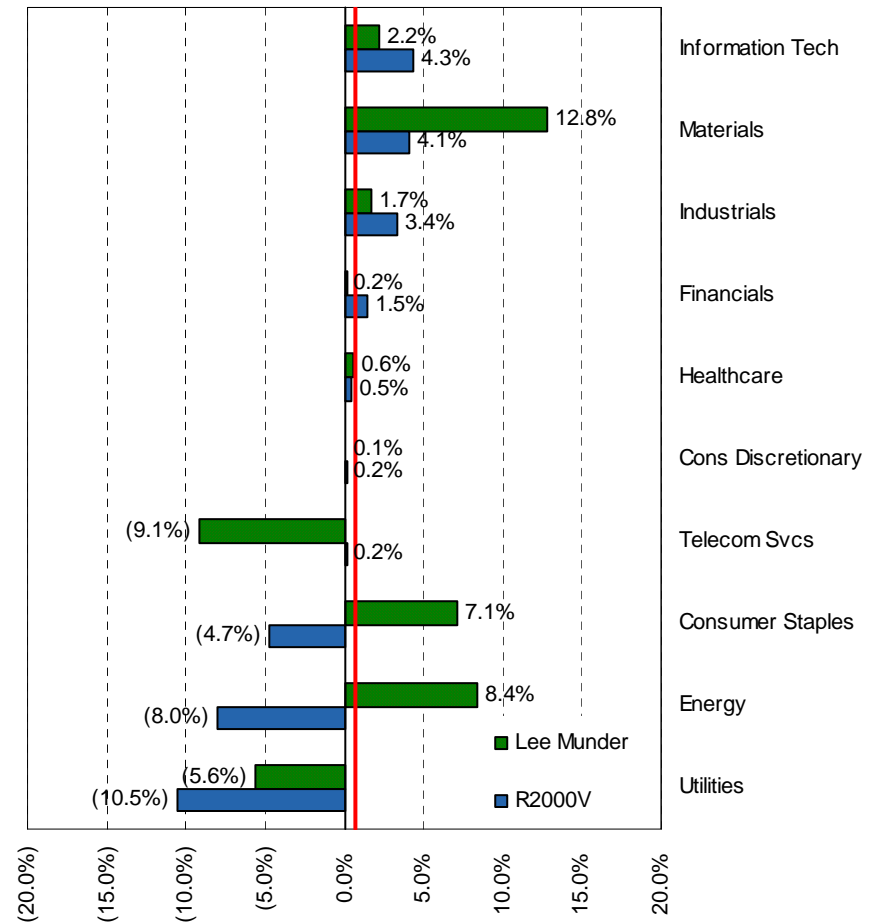
### Sector Allocation

Lee Munder vs. R2000V  
Sector Allocation  
(under)/over weighting



### Sector Performance

Lee Munder vs. R2000V Performance  
Quarter Ending December 31, 2005



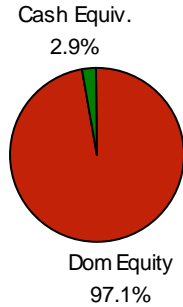
Note: Red line marks the index's total return for the quarter.

## Roxbury Capital Management

December 31, 2005

### Asset Allocation

Dom Equity	\$15,103,947
Cash Equiv.	<u>450,595</u>
<b>Total:</b>	<b>\$15,554,542</b>



### Strategy

- Small Cap Relative Growth Equity

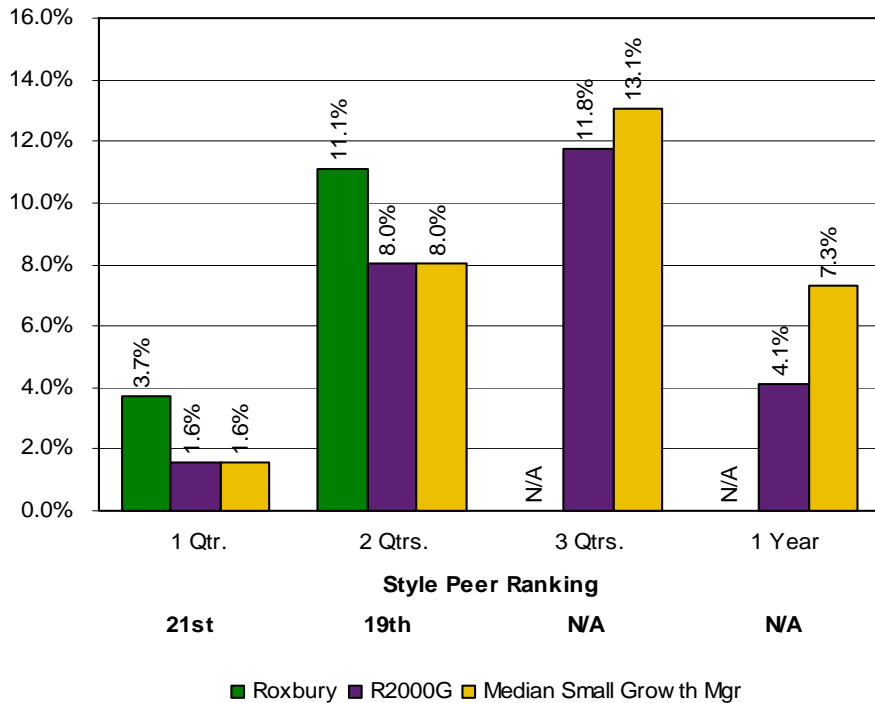
### Performance Goals

- Over a market cycle, achieve an annualized rate of return, net of fees, which: 1) exceeds the Russell 2000 Growth Index by 2%, and 2) ranks above median compared to style peers.

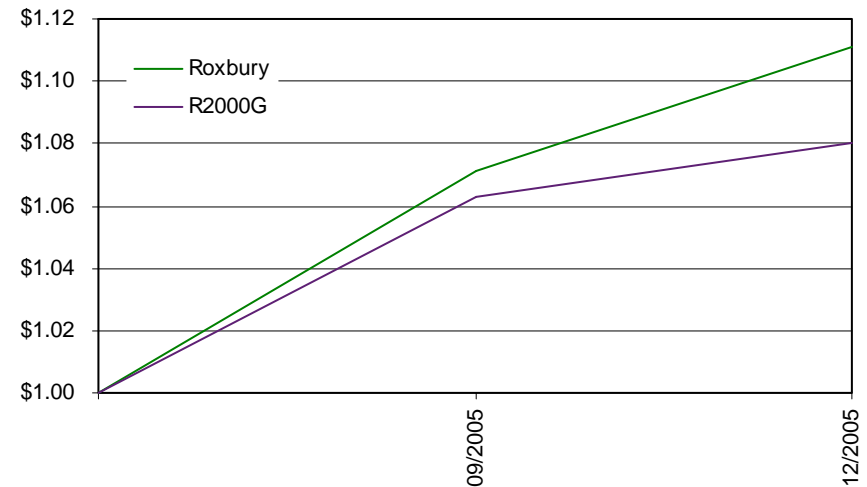
### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$19,436	N/A
Net External Growth	(4,436)	
Return on Investment	555	
Income Received	13	
Gain/Loss	542	
Ending Market Value	\$15,555	

### Performance



### Growth of \$1.00



Note: Returns are shown gross of fees and are annualized for periods longer than one year.

## Roxbury Capital Management

December 31, 2005

### Equity Portfolio Characteristics

	Roxbury 9/30/2005	Roxbury 12/31/2005	R2000G 12/31/2005
No. of Securities	85	89	1,370
Equity Segment Yield	0.26%	0.31%	0.46%
Equity Segment P/E	22.60x	21.74x	20.58x
Equity Segment Beta	1.41	1.48	1.45
P/B Ratio	3.86x	3.55x	4.20x
5-Year Earnings Growth	18.18%	14.72%	14.86%
Avg. Market Cap (millions)	\$1,342	\$1,307	\$1,157

### Ten Largest Equity Holdings

NEUROCRINE BIOSCIENCES INC	2.6%
LAUREATE ED INC	2.3%
WESCO INTL INC	2.1%
RUBY TUESDAY INC	2.0%
AFFILIATED MANAGERS GROUP INC	2.0%
ARMOR HLDGS INC	1.9%
WIND RIVER SYSTEMS INC	1.9%
HERBALIFE LTD COM USD SHS	1.8%
FREIGHTCAR AMER INC	1.7%
GEN-PROBE INC NEW	1.7%

### Ten Best Performers

KENEXA CORP	68.5%
SIGMA DESIGNS INC	40.1%
BUILD A BEAR WORKSHOP	32.9%
PERINI CORP	32.7%
NEUROCRINE BIOSCIENCES INC	27.5%
NETLOGIC MICROSYSTEMS INC	26.2%
WESCO INTL INC	26.2%
RUBY TUESDAY INC	19.0%
RARE HOSPITALITY INTL INC	18.3%
FREIGHTCAR AMER INC	18.0%

### Ten Worst Performers

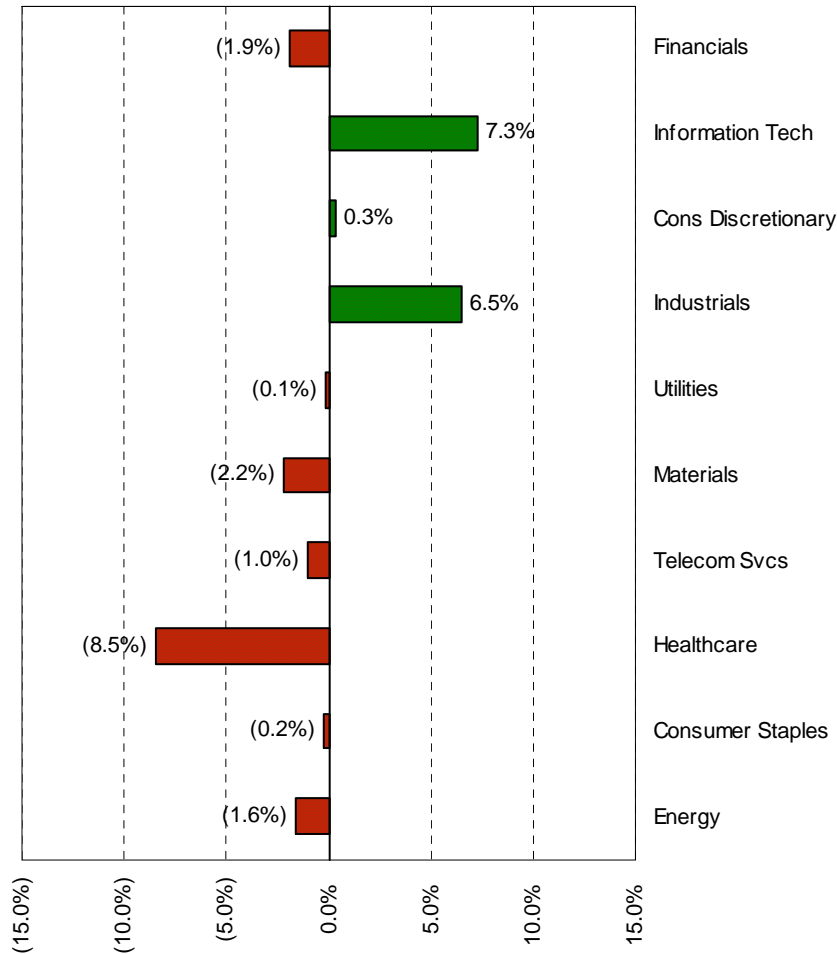
FLIR SYS INC	(24.5%)
RADIO ONE INC	(21.3%)
UNITED SURGICAL PARTNERS INTL INC	(17.8%)
MANHATTAN ASSOC INC	(11.7%)
STANDARD PAC CORP	(11.3%)
SYMBION INC DEL	(11.1%)
NAM TAI ELECTRS INC	(10.2%)
ALLIANCE DATA SYS CORP	(9.1%)
TODCO	(8.8%)
CHAMPION ENTERPRISES INC	(7.9%)

# Roxbury Capital Management

December 31, 2005

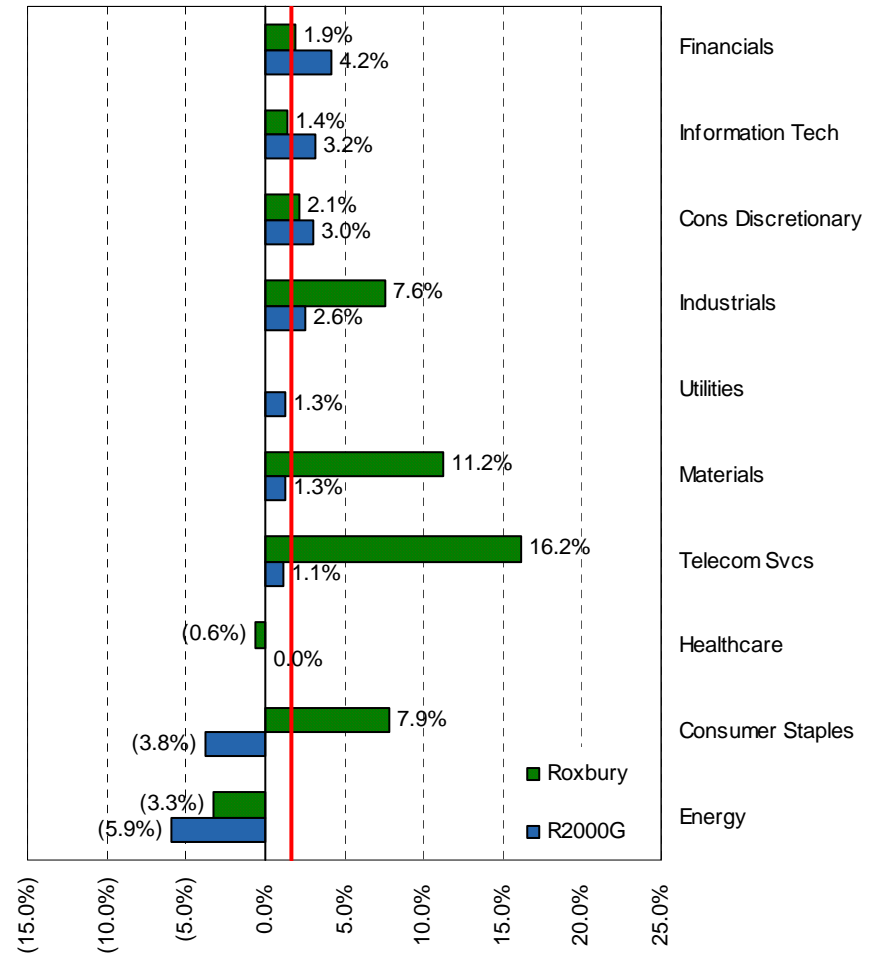
## Sector Allocation

Roxbury vs. R2000G  
Sector Allocation  
(under/over weighting)



## Sector Performance

Roxbury vs. R2000G Performance  
Quarter Ending December 31, 2005



Note: Red line marks the index's total return for the quarter.

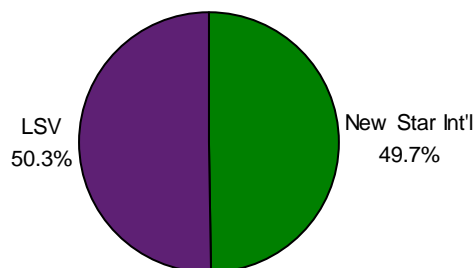
## International Equity Composite

December 31, 2005

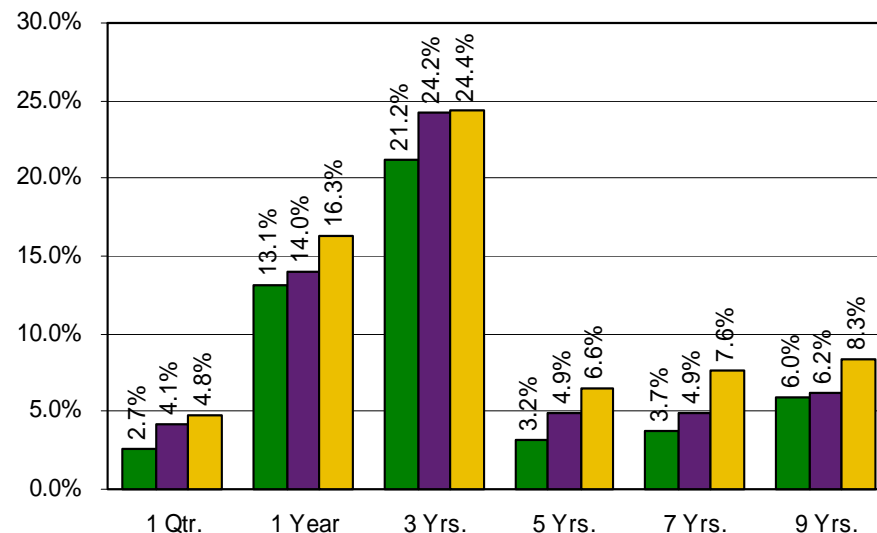
### Manager Allocation

New Star Int'l \$27,190,383  
 LSV 27,503,672

Total: \$54,694,055



### Performance



International Equity Universe Ranking

90th 78th 86th 87th 93rd 80th

■ Int'l Equity Composite ■ MSCI EAFE ■ Median Intl Equity Comp

### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$46,126	\$43,372
Net External Growth	7,117	5,570
Return on Investment	1,451	5,753
Income Received	223	767
Gain/Loss	1,227	4,986
Ending Market Value	\$54,694	\$54,694

### Commentary

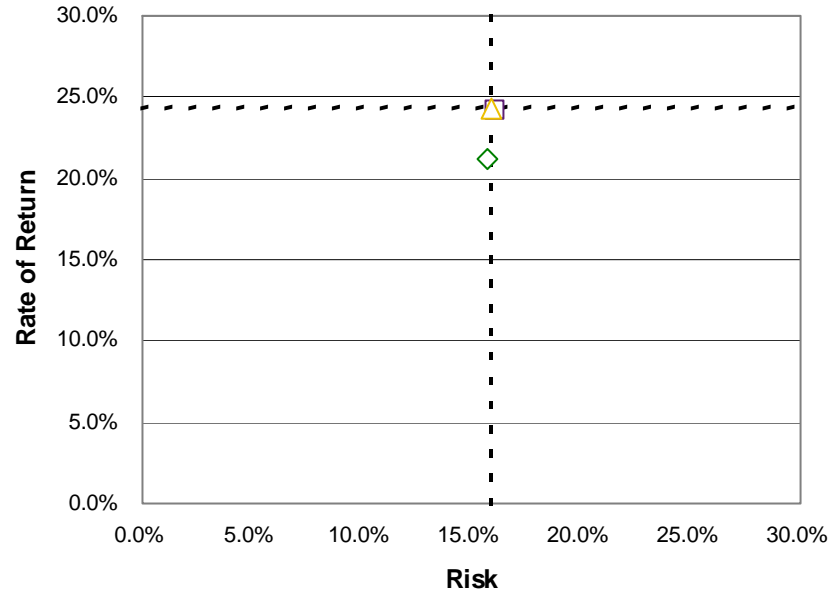
- The 4th quarter was difficult for international managers, particularly those focusing on quality in their stock selection processes.
- At the composite level, the international managers trailed the index by 1.4% for the quarter.
- Longer-term performance is disappointing, due to Capital Guardian and Lazard before that. Look for improved performance going forward from LSV and New Star.

Note: Returns are shown gross of fees and are annualized for periods longer than one year.

## International Equity Composite

December 31, 2005

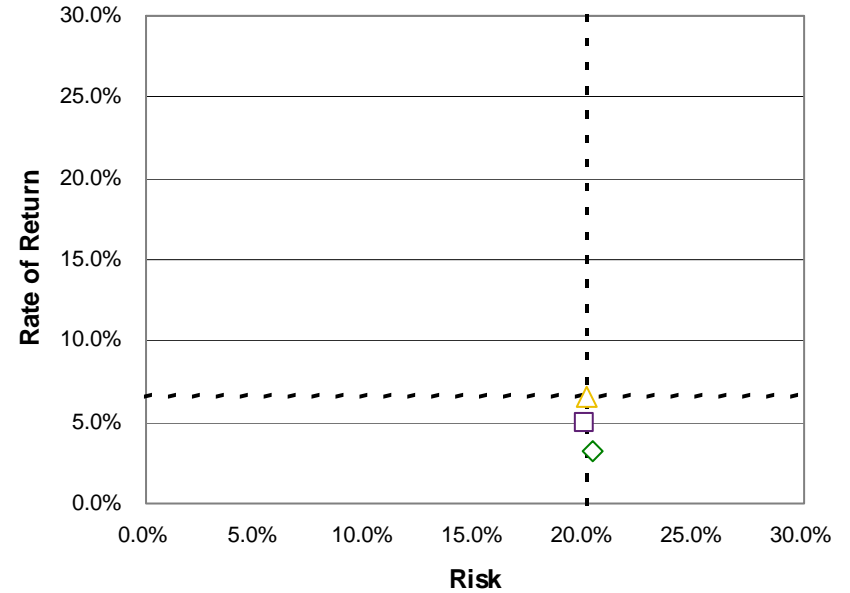
### Three Years



◇ Int'l Equity Composite □ MSCI EAFE △ Median Intl Equity Comp

	Return	Risk
Int'l Equity Composite	21.2%	15.8%
MSCI EAFE	24.2%	16.1%
Median Intl Equity Comp	24.4%	15.9%

### Five Years



◇ Int'l Equity Composite □ MSCI EAFE △ Median Intl Equity Comp

	Return	Risk
Int'l Equity Composite	3.2%	20.3%
MSCI EAFE	4.9%	20.0%
Median Intl Equity Comp	6.6%	20.1%

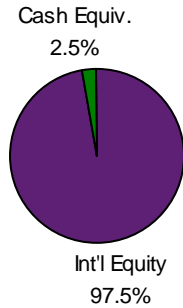
Note: Returns are shown gross of fees and are annualized for periods longer than one year.

## New Star International

December 31, 2005

### Asset Allocation

Int'l Equity	\$26,502,942
Cash Equiv.	<u>687,441</u>
<b>Total:</b>	<b>\$27,190,383</b>



### Strategy

- Growth-Biased International Equity

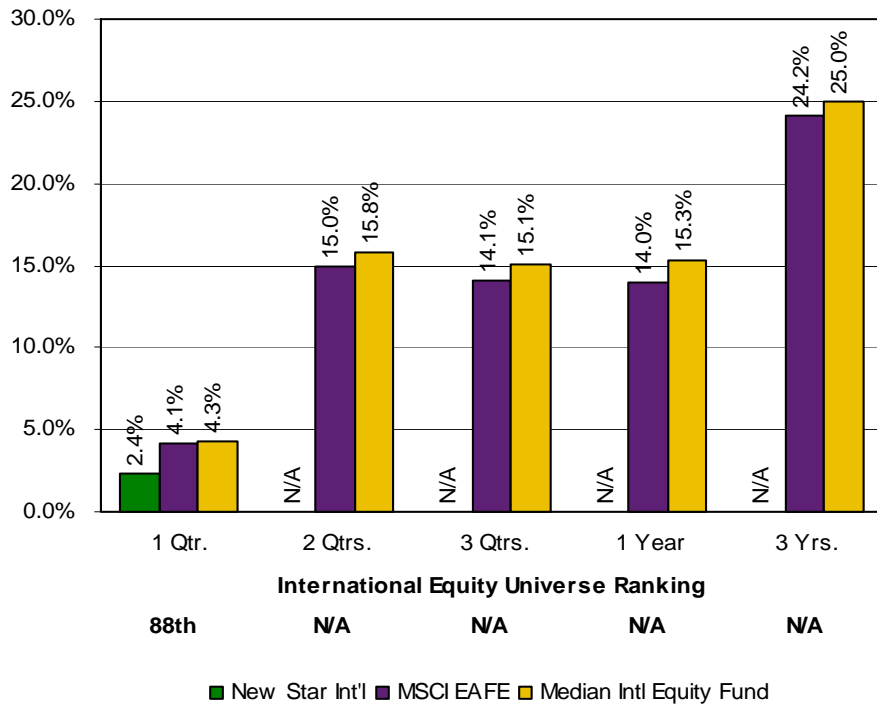
### Performance Goals

- Over a market cycle, achieve an annualized total rate of return, net of fees, which: (1) exceeds the MSCI EAFE Index by 3%, and (2) ranks above the median style peer.

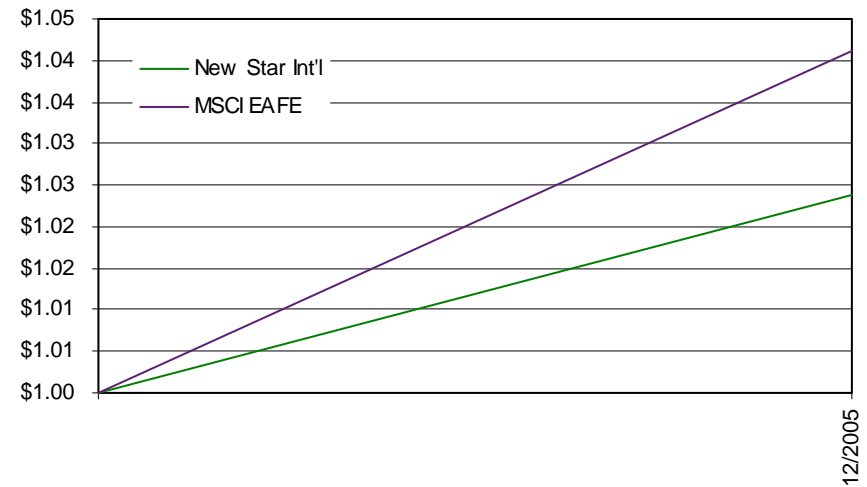
### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$22,881	N/A
Net External Growth	3,661	
Return on Investment	648	
Income Received	84	
Gain/Loss	565	
Ending Market Value	\$27,190	

### Performance



### Growth of \$1.00

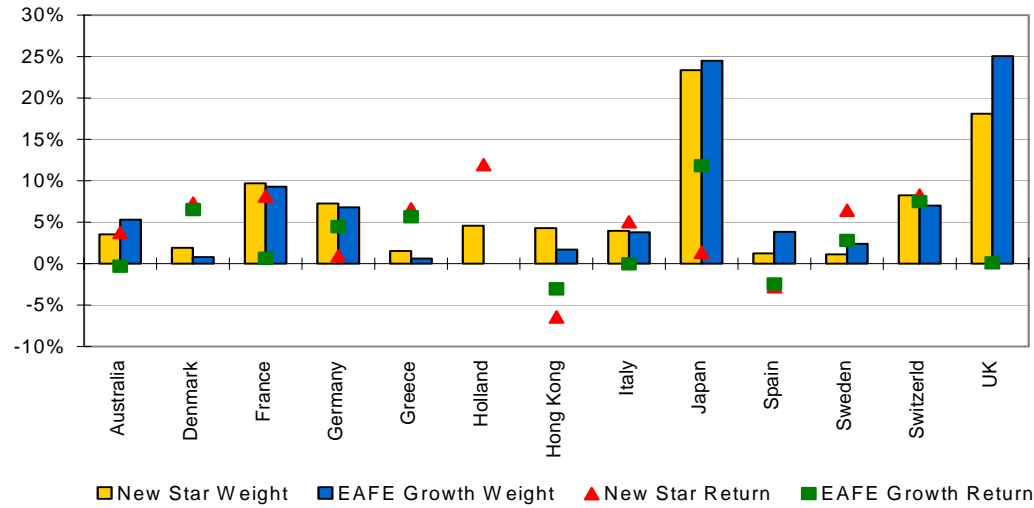


Note: Returns are shown gross of fees and are annualized for periods longer than one year.

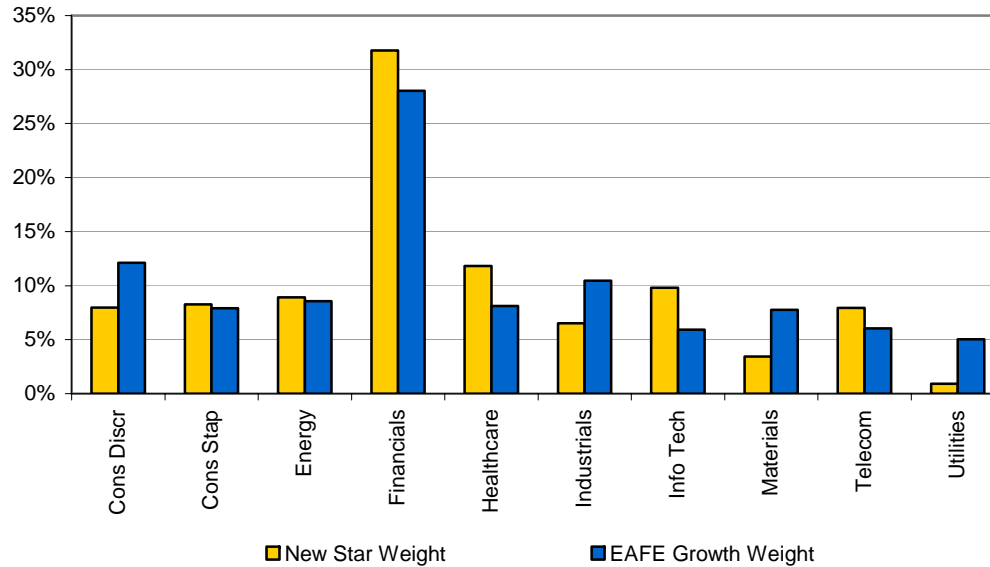
## New Star International

December 31, 2005

### Country Allocation and Performance vs. MSCI EAFE



### Sector Allocation vs. MSCI EAFE

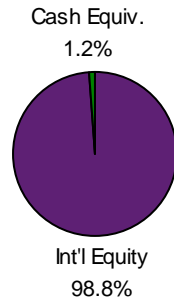


## LSV

December 31, 2005

### Asset Allocation

Int'l Equity	\$27,177,062
Cash Equiv.	<u>326,610</u>
<b>Total:</b>	<b>\$27,503,672</b>



### Strategy

- MSCI EAFE + Canada International Equity

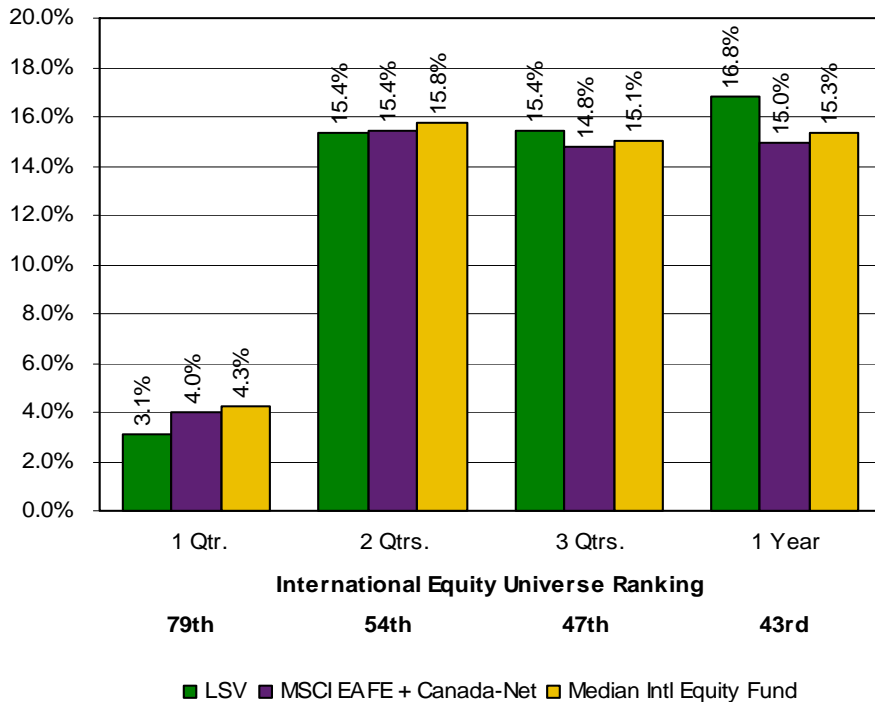
### Performance Goals

- Over a market cycle, achieve an annualized total rate of return, net of fees, which: (1) exceeds the MSCI EAFE Index by 3%, and (2) ranks above the median style peer.

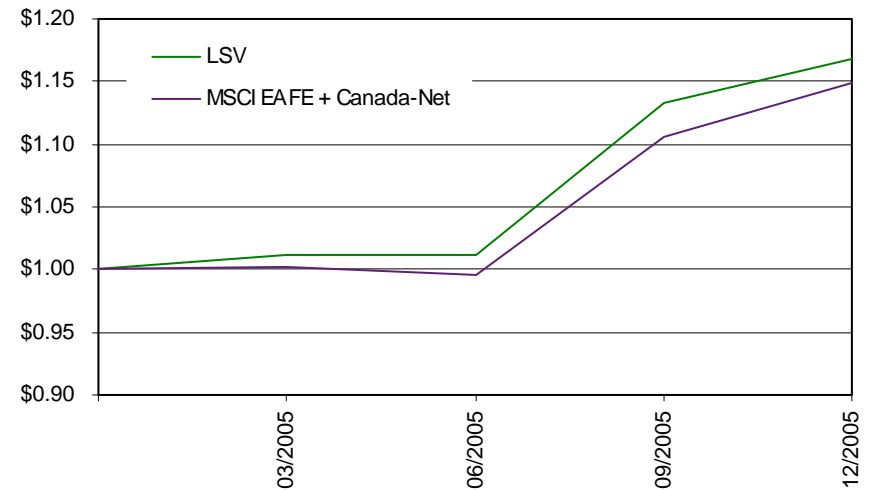
### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$23,245	\$20,607
Net External Growth	3,456	3,372
Return on Investment	802	3,524
Income Received	140	643
Gain/Loss	663	2,881
Ending Market Value	\$27,504	\$27,504

### Performance



### Growth of \$1.00

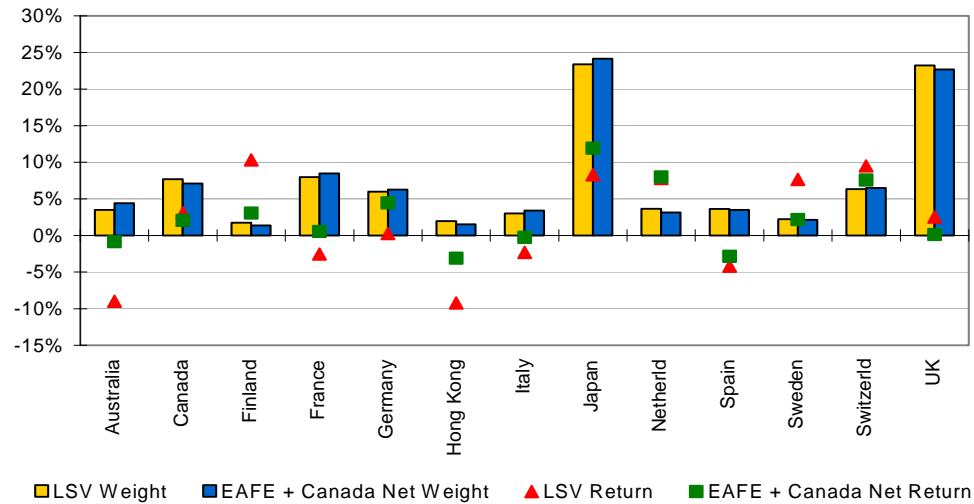


Note: Returns are shown gross of fees and are annualized for periods longer than one year.

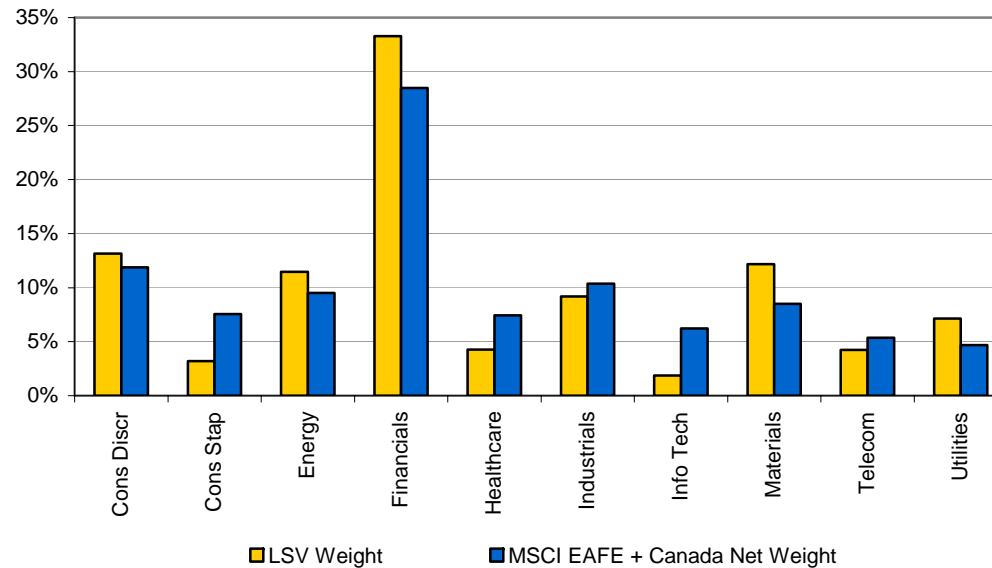
## LSV

December 31, 2005

### Country Allocation and Performance vs. MSCI EAFE + Canada Net



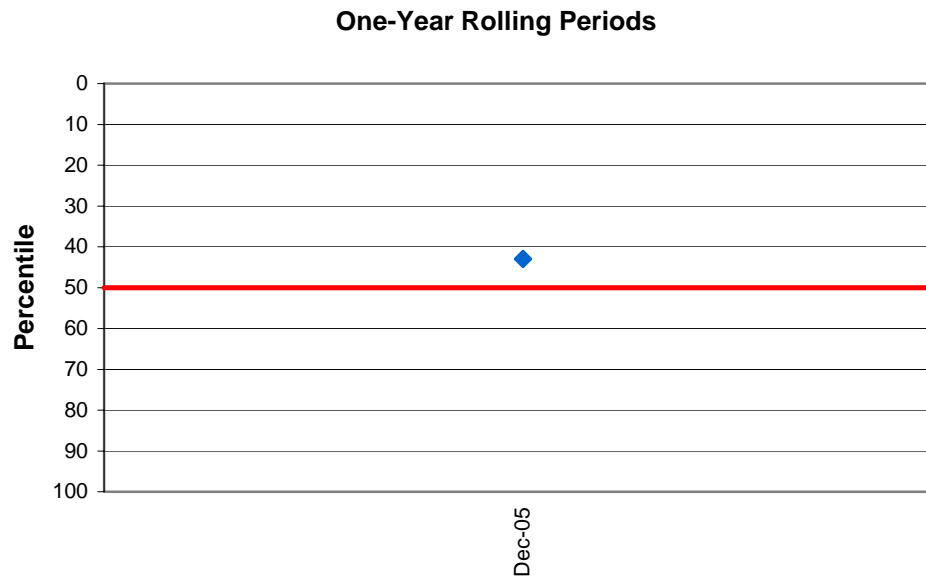
### Sector Allocation vs. MSCI EAFE + Canada Net



**LSV**

December 31, 2005

**Rolling Period Ranking vs. International Equity Peers**



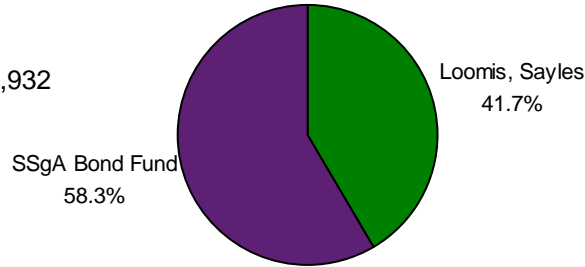
## Fixed Income Composite

December 31, 2005

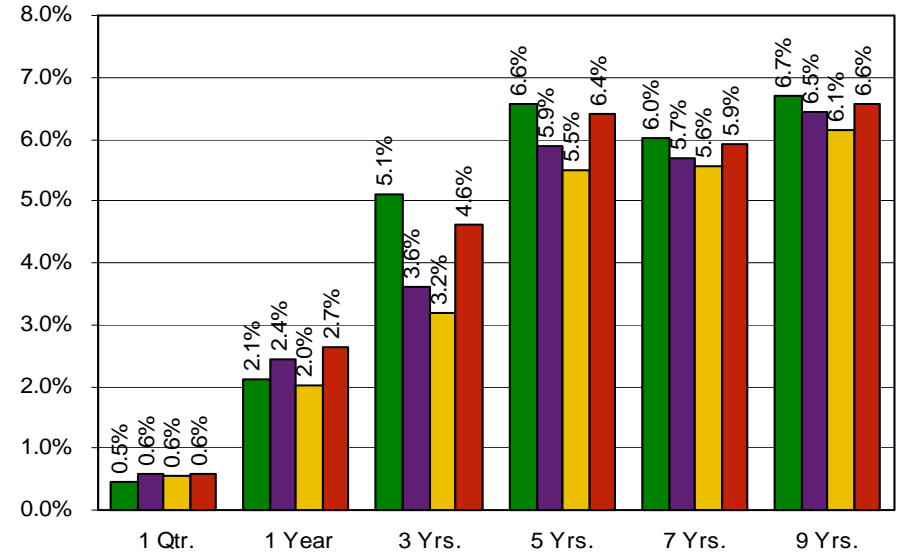
### Manager Allocation

Loomis, Sayles \$24,759,028  
 SSgA Bond Fund 34,595,904

Total: \$59,354,932



### Performance



#### Fixed Income Composite Universe Ranking

Rank	Fixed Income Composite	LB Aggregate	LB Intermediate Agg	Median Fixed Income Comp
67th	77th	33rd	43rd	46th

### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$55,734	\$57,343
Net External Growth	3,336	767
Return on Investment	285	1,245
Income Received	333	2,117
Gain/Loss	(48)	(872)
Ending Market Value	\$59,355	\$59,355

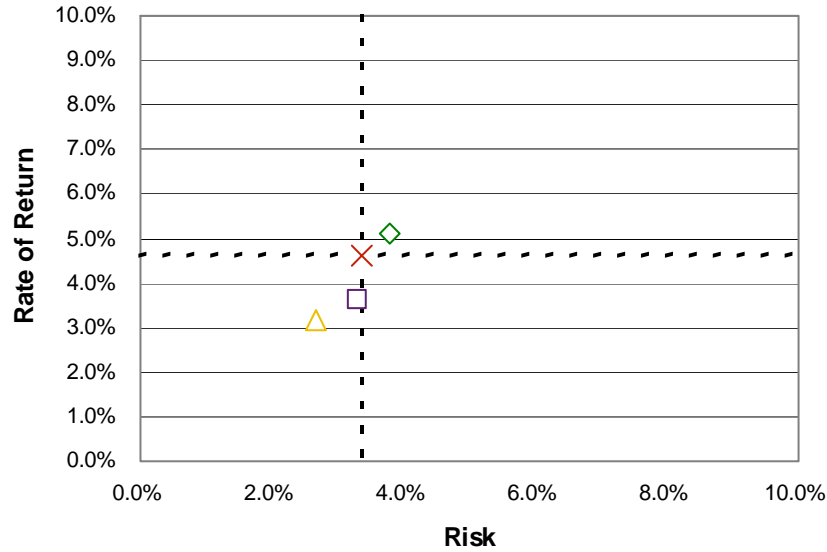
### Commentary

- The fixed income composite trails the index for the quarter and the year, as Loomis' performance has fallen off.
- Long-term value added remains strong due to Loomis' big performance run over the last couple of years.

## Fixed Income Composite

December 31, 2005

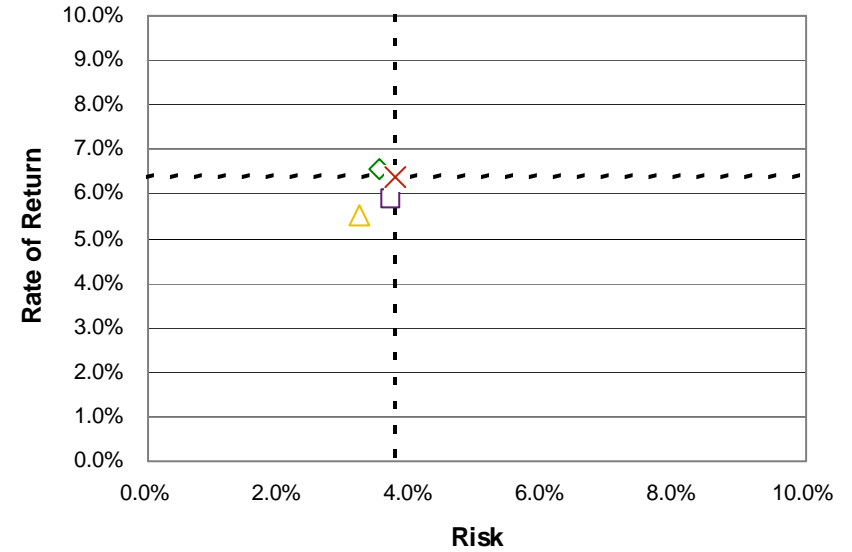
**Risk vs. Return: Last Three Years**



- ◆ Fixed Income Composite    □ LB Aggregate
- △ LB Intermediate Agg      × Median Fixed Income Comp

	<b>Return</b>	<b>Risk</b>
Fixed Income Composite	5.1%	3.8%
LB Aggregate	3.6%	3.3%
LB Intermediate Agg	3.2%	2.7%
Median Fixed Income Comp	4.6%	3.4%

**Risk vs. Return: Last Five Years**



- ◆ Fixed Income Composite    □ LB Aggregate
- △ LB Intermediate Agg      × Median Fixed Income Comp

	<b>Return</b>	<b>Risk</b>
Fixed Income Composite	6.6%	3.5%
LB Aggregate	5.9%	3.7%
LB Intermediate Agg	5.5%	3.2%
Median Fixed Income Comp	6.4%	3.8%

Note: Returns are shown gross of fees and are annualized for periods longer than one year.

## Fixed Income Composite

December 31, 2005

### Fixed Portfolio Characteristics

	Fixed Income Comp 9/30/2005	Fixed Income Comp 12/31/2005	LB Aggregate 12/31/2005
No. of Securities	4,687	4,707	6,453
Current Coupon	5.15%	5.27%	5.23%
Yield to Maturity	4.92%	5.23%	5.11%
Average Maturity	6.37 years	6.65 years	7.11 years
Duration	4.24 years	4.54 years	4.57 years
Quality	AA	AA	AA

### Average Maturity

	9/30/2005	12/31/2005
0.0 to 1.0 years	2.0%	2.2%
1.0 to 3.0	21.0%	22.0%
3.0 to 5.0	30.8%	25.3%
5.0 to 10.0	35.5%	39.1%
10.0 to 20.0	3.9%	4.0%
20.0+	6.8%	7.0%
Other	0.0%	0.0%

### Fixed Sector Allocation

Sector	Fixed Income Comp 9/30/2005	Fixed Income Comp 12/31/2005	LB Aggregate 12/31/2005
Treasuries	16.0%	16.1%	25.2%
Agencies	6.6%	6.6%	11.1%
Corporates	27.3%	29.7%	21.5%
Utilities	3.6%	3.0%	1.9%
Foreign	1.2%	0.8%	0.0%
MBS	33.8%	33.4%	38.9%
CMO	0.0%	0.0%	0.0%
CMBS	7.2%	2.1%	0.0%
ABS	0.7%	5.6%	1.3%
Municipals	2.4%	0.0%	0.0%
Yankees	1.1%	1.8%	0.0%
Others	0.1%	2.3%	0.0%

### Duration

	9/30/2005	12/31/2005
0.0 to 1.0 years	2.4%	2.5%
1.0 to 3.0	37.9%	33.9%
3.0 to 4.0	21.3%	22.2%
4.0 to 6.0	20.5%	21.9%
6.0 to 8.0	8.1%	9.3%
8.0+	9.8%	10.3%
Other	0.0%	0.0%

### Quality Distribution

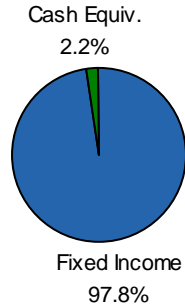
	9/30/2005	12/31/2005
Government	3.0%	1.8%
Aaa	65.2%	65.5%
Aa	3.7%	2.8%
A	8.0%	8.5%
Baa	17.1%	17.0%
Below Baa	2.7%	4.2%
Other	0.2%	0.3%

# Loomis, Sayles

December 31, 2005

## Asset Allocation

Fixed Income	\$24,203,593
Cash Equiv.	555,435
<b>Total:</b>	<b>\$24,759,028</b>



## Strategy

- Total Return (Core) Plus Fixed Income

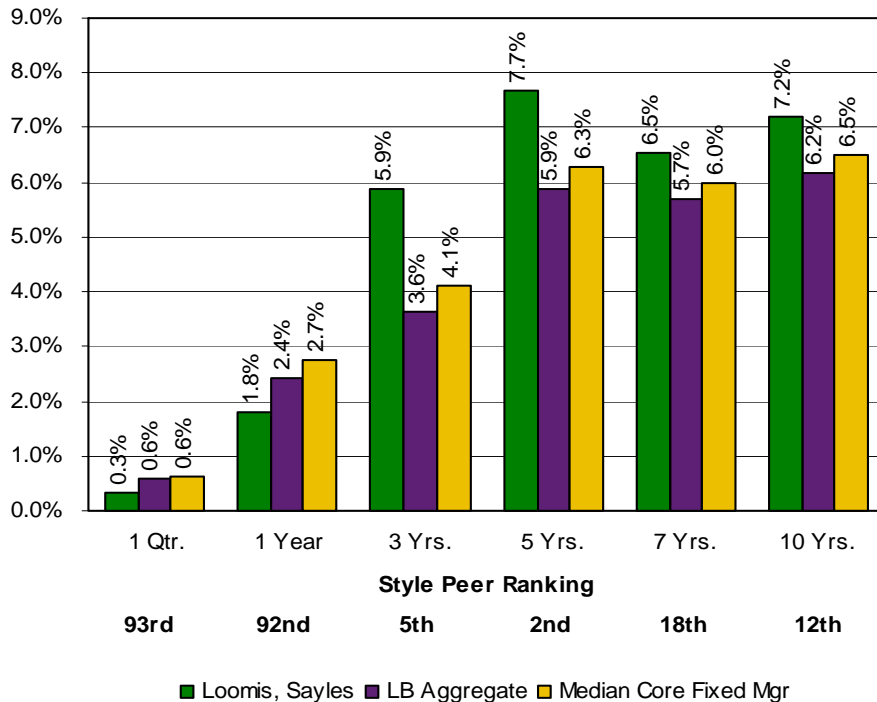
## Performance Goals

- Over a market cycle, achieve an annualized total rate of return, net of fees, which: (1) exceeds the Lehman Brothers Aggregate Index by 1%, and (2) ranks above the median style peer.

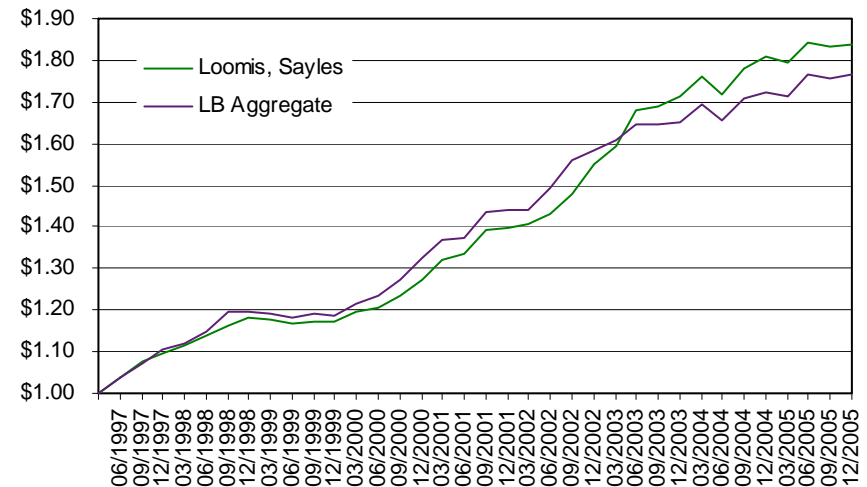
## Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$24,744	\$29,356
Net External Growth	(64)	(5,133)
Return on Investment	79	536
Income Received	333	2,117
Gain/Loss	(254)	(1,581)
Ending Market Value	\$24,759	\$24,759

## Performance



## Growth of \$1.00

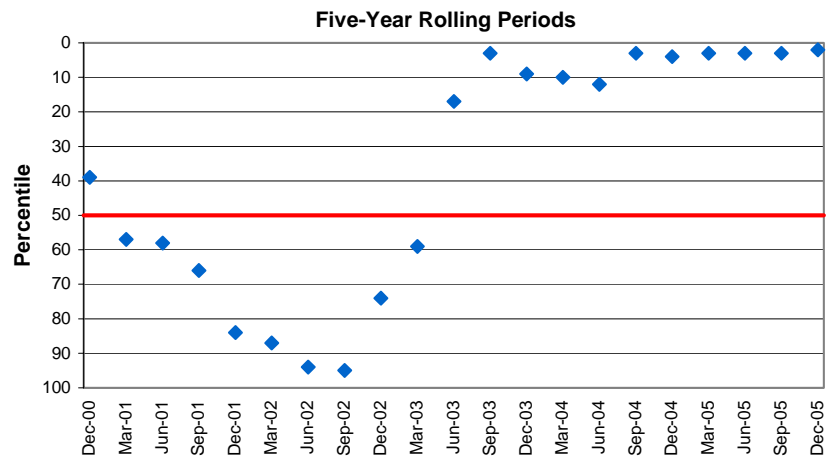
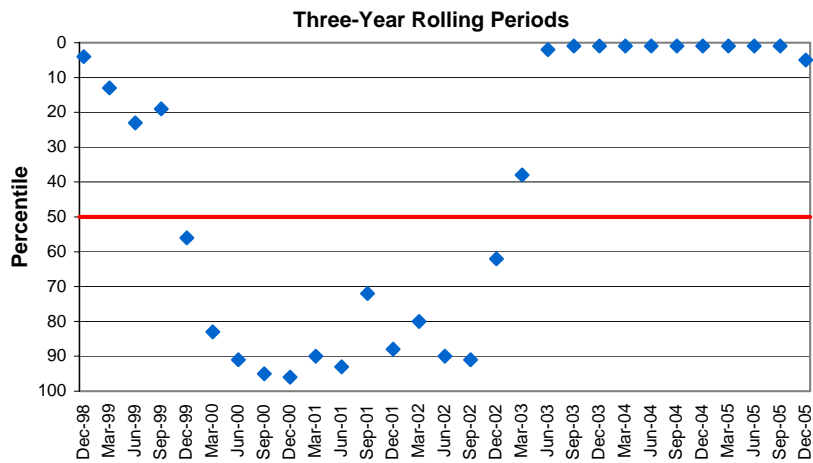
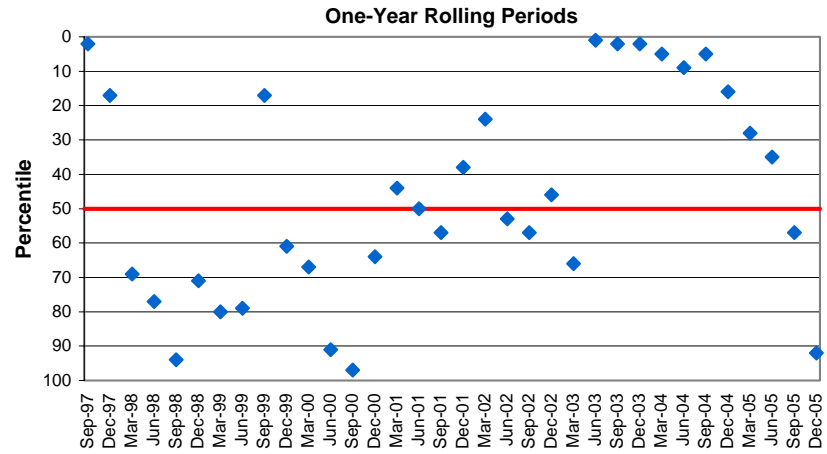


Note: Returns are shown gross of fees and are annualized for periods longer than one year.

# Loomis, Sayles

December 31, 2005

## Rolling Period Ranking vs. Core Fixed Income Peers



## Loomis, Sayles

December 31, 2005

### Fixed Portfolio Characteristics

	Loomis, Sayles 9/30/2005	Loomis, Sayles 12/31/2005	LB Aggregate 12/31/2005
No. of Securities	103	107	6,453
Current Coupon	5.06%	5.30%	5.23%
Yield to Maturity	4.91%	5.42%	5.11%
Average Maturity	5.71 years	6.17 years	7.11 years
Duration	4.00 years	4.51 years	4.57 years
Quality	AA	AA	AA

### Average Maturity

	9/30/2005	12/31/2005
0.0 to 1.0 years	4.0%	5.1%
1.0 to 3.0	21.2%	23.5%
3.0 to 5.0	40.6%	30.3%
5.0 to 10.0	25.9%	31.1%
10.0 to 20.0	1.0%	1.2%
20.0+	7.3%	8.8%
Other	0.0%	0.0%

### Five Largest Fixed Holdings

	% of Portfolio
FNMA POOL - 555021, 5.00%, Mat. 11/1/2017	8.9%
AT&T CORP, 9.75%, Mat. 11/15/2031	3.0%
FHLMC GOLD POOL - A37176, 5.00%, Mat. 9/1/2035	2.9%
FNMA POOL - 765226, 5.00%, Mat. 2/1/2019	2.6%
FHLMC GOLD POOL - E01378, 5.00%, Mat. 5/1/2018	2.4%

### Duration

	9/30/2005	12/31/2005
0.0 to 1.0 years	5.2%	5.1%
1.0 to 3.0	41.4%	37.8%
3.0 to 4.0	19.3%	17.2%
4.0 to 6.0	21.2%	23.3%
6.0 to 8.0	4.6%	7.0%
8.0+	8.3%	9.6%
Other	0.0%	0.0%

### Fixed Sector Allocation

Sector	Loomis, Sayles 9/30/2005	Loomis, Sayles 12/31/2005	LB Aggregate 12/31/2005
Treasuries	3.9%	1.9%	25.2%
Agencies	0.2%	0.0%	11.1%
Corporates	32.0%	39.1%	21.5%
Utilities	8.1%	7.2%	1.9%
Foreign	2.6%	2.0%	0.0%
MBS	33.2%	31.5%	38.9%
CMO	0.0%	0.0%	0.0%
ABS	11.8%	11.8%	1.3%
Municipals	0.0%	0.0%	0.0%
Yankees	5.5%	4.3%	0.0%
Others	2.6%	2.2%	0.0%

### Quality Distribution

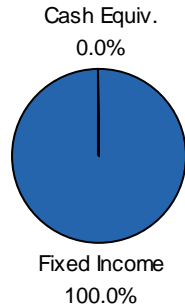
	9/30/2005	12/31/2005
Government	6.7%	4.2%
Aaa	48.9%	46.8%
Aa	2.2%	0.0%
A	7.2%	8.2%
Baa	28.5%	30.1%
Below Baa	6.2%	10.1%
Other	0.5%	0.7%

## SSgA Bond Fund

December 31, 2005

### Asset Allocation

Fixed Income	\$34,595,904
Cash Equiv.	0
<b>Total:</b>	<b>\$34,595,904</b>



### Strategy

- Core Fixed Income

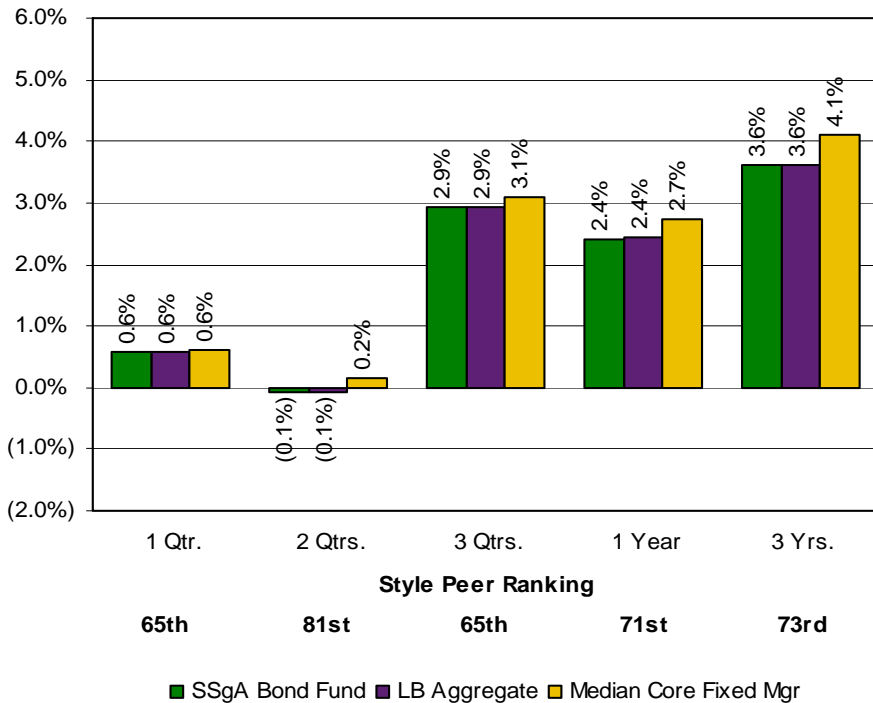
### Performance Goals

- To produce investment returns that are in excess of the Lehman Aggregate Index on an annualized basis over rolling three-to-five year periods, net of fees.

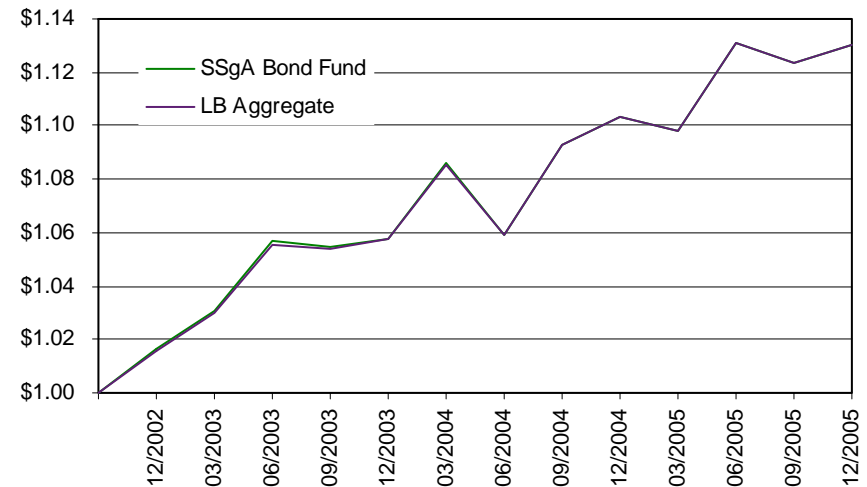
### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$30,990	\$27,987
Net External Growth	3,400	5,900
Return on Investment	206	709
Income Received	0	0
Gain/Loss	206	709
<b>Ending Market Value</b>	<b>\$34,596</b>	<b>\$34,596</b>

### Performance



### Growth of \$1.00



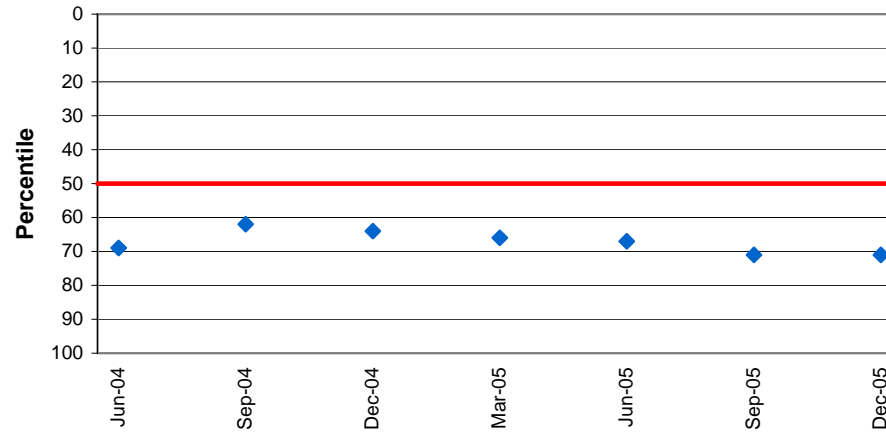
Note: Returns are shown gross of fees and are annualized for periods longer than one year.

# SSgA Bond Fund

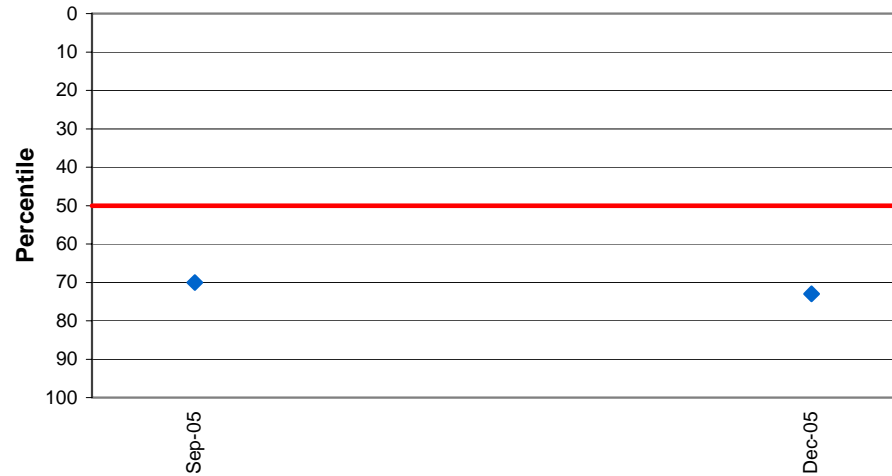
December 31, 2005

## Rolling Period Ranking vs. Core Fixed Income Peers

One-Year Rolling Periods



Three-Year Rolling Periods



## SSgA Bond Fund

December 31, 2005

### Fixed Portfolio Characteristics

	SSgA Bond 09/30/2005	SSgA Bond 12/31/2005	LB Aggregate 12/31/2005
No. of Securities	4,584	4,600	6,453
Current Coupon	5.22%	5.24%	5.23%
Yield to Maturity	4.93%	5.09%	5.11%
Average Maturity	6.89 years	7.00 years	7.11 years
Duration	4.43 years	4.56 years	4.57 years
Quality	AA	AA	AA

### Average Maturity

	9/30/2005	12/31/2005
0.0 to 1.0 years	0.4%	0.2%
1.0 to 3.0	20.9%	21.0%
3.0 to 5.0	23.0%	21.8%
5.0 to 10.0	43.1%	44.8%
10.0 to 20.0	6.2%	6.0%
20.0+	6.3%	6.3%
Other	0.0%	0.0%

### Five Largest Fixed Holdings

	% of Portfolio
POOLED SHORT TERM	3.4%
FNMA POOL 725233, Mat. 4/1/2034	1.0%
ALPINE SECURITIZATION CORP, Mat. 1/11/2006	1.0%
FNMA POOL 725234, Mat. 3/1/2034	1.0%
FNMA TBA, Mat. 12/1/2099	0.9%

### Duration

	9/30/2005	12/31/2005
0.0 to 1.0 years	0.1%	0.6%
1.0 to 3.0	35.1%	31.1%
3.0 to 4.0	22.9%	25.7%
4.0 to 6.0	19.9%	20.9%
6.0 to 8.0	10.9%	11.0%
8.0+	11.0%	10.8%
Other	0.0%	0.0%

### Fixed Sector Allocation

Sector	SSgA Bond 9/30/2005	SSgA Bond 12/31/2005	LB Aggregate 12/31/2005
Treasuries	25.7%	26.2%	25.2%
Agencies	11.7%	11.3%	11.1%
Corporates	23.5%	23.0%	21.5%
Utilities	0.0%	0.0%	1.9%
Foreign	0.0%	0.0%	0.0%
MBS	34.2%	34.8%	38.9%
CMBS	3.4%	3.6%	0.0%
ABS	1.2%	1.2%	1.3%
Municipals	0.0%	0.0%	0.0%
Others	0.2%	0.0%	0.0%

### Quality Distribution

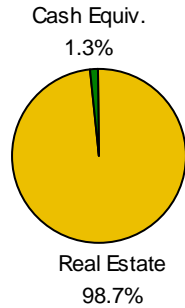
	9/30/2005	12/31/2005
Aaa	78.2%	78.9%
Aa	4.9%	4.8%
A	8.7%	8.8%
Baa	8.1%	7.6%
Below Baa	0.0%	0.0%
Other	0.0%	0.0%

## Clarion Real Estate

December 31, 2005

### Asset Allocation

Real Estate	\$23,691,589
Cash Equiv.	<u>321,028</u>
<b>Total:</b>	<b>\$24,012,617</b>



### Strategy

- Diversified Core Real Estate

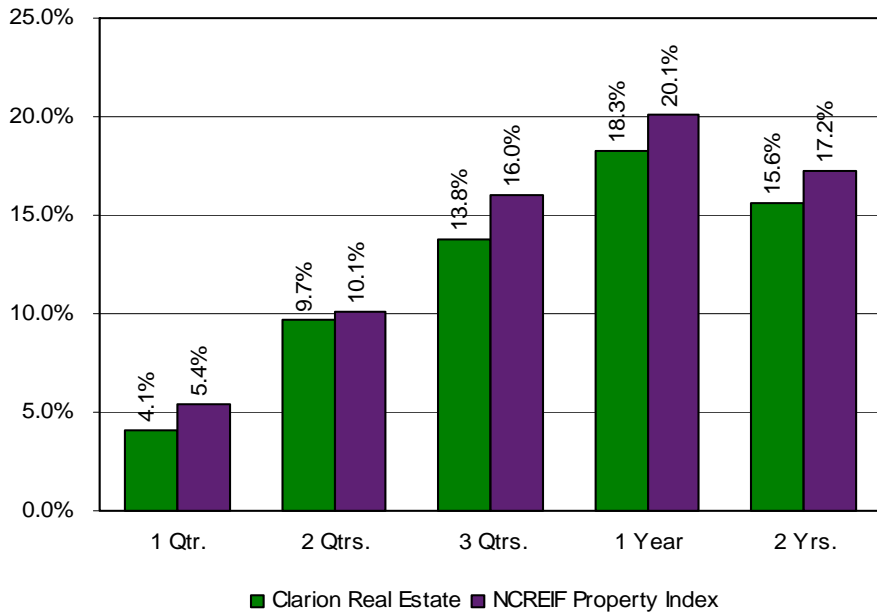
### Performance Goals

- Outperform the NCREIF Property Index over a complete market cycle.

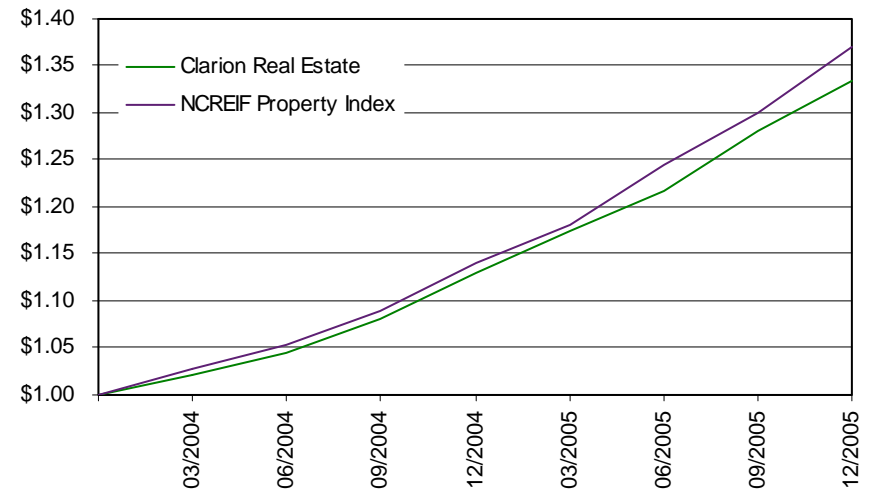
### Dollar Reconciliation (000s)

	Latest Qtr.	Latest 12 Mos.
Beginning Market Value	\$23,123	\$11,196
Net External Growth	(58)	9,816
Return on Investment	948	3,000
Income Received	0	0
Gain/Loss	948	3,000
Ending Market Value	\$24,013	\$24,013

### Performance



### Growth of \$1.00



Note: Returns are shown gross of fees and are annualized for periods longer than one year.