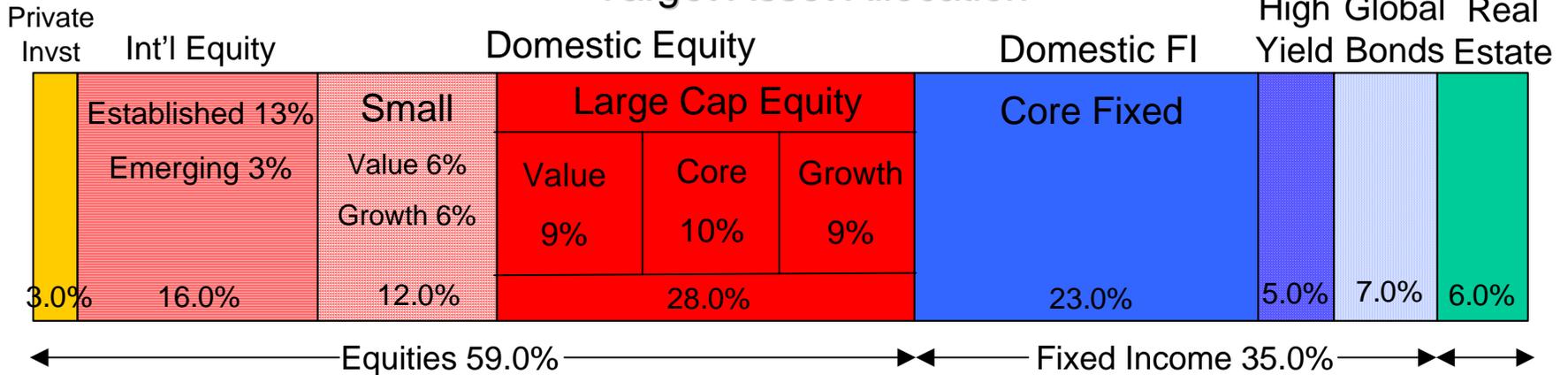


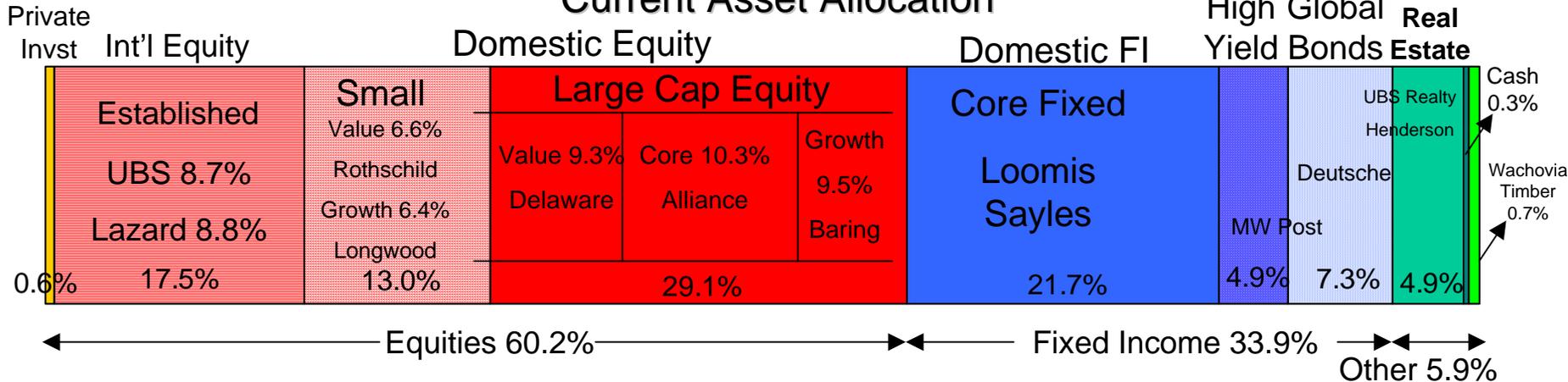
Plan Asset Allocation

As of December 31, 2004

Target Asset Allocation



Current Asset Allocation



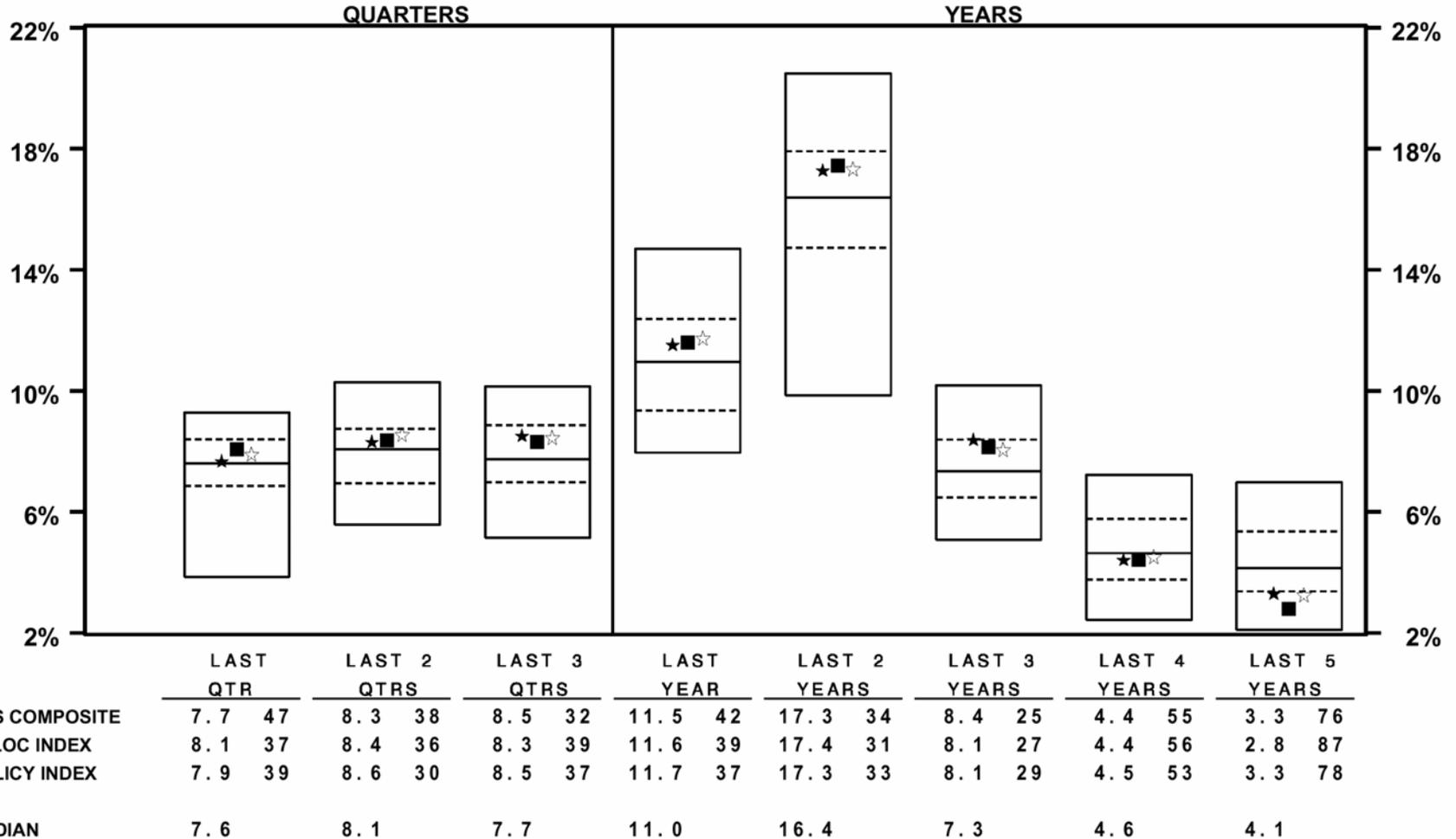
Asset Breakdown

	Dom Large Core	Dom Large Value	Dom Large Growth	Dom Small Value	Dom Small Growth	Core Fixed	High Yield	Int'l Equity	Global Bonds	Real Estate	Private Investment	Misc	Cash	Total
Composite	\$112,204	\$101,098	\$103,711	\$140,142	\$0	\$233,932	\$49,526	\$190,570	\$65,753	\$53,175	\$5,354	\$8,103	\$31,433	\$1,095,001
Alliance	112,204	0	0	0	0	0	0	0	0	0	0	0	194	\$112,398
Delaware	0	101,098	0	0	0	0	0	0	0	0	0	0	0	\$101,098
Baring	0	0	103,711	0	0	0	0	0	0	0	0	0	0	\$103,711
Rothschild	0	0	0	71,282	0	0	0	0	0	0	0	0	772	\$72,054
SSgA	0	0	0	0	0	0	0	0	0	0	0	0	723	\$723
Longwood	0	0	0	68,860	0	0	0	0	0	0	0	0	1,589	\$70,449
Loomis	0	0	0	0	0	233,932	0	0	0	0	0	0	4,198	\$238,130
MW Post	0	0	0	0	0	0	49,526	0	0	0	0	0	4,398	\$53,924
UBS	0	0	0	0	0	0	0	94,290	0	0	0	0	1,348	\$95,638
Lazard	0	0	0	0	0	0	0	96,280	0	0	0	0	386	\$96,666
Deutsche	0	0	0	0	0	0	0	0	65,753	0	0	0	14,121	\$79,874
UBS Realty	0	0	0	0	0	0	0	0	0	52,951	0	0	0	\$52,951
Henderson	0	0	0	0	0	0	0	0	0	224	0	0	0	\$224
Vermont Inv	0	0	0	0	0	0	0	0	0	0	5,354	0	881	\$6,235
Wachovia	0	0	0	0	0	0	0	0	0	0	0	8,103	0	\$8,103
Cash	0	0	0	0	0	0	0	0	0	0	0	0	2,823	\$2,823

(Dollars in 000's)

Total Public Funds – Total Rates of Return

As of December 31, 2004



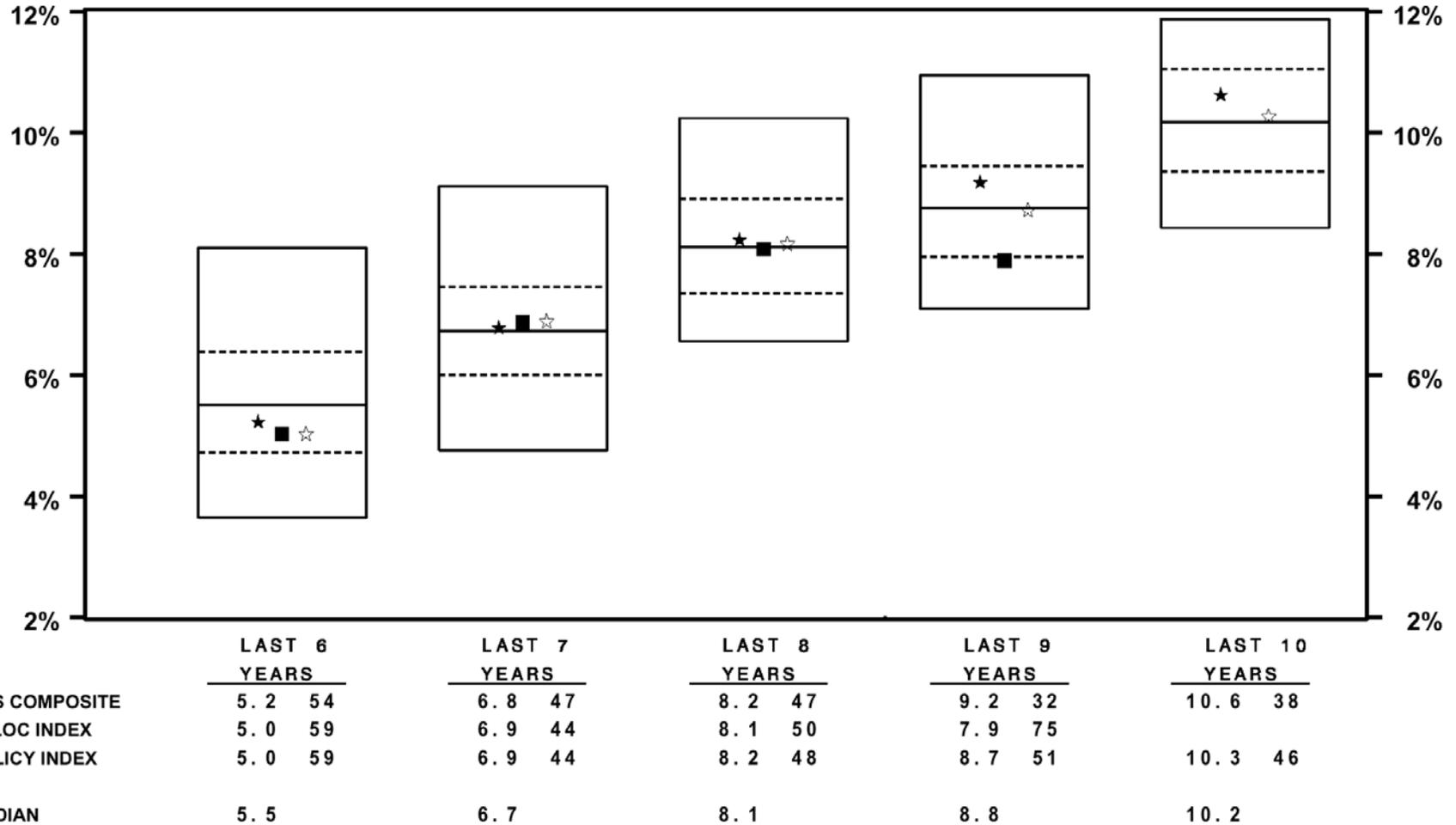
• **Policy Index:** Measures the effectiveness of *Plan Structure*. (Target asset class weights X Return of the respective passive benchmark)

• **Allocation Index:** Measures the effectiveness of *deviating from the target policy weights*. (Policy Index - Allocation Index) Allocation Index = weighted average return of the actual asset class weights and the return of the respective passive benchmark.

• **Composite:** Actual composite return = actual asset class weights times the actual manager return. Measures the *effectiveness of the managers*. (Actual composite return - Allocation Index)

Total Public Funds – Total Rates of Return

As of December 31, 2004



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Performance Detail (as of 12/31/04)

	4Q04	Public Rank	Large Rank	Last 1 Year	Public Rank	Large Rank	Last 3 Years	Public Rank	Large Rank	Last 5 Years	Public Rank	Large Rank	Market Value	% of Portfolio	Annual Fee
Vermont Composite (GROSS)	7.7%	47	66	11.5%	42	61	8.4%	25	40	3.3%	76	72	\$1,095,001,224	100.0%	0.40%
Vermont Composite (NET)	7.7%			11.4%			8.3%			N/A					
Median Public Fund	7.6%			11.0%			7.3%			4.1%					
Median Large Fund	8.0%			12.0%			7.9%			4.0%					
Allocation Index	8.1%			11.6%			8.1%			2.8%					
Policy Index	7.9%			11.7%			8.1%			3.3%					
Large Cap Equity															
Total Large Cap Equity													\$317,206,661	29.1%	
Alliance	9.0%	81		10.6%	77		3.5%	72		(2.4%)	90		\$112,397,348	10.3%	0.06%
Standard & Poors 500	9.2%			10.9%			3.6%			(2.3%)					
Delaware	8.7%	77		11.3%	85		7.6%	51		6.2%	55		\$101,098,486	9.2%	0.43%
Russell 1000 Value	10.4%			16.5%			8.6%			5.3%					
Baring	10.3%	40		7.8%	57		0.7%	55		(9.8%)	94		\$103,710,827	9.5%	0.39%
Russell 1000 Growth	9.2%			6.3%			(0.2%)			(9.3%)					
Small Cap Equity															
Total Small Cap Equity													\$143,225,857	13.1%	
Rothschild	12.3%	76		22.5%	68		17.3%	69		17.0%	74		\$72,054,129	6.6%	0.63%
Russell 2500 Value	13.6%			21.6%			16.7%			16.0%					
Longwood	7.5%	96		N/A			N/A			N/A			\$70,448,794	6.4%	0.80%
SSgA	N/A			N/A			N/A			N/A			\$722,934	0.1%	0.08%
Russell 2000 Growth	15.1%			14.3%			5.8%			(3.6%)					
Russell 2000	14.1%			18.3%			11.5%			6.6%					
Int'l Equity															
Total Int'l Equity													\$192,304,676	17.5%	
UBS	14.6%	46		19.2%	66		12.2%	50		2.1%	50		\$95,638,541	8.7%	0.59%
Lazard	13.8%	70		18.6%	70		13.2%	43		0.4%	61		\$96,666,135	8.8%	0.50%
EAFE (After Taxes)	15.3%			20.2%			11.9%			(1.1%)					
CITI EPAC	15.5%			20.4%			12.1%			(0.8%)					

Note: Results for periods longer than one year are annualized

There may be a slight or no dispersion between Gross-of-fee and Net-of-fee returns. This is due to management fee's being paid from an account not included in the plan.



Performance Detail (as of 12/31/04)

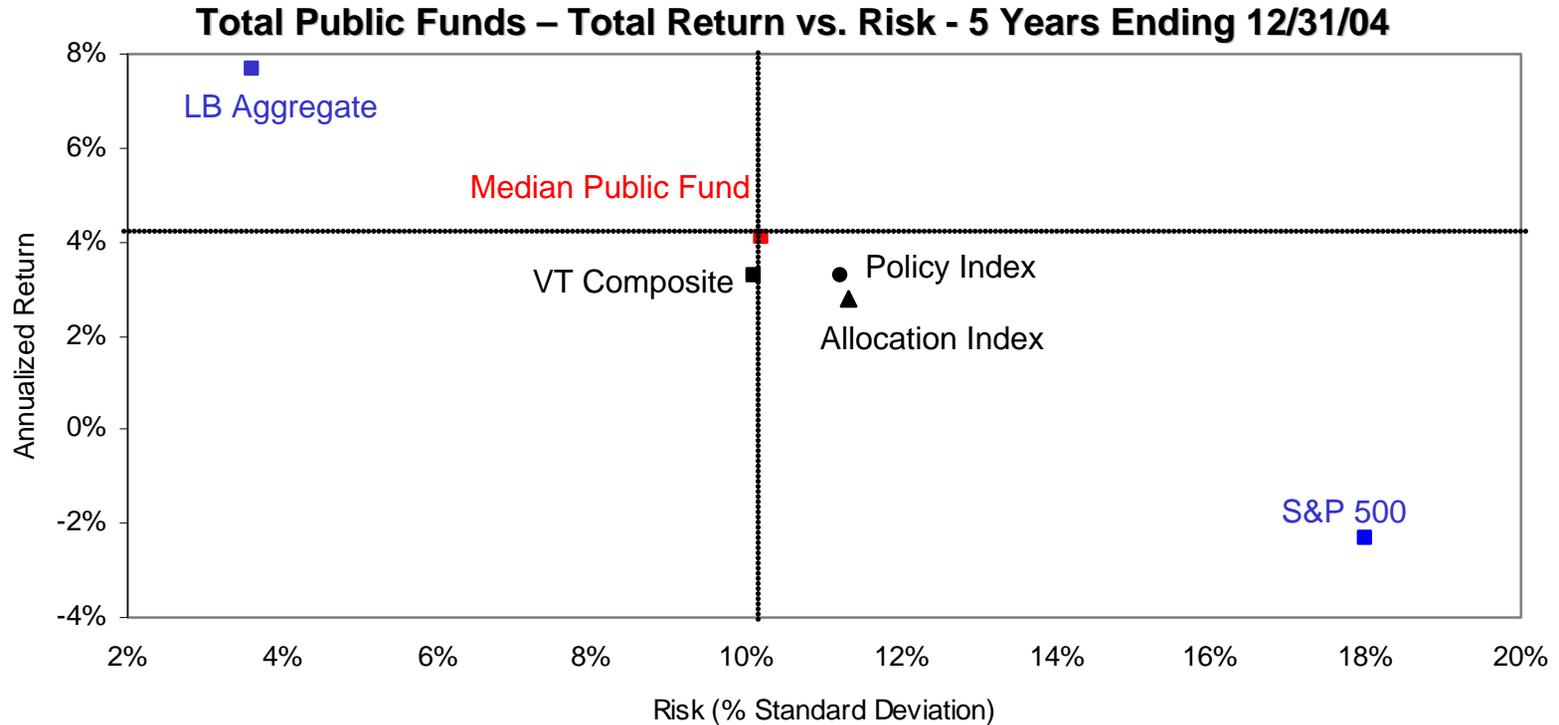
	4Q04	Public Rank	Large Rank	Last 1 Year	Public Rank	Large Rank	Last 3 Years	Public Rank	Large Rank	Last 5 Years	Public Rank	Large Rank	Market Value	% of Portfolio	Annual Fee
Core Fixed															
Total Core Fixed Income													\$238,129,618	21.7%	
Loomis, Sayles	1.1%	36		4.9%	33		6.3%	57		7.7%	57		\$238,129,618	21.7%	0.15%
Lehman Aggregate Bond	1.0%			4.3%			6.2%			7.7%					
Lehman U.S. Credit	1.3%			5.2%			7.8%			8.6%					
High Yield Fixed															
Total High Yield Fixed Income													\$53,923,838	4.9%	
MW Post	3.6%	52		N/A			N/A			N/A			\$53,923,838	4.9%	0.46%
Lehman High Yield	4.6%			11.1%			12.2%			7.0%					
Global Bonds															
Total Global Bonds													\$79,874,392	7.3%	
Deutsche	9.4%	27		10.8%	50		15.3%	54		8.9%	65		\$79,874,392	7.3%	0.28%
CITI World Gov't Bond	8.5%			10.4%			14.9%			8.8%					
Real Estate															
Total Real Estate													\$53,175,327	4.9%	
UBS Realty	4.2%	36		14.5%	36		11.0%	33		10.2%	32		\$52,951,202	4.8%	0.90%
Henderson	1.1%	68		10.7%	60		5.5%	70		7.0%	67		\$224,125	0.0%	0.77%
NCREIF Property Index	3.4%			12.2%			8.2%			8.9%					
Private Investment															
Vermont Investments	6.3%			10.9%			(5.1%)			0.7%			\$6,235,347	0.6%	
Miscellaneous															
Wachovia	3.1%			3.0%			3.6%			5.7%			\$8,102,798	0.7%	1%
NCREIF Timber Index	2.0%			8.9%			2.5%			4.0%					
Cash															
Vermont Cash	1.0%			1.9%			1.7%			3.6%			\$2,822,710	0.3%	
90 Day U.S. T-Bills	0.5%			1.3%			1.4%			3.0%					

Note: Results for periods longer than one year are annualized

There may be a slight or no dispersion between Gross-of-fee and Net-of-fee returns. This is due to management fee's being paid from an account not included in the plan.



Total Fund Risk / Return Analysis



	Annualized Return		Standard Deviation	
	Value	Rank	Value	Rank
Composite	3.3	76	10.1	30
Allocation Index	2.8	87	11.3	24
Policy Index	3.3	78	11.2	25
S&P 500	-2.3		18.0	
LB Aggregate	7.7		3.6	
Median Public Fund	4.1		10.2	