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# 2007 Budget Presentation

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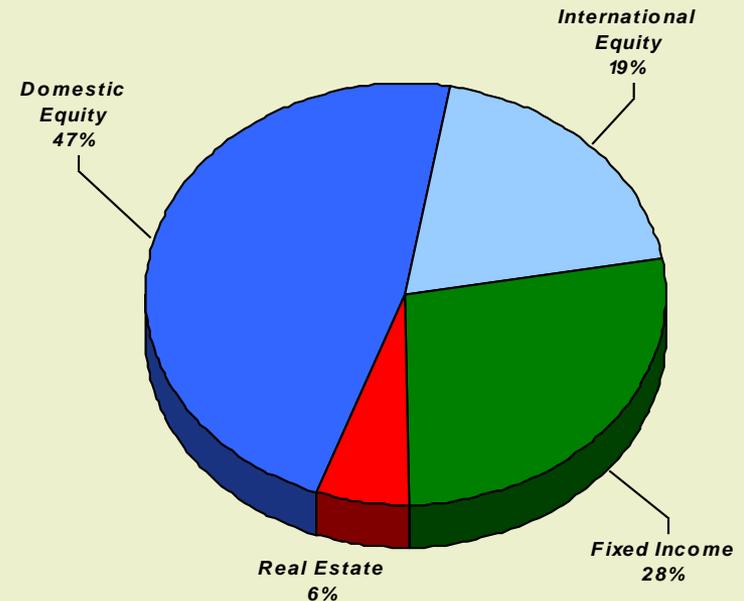
Employes' Retirement System  
October 23, 2006

# General Pension Fund Statistics

- \$4.8 billion (as of September 2006)
- Actives: 12,000
- Retirees/Beneficiaries: 10,800
- Funded Status: 124%
  - One of best funded public plans in the country.
  - Product of sound funding policy and good investment returns.

## ***Fund Asset Allocation***

(As of September 2006)



# Recent Accomplishments

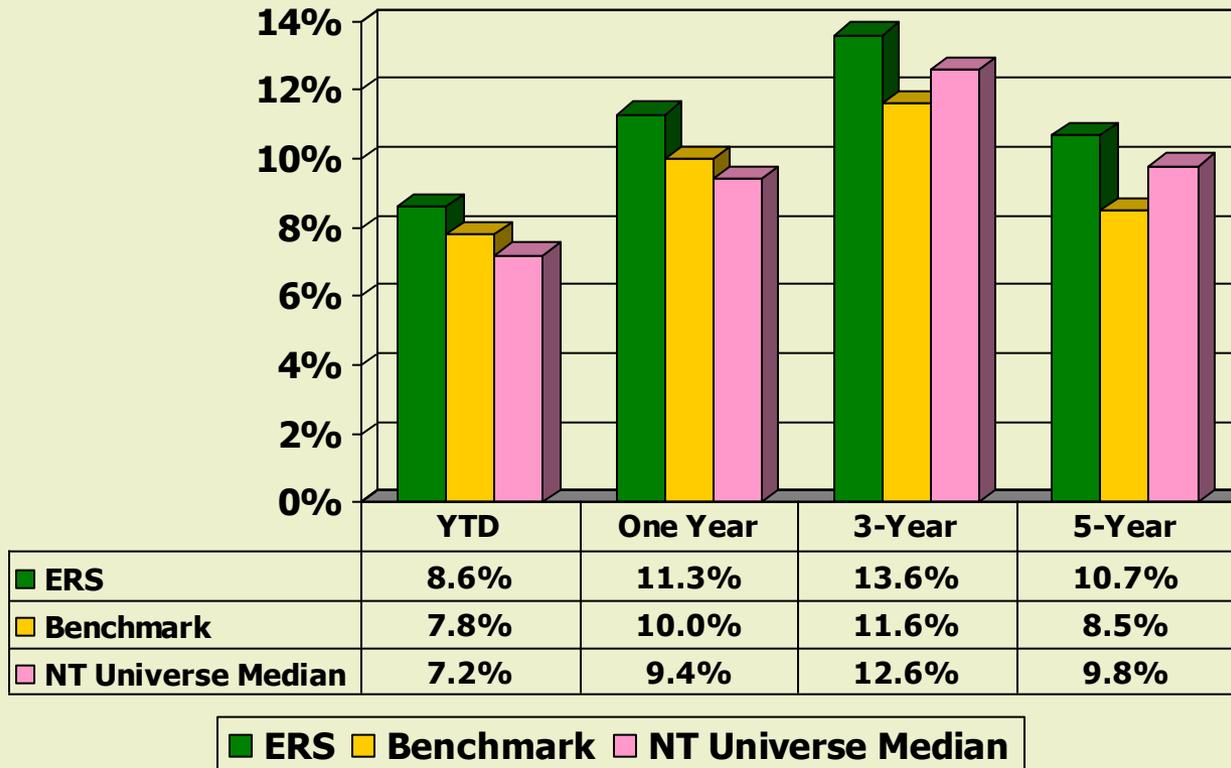
- Successful passage of “Prudent Investor Rule” as governing law for pension investments.
- Continued the history of excellent investment performance for pension fund assets.
- Received high marks on a Fiduciary Audit conducted by an outside firm.
- Implemented a pension management information system (MERITS) in August 2006.
- Completed a data remediation project to ensure accurate data inputs to MERITS.
- Completed a project to image and index over one million data records.

# Pension Management Information System: A three-pronged approach

- Build a state-of-the-art computerized administration system: “MERITS”
  - Three years to program all ERS functions
  
- “Cleanse” the data being put into the system: Data remediation project
  - Prevent the “garbage in, garbage out” syndrome
  
- Reduce the “paper” records: Imaging project.
  - Make member records accessible to ERS staff at their desktops.

# Investment Performance History

(As of September 30, 2006)



# Goals for 2007

- Focus on Fiduciary Audit recommendations
- Support and Maintain MERITS and system infrastructure.
- Establish a disaster recovery site.
- Evaluate ERS organization structure and space needs.
- Continually monitor and evaluate trust investment strategies.