

**ASSET ALLOCATION REPORT
DECEMBER 31st, 2008**

	Style Mandate	Actual (Millions \$)		Target (Millions \$)		Difference (Millions \$)
Domestic Equity						
SSgA S&P 500 Index Fund	Passive	1,079.26	17.76%	1,242.95	20.45%	(163.70)
SSgA Core	Active core	235.55	3.88%	273.51	4.50%	(37.96)
PIMCO	Enhanced Equity	315.27	5.19%	392.03	6.45%	(76.76)
NorthPointe Capital	Small Cap Value	247.98	4.08%	303.90	5.00%	(55.92)
Wellington Mgmt	Small Cap Core	249.92	4.11%	334.29	5.50%	(84.37)
Wellington Technical Equity	Tactical Equity	127.02	2.09%	36.47	0.60%	90.55
Shott Capital	Alternative Distribution	1.05	0.02%	0.00	0.00%	1.05
TOTAL DOMESTIC EQUITY		2,256.05	37.12%	2,583.16	42.50%	(327.11)
International Equity						
Boston Company	MSCI ACWI	357.05	5.87%	405.40	6.67%	(48.36)
Goldman Sachs	MSCI ACWI	315.07	5.18%	405.40	6.67%	(90.33)
Mondrian	MSCI ACWI	354.98	5.84%	404.80	6.66%	(49.82)
Transition Account		0.02	0.00%	0.00	0.00%	0.02
TOTAL INT'L EQUITY		1,027.12	16.90%	1,215.60	20.00%	(188.48)
Domestic Fixed Income						
Fidelity Management & Research	Mortgages	479.42	7.89%	379.88	6.25%	99.54
Brown Brothers, Harriman	Opportunistic Core	313.13	5.15%	227.93	3.75%	85.21
Taplin, Canida & Habacht	Corporates	267.49	4.40%	227.93	3.75%	39.57
Mackay Shields	High yield	104.77	1.72%	113.96	1.88%	(9.19)
Shenkman Capital Mgmt	High yield	0.00	0.00%	113.96	1.88%	(113.96)
Brown Brothers, Harriman TIPS	TIPS	501.14	8.25%	455.85	7.50%	45.29
Fixed Income Cash Account		3.05	0.05%	0.00	0.00%	3.05
TOTAL FIXED-INCOME		1,669.00	27.46%	1,519.50	25.00%	149.49
Alternative Investments						
Real Estate	Real Estate	378.69	6.23%	303.9	5.00%	74.8
Pacific Corp Group	Private Equity	638.09	10.50%	455.85	7.50%	182.2
TOTAL ALTERNATIVE INVESTMENTS		1,016.78	16.73%	759.75	12.50%	257.03
Cash						
CASH EQUIVALENTS	STIF, Yield+	16.15	0.27%	0.00	0.00%	16.15
Other						
OTHER - Russell Implementation Services		92.91	1.53%	0.00	0.00%	92.91
TOTAL ASSETS		6,078.02	100.00%	6,078.02	100.00%	0.00

ALLOCATION BY MANAGEMENT STYLE

Domestic Equity						
Core		362.57	5.97%	309.98	4.50%	52.59
Index		1,079.26	17.76%	1,242.95	17.75%	(163.70)
Enhanced Equity		315.27	5.19%	392.03	6.75%	(76.76)
Active Small Cap		497.90	8.21%	638.19	13.50%	(140.29)
TOTAL DOMESTIC EQUITY		2,256.05	37.12%	2,583.16	42.50%	(327.11)
International Equity						
Active		1,027.12	16.90%	1,215.60	20.00%	(188.48)
TOTAL INT'L EQUITY		1,027.12	16.90%	1,215.60	20.00%	(188.48)
Domestic Fixed Income						
Mortgage		479.42	7.89%	379.88	6.25%	99.54
Core		313.13	5.15%	227.93	3.75%	85.21
Corporates		267.49	4.40%	227.93	3.75%	39.57
High Yield		104.77	1.72%	227.93	3.75%	(123.16)
TIPS		501.14	8.25%	455.85	7.50%	45.29
Other		3.05	0.05%	-	0.00%	3.05
TOTAL FIXED-INCOME		1,669.00	27.46%	1,519.50	25.00%	149.49
Alternative Investments						
Real Estate		378.69	6.23%	303.90	5.00%	74.79
Other Alternative Investments		638.09	10.50%	455.85	7.50%	182.24
TOTAL ALTERNATIVE INVESTMENTS		1,016.78	16.73%	759.75	12.50%	257.03
Cash						
CASH EQUIVALENTS	STIF, Yield+	16.15	0.27%	0.00	0.00%	16.15
Other						
OTHER - Russell Implementation Services		92.91	1.53%	0.00	0.00%	92.91
TOTAL ASSETS		6,078.02	100.00%	6,078.02	100.00%	0.00