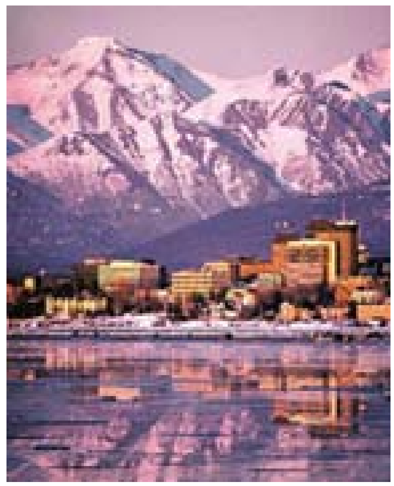
NASRA NEWS

SPRING 2005

Extraordinary Adventure Awaits You in Anchorage



Perched on the edge of Alaska's vast, varied expanse of forest, mountains, rivers, and tundra, Anchorage began as a community of rail line workers living in tents. The community, settled in 1915, has grown and evolved into the business and cultural center of Alaska. It's all here—breathtaking scenery and wildlife, plus first class dining and entertainment. Anchorage is a city of contrast and variety, an urban metropolis surrounded by wilderness.

Anchorage has long been plagued with misconceptions about its being cold and dark. However, Anchorage is far south of the Arctic Circle. Protected by mountains and warmed by Pacific Ocean currents, the climate is quite mild year-round. Spring through fall, Anchorage's climate is similar to San Francisco's spring weather, with temperatures that can reach into the 70's.

When the day's meetings adjourn, NASRA conference attendees can choose from a variety of recreational and social activities.

Known as the 'City of Lights' in winter and the 'City of Flowers' in summer, Anchorage offers spectacular recreational opportunities such as wildlife viewing, glaciers, mountains, northern lights, sight-seeing and adventure, as well as the urban

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Come Ride the Wave of the Future

Ken Dychtwald

Lest you think Anchorage will be all fun and games, we will get down to business with two nationally known speakers: Ken Dychtwald and Stuart Varney.

Over the past 30 years, Ken Dychtwald, Ph.D. has emerged as the nation's foremost visionary and original thinker regarding the lifestyle, marketing, and workforce implications of the "age wave." He is a psychologist, gerontologist, and author of eleven books on aging-related issues, including the best-selling, *Age Wave*. He has recently completed two new books, *The Power Years: A User's Guide to the Rest of Your Life* (with Daniel J. Katlec) and *Retire Retirement, Rekindle Careers and Retain Talent: Making the Most of Demographic Changes in the Workforce* (with Tamara Erickson and Robert Morison).

Stuart Varney

Dr. Dychtwald is the founding President and CEO of Age Wave LLC, a firm created to guide Fortune 500 companies and government groups in product/service development for boomers and mature adult segments. He has served as a fellow of the World Economic Forum and is the recipient of the distinguished American Society on Aging Award for outstanding national leadership in the field of aging. In recent

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Extraordinary Adventure

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pleasures of shopping, arts, cultural attractions, and more. Scenery abounds via a short drive on one of the National Scenic Byways with spectacular views of majestic and rugged landscapes, crystal clear waterways, and tundra where moose and bear wander. Enjoy a drive past glacier, through moose-rich meadows, over a tundra-carpeted mountain pass, under the huge evergreen trees of Chugach National Forest, or down to the salty seaside town of Seward.

On Monday, August 8, attendees will have a choice of three tours:

1. **Iditarod Headquarters & Happy Trails Kennel**–Travel north to the town of Wasilla to the Iditarod Headquarters where you will learn about the history of this exciting and unique race. Next, travel a bit farther north to the Happy Trail Kennels, home of four-time Iditarod Champion Martin Buser and his family which includes his 80 to 90 dogs. Take a tour of the kennel and experience a mock checkpoint. Learn how an Iditarod champion races and takes care of the dogs both on and off the trail. Meet the athletes, the dogs, and hold the puppies. This is a trip participants will long remember, and they will be anxious to follow the 2006 Iditarod race.

2. **Portage Glacier & Big Game Alaska Wildlife Park**–Take a narrated drive along the scenic Turnagain Arm of Cook Inlet, a national scenic byway, to the Alyeska Resort in the town of Girdwood, Alaska. Take a tram up to the mountain top, 2300' elevation, for an incredible panoramic view of the Girdwood Valley, the Chugach Mountain Range, and Cook Inlet. Travel on to Portage, home to Portage Glacier, Portage Lake, and the Begich-Boggs Visitor Center. View the award winning film, "Voices from the Ice", and walk through the glacier exhibits at the visitor's center followed by a one-hour cruise narrated by a park ranger on Portage Lake that will take you right to the face of the glacier. From Portage, you will tour Big Game Alaska, a drive-through wildlife viewing park which allows an opportunity to see wildlife indigenous to Alaska, including bison, caribou, elk, deer, moose, brown and black bears, musk ox, and bald eagles.

3. **Historic Anchorage Walking Tour**–Participants will learn about the history of Anchorage as it grew from a tent city to the largest town in Alaska. After lunch in the park, participants will experience a two-hour walking tour led by a Historic Anchorage docent. The tour will continue to the Anchorage Museum of History and Art where museum docents will lead a fascinating tour through the Alaska Gallery, which depicts the history of Alaska from it's earliest recordings through the historic Alaska Pipeline. The Alaska Gallery is filled with an amazing collection of native and Russian artifacts and dioramas depicting various native tribes and early lifestyles in America's last frontier. For those who choose, the final stop will be at David Green's Master Furrier Showroom where they will learn about the fur trade in Alaska, tour the factory, and have the opportunity to try on various furs. The day concludes with shopping in area stores.

On Tuesday, August 9, spouses, guests, and children will have the opportunity to enjoy a scenic trip traveling south along the Turnagain Arm of Cook Inlet and over the Kenai Mountain Range before dropping back to sea level as they arrive at the port town of Seward. The first stop will be at the Alaska Sea Life Center where guests will learn about Alaska's marine wildlife and ecological systems and see many native species. Following this, participants will transfer to the harbor where they will have free time to explore the local shops and have lunch on their own. After exploring the harbor area, travel a short distance to the Exit Glacier National Park where participants will walk about a half mile right up to the face of an enormous piedmont glacier, a land based glacier.

Come Ride the Wave

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years, the Society has twice named Age Wave, LLC as the Small Business of the Year.

During his career, Dr. Dychtwald has addressed more than two million people worldwide in his speeches to corporate, association, and government groups and appears frequently on national television and radio programs. His strikingly accurate predictions have been featured in prestigious publications including: *The New York Times, The Wall Street Journal, USA Today, The Financial Times, Fortune, Time, Newsweek, Business Week, Inc., U.S. News and World Report* and *Advertising Age.*

One of the nation's most respected business journalists, Stuart Varney is credited with changing the way television reports on financial and economic news. Formerly the host of CNBC's broadcast of *The Wall Street Journal Editorial Board with Stuart Varney* and co-host of CNN's *MoneyLine News Hour* 1999-2001, Varney joined the Fox News Channel in December 2003.

An economist educated at the London School of Economics, Varney is uniquely qualified to address the rapidly shifting domestic and global economic trends, and the implications for business, institutional investors, and individuals. His exceptional coverage and analysis of the stock market crash of 1987 earned him a Peabody Award for excellence in journalism.

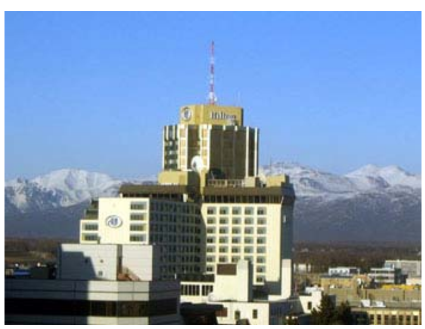
The topic of Varney's presentation at NASRA is A New Day in America: Its Economy, Its Politics, Its Culture. Everything has changed since September 11, 2001, with unprecedented changes in the economy, politics and culture of America. 9/11 really was the "first day" of our future, with a new way of thinking about our existing and seemingly invincible institutions—including our economic institutions, our political system, and our cultural mores. It all adds up to a brand new way of looking at these things, and the positive changes that have been brought about.

Make Your Conference Plans

August 5-10, 2005

The 2005 NASRA annual conference will begin Friday, August 5, and conclude at 9:00 a.m. on Wednesday, August 10.

Accommodations



All conference activities will take place in or originate from the Hilton Anchorage Hotel, located conveniently in the heart of downtown Anchorage. The Hilton Anchorage blends contemporary style with a stunning Alaskan art motif and offers magnificent views of the Chugach Mountain Range, Cook Inlet, and sweeping city vistas.

The hotel can be full on certain nights. Please contact Amy Bell by phone at 907-265-7177 or by e-mail at *Amy_Bell@hilton.com* to make a reservation or to be placed on the waiting list. For a list of alternate hotels in Anchorage, contact Liz Antin by phone at 985-307-0342 or by e-mail at *liza@nasra.org*. Area hotels are also listed on the Anchorage Convention & Visitors Bureau at *www.anchorage.net*.

Transportation

Ted Stevens Anchorage International Airport is just a 10-minute drive from the hotel. Shuttle and taxi service are both available from the airport. Rental cars are also available at the airport.

NASRA has arranged special airfare rates with U.S. Airways and Alaska Airlines for conference attendees. These rates are good for travel August 1-15,2005.

For U.S. Airways rates and tickets, call 877-874-7687 and give our Gold File Number 85683428 for NASRA Conference 2005. U.S. Airways also provides a special rate for Avis Car Rental. Call Avis at 866-629-6995 and give reference number AWD K609400.

For Alaska Airlines call 800-445-4435 and give our reference ID number CMA0758.

If you use a travel agent, you can the U.S. Airways Gold File Number and the Alaska Airlines ID Number and have your travel agent check on the discounts for you.

Please be aware that these rates are not guaranteed to be the lowest rates available.

NASRA Welcomes New System Directors

Virginia

Robert P. Schultze was appointed director of the Virginia Retirement System (VRS) by the Board of Trustees. Schultze succeeds W. Forrest Matthews, Jr. who retired April 1.

Schultze previously served as executive commissioner with the Virginia Department of Taxation. He has held a variety of positions during his 27 years in service to the commonwealth, beginning in 1978 with the State Council of Higher Education. His experience includes service with the executive and legislative branches of Virginia government, including serving as deputy chief of staff to Virginia Governor L. Douglas Wilder and as staff director to the House Appropriations Committee.

As director of VRS, Schultze oversees the administrative functions of the retirement system, including customer service delivery to its 798 employers, 119,000 retirees, and 321,000 active members.

With assets of about $43 billion, VRS is the 27th largest public or private pension system in the United States and the 51st largest internationally.

Washington

Sandra Matheson was appointed director of the Washington Department of Retirement Systems by Governor Christine Gregoire of the State of Washington.

Matheson has a varied background as a businesswoman and community volunteer in the Tri-Cities. She has been chairman and president of the Gloria Meek Garlick Foundation, adjunct instructor for Washington State University, owner of a management consulting company, and interim president and board chair of the Tri-City Industrial Development Council.

Governor Gregoire said, "As Baby Boomers rapidly approach retirement age and the workload increases, it will be important for the Department of Retirement Systems to find innovate ways to deliver its services and to improve and streamline the way it does its work.

Indiana

David J. Adams was named as the new executive director of the Indiana Public Employees' Retirement Fund (PERF) by Governor Mitch Daniels and the Board of Trustees.

Governor Daniels said that Adams "brings a wealth of experience and an entrepreneurial spirit to the fund. His operations, business focus and customer-service orientation are the mix we need to improve the way PERF delivers its important services."

Adams will be part of the Office of Management and Budget (OMB) as established by Governor Daniels to include all financial organizations of the state.

A native of Louisville, Kentucky, Adams has spent the majority of his career in the business community focused primarily on applying technology to solve complex business problems. Most recently, he was managing partner of Estate Ventures, a real estate venture firm in Indianapolis, and has operated V-Trade, an online trading company. Prior to forming these Indiana-based businesses, he spent the previous 15 years in various sales and consulting management positions.

"I am honored to have this opportunity to give back to the great state of Indiana," said Adams. "I'm very customer centric, and customer service is paramount to what PERF does. I will focus on our customers' impressions of us and what we can do to improve and ensure a rewarding and enjoyable service experience with the fund."

Adams earned bachelor's and master's degrees in industrial engineering from the University of Louisville. He maintains an active relationship with his alma mater by serving on the Board of Advisors for the School of Industrial Engineering.

Texas

Gene Glass was selected by the TCDRS Board of Trustees as the new executive director of the Texas County & District Retirement System. Glass replaces outgoing Executive Director Ray Henry, who retired in January 2005. The nine-member board announced its decision after a special meeting in February.

Glass went to work for TCDRS in 1996. In his nine-year tenure at TCDRS, he has held the positions of comptroller, and director of Finance & Administration. Glass received a degree in Business Administration from the University of Oklahoma, and is a certified public accountant. He is a current member of the American Institute of Certified Public Accountants.

"It's both a privilege and an awesome responsibility to serve the employer and employee members of TCDRS," Glass said of his new position. "It's a responsibility I take very seriously."

Created by the Texas Legislature in 1967, TCDRS is a statewide public retirement system providing pension, disability, and death benefits for more than 550 counties and special districts in Texas. With assets in excess of $12 billion, the retirement system currently serves more than 130,000 working Texans and provides monthly benefits to 26,000 retirees.

Georgia

Michael J. Nehf was named executive director, effective January 2005, of the $14.12 billion Georgia Employees' Retirement System, Atlanta. He replaces Cecelia Corbin Hunter. Nehf was previously executive director of the $10.3 billion Chicago Public School Teachers Pension & Retirement Fund. Nehf is a graduate of Northwestern University, Evanston, Illinois' J. L. Kellogg Graduate School of Management and earlier worked as a CPA and in other finance and accounting roles in his career.

New Hampshire

Robert Leggett was named as the new executive director of the New Hampshire Retirement System.

Leggett comes to the New Hampshire fund from the Kentucky Retirement System where he was chief investment officer. The board of the New Hampshire fund also made two other appointments:

Merelise O'Connor, who served as interim executive director and director of member services, has been named as the system's deputy executive director. J.P. Singh, NHRS director of finance has been promoted to chief financial officer.

The board manages approximately $4.5 billion in assets for New Hampshire governmental employees, firefighters, police officers and teachers. The system participants include more than 51,000 active contributing members and 18,000 retirees.

Florida

Sarah Elizabeth (Sarabeth) Snuggs was appointed director of the Florida Retirement System. She had served as interim director since August 1, 2003.

Snuggs is a native Floridian, born and raised in Chattahoochee, Florida. She is a graduate of Chattahoochee High School, Chipola Junior College in Marianna, Florida and Huntingdon College in Montgomery, Alabama. She is married to Andy Snuggs and they have two sons, Andy Jr and Alex.

Snuggs began her career with the State of Florida in 1977 with the Division of Retirement as a retirement specialist. In her career with the Division, she has held progressively responsible positions, including Benefits Quality Control Specialist, Retirement Administrator, and Bureau Chief. Sarabeth is committed to providing excellent customer service to members, retirees and participating agencies of the Florida Retirement System, as well as other state-administered retirement plans.

The Spring 2005 newsletter is also available on NASRA's website at www.nasra.org.

Firms Join Ranks of Associate Members

Acadian Asset Management

Acadian Asset Management specializes in active international and global equity strategies. We invest approximately $15 billion on behalf of major pension funds, endowments, foundations, and other institutions based in the U.S. and abroad.

Acadian was established as an independent investment advisor in 1987 and became an affiliate of United Asset Management (UAM) in 1992. In 2000, Old Mutual plc, a London-based financial services firm, acquired UAM. As a result, Acadian is now a member of Old Mutual Asset Management (OMAM (US)), a group of companies on which Old Mutual is building its U.S. asset management business. Acadian continues to operate independently. Neither ownership change has affected Acadian's philosophy or investment process, which have remained stable since inception. Of equal importance, neither ownership change has affected the investment team. The same key investment personnel who founded the firm are still with Acadian to the present day.

Since the acquisition, Acadian has continued to operate independently. Acadian holds 20% of the firm in the form of stock appreciation rights. Over 50% of employees, including all investment professionals, have this key incentive.

Athens Group

Athens Group has a proven track record in helping retirement systems lower operating costs, reduce risks, and improve member service. Athens Group consultants have provided "concept to code" services for clients such as the Texas Municipal Retirement System, Teachers' Retirement System, and Texas County & District Retirement System to help them make the right decisions and implement the right technologies to ensure organizational success.

Athens Group also brings strategic technology planning expertise from a variety of other industries such as manufacturing, e-commerce, and retail. We provide a fresh look at issues and understand how leading technologies in other industries are applicable to retirement systems. This experience can be crucial in interpreting the business impact of future technology trends.

As an employee-owned company, client success and tangible results are the driving force behind every project team. With services that range from strategic technology planning to sophisticated custom applications and systems integration, Athens Group provides depth of understanding in retirement system and technology trends, and their impact on your organization.

Blackrock

BlackRock's mission is to be a world class provider of asset management and risk management services. We offer a broad range of investment products that target returns in excess of their benchmarks while efficiently managing risk. Our risk management products and services are developed from the same proprietary systems and analytics that support our own asset management business. We bring to asset management a practical, real-world application of risk management techniques and analytics designed to maximize usability, consistency, efficiency and flexibility.

BlackRock is committed to building long-term relationships by providing superior performance, excellent client service, and customized products and services to meet individual client needs. We continually and carefully evaluate new products and disciplines based upon market opportunities, investor needs, and their strategic fit with BlackRock's existing organization.

Bryan, Pendleton, Swats & McAllister, LLC

BPS&M, a Wells Fargo Company, is an employee benefits consulting firm that provides a full range of services focusing on the design, implementation, and administration of retirement plans, health and welfare programs, nonqualified deferred compensation plans, and benefits communications.

BPS&M clients have the personal attention of some of the most experienced and expert professionals in the benefits consulting industry. Our principals average 20 years of experience in helping clients manage their benefits, and our consultants have an average of 15 years of employee benefits experience.

At BPS&M we encourage professional development through life long learning. Over half of our employees have one or more professional designations. Our employees are continuously seeking knowledge to improve their skills and enhance their value to our clients.

With over 30 years of benefits consulting experience BPS&M remains committed to the key principles behind our long-term success—strong technical expertise joined with responsive, personal attention to our clients.

Cornerstone Real Estate Advisers

Cornerstone Real Estate Advisers LLC was established in 1994 to provide private real estate equity investment management services for our parent corporation, Massachusetts Mutual Life Insurance Company, and tax-exempt and taxable institutions. Cornerstone has grown significantly since its founding. To best meet our clients' needs, Cornerstone has established Separate Accounts; a series of strategically focused funds, both closed and open-end; and has become the sub-advisor for a mutual fund of public real estate securities. Currently, Cornerstone manages over $6 billion in real estate and commitments on behalf of a number of major public and corporate pension funds, foundations, and union funds, as well as MassMutual.

Cornerstone's mission is to manage its clients' capital in ways that help them create investment value. We seek to accomplish this by marrying the power of focused investment ideas, the special advantages of access to flexible capital, and the prudence and perspective that comes from experience that is both broad and deep.

Cornerstone's investment professionals are located in our home office in Hartford, Conn.; and in our regional offices located in Glastonbury, Conn.; Chicago, Ill.; Los Angeles, Calif.; with our REIT Securities team operating out of Stamford, Conn.

Cortex Applied Research, Inc.

Cortex Applied Research Inc. was founded by John Por in 1991. Prior to that time, John was Practice Leader of William M. Mercer's Strategic and Organizational Practice in Toronto. Tom Iannucci joined the firm in the same year and together, they developed a model of effective pension governance which has become highly regarded in North America.

Cortex's mission is to enhance the Board effectiveness of North American pension plans through the recommendation and implementation of governance best practices, sound business strategies, and fiduciary education. For over a decade, Cortex has helped to enhance the governance practices of more than 75 pension plans in the United States, Canada, and Europe.

Cortex dedicates all of its intellectual resources to the issues of pension governance, strategic planning, and fiduciary education. Owing to our principals' roots in management consulting, we are familiar with the workings of large organizations and have a keen understanding and appreciation of the senior management issues and concerns that pension executives must deal with. In addition, Cortex is one of the few consulting firms in the pension and investment field with organizational process design capability, which can facilitate board and staff consensus on governance solutions.

Information Management Network

Information Management Network (IMN), a unit of Euromoney - Institutional Investor, is the market leader in organizing investment management conferences. Headquartered in New York and with staff in London and Hong Kong, IMN's investment management division annually produces about 25 comprehensive conferences. IMN specializes in serving the public plan sponsor market and develops and designs educational programs that benefit new and seasoned staff and board members. IMN's staff has developed long-term relationships with many leaders of the largest public plans in the country, as well as small- and mid-sized retirement systems. These relationships provide IMN with the ability to offer relevant and topical content at its programs. Workshops and interactive sessions allow plan sponsor participants to experience first hand issues that are critical to the successful management of their respective retirement systems. IMN also provides a neutral forum where innovative ideas combined with well-founded research and information can be exchanged to improve pension asset and liability management.

INVESCO

For more than a century INVESCO has earned the trust of institutions around the world. With almost $200 billion in assets under management as of 03/31/2005, fully integrated investment capabilities that span traditional and alternative asset classes in the U.S. and international markets, INVESCO is one of the world's leading independent institutional managers.

INVESCO offers products in virtually every asset class and style. Through careful merger and acquisition INVESCO has assembled a well-focused and autonomous group of established money management firms—each concentrating on a distinct segment of the investment market. Focused investment centers located throughout the world are designed around process, product, or regional proficiencies, specializing in a specific investment discipline which allows our investment professionals to concentrate on their respective areas of expertise. *(continued on page 8)*

Associate Members

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INVESCO's history is one of proven performance built on disciplined investment processes, exceptional qualitative and quantitative proprietary research and a continuing emphasis on thoughtful innovation. Today, INVESCO continues its tradition of being an innovative provider of investment solutions for our clients in every market we serve: corporate, public, defined benefit, defined contribution/401(k), Taft Hartley, endowments and foundations, and retail.

With offices worldwide, products in virtually every asset class and investment style, the highest standards for performance and customer service and a work environment that encourages entrepreneurialism and success, INVESCO is in a strong position for growth.

KBC Asset Management International Limited

KBC Asset Management Group is a leading European asset manager, headquartered in Brussels with offices in various European locations as well as in New York and Hong Kong.

KBCAM Group is one of the largest mutual fund managers in Europe offering a variety based strategy in the institutional and retail market. Over $110 billion of assets are managed from four investment centers: Dublin (active equity), Luxembourg (active bonds), London (real estate management), Brussels (principal protected & passive strategies).

KBC Asset Management Group is an autonomous part of the KBC Bank and Insurance Group; a major financial services group with offices in over 30 countries, servicing the core businesses of asset management, retail and investment banking and insurance.

Legg Mason Capital Management

Legg Mason Capital Management Group is a specialist in institutional separate account management. We offer investors four outstanding equity capabilities: Value Equity, Mid-Cap, All Cap, and Growth Equity. Led by Bill Miller, celebrated manager of the Legg Mason Value Trust mutual fund, our investment team is comprised of investment professionals who provide portfolio management and equity analysis for $36.8 billion in separate account and pooled assets. The majority of Legg Mason Capital Management Group's clients are corporations, public funds, endowments, and foundations. We are a wholly-owned subsidiary of Legg Mason, Inc.

Lussier, Gregor, Vienna & Associates, Inc.

Lussier, Gregor, Vienna & Associates (LGV&A) is a federal affairs firm that has specialized in the needs of the public sector, particularly public pension plans, for nearly three decades.

Since its formation in 1978 as David Vienna & Associates, LGV&A has provided expertise in congressional, White House, and federal-agency relations that has allowed its clients to influence the direction of the pension, health, tax, and other issues on their agendas.

The experience and body of knowledge regarding public pension plans, retirement policy, labor matters, the tax code, and the inner workings of the legislative and regulatory processes that is possessed by the LGV&A team ensures that no client need or expectation goes unmet.

MacLaren Advisors, LLC

MacLaren Advisors, LLC, is a Boston-based Registered Investment Advisor with the SEC and a registered Commodity Trading Advisor (CTA) with the CFTC. With a collective 40 years' experience with U.S. institutional pension, endowment, and foundation investors, MacLaren Advisors provides consulting services in risk management and strategy development and acts as investment advisor and fiduciary for institutional clients who desire to allocate to managed futures strategies and other alternative investments in the global markets.

In 2003, "The Atlantic Alliance" was formed by MacLaren Advisors and RPM Risk & Portfolio Management, AB, to bring together the strengths of their established organizations in order to create investment products for U.S. investors who desire transparency, risk management controls, and financial stewardship of their investment allocations to alternative investments. Founded in 1993 and based in Stockholm, Sweden, RPM is an independent company specializing in portfolio management and risk management/ monitoring for alternative asset management products. As a proven manager-of-managers with a strong 11-year performance record, RPM currently provides managed futures funds and risk monitoring services for $5 billion USD in institutional assets. RPM provides manager due diligence and selection, real-time risk management and reporting functions, and tactical risk allocation expertise based on its proprietary investment process.

Milberg Weiss Bershad & Schulman LLP

Milberg Weiss Bershad & Schulman LLP is a plaintiff law firm founded in 1965. The firm now has more than 120 lawyers, with principal offices in New York City and additional offices in Boca Raton, Florida; Wilmington, Delaware; Washington, D.C.; and Los Angeles, California. The firm's practice focuses on the prosecution of class and complex actions in many fields of commercial litigation, emphasizing securities, corporate fiduciary, consumer, insurance, healthcare, antitrust, mass tort, human rights, and related areas of litigation. The firm is also consistently active in pro bono litigation.

The firm's lawyers come from many different professional backgrounds. They include former federal or state prosecutors, private defense attorneys, and government lawyers. The firm's ability to pursue all types of fraud is augmented by its 16-person team of investigators, headed by a former agent for the Federal Bureau of Investigation, and its four full-time forensic accountants.

In 2003, the partners of Milberg Weiss Bershad Hynes & Lerach LLP decided to separate into two groups, with Milberg Weiss Bershad & Schulman LLP serving as the continuing firm.

Pension Consulting Alliance, Inc.

Pension Consulting Alliance, Inc. (PCA) is a consulting organization that offers investment consulting services to large, sophisticated pension funds. PCA's clients include several of the largest plan sponsors in the United States and Canada. In total, PCA's 25 clients represent approximately $750 billion in plan sponsor investment assets. Reflecting its clients' need for objective, independent guidance, PCA is committed to "earning its keep" only through investment consulting. Client advocacy is PCA's number-one priority.

Founded in 1988, PCA created a unique consulting structure that marries the experience and expertise of a small group of very senior professionals with the functional specialist expertise that the current institutional investment marketplace demands. Through this structure, PCA's network allows its clients access to several other highly focused consulting organizations in specific areas of pension investment management.

PCA distinguishes itself from other consulting organizations by approaching pension investment risk management from a variety of different perspectives and vocational disciplines. Unique to PCA is that its senior consulting team has developed a deep awareness of a broad array of pension fund risks. PCA's clients utilize this expertise to help guide them through complex strategic and planning decisions. Reflecting this usage, PCA's consulting business is driven not only by traditional consulting services, but also by its highly regarded real estate consulting practice and its consulting services in the alternative investments area.

Provaliant

Provaliant is a project management consulting firm specializing in program/portfolio management, project management, and Project Management Office (PMO) initiation. We have proven experience in both the private and public sectors. Our consultants have traceable experience in managing strategic projects as well as day-to-day project management. The company's consultants have successfully managed both multi-million dollar and multi-year projects.

Provaliant's goal is not only to meet the current needs of our clients, but to provide them with the knowledge and experience they need to strengthen their internal Project Management Office and team. All of Provaliant's consultants are seasoned veterans and follow the PMI Project Management Methodologies.

Prudential Financial

Prudential Retirement delivers award-winning education and communication programs. Our customized tools and resources provide support every step of the way, from enrollment through distribution. And we take fiduciary responsibility seriously. That's why we perform rigorous due diligence—and why we "manage the managers" to help ensure solid investment offerings. In all, our offering represents one of the broadest arrays of outsourcing services available from any single provider.

We meet the unique needs of governmental clients by embracing the complexity of the plans and programs, assessing your objectives and requirements and by creating targeted solutions that bring the best to both sponsors and participants.

With over 80 years of defined benefit experience, we also count ourselves among the earliest participants in the governmental deferred compensation market place. We meet the needs of more than one million defined benefit annuitants and two million defined contribution participants across all markets. Services include state-of-the-art recordkeeping, investment management and consultation, employee investment education and communication, and advisory and trustee support.

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Associate Members

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Voyageur Asset Management

Our mission is to provide exemplary equity, fixed income, and balanced portfolio management services to clients from a variety of backgrounds and a broad range of financial needs.

Voyageur's investment team currently manages over $23 billion in assets for individuals, public entities, Taft-Hartley plans, corporations, private nonprofits, foundations, endowments, and healthcare organizations.

Using a philosophy that emphasizes well-articulated investment processes, high quality liquid securities, and exceptional service, Voyageur seeks to protect and enhance our clients' investments. Voyageur is a company with deep roots and traditions that will continue to guide us into the future. Voyageur Asset Management Inc. is a wholly owned subsidiary of RBC Dain Rauscher Corp. and was founded in 1983. RBC Dain Rauscher is a subsidiary of the Royal Bank of Canada.

Westfield Capital Management Co., LLC

Based in Boston and founded in 1989, Westfield Capital Management is an SEC-registered investment advisor dedicated to providing quality, separate account investment management services for institutions and wealthy individuals.

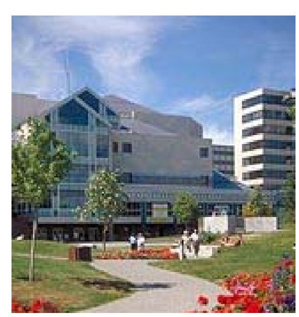
Westfield Capital Management strives to fully understand client requirements, respect individual needs, and provide direct access to the portfolio management team. In addition, we provide clients with a wide range of product offerings that can service the most diverse investment needs of our clients.

Westfield supervises growth equity portfolios across the capitalization spectrum, employing in-depth, fundamental research and analysis. Since Westfield's establishment, assets under management have grown from $130 million to over $6.9 billion, representing 530 accounts. We attribute this growth to strong investment results and to the close client relationships that are cultivated by our portfolio managers and client service professionals.

WWW.ANCHORAGE.NET

To plan your trip to Anchorage, Alaska, visit *www.anchorage.net*. This is the official site of the Anchorage Convention & Visitors Bureau. There's a tremendous amount of information and travel tips available to make planning your trip a breeze. Some of the topics include:

Anchorage Travel Basics
Transportation and Maps
Arts & Culture
Great Outdoors
Recreation and Leisure
Dining and Shopping



Research Roundup

By Keith Brainard, NASRA Research Director

It could be just my imagination, but public retirement systems sure seem to be in the news more often these days than even a few years ago. Newspaper coverage in particular seems to have reached a fever pitch, as national dailies like the Wall Street Journal and New York Times, as well as regional and local newspapers, report on public pension funding levels, corporate governance activities, scandals, costs, and politics.

It wasn't that long ago when public retirement systems were largely obscure components of state and local government, veritable step-child adjuncts of personnel functions. And public pension fund investment operations weren't nearly as sexy as they've become: asset classes like private equity, hedge funds, and currency overlays were largely unheard of, and a majority of assets were held in the mundane but steady world of fixed income securities.

Now, not only do public retirement systems seem to be making a lot of news lately, but also the pace of change in the public pension community appears to be growing. Quickening is a term that describes the phenomenon of events unfolding at an increasingly faster rate. Technology is the primary driver of quickening in the world, but other factors are population growth, increased levels of education, and the migration of populations from rural to urban and suburban areas.

The public pension community is undoubtedly experiencing its own form of quickening. The demands and pressures of administering a large retirement system seem to expand each year. Retirement administrators now must be increasingly fluent in an array of areas that seems to grow constantly in scope and complexity, including accounting and audit; employee benefits; federal regulations governing any number of functions; information technology; and investment management; just to name a few. Of course, managing a staff, serving a board, satisfying participants and participant groups, and remaining responsive to a legislature, governor, and media can't be ignored.

One challenge experienced lately by the public pension community is the effort to convert the cornerstone of the community—defined benefit plans—to defined contribution plans. The year began portending much worse than has turned out so far: a national trade publication reported in February that DC plans were under consideration in eight states. This threat appears to have narrowed—for the moment—to Alaska, where prospects for change are uncertain as of this writing. (See *Q and A on Defined Benefit Plans* in this issue.)

Like the expression, "You can't go home again," the days of DB plan monopoly are gone, and the effort to convert them to mandatory or optional DC plans is here to stay. In this new world, public retirement systems might consider these strategies to guard against the threat of a DC conversion:

- Structuring DB plan designs to carefully manage liabilities and include flexibility, portability, and short vesting periods (five years or less).
- Educating stakeholders—employers, policymakers, taxpayers, and participants—and the media in how DB plans function and the value they deliver to each group. Part of this process may also include communicating with interested groups expectations for DB plan funding levels, costs, benefit changes, etc.
- Continuing to provide a high level of service to participants and remaining responsive to policymakers and the media.

* * * * *

Information for most systems with a fiscal year-end date of June 30, 2004 has been input into the Public Fund Survey, as well as those with FY-end dates in August and September. (Kudos to the Utah Retirement System, whose CAFR for the FY-ended 12/31/04, complete with results of an up-to-date actuarial valuation, reached my mailbox in April!) The median investment return for systems with a fiscal year-ended 6/30/04 was 16.2 percent, which translates into estimated investment earnings for funds in the survey of approximately $290 billion, an amount greater than the total level of underfunding for all plans in the survey.

The survey's aggregate funding level is around 88 percent, quite similar to that of corporate pension plans. Notably, median liability growth for the most recent fiscal year-ended is below seven percent, welcome news for moving toward full actuarial funding. In economic-speak, the actuarial funding level is a lagging indicator, and continues to reflect more of the market's 2000-2003 downturn than its more recent advance. The Public Fund Survey is online at *www.publicfundsurvey.org*.

* * * * *

The book, *The Coming Generational Storm*, by Laurence Kotlikoff and Scott Burns, describes a generational

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Q & A on the Defined Benefit/ Defined Contribution Issue

By Keith Brainard, NASRA Research Director

The defined benefit plan is the foundation of retirement benefits for most public employees and serves as the unifying element binding the public retirement system community. Yet many DB plans, which have enjoyed near-monopoly status for generations among most of state and local government, now find themselves in competition with their chief counterpart: defined contribution plans.

The threat from advocates of DC plans is currently the most pressing issue facing the public retirement system community. Effectively responding to this challenge requires that we first recognize and understand it. Following is a discussion of the DB/DC issue.

Q. Why do you believe that defined benefit plans are endangered?

A. Indications that DB plans for public employees are under assault are all around. For example:

- The Alaska Senate approved a bill, supported by the governor, to replace DB plans for public employees with DC plans. As of this writing, the Alaska Legislature is meeting in special session to address, among other issues, the future of the state's public retirement systems.
- Since 2001, four states—Florida, Ohio, South Carolina, and Montana—have begun to allow broad groups of public employees to choose a defined contribution plan rather than participate in the DB plan. New Colorado state employees will be able to choose between a DB and DC plan beginning in 2006. One concern with this development is that it may serve as the foot in the door through which the DB plan eventually may be terminated entirely.
- The governor of California earlier this year announced his support for terminating DB plans for all public employees in the state who enroll after June 2007. This would include all employees of the state and its political subdivisions—public school teachers, city and county workers, state employees, and university faculty and staff. Although the initiative eventually was withdrawn, the governor has continued to express his support for overhauling the state pension structure.
- The New Mexico governor signed a bill this year that directs the board of the state teacher retirement plan to study the feasibility of converting to a defined contribution plan.
- President Bush's promotion of an "Ownership Society" is providing political inspiration to state legislators and others who are sympathetic to the idea of replacing pooled assets with individual accounts for public employees.
- Groups representing taxpayers and corporations continuously lobby legislators in favor of replacing DB plans with DC. The leader of a national taxpayer-rights group has announced his intentions on multiple occasions to eliminate DB plans for public employees.
- The size and cost of unfunded pension liabilities are provoking a response in some states that the solution is to terminate the DB plan.

Q. For all this activity threatening public DB plans, why do 90 percent of state and local government workers continue to participate in a DB plan?

A. DB plans in the public sector have demonstrated remarkable resilience. Many states have considered closing off their DB plan(s), and upon closer inspection, have recognized that they actually are better off working within the existing DB plan framework than pursuing drastic changes that are likely to result in less, not more, retirement security for public workers.

Research

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imbalance, referred to in the book as "fiscal child abuse." This imbalance will require the imposition on future generations of crushing tax rates resulting from national fiscal policies past and present, particularly promises made for Social Security, Medicare, and Medicaid; combined with continual budget and trade deficits. The book is an eye-opening page-turner for anyone interested in retirement and demographic issues. A review by the winner of a Nobel prize in economics says, "Every American should read this book."

A recent study of federal employees found that 91 percent of federal employees believe their pension is an important factor in their decision to work for the federal government. Attracting and retaining qualified workers is an overarching objective for every employer.

In each state—Michigan, Florida, South Carolina, Ohio, Washington, and Montana—where workers were given a choice between plan types, the overwhelming majority elected to participate in a DB plan. Moreover, although many states have considered legislation to switch to a DC plan, or studied doing so, with only three exceptions—West Virginia, Michigan, and the District of Columbia—every state has retained its DB plan.

Q. At this time of government fiscal constraints, aren't DC plans less expensive than DB plans?

A. Not really. There are two direct costs associated with a retirement benefit: the cost to administer the benefit, and the actual contributions made to fund the benefit. The median cost to administer a statewide DB plan, including investment expenses, is less than 0.30 percent. By comparison, a DC plan typically costs 0.50 percent to 2.0 percent. The savings from the lower DB plan cost is retained and used to lower the cost of benefits. The higher cost of DC plans leaves the retirement system entirely.

Q. What about the cost of funding the benefit?

A. There is an inescapable mathematical reality pertaining to retirement benefits, which says the total dollars available for benefits, regardless of the plan type, is equal to contributions plus investment earnings, minus administrative expenses. Compared to a DC plan, a DB plan is a more efficient vehicle for delivering retirement benefits. DB plans earn higher investment returns; have fewer assets borrowed or cashed out prior to retirement; and often are exhausted before the participant is deceased. A greater portion of each dollar contributed to a DB plan will wind up paying a retirement benefit, than one contributed to a DC plan.

Moreover, the savings from converting to a DC plan from an existing DB plan are uncertain at best, and more likely nonexistent, at least for a number of years. This is due chiefly to the siphoning of contributions to the DB plan for new employees. Recent actuarial analyses of pension plans in California found that closing off the DB plans, as the governor had proposed, not only would not save the state money, but actually would cost more for at least several years. This reduction in contributions would also have required most plans to adopt a more conservative asset allocation, lowering their investment return assumption, which would increase required contribution rates.

If an advocate of supplanting a DB plan with a DC plan claims that the switch will save money, ask to see the analysis. In California, Governor Schwarzenegger never did say how much his proposed switch would save, or when those "savings" would be realized.

Q. If so few private sector workers have only a DC plan, why should government continue to provide a DB benefit for its workers?

A. It's important to remember that there are fundamental differences between private and public sector employment. For one, government has a compelling interest in ensuring that certain public positions, such as public safety personnel, correctional officers, school teachers, police officers and firefighters, remain filled with qualified and experienced personnel. A DB plan is a better vehicle than a DC plan to promote that objective, which does provides little incentive for experienced personnel to remain with their employer.

Another difference between the public and private employment is that government is unique in its role as both an employer and a policymaker. We know that 30 years of declining DB plan coverage in the private sector has led to less retirement financial security, not more. Why would government want to pursue a policy for its own employees that we know will diminish their retirement security? As both employer and policymaker, government is uniquely situated to model responsible employer behavior as it relates to promoting retirement security.

Also, while the number of DB plans sponsored by smaller employers has diminished drastically over the last 30 years, most larger firms continue to provide them. This is due partly to the economy of scale provided by a larger employer. On a per employee basis, administering a DB plan is more expensive and burdensome for smaller employers than for larger ones. Most governments are large employers, and are able to spread both costs and risks among large groups of workers.

Q. If DB plans are such a good idea, why are some groups supporting their termination?

A. Opposition to DB plans for public employees generally falls into one or more of four categories:

- Vendor-driven – public retirement systems hold more than $2 trillion in assets for over 20 mil-

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Q & A

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lion working and retired public employees, and some firms that administer DC plans want a piece of the action.

- Ideology – some proponents of DC plans are inspired by the notion of President Bush's "Ownership Society," which often is coupled by opposition to pooled assets sponsored by the public sector.
- Fiscal savings and consistency – some advocates of supplanting DB with DC plans believe—often mistakenly—that doing so will lower costs and create greater budget predictability.
- Corporate governance – public retirement systems have become leaders in corporate activism in recent years, and some taxpayer-rights groups want to dismantle this organized opposition.

Q. Achieving fiscal consistency seems like a good idea.

A. One positive feature of DC plans is that contribution rates can remain steady, regardless of market performance and other factors. Required contribution rates in a DB plan can and do vacillate. But retirement systems can adopt mechanisms to manage rate volatility. One way to accomplish this is to establish a minimum required contribution rate. During the late 1990's and the early part of this decade, until the effects of the market decline were felt, some public pension contribution rates declined to exceptionally low levels, including as low as zero. The combination of market declines and benefit enhancements then drove contribution rates higher, complicating state and municipal fiscal efforts. A minimum contribution rate would have leveled out contribution rates in the wake of market declines, resulting in a lower percentage increase to the budget from the higher rates.

Q. What other mechanisms are available to reduce contribution rate volatility?

A. Most retirement systems employ an asset smoothing method, in which investment gains and losses are phased in over a period of several years. Two large statewide systems recently established 10- and 15-year asset smoothing periods, which will help the plans to soften the effects of required rate volatility. A plan may also adjust its amortization period, and there other strategies for reducing contribution rate volatility; plans should discuss their options with their actuary.

Q. What are the prospects of DB plans retaining their status as the prevailing pension plan type in the public sector?

A. I believe the more familiar one becomes with pension benefits and plan types, the more strongly they will support a DB plan as the best choice as a retirement benefit for state and local government workers. Many states have considered the issue of retirement benefits for public employees, and nearly every time, they've come back to the DB plan. DB plans in some cases are like a car in need of a repair: it would be silly to get rid of the entire car when all it needs is new brakes. Likewise, we shouldn't throw out a DB plan when a few changes will solve the problem. Challenges from advocates of DC plans will undoubtedly continue, but competition can serve to strengthen DB plans, helping to ensure they continue to serve as the prevailing retirement benefit for public workers.

NASRA Luggage Tags

NASRA will provide up to four free luggage tags for members, associates, and attendees of the 2005 annual conference. The laminated tags feature a multicolor NASRA logo that makes it easy for you to spot your luggage winding around the airport carousel. To obtain the luggage tags, mail up to four business cards to:

NASRA
PO Box 14117
Baton Rouge LA 70898

You may also leave your business cards at the registration desk at the conference. In either case, luggage tags will be mailed to you.

Federal Update

By Jeannine Markoe Raymond, NASRA Director of Federal Relations

Federal Lawmakers Tackle Broad Overhaul of Social Security, Pensions, Long-term Care, and Tax Code

The House Ways and Means Committee kicked off an aggressive schedule of hearings in May with the aim of passing a monumental legislative proposal in June that includes Social Security, pension, long-term health care, and tax code reforms. Committee Chairman Bill Thomas (R-CA) stated it "won't be just a Social Security Bill," but rather "a retirement bill" aimed at shoring up the Social Security system beyond a 75-year solvency window, including some form of individual accounts, as well as reforms to the private pension system, savings accounts for retirement health care needs, and possibly restructuring the tax code to promote private savings (such as a national VAT or sales tax).

While it remains uncertain whether the committee or the full chamber will be able to pass such expansive reforms, there is great concern that major changes to the employment-based benefits system will be pushed. There is waning support for employer-sponsored health and pension benefits among many federal policymakers and officials who see "legacy costs" increasingly placing American companies at a competitive disadvantage and notable plan terminations, such as United Airlines, signaling a future taxpayer bailout for the PBGC. The President's retirement and savings reforms creating new individually directed account plans in and out of the workplace (LSAs/RSAs/ERSAs) could be eyed, particularly since their after-tax, Roth-like features raise federal revenue in the short term. Removing tax preferences for employment-based benefits could also raise revenue for other tax restructuring changes.

A staff report released by the Joint Committee on Taxation earlier this year included provisions to repeal governmental plan "pick-up" rules, apply FICA taxes to fringe benefits, cover pre-1986 hires with mandatory Medicare, among other things, with the stated intent of "curtailing tax shelters, closing unintended loopholes, and addressing other areas of noncompliance in present law." Trial balloons have also been floated surrounding the President's Advisory Panel on Federal Tax Reform regarding the elimination of the tax deduction for employment-based health insurance and the deduction of state and local taxes on federal income tax returns. While these proposals are not currently in any moving legislation, there is deep consternation that these will be eyed by the Ways and Means Committee and/or remain attractive as possible offsets to future tax legislation. NASRA and other public pension advocates are holding joint meetings with Ways and Means Committee member offices to weigh in opposition to any provisions that undermine state and local retirement systems—including the provisions in the JCT staff report as well as mandatory Social Security.

The Senate, on the other hand, appears to be keeping a much narrower scope. Senate Finance Committee Chairman Charles Grassley (R-IA) plans to have a bipartisan Social Security reform bill reported out of his committee by August. A host of retirement-related legislation is expected to be addressed separately this year ranging from bills encouraging automatic enrollment and default investment options in defined contribution plans to legislation addressing PBGC financing and ERISA defined benefit funding rules.

Chairman Grassley and Ranking Member Max Baucus (D-MT) reintroduced the National Employee Savings and Trust Equity Guarantee (NESTEG) Act, S. 219, which again includes a number of helpful public sector provisions, such as clarifications of permissible purchases of service credit, relief from minimum required distribution regulations, early distribution penalty relief for DROP/PLOP distributions to public safety officers, and permitting after-tax rollovers to DB plans.

Pension champions Rob Portman (R-OH) and Ben Cardin (D-MD), included similar public sector provisions in their pension bills (HR 1960 and HR 1961) as well as a provision to restore a floor 415(b) limit at age 55 for public employees and address the tax treatment of reservist benefits. Portman recently resigned his House seat to become U.S. Trade Representative and Cardin has announced he is running for the Senate in 2006. Their departure from the House is a significant loss to the benefits community, and places more uncertainty around the chances of their packages being formally considered. While some provisions could be added to the broad Social Security/pension/long-term care/tax overhaul package expected out of the House Ways and Means Committee, many public pension advocates may have to oppose the broader package if it contains other proposals unfavorable to public plans.

The considerable divergence between the House and Senate tax-writing committees, and continued opposition to Social Security individual accounts by Democrats, will likely render final passage of a Social Security reform bill extremely difficult this Congress. It

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Federal Update

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remains unclear whether a separate pension tax package could follow. Public pension advocates will continue to weigh in with federal lawmakers, primarily to encourage them, above all, to do no harm to state and local retirement systems that are the foundation of retirement security for millions of working and retired state and local government employees throughout the nation, are an important source of liquidity and stability for our financial markets, and are vitally important to the future growth of our national, state and local economies.

An update on federal legislative and regulatory developments will be provided at the NASRA Annual Conference in Anchorage, including a panel discussion of the leading Social Security reform options and the impact of each on state retirement systems and participants. Updates on the status of various federal legislation and regulations can also be found on the NASRA web site at *www.nasra.org/federal/federal.htm*

Public Pension Coordinating Council Standards Program

The Public Pension Coordinating Council (PPCC) is a coalition of the National Association of State Retirement Administrators, the National Council on Teacher Retirement, and the National Conference on Public Employee Retirement Systems. These three associations represent the public pension funds that cover the vast majority of public employees in the United States—approximately 16 million public employees and retirees.

The PPCC Standards are widely recognized standards for public pension plans that cover the general benefits, funding, financial auditing, actuarial valuation, investment principles, and member communication. These standards are established as reasonable goals for public pension systems to try to achieve. Those systems that have achieved the Standards have demonstrated a higher level of plan design, funding, member communications, and administrative practices.

This was the second year the PPCC offered the Standards Award Program to public retirement systems. The Public Pension Standards are intended to reflect the minimum expectations for public retirement system management and administration, and they serve as a benchmark by which all defined benefit public plans should be measured. All retirement systems and the state and local governments that sponsor them are encouraged to meet the standards.

In order to receive the award, the retirement system must certify that it meets the requirements in six areas of assessment. Those areas are as follows:

1. **Benefit Program**—Providing a comprehensive benefit program, including service retirement benefits, in-service death benefits, disability benefits, vesting, and provisions for granting a cost-of-living adjustment. The COLA does not have to be mandatory, but at least one COLA must have been awarded within the last three fiscal years.

2. **Funding Adequacy**—To meet this requirement the system must have at least a 100% funded ratio or the actual contribution rates are at a level equal to or greater than 100% of the annual required contributions.

3. **Actuarial Valuation**—The system must have an actuarial valuation completed at least every two years and the actuary must certify that the valuation was performed using generally recognized and accepted actuarial principles and practices consistent with the pronouncements of the Actuarial Standards Board. The report must meet the Code of Professional Conduct and Qualifications Standards for Public Statements of Actuarial Opinion issued by the American Academy of Actuaries.

4. **Independent Audit**—The system must obtain an independent audit in accordance with auditing standards generally accepted in the U.S. The audit must be in accordance with Government Auditing Standards. The plan must receive an unqualified opinion from the auditor on the system's financial statements and on its reports on internal controls and that it is in compliance with applicable laws and regulations.

5. **Investments**—The Board or governing body has adopted and follows written investment policies; the governing body, retirement board, investment board or legislative body has adopted written fiduciary stan-

dards; and the system must obtain an annual investment performance evaluation from an outside investment review entity.

6. **Communications**—Members receive a handbook or summary plan description at the time of employment and receive regular updates to the documents. The updates may be provided on the system's website as long as the member is made aware of the updates and may request a hard copy. Members are provided with an annual benefit statement. Meetings of the governing board of the system are conducted at least quarterly with adequate public notice.

For fiscal year 2004, there were 96 applications for the PPCC Standards Award Program. However, only 70 public retirement systems received the award. NASRA commends the following systems for their efforts. (An asterisk [*] denotes award recipient for two years.)

Amesbury Retirement System
Anne Arundel Retirement and Pension System
Arkansas Teacher Retirement System
Arkansas PERS
California Public Employees*
Charter Township of Clinton Fire and Police Retirement System*
City of Austin Police Retirement System
City of Baltimore Employees' Retirement System
City of Fort Lauderdale Police & Fire Retirement System
City of Grand Rapids General Retirement System*
City of Grand Rapids Police & Fire Retirement System*
City of Little Rock Police Pension and Relief Fund*
City of Milwaukee Employes' Retirement System*
City Of New Orleans Employees Retirement System
City of San Jose Federated City Employees' Retirement System*
City of San Jose Police and Fire Department Retirement Plan
City of Sunrise Police Officers' Retirement Plan
City Pension Fund for Firefighters and Police Officers in the City of Miami Beach*
City Public Service of San Antonio, Texas Employees' Pension Trust
Contra Costa County Employees' Retirement Association*
Dallas Police and Fire Pension System
Delaware Public Employees*
Fire & Police Pension Association of Colorado*
Fire and Police Pension Fund, San Antonio
Florida Retirement System
Fort Lauderdale General Employees' Retirement System*
Illinois Municipal Retirement Fund
Indiana State Teachers' Retirement Fund
Kentucky Teachers' Retirement System*
Los Angeles County Employees Retirement Association (LACERA)*
Louisiana State Employees' Retirement System
Manchester Employees' Contributory Retirement System
Michigan Office of Retirement Services
Missouri Department of Transportation and Highway Patrol Employees Retirement System
Missouri State Employees' Retirement System*
Missouri Local Government Employees Retirement System*
Montana Public Employee Retirement Board*
New Hampshire Retirement System
New Mexico Public Employees Retirement Assn.
New York State Teachers' Retirement System*
Non-Teacher Retirement System of Missouri
Ohio Public Employees Retirement System*
Oklahoma City Employee Retirement System
Oklahoma Police Pension and Retirement System
Omaha School Employees' Retirement System
Oregon Public Employees Retirement System
Pennsylvania Public School Employees
Public Employee Retirement System of Idaho*
Public Employees' Retirement System of Nevada*
Public School Retirement System of The City of St. Louis*
Public School Retirement System of the school district of Kansas City School Missouri
Public School Retirement Systems of Missouri
San Bernardino County Employees' Retirement Association*
San Diego County Employees Retirement Association*
San Joaquin County Employees' Retirement Association
San Luis Obispo County Pension Trust*
School Employees Retirement System of Ohio
South Carolina Retirement Systems
South Dakota Retirement System*
State Teachers Retirement System of Ohio*
Sterling Heights (MI) Police and Fire Retirement System, Act 345*
Teachers' Retirement System of Louisiana*
Tennessee Consolidated Retirement System*
Texas County & District Retirement System*
Texas Municipal Retirement System
The Educational Employees' Supplementary Retirement System of Fairfax County*
Utah Retirement Systems*
Virginia Retirement System*
Washington State Department of Retirement Systems
Wichita Retirement Systems*

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Teresa Webb

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Steve Yoakum, Chairman
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Sandy Dzinski
Teresa Webb

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Terry Slattery
Jeff Gallahue

Committee on Accounting Standards

Representative: Betty Ann Kane (DC)

The Anchorage Critter Chorus invites you to join us at the NASRA 2005 annual convention in August. They can't wait to see you!

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** Year Term Expires*

Save the Dates

Winter Administrators' Meeting
February 5-7, 2006
Washington, D.C.

52nd Annual Conference
August 4-9, 2006
Loews Coronado Bay Resort
San Diego, California

53rd Annual Conference
August 3-8, 2007
Fairmont Turnberry Isle Resort & Club
Aventura, Florida

Camp NASRA in Anchorage

August 5-10, 2005

Robbie McHardy will be returning as the director of Camp NASRA. An experienced educator, she will ensure the activities are fun, safe, and age appropriate.

If your kids thought last summer's camp was fun, wait until they see what Miss Robbie has planned for this summer in Anchorage! We know they liked the scavenger hunt, swimming, and even the clog-dancing in Asheville. But this year, Camp NASRA will be spending a day with husky dogs from the Iditarod Race. Camp participants will also learn about earthquakes and watch huge salmon jump upstream, along with other surprises not yet finalized. If your kids are between the ages of 5 and 13, sign them up for an awesome day camp on Saturday and Sunday during the conference. All participants will receive a camp T-shirt.

Young adults age 14–16 are welcome to attend Camp NASRA as a counselor. This is a great opportunity to try out their leadership skills over a fun weekend. If your young adult wants to be a counselor, please send an e-mail to Robbie McHardy at *rmchar@lsu.edu*.

There will also be a Kids' Dinner on Tuesday night at the same time as the conference banquet/dinner dance.

Registration for Camp NASRA is required, but there is no additional cost. The registration form can be found on NASRA's website at *www.nasra.org/forms/2005campNASRA_reg.htm*.

NASRA

National Association of State Retirement Administrators

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