

Portfolio Highlights

Valuation

The WPERP portfolio, as of June 30, 2005, had an aggregate value of \$6.3 billion. This represents a \$66.5 million increase in value over last quarter, and a \$213.4 million increase in value over the last year.

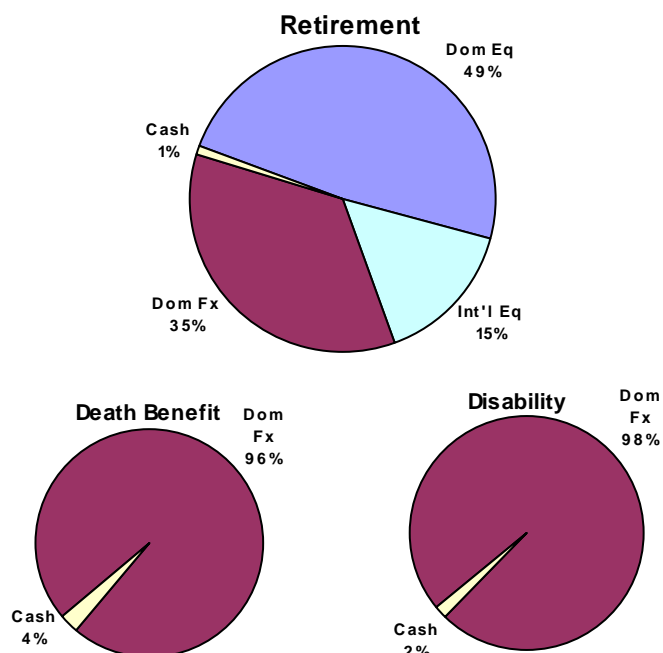
During the quarter, WPERP's actual equity allocation increased during the quarter to end with a 64% allocation. WPERP's fixed income allocation ended the quarter at 35%. One percent of the WPERP portfolio was allocated to cash/short-term investments.

WPERP adopted a new "Statement of Investment Objectives, Goals, and Guidelines" on February 26, 2003. Northern Trust Global Investments was liquidated during the first quarter of 2005. Loomis Sayles was selected for the high yield fixed income mandate and funded during the first quarter of 2005. Boston Company was selected for the active international mandate and was funded during the first quarter of 2005. Boston Company and T. Rowe Price were selected for the emerging markets mandate and funded during the first quarter of 2005. The Boston Company's large cap active portfolio was terminated during the first quarter of 2005. Please see the appendix on page XLI for a complete summary of portfolio transitions.

WPERP Portfolio Valuation – June 30, 2005 (millions)

Segment	Actual \$	Actual %*	Target %
Total Portfolio	6,251.0	---	---
Retirement	6,180.8	100%	100%
Domestic Equity	3,013.0	49%	40%
International Equity	939.9	15%	15%
Domestic Fixed	2,179.9	35%	35%
Alternative	---	0%	5%
Real Estate	---	0%	4%
Cash/short-term	48.0	1%	1%
Death Benefit	31.6	100%	100%
Domestic Fixed	30.3	96%	100%
Cash/short-term	1.3	4%	0%
Disability	38.6	100%	100%
Domestic Fixed	38.0	98%	100%
Cash/short-term	0.6	2%	0%

*Cash figures per Bank of New York.



Latest Quarter

For the latest quarter, WPERP's total investment portfolio returned 2.1%, underperforming its policy benchmark return of 2.2%. During the quarter, all of the major asset classes modestly trailed their respective benchmarks contributing to this result.

During the second quarter of 2005, WPERP's domestic equity asset class returned 2.2% trailing its policy benchmark, the Russell 3000 Index, by 10 basis points. Five of WPERP's seven domestic equity managers outperformed their benchmarks during the quarter.

WPERP's international equity class underperformed its policy benchmark, the MSCI ACWI ex US, return of minus (0.0%) with a minus (0.4%) return during the second quarter. Two of the plan's three developed markets managers trailed their benchmarks.

The domestic fixed income asset class increased 3.0% trailing its policy benchmark, the Lehman Universal Index, which increased 3.1% during the quarter.

WPERP's total portfolio results placed them in the 74th percentile (below median) in the Russell/Mellon Total Funds Universe¹. The median return for the quarter was minus (2.4%).

Comparative Performance (gross of fees)--Quarter Return

Segment	Actual Return	Policy Return*
Total Portfolio	2.1	2.2 **
Domestic Equities	2.2	2.3
International Equities	-0.4	0.0
Domestic Fixed	3.0	3.1
Alternative ²	N/A	N/A
Real Estate ²	N/A	N/A
Cash ²	0.7	0.7

*Policy return consists of passively managed asset class portfolios held at WPERP policy weightings (see page VIII for current weightings and benchmarks).

**Total portfolio policy return does not currently include Alternative and Real Estate.

¹ The Total Trust Fund universe is comprised of 195 pension funds as reported by Russell/Mellon.

² Benchmarks for Real Estate, Alternative and Cash asset classes have not yet been approved. These are currently represented by asset class benchmarks widely used by PCA's clients. See "Introduction" page V.

Latest Year

For the latest year, WPERP's total investment portfolio returned 7.5% and underperformed the representative policy return of 9.3%. Relative underperformance by the international equity and domestic fixed income asset classes dampened total portfolio returns.

WPERP's domestic equity asset class increased 8.8% over the past year outperforming the policy return of 8.1%. During the period, all of WPERP's domestic equity managers with one-year track records outperformed their respective benchmarks.

WPERP's international equity class underperformed its policy benchmark, the MSCI ACWI ex US, return of 16.1% with a 10.2% return during the latest year. The plan's international portfolio lacked exposure to emerging markets earlier in the period which has performed well.

The domestic fixed income component increased 6.3% and underperformed the policy return of 7.4%. Throughout the period, the portfolio only contained investment grade securities as compared to the Lehman Universal Index (policy benchmark), which includes extended segments (high-yield, emerging markets). This difference contributed to the underperformance of WPERP's fixed income portfolio.

Over the latest year, WPERP's total portfolio results placed in the 90th percentile (below median) in the Russell Mellon Total Funds Universe (median: 10.6%).

Comparative Performance (gross of fees)—One-Year Return

	Actual Return	Policy Return*
Total Portfolio	7.5	9.3 **
Domestic Equities	8.8	8.1
International Equities	10.2	16.1
Domestic Fixed	6.3	7.4
Alternative	N/A	N/A
Real Estate	N/A	N/A
Cash	2.3	2.0

* Policy return consists of passively managed asset class portfolios held at WPERP policy weightings (see page VIII for current weightings and benchmarks).

** Total portfolio policy return does not currently include Alternative and Real Estate.

Latest Three Years

For the latest three-year period, WPERP's total investment portfolio increased 7.2% per year underperforming the representative blended policy return of 9.6% per year. Negative relative performance by the domestic equity asset class and domestic fixed asset class combined with high cash balances earlier in the period contributed to this underperformance. The return for the portfolio is below WPERP's long-term expected actuarial rate of 8.0%.

The domestic equity asset class increased during the period with an 8.5% average annual return over the past three years underperforming the blended policy return of 9.5% per year. The domestic fixed income component increased 6.2% per year and underperformed the blended policy average annual return of 6.4%.

Over the latest three-year period, WPERP's total portfolio results placed in the 94th percentile (below median) in the Russell/Mellon Master Trust Universe (median: 10.4%).

Comparative Performance (gross of fees) —Three-Year Return

Segment	Actual Return	Blended Policy Return*	Market-based Proxy Return***
Total Portfolio	7.2	9.6 **	6.9
Domestic Equities	8.5	9.5	8.3
International Equities	N/A	N/A	---
Domestic Fixed	6.2	6.4	5.8
Alternative	N/A	N/A	---
Real Estate	N/A	N/A	---
Cash	1.6	1.5	---

*Blend of current WPERP policy benchmark weightings (see "Introduction" page VIII) beginning 2Q 2003, and the Market-based proxy return utilized prior to 2Q 2003.

** Total portfolio policy return does not currently include Alternative and Real Estate.

***Market-based proxies are comprised of: 60% S&P 500, 30% Salomon Broad and 10% T-Bills for the Total Portfolio, the S&P 500 for Domestic Equities and the Salomon Broad Index for Domestic Fixed.

Latest Five Years

For the latest five-year period, WPERP's total investment portfolio increased by 5.1% per year and outperformed the blended policy's average annual return of 2.7%. Strong positive relative results by the domestic equities asset class contributed to this result. These results, however, are below WPERP's long-term expected actuarial rate of 8.0%.

The domestic equities segment of the WPERP portfolio posted a 4.0% average annual return over the past five years outperforming the blended policy's average annual return of minus (1.7%). The domestic fixed income component increased 7.6% per year, but underperformed the blended policy's average annual return of 7.8%.

Over the latest five-year period, WPERP's total portfolio results placed them in the 28th percentile (first quartile) in the Russell/Mellon Master Trust Universe (median: 3.7%).

Comparative Performance (gross of fees) —Five-Year Return

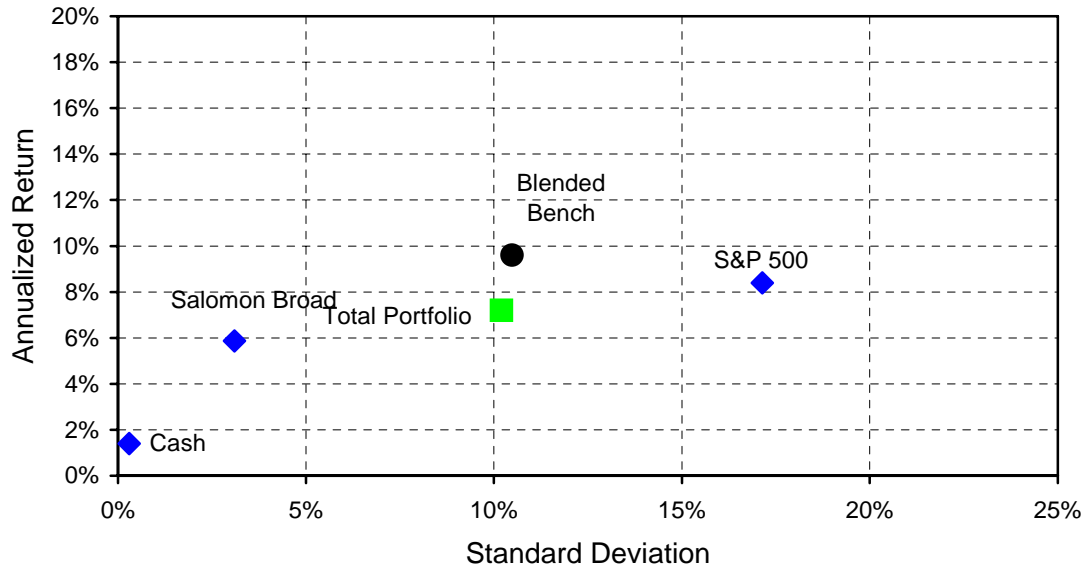
Segment	Actual Return	Blended Policy Return*	Market-based Proxy Return***
Total Portfolio	5.1	2.7 **	1.1
Domestic Equities	4.0	-1.7	-2.4
International Equities	N/A	N/A	---
Domestic Fixed	7.6	7.8	7.5
Alternative	N/A	N/A	---
Real Estate	N/A	N/A	---
Cash	2.0	2.5	---

*Blend of current WPERP policy benchmark weightings (see "Introduction" page V) beginning 2Q 2003, and the Market-based proxy return utilized prior to 2Q 2003.

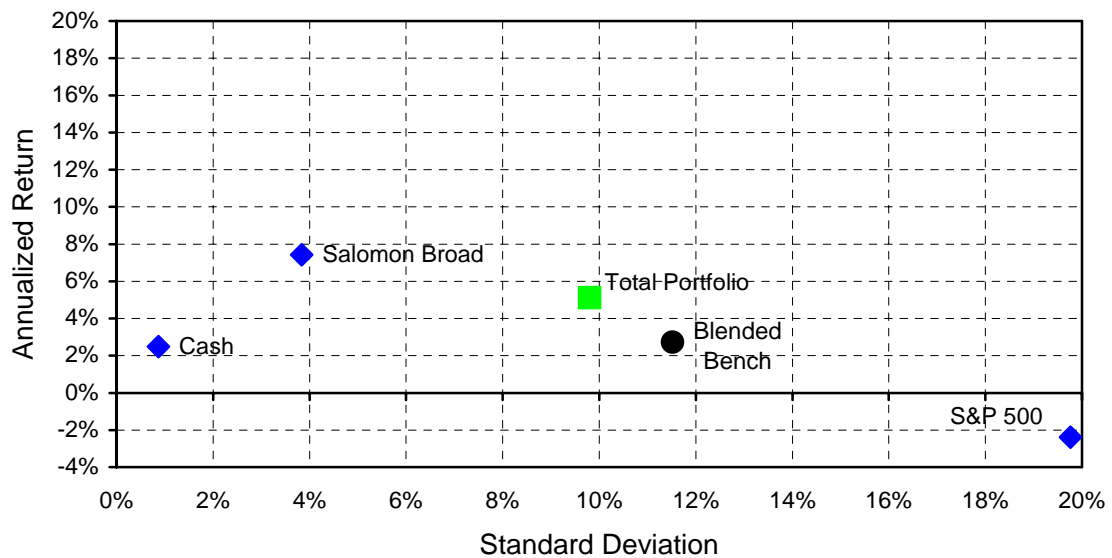
** Total portfolio policy return does not currently include Alternative and Real Estate.

***Market-based proxies are comprised of: 60% S&P 500, 30% Salomon Broad and 10% T-Bills for the Total Portfolio, the S&P 500 for Domestic Equities and the Salomon Broad Index for Domestic Fixed.

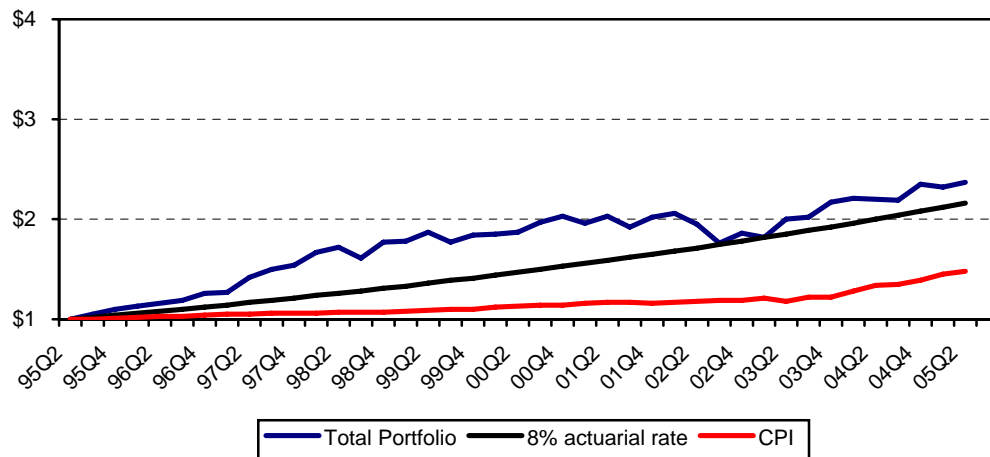
Three-Year Annualized Risk/Return



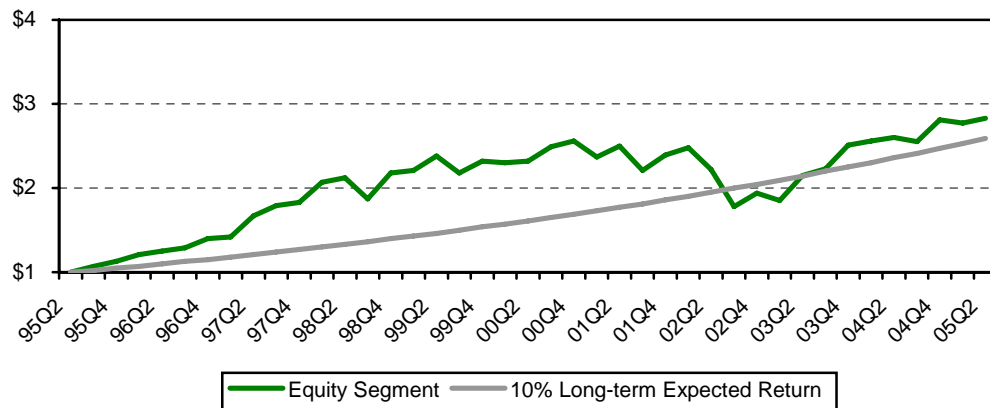
Five-Year Annualized Risk/Return



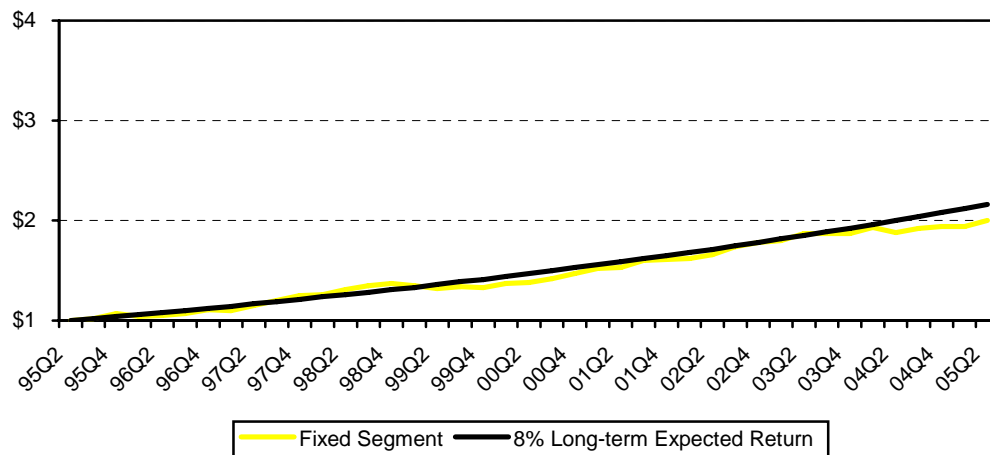
Growth of a Dollar- Latest 10 Years Total Portfolio



Growth of a Dollar- Latest 10 Years Equity Segment



Growth of a Dollar- Latest 10 Years Fixed Segment



Economic Review

Economic Growth – The U.S. economy increased at an annual growth rate of 3.4% during the second quarter of 2005, down from 3.8% annualized growth in the previous quarter². The major contributors to the increase include growth in personal consumption expenditures, exports, equipment and software, residential fixed investment, and governmental spending. The contributions of these components were partly offset by a negative contribution from private inventory investment. Imports, which are a subtraction in the calculation of GDP, decreased.

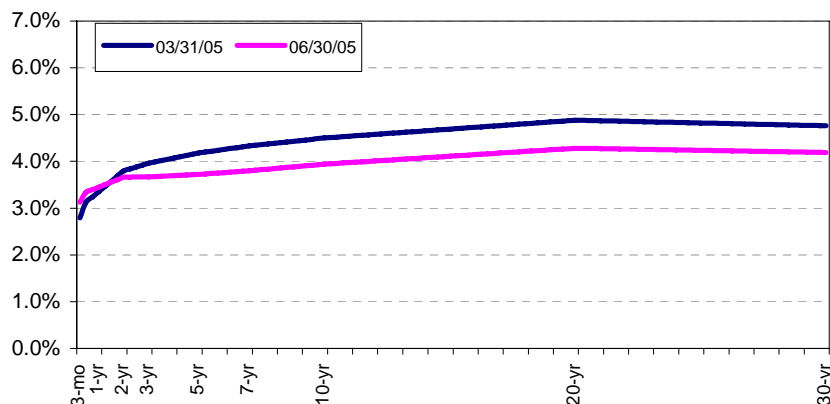
Inflation – On a seasonally adjusted basis, the Consumer Price Index (CPI) was unchanged in June, following a decrease of 0.1% in May, resulting in a compounded annual rate (using the latest 3-month data ending June 30, 2005) of 1.9%. In comparison, the CPI increased 0.3% (on an annualized basis) during the second quarter in 2004.

U.S. Dollar – During the second quarter of 2005, the U.S. dollar weakened against the Euro by minus (7.2%), but strengthened against the Yen by 3.3% and the Canadian dollar by 1.3%.

Unemployment – The domestic unemployment rate declined by 0.2% as of June 30, 2005 from the end of the previous quarter to 5.0%. Payroll employment continued to grow in several industries, notably professional and business services and health care.

Domestic Interest Rates – During the quarter, the US Treasury yield curve flattened which primarily benefited holders of long-term bonds. At both the May 2005 meeting and the June 2005 meeting, the Federal Reserve continued to raise short-term interest rates one-quarter of a percentage point stating that rates remain “accommodative”, and that long term inflation expectations remain well contained.

Treasury Yield Curve Changes



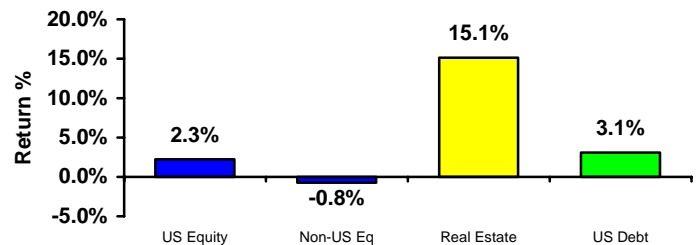
Source: Federal Reserve, extrapolation factor used to estimate yield on 6/30/05 30-yr. Treasury

² As measured by the real Gross Domestic Product (GDP). An “advance” estimate based on source data subject to further revision as reported by the Bureau of Economic Analysis (BEA).

Capital Market Highlights¹ – Latest Quarter Ending June 30, 2005

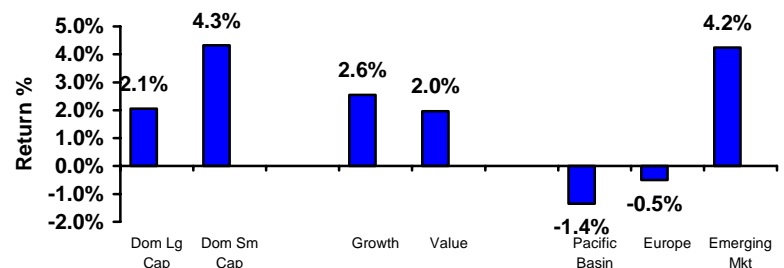
During the quarter, real estate continued to outperform...

- US equity rebounded due to a relatively robust economy on strengthened consumer spending, business capital spending, housing, and inventories.
- Non-U.S. equity suffered from a stronger U.S. dollar.
- Real estate continued its strong performance benefiting from low mortgage rates.
- US debt remained resilient, despite rising short-term interest rates and crude oil topping \$60.



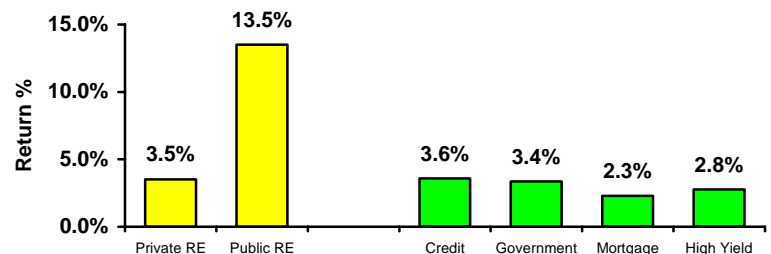
...Non-US stocks posted mixed results. Emerging markets continued to lead...

- Europe and Japan performed poorly during the quarter.
- Emerging markets climbed due to low valuations and earnings growth.
- U.S. small cap stocks outperformed large cap and growth stocks. U.S. growth stocks outperformed value stocks.



...while real estate continues to generate attractive returns.

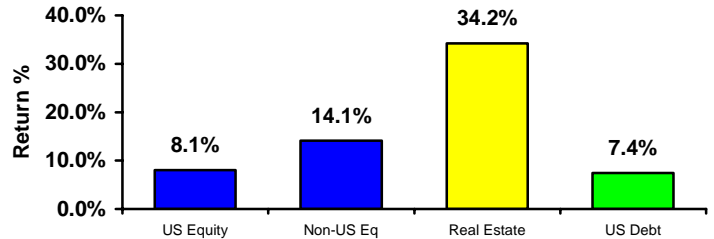
- Public real estate rebounded after a negative first quarter.
- Fixed income sub-components also improved over first quarter results.



¹See Page XL for a list of benchmarks used in this section.

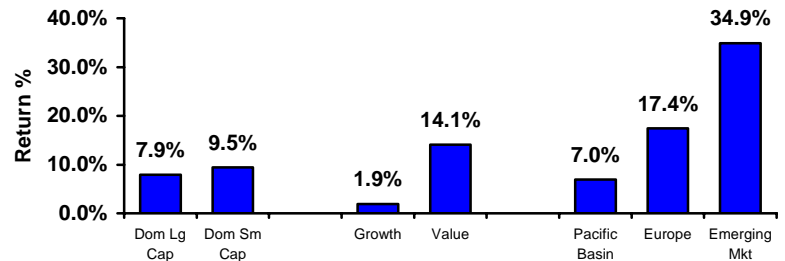
The major asset classes produced solid performance during the latest year...

- Non-US equity benefited from a recovering global environment and strengthening foreign currency.
- Real Estate continued to generate solid gains bolstered by a favorable financing environment.



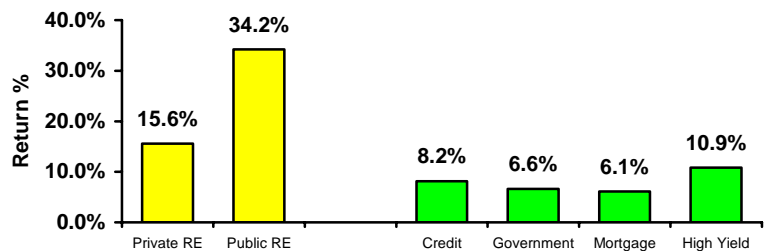
...emerging markets outpaced all other equity sub-components...

- Emerging markets has benefited from above average economic growth.
- U.S. growth stocks lagged all other equity segments.
- Small cap stocks continued to outperform their large cap counterparts.



....while public real estate generated the highest absolute returns.

- REITS continued to exceed expectations because of high demand for yield by investors.
- High-yield led U.S. debt sub-components during the latest year.

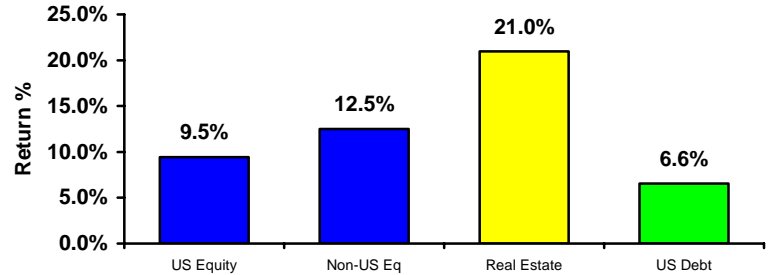


¹See Page XL for a list of benchmarks used in this section.

Capital Market Highlights¹ – Latest 3 Years Ending June 30, 2005

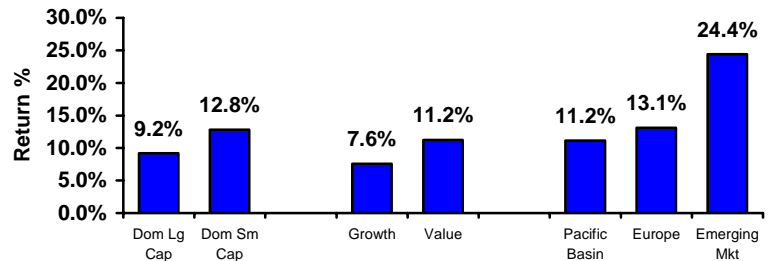
During the latest 3 years, Non-US equity and real estate were strong performers...

- Non-U.S. equity outpaced due to strengthening currencies and some recovery in Japan.
- Real estate and Non-U.S. equity outperformed the U.S. equity market.



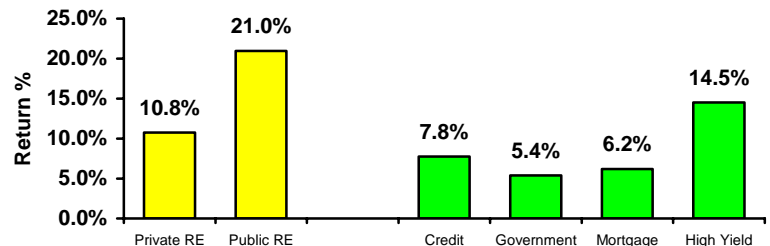
...emerging markets dominated equities...

- Emerging markets led all other equity sub-components due to strong economic growth in Eastern Europe and China.
- Value outpaced growth, while small cap stocks led large cap stocks.



...while public real estate generated incredible gains.

- High-yield rallied among US debt segments due to a cyclical rebound of the U.S. economy.

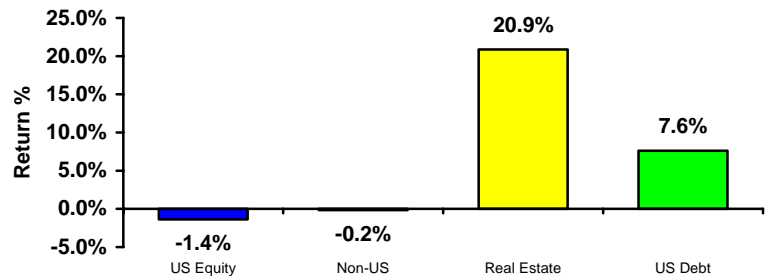


¹See Page XL for a list of benchmarks used in this section.

Capital Market Highlights¹ – Latest 5 Years Ending June 30, 2005

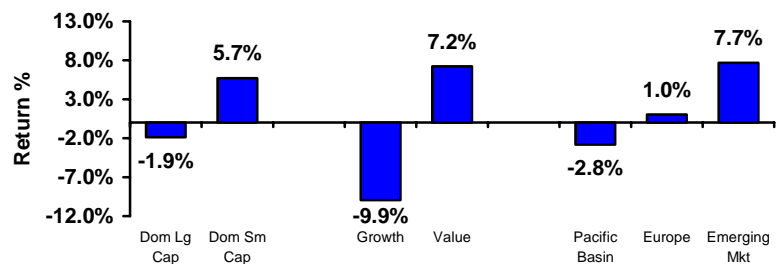
During the latest 5 years, real estate and US debt generated strong positive returns...

- Real estate and US debt outperformed other major asset classes as equities underperformed.
- Non-US equities were flat, while US equities were negative.



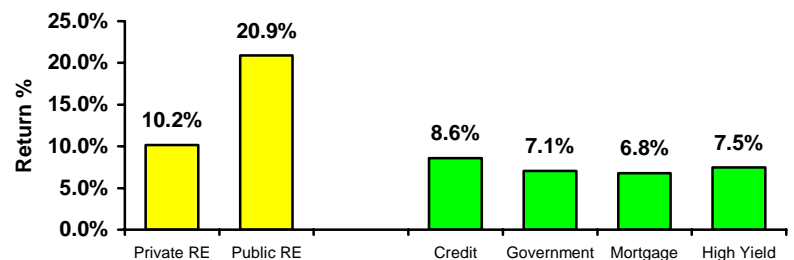
...growth stocks were negative, while value stocks were up...

- U.S. growth versus value difference dramatic as investors sought high-quality stocks.
- Emerging markets, value stocks, and small cap securities provided positive returns during the latest five-years.



...real estate and bonds provided excellent principal protection and growth.

- REITs generated strongest returns of all the asset classes.
- U.S. debt and REITs segments remained attractive as investors sought higher yielding securities.



¹See Page XL for a list of benchmarks used in this section.

Manager Performance- Summary

Manager Performance Comparison- as of 6/30/05 (gross of fees)

Segment							
Manager							
Benchmark	Style	Actual \$ (000)**	Q2 2005	1-year	3-year	5-year*	
Total Portfolio***			\$6,180,695	2.0	7.5	7.2	5.1
Domestic Equity			\$3,012,961	2.2	8.8	8.5	4.0
Large Cap							
Large Cap - Passive			\$1,744,129				
Merrill	Large Cap Core	\$1,744,129	2.1	8.3	---	---	---
Russell 1000 Index	Large Cap Core		2.0	7.9	---	---	---
Large Cap			\$1,066,767				
Value							
MFS	Large Cap Value	\$278,022	0.5	14.2	---	---	---
Russell 1000 Value Index	Large Cap Value		1.7	14.0	---	---	---
T. Rowe Price	Large Cap Value	\$272,107	1.0	---	---	---	---
Russell 1000 Value Index	Large Cap Value		1.7	---	---	---	---
Growth							
Fred Alger	Large Cap Growth	\$251,855	3.6	5.0	---	---	---
Russell 1000 Growth Index	Large Cap Growth		2.5	1.7	---	---	---
Intech	Large Cap Growth	\$264,783	2.5	7.2	---	---	---
Russell 1000 Growth Index	Large Cap Growth		2.5	1.7	---	---	---
Small Cap			\$202,065				
Value							
Earnest Partners	Small Cap Value	\$105,192	5.8	---	---	---	---
Russell 2000 Value	Small Cap Value		5.1	---	---	---	---
Growth							
Bank of New York	Small Cap Growth	\$96,873	4.8	---	---	---	---
Russell 2000 Growth	Small Cap Growth		3.5	---	---	---	---
International Equity			\$939,879	-0.4	10.2	---	---
Developed Markets							
Invesco	Developed Markets	\$310,957	-1.8	11.0	---	---	---
EAFE + Canada	Developed Markets		-0.5	15.0	---	---	---
Boston	Developed Markets	\$256,361	-2.0	---	---	---	---
EAFE + Canada Value	Developed Markets		-0.6	---	---	---	---
Fidelity	Developed Markets	\$278,919	0.6	---	---	---	---
EAFE + Canada Growth	Developed Markets		-0.4	---	---	---	---
Emerging Markets							
Boston	Emerging Markets	\$49,100	5.1	---	---	---	---
T. Rowe Price	Emerging Markets	\$44,542	6.4	---	---	---	---
MSCI EMF	Emerging Markets		4.2	---	---	---	---
Fixed Income***			\$2,179,900	3.0	6.3	6.2	7.6
ING	Fixed Core	\$980,560	3.0	---	---	---	---
Lehman Aggregate	Fixed Core		3.0	---	---	---	---
Wells	Fixed Core	\$985,970	3.1	---	---	---	---
Lehman Aggregate	Fixed Core		3.0	---	---	---	---
Loomis	Fixed High-Yield	\$109,965	3.1	---	---	---	---
Lehman High Yield	Fixed High-Yield		2.8	---	---	---	---
Wells	Fixed High-Yield	\$103,405	1.8	---	---	---	---
Lehman High Yield	Fixed High-Yield		2.8	---	---	---	---
Wells - Death Benefit	Fixed Core	\$30,254	3.2	---	---	---	---
Lehman Aggregate	Fixed Core		3.0	---	---	---	---
Wells - Disability	Fixed Core	\$37,999	3.2	---	---	---	---
Lehman Aggregate	Fixed Core		3.0	---	---	---	---
Cash			\$47,955	0.7	2.3	1.6	2.0

*Some managers have track records with the Plan that are less than 5 years.

** Differences due to rounding

***Total amount does not include Disability and Death Plans

Manager Performance - Latest Quarter

During the second quarter, five of WPERP's seven domestic equity managers outperformed or matched their respective benchmarks. Intech, WPERP's active large cap growth manager, matched the Russell 1000 Growth Index's 2.5% return for the quarter. Fred Alger completed the quarter with a 3.6% return beating the Russell 1000 Growth Index return of 2.5%. Strong stock selection within health care and technology benefited performance. WPERP's passive large cap core manager, Merrill ended the quarter with a 2.1% return which is in-line with expectations. MFS produced a quarterly return of 0.5% trailing the Russell 1000 Value Index return of 1.7%. Stock selection within the consumer discretionary and an overweight to the materials sector detracted from performance. Earnest Partners, WPERP's small cap value manager ended the quarter with a 5.8% return, beating the Russell 2000 Value Index by 70 basis points. Bank of New York, the plans small cap growth manager, beat the Russell 2000 Growth Index return of 3.5% with a 4.8% return. Stock selection within the technology sector benefited performance. T. Rowe Price, WPERP's large cap value manager, underperformed the Russell 1000 Value Index by 70 basis points, with a 1.0% return.

Boston Company and T. Rowe Price the plans new emerging markets managers completed their first quarter and returned 5.1% and 6.4%, respectively outperforming the MSCI Emerging markets index return of 4.2%. WPERP's active core international manager, Invesco, trailed its benchmark during the quarter with a minus (1.8%) return, versus its benchmark return of minus (0.5%). Poor stock selection within Finland and the Netherlands detracted from performance. Fidelity, the plans active international growth manager, completed the quarter with a 0.6% return, outperforming the MSCI EAFE + Canada Growth Index return by 1.0%. The plans new active international value manager, Boston Company, completed its initial quarter with a minus (2.0%), underperforming the MSCI EAFE + Canada Value Index return by 1.4%. An overweight to Japan, which performed poorly, detracted from performance.

ING and Wells, WPERP's core fixed income managers, finished the quarter with a 3.0% and 3.1% return, respectively, versus their benchmark return of 3.0%. WPERP's High Yield portfolio, also managed by Wells, finished the quarter with a 1.8% return, trailing the Lehman High Yield Index return of 2.8%. Loomis Sayles the portfolio's new high yield manager, finished its first complete quarter with a 3.1% return, outperforming its benchmark by 30 basis points.

Manager Comparison--Latest Quarter (gross of fees)

Portfolio	Style Group	Account Ranking**	Segment Return
Domestic Equity			
Earnest Partners	Small Value	18	5.8
Russell 2000 Value	Small Value	---	5.1
Bank of New York	Small Growth	31	4.8
Fred Alger	Large Growth	44	3.6
Russell 2000 Growth	Small Growth	---	3.5
Intech	Large Growth	64	2.5
Russell 1000 Growth	Large Growth	65	2.5
Russell 3000 Index	All-cap Core	60	2.3
Merrill - Passive	Large Core	36	2.1
Russell 1000 Index	Large Core	36	2.0
Russell 1000 Value *	Large Value	63	1.7
S&P 500 Index *	Large Core	---	1.4
T. Rowe Price	Large Value	83	1.0
MFS	Large Value	89	0.5
International Equity			
T. Rowe Price	Emerging Markets	11	6.4
Boston Company	Emerging Markets	34	5.1
MSCI Emerging Markets Free	Emerging Markets	61	4.2
Fidelity	Developed Growth	16	0.6
MSCI EAFE + Canada Growth	Developed Growth	---	-0.4
MSCI EAFE+ Canada	Developed Core	54	-0.5
MSCI EAFE + Canada Value	Developed Value	---	-0.6
Invesco	Developed Core	97	-1.8
Boston Company	Developed Value	97	-2.0
Fixed Income			
Loomis Sayles	High Yield	13	3.1
Wells	Fixed Core	24	3.1
ING	Fixed Core	48	3.0
Lehman Aggregate	Fixed Core	46	3.0
Lehman High Yield	High Yield	26	2.8
Wells	High Yield	75	1.8

* Previously the representative market-based performance proxies

** Equity components are ranked in the Russell/Mellon Equity Sector Universes and the fixed income components are ranked in the Russell/Mellon Fixed Sector Universes.

Manager Performance - Latest Year

MFS, the plans large cap value manager, finished the latest 12-month period with a 14.2% return, outperforming the Russell 1000 Value Index return of 14.0%. Intech completed its latest 12-month period and returned 7.2% beating the Russell 1000 Growth Index return of 1.7%. The portfolio's overweight to the energy sector relative to the Russell 1000 Growth Index benefited performance. Fred Alger posted a 5.0% return and outperformed the Russell 1000 Growth Index by 3.3%. As with other large cap active managers in the WPERP portfolio, Fred Alger benefited from an overweight to energy stocks versus the benchmark.

During the latest 12-month period, WPERP's passive core manager Merrill Lynch performed within tracking error expectations with an 8.3% return.

Invesco¹, WPERP's international core manager finished its first complete 12-month period with an 11.0% return but trailed its benchmark return of 15.0%. Poor stock selection within Finland, Japan, and the Netherlands detracted from performance.

Manager Comparison--Latest Year (gross of fees)

Portfolio	Style Group	Account Ranking	Segment Return
Domestic Equity			
MFS	Large Value	30	14.2
Russell 1000 Value *	Large Value	---	14.0
Merrill Lynch	Large Core	45	8.3
Russell 1000 Index	Large Core	50	7.9
Intech	Large Growth	21	7.2
S&P 500 Index *	Large Core	---	6.3
Fred Alger	Large Growth	40	5.0
Russell 1000 Growth	Large Growth	75	1.7
International Equity			
MSCI EAFE + Canada	International	52	15.0
Invesco	International	91	11.0

* Previously the representative market-based performance proxies

¹There is a significant difference between the return recorded by Invesco and the returns recorded by LDZ and Russell/Mellon. For the Year, Invesco recorded a return of 12.48% versus an 11.0% by LDZ and Russell/Mellon. This difference is the result of currency valuations earlier in the period and the valuations provided by the bank.

Manager Performance - Latest Three Years

As of June 30, 2005, there were no managers in the WPERP portfolio with three-year track records. Index returns have been provided for information purposes only.

Manager Comparison--Latest Three Years (gross of fees)

Portfolio	Style Group	Account Ranking	Segment Return
Domestic Equity			
Russell 1000 Value	Large Value	---	11.0
Russell 1000 Index	Large Core	---	9.2
S&P 500 Index	Large Core	---	8.3
Russell 1000 Growth	Large Growth	---	7.3

Manager Performance - Latest Five Years

As of June 30, 2005, there were no managers in the WPERP portfolio with five-year track records. Index returns have been provided for information purposes only.

Manager Comparison--Latest Five Years (gross of fees)

Portfolio	Style Group	Ranking	Return
Domestic Equity			
Russell 1000 Value	Large Value	---	6.6
Russell 1000 Index	Large Core	---	-1.9
S&P 500 Index	Large Core	---	-2.4
Russell 1000 Growth	Large Growth	---	-10.4

Portfolio Highlights

Disability Plan

Q2 2005 – During the second quarter of 2005, the Disability Plan returned 3.1%, which outperformed its benchmark policy return of 3.0%.

One Year – Over the previous 12-month period, the Disability Plan gained 6.2% underperforming its policy benchmark performance of 6.8%. The benchmark portfolio is a blend of the Lehman Aggregate Index and Citigroup BIG benchmarks

Asset Allocation – The Disability Plan target allocation is 100% domestic fixed income. By the close of 2Q 2005, there was one fixed income manager, Wells. The total fund was 98% invested in this manager.

Plan Allocations Targets as of 1/1/04

Segment	Actual \$ (000)	Actual %	Target %
Disability Plan	\$38,615	100%	100%
Debt Ag.	\$37,999	98%	100%
Internal Cash	\$616	2%	---

Performance as of 6/30/2005

Segment	Q2 2005	1-year	3-year	5-year
Disability Benefit	3.1	6.2	5.8	8.4
Plan Policy Benchmark	3.0	6.8	5.8	7.4
Wells	3.2	---	---	---
Lehman Aggregate	3.0	---	---	---

Portfolio Highlights

Death Benefit Plan

Q2 2005 – During the second quarter of 2005, the Death Benefit Plan returned 3.1%, which outperformed its benchmark policy return of 3.0%.

One Year – Over the previous 12-month period, the Death Benefit Plan gained 6.0% trailing its policy benchmark performance of 6.8%. The benchmark portfolio is a blend of the Lehman Aggregate Index and Citigroup BIG benchmarks.

Asset Allocation – The Death Benefit Plan target allocation is 100% domestic fixed income. By the close of 2Q 2005, there was one fixed income manager, Wells. The total fund was 96% invested in this manager.

Plan Allocations Targets as of 1/1/04

Segment	Actual \$ (000)	Actual %	Target %
Death Benefit Plan	\$31,530	100%	100%
Debt Ag.	\$30,254	96%	100%
Internal Cash	\$1,276	4%	---

Performance as of 6/30/2005

Segment	Q2 2005	1-year	3-year	5-year
Death Benefit	3.1	6.0	5.3	6.5
<i>Plan Policy Benchmark</i>	3.0	6.8	5.8	7.4
Wells	3.2	---	---	---
<i>Lehman Aggregate</i>	3.0	---	---	---

Glossary

Definitions of Indices -

Citigroup Broad Investment-Grade (BIG): index is market-capitalization weighted and includes Treasury, Government-sponsored, mortgage and investment grade (BBB-/Baa3) fixed-rate corporate issues with a maturity of one year or longer and a minimum amount outstanding of US\$1 billion for Treasuries and mortgages and US\$100 million for corporate and Government-sponsored issues. A corporate or Government-sponsored bond is removed if its amount falls below US\$75 million.

Lehman Brothers Universal: includes market coverage by the Aggregate Bond Index fixed rate debt issues rated investment grade or higher by Moody's Investor Services, Standard and Poor's Corporation, or Fitch Investor's Service, in that order with all issues having at least one year to maturity and an outstanding par value of at least \$100 million) and includes exposures to high yield CMBS securities. All returns are market value weighted inclusive of accrued interest.

Lehman Brothers Aggregate: an index comprised of approximately 6,000 publicly traded investment-grade bonds including U.S. Government, mortgage-backed, corporate, and yankee bonds with an approximate average maturity of 10 years.

Lehman Brothers High-Yield: an index consisting of non-investment grade domestic and yankee bonds with a minimum outstanding amount of \$100 million and maturing over one year.

MSCI ACWI xUS: MSCI ACWI (All Country World Index) Free excluding US (gross dividends): is a free floating adjusted market capitalization index designed to measure equity performance in the global developed and emerging markets. As of April 2002, the index consisted of 49 developed and emerging market country indices.

MSCI EAFE (Europe, Australasia, Far East): is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the US & Canada. As of April 2002 the index consisted of 21 developed market country indices.

MSCI EMF (Emerging Markets Free): is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. As of April 2002 the index consisted of 26 emerging market country indices.

NCREIF Property Index: the NPI contains investment-grade, non-agricultural, income-producing properties which may be financed in excess of 5% gross market value; were acquired on behalf of tax exempt institutions; and are held in a fiduciary environment. Returns are gross of fees; including income, realized gains/losses, and appreciation/depreciation; and are market value weighted. Index is lagged one quarter.

Russell 2000: Measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index.

Russell 3000: represents the largest 3,000 US companies based on total market capitalization, representing approximately 98% of the investable US equity market.

Russell 3000 Growth: Measures the performance of those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth values. The stocks in this index are also members of either the Russell 1000 Growth or the Russell 2000 Growth indexes.

Russell 3000 Value: Measures the performance of those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth values. The stocks in this index are also members of either the Russell 1000 Value or the Russell 2000 Value indexes.

Salomon 3-Month Treasury Bills (T-bills): an average of the last three 3-month treasury bill issues' monthly return equivalents of yield averages, which are not marked to market.

Salomon Brothers World Government Bond Index: a market-capitalization weighted benchmark that tracks the performance of the 14 government bond markets of Australia, Austria, Belgium, Canada, Denmark, France, Germany, Italy, Japan, the Netherlands, Spain, Sweden, the United Kingdom, and the United States.

Standard and Poor's 500 (S&P 500): represents approximately 75% of NYSE market capitalization and 30% of NYSE issues, contains 500 industrial, utility, transportation and financial companies in the US markets (mostly NYSE issues). The S&P is capitalization-weighted, calculated on a total return basis with dividends reinvested.

Wilshire REIT Index: is a market capitalization-weighted index comprised of publicly traded real estate investment trusts and real estate operating companies.

Benchmarks used in Market Summary Section, Market Overview

US Equity = Russell 3000 Index

Non-US Equity = MSCI EAFE

Real Estate = NCREIF

Public Real Estate = Wilshire REIT

US Debt = Lehman Brothers Universal Index

Domestic Large Cap = Russell 1000

Domestic Small Cap = Russell 2000

Growth = Russell 3000 Growth Index

Value = Russell 3000 Value Index

Pacific = MSCI Pacific

Europe = MSCI Europe

Emerging = MSCI Emerging Markets Free

Private Real Estate = NCREIF Index

Credit = Lehman Brother U.S. Credit Index

Government = Lehman Brothers Government Index

Mortgage = Lehman Brothers Mortgage Index

High Yield = Lehman Brothers High Yield Index

Appendix

Summary of Portfolio Transitions –

Manager	Mandate	Funded	Terminated
2003			
Merrill Lynch	Passive Core	3Q 2003	
Northern Trust	Passive Core	3Q 2003	1Q 2005
2004			
Fred Alger	Large Cap Growth	1Q 2004	---
Intech	Large Cap Growth	1Q 2004	---
MFS	Large Cap Value	1Q 2004	---
T. Rowe Price	Large Cap Value	3Q 2004	---
Invesco	International	2Q 2004	---
ING/Aeltus	Core Fixed Income	3Q 2004	---
Wells Capital	Core Fixed Income	3Q 2004	---
Bank of New York	Small Cap Growth	4Q 2004	---
Earnest Partners	Small Cap Value	4Q 2004	---
Fidelity	International	4Q 2004	---
Wells Capital	High Yield	4Q 2004	---
2005			
Boston Company	International	1Q 2005	---
Loomis Sayles	High Yield	1Q 2005	---
Boston Company	Emerging Markets	1Q 2005	---
T. Rowe Price	Emerging Markets	1Q 2005	---
Boston Company	Large cap Active	---	1Q 2005