



WISCONSIN NATIONAL GUARD ASSOCIATION, INC.

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April 16, 2008

MEMORANDUM FOR Executive Director, WINGA Inc.

SUBJECT: 2007 Investment Committee Report

We've enjoyed a strong 15-year working relationship with Wisconsin Capital Management. Since inception (February 28, 1993) the WCM WINGA portfolio has an average annual return of 9.2%, well outperforming standards like the S&P 500 Index. The investment committee continues to work on balancing the potentially conflicting requirements of immediate funding needs and long-term asset preservation and growth. To achieve this, specific investment objectives continue to include: portfolio growth, principal preservation, and income generation.

At the end of 2006, market value of the WINGA portfolio was \$1,568,579. Market value as of 31 December 2007 was \$1,374,764, which reflects a 2007 withdrawal of \$174,000 by WINGA, \$50,000 of which secured WINGA office space through 2034, and the remainder supported the operating budgets of WINGA and WNGEA. Acknowledging that withdrawals from investments in excess of 11% are unsustainable, relief is expected through increased revenue from the insurance program's experience refund.

The investment committee is reviewing the association investment policy and has added expertise of Col Chris Helstad to the committee.

Our portfolio manager, Col Timothy O'Brien and his team at Wisconsin Capital Management have done an exceptional job during difficult market times. We solicit input from our membership and pledge to continue to work hard to build our financial future.

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Ronald R. Wagner
Executive Director