Monroe County Employees' Retirement System

Years Ended December 31, 2012 and 2011

Financial Statements

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MONROE COUNTY EMPLOYEES' RETIREMENT SYSTEM

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INDEPENDENT AUDITORS' REPORT

June 24, 2013

To the Board of Trustees
Monroe County Employees' Retirement System
Monroe, Michigan

Report on the Financial Statements

We have audited the accompanying statements of plan net position and the related notes to the financial statements of the *Monroe County Employees' Retirement System* (the "System") as of December 31, 2012 and 2011, and the related statements of changes in plan net position for the years then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the Plan's net position held in trust for pension benefits at December 31, 2012 and 2011, and changes therein for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules of funding progress and contributions, as listed in the table of contents, be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Rehmann Robson LLC

FINANCIAL STATEMENTS

MONROE COUNTY EMPLOYEES' RETIREMENT SYSTEM

Statements of Plan Net Position

December 31, 2012 and 2011

	2012	2011
Assets		
Investments, at fair value		
U.S. treasuries	$ 20,418,854	$ 20,429,631
U.S. agencies	10,077,247	8,521,699
Foreign government bonds	16,012,552	13,241,677
Corporate bonds	31,614,501	31,699,747
Municipal bonds	548,237	476,133
Bond mutual fund	2,014,519	2,782,314
Domestic equities	38,690,589	34,651,993
International equities	8,954,123	7,302,298
American depository receipts	33,165,943	30,418,121
Domestic real estate investment trusts	2,276,216	1,995,591
International real estate investment trusts	-	1,912,205
Collateralized mortgage obligations	2,502,772	1,201,567
Money market	8,681,146	11,451,852
Total investments	174,956,699	166,084,828
Accounts receivable	694,964	472,667
Foreign currency forward contracts receivable	30,267	-
Accrued interest and dividends receivable	843,361	865,944
Total assets	176,525,291	167,423,439
Liabilities		
Accounts payable and accrued expenses	885,137	637,740
Obligation for impaired investment of securities lending collateral	347,334	347,334
Foreign currency forward contracts payable	-	123,188
Total liabilities	1,232,471	1,108,262
Net position held in trust for pension benefits	$ 175,292,820	$ 166,315,177

The accompanying notes are an integral part of these financial statements.

MONROE COUNTY EMPLOYEES' RETIREMENT SYSTEM

Statements of Changes in Plan Net Position
For the Years Ended December 31, 2012 and 2011

	2012	2011
Additions		
Investment income:		
From investing activities:		
Net appreciation (depreciation) in fair value of investments	$ 10,628,017	$ (7,916,134)
Interest and dividends	4,948,838	5,212,531
Total investment gain (loss)	15,576,855	(2,703,603)
Investment management fees	(937,038)	(914,322)
Net gain (loss) from investing activities	14,639,817	(3,617,925)
From securities lending activities:		
Gross earnings	20,470	37,445
Borrower rebates	14,009	3,980
Securities lending fees	(10,337)	(12,412)
Net income from securities lending activities	24,142	29,013
Total net investment gain (loss)	14,663,959	(3,588,912)
Contributions:		
Employer	7,184,103	5,994,825
Participants:		
Regular	350,474	180,239
Time purchase	419,446	482,699
Total contributions	7,954,023	6,657,763
Total additions	22,617,982	3,068,851
Deductions		
Participant benefits	13,007,231	12,431,710
Participant refunds	407,201	736,163
Administrative expenses	225,907	288,432
Total deductions	13,640,339	13,456,305
Change in net position	8,977,643	(10,387,454)
Net position held in trust for pension benefits, beginning of year	166,315,177	176,702,631
Net position held in trust for pension benefits, end of year	$ 175,292,820	$ 166,315,177

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

Notes to Financial Statements

1. PLAN DESCRIPTION

The Monroe County Employees' Retirement System (the "System") is a single-employer defined benefit contributory pension plan administered by the Monroe County Employees' Retirement System Board of Trustees (the "Board"). The System primarily provides pension, disability and death benefits, covering substantially all full-time employees of Monroe County and its component units, including:

Monroe County Library System
Monroe County Road Commission
Monroe County Drain Commissioner
Monroe County Agency
Monroe County Community Mental Health Authority

The System was adopted by Monroe County pursuant to Michigan Compiled Laws, Section 46.12a. Benefit provisions are established and may be amended by the Board as permitted by County Ordinances. The System is reported as a pension trust fund in the County's financial statements.

System membership was determined as part of an actuarial valuation of the System as of December 31, 2011 and 2010, respectively, and consisted of the following at December 31:

	2011	2010
Retirees and beneficiaries currently receiving benefits	666	645
Terminated employees entitled to but not yet receiving benefits	125	138
Active participants	813	818
	1,604	1,601

Central Dispatch supervisors are required to contribute 3.0% of the first $7,800 in earnings and 5.0% of earnings thereafter to the System. Sheriff Command officers are required to contribute 1.53% of their annual earnings. Technical, Professional and Officeworkers union members hired after October 26, 2010 are required to contribute 3.0% of their annual earnings. Road Commission employees are required to contribute 3.1% of their annual earnings. All other County employees, along with employees of the Library System, Drain Commissioner, County Agency and Community Mental Health Authority, are not required to contribute.

The employer contributes such additional amounts, as necessary based on an actuarial determination, to provide assets sufficient to pay for member benefits. Employer contributions for the year ended December 31, 2012 totaled $7,184,103 (including $192,853 from the County for Central Dispatch employees, $842,879 from the Road Commission, $639,128 from the Community Mental Health Authority, $384,203 from the Library and $415,032 from the County Agency).

Employer contributions for the year ended December 31, 2011 totaled $5,994,825 (including $190,850 from the County for Central Dispatch employees, $762,537 from the Road Commission, $513,826 from the Community Mental Health Authority, $388,958 from the Library and $211,471 from the County Agency).

Notes to Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The System's financial statements are prepared on the accrual basis of accounting. Member contributions are recognized in the period in which they are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide them. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Valuation of Investments and Income Recognition - The System's investments are stated at fair value which is determined as follows: (a) short-term investments are reported at cost, which approximates fair value; (b) securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates; (c) investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the System's Board of Directors, with the assistance of a valuation service; and (d) cash deposits are reported at carrying amounts which reasonably approximates fair value.

Administration - Administrative costs are paid through the System's investment earnings.

3. INVESTMENTS AND SECURITIES LENDING

The System's investments are primarily held in a bank-administered trust fund. Following is a summary of the System's investments as of December 31:

	2012	2011
Investments at fair value, as determined by quoted market price:		
U.S. treasuries	$ 20,418,854	$ 20,429,631
U.S. agencies:		
Not on securities loan	10,077,247	6,038,550
On securities loan	-	2,483,149
Foreign government bonds	16,012,552	13,241,677
Corporate bonds:		
Not on securities loan	31,378,158	31,699,747
On securities loan	236,343	-
Municipal bonds	548,237	476,133
Bond mutual fund	2,014,519	2,782,314
Domestic equities:		
Not on securities loan	33,275,564	32,424,108
On securities loan	5,415,025	2,227,885
International equities	8,954,123	7,302,298
American depository receipts	33,165,943	30,418,121
Domestic real estate investment trusts	2,276,216	1,995,591
International real estate investment trusts	-	1,912,205
Collateralized mortgage obligations	2,502,772	1,201,567
Money market	8,681,146	11,451,852
Total investments	$ 174,956,699	$ 166,084,828

The Michigan Public Employees Retirement Systems' Investment Act, Public Act 314 of 1965, as amended, authorizes the System to invest in domestic and foreign stocks, government securities, corporate securities, mortgages, real estate and various other investment instruments, subject to certain limitations.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The System's investment policy emphasizes appropriate risk/return parameters and compliance with Public Act 314, and gives discretionary authority to its investment managers as opposed to establishing specific credit rating benchmarks.

As of December 31, 2012, the System's investments in debt securities were rated by Moody's as follows:

Rating	U.S. agencies	Foreign government bonds	Corporate bonds	Municipal bonds	Collateralized mortgage obligations
Aaa	$ 10,077,247	$ 6,199,411	$ -	$ -	$ 2,228,778
Aa3	-	-	712,456	-	-
A1	-	-	4,222,729	-	-
A2	-	1,773,452	5,661,570	548,237	-
A3	-	1,094,890	5,003,605	-	-
Baa1	-	4,789,086	5,354,110	-	-
Baa2	-	1,749,884	9,578,115	-	-
Baa3	-	-	1,081,916	-	-
Ba1	-	405,829	-	-	-
Not rated	-	-	-	-	273,994
	$ 10,077,247	$ 16,012,552	$ 31,614,501	$ 548,237	$ 2,502,772

As of December 31, 2011, the System's investments in debt securities were rated by Standard & Poor's as follows:

Rating	U.S. agencies	Foreign government bonds	Corporate bonds	Municipal bonds	Collateralized mortgage obligations
AAA	$ 8,521,699	$ 6,589,261	$ 566,135	$ -	$ 237,647
AA+	-	-	2,369,817	-	-
AA	-	-	2,365,775	-	-
AA-	-	-	2,299,413	-	-
A+	-	-	2,551,491	476,133	77,992
A	-	1,301,619	9,673,606	-	-
A-	-	-	3,112,131	-	-
BBB+	-	-	5,224,007	-	-
BBB	-	-	1,850,253	-	-
BBB-	-	-	1,676,504	-	-
B+	-	-	10,615	-	-
Not rated	-	5,350,797	-	-	885,928
	$ 8,521,699	$ 13,241,677	$ 31,699,747	$ 476,133	$ 1,201,567

United States treasury securities are explicitly guaranteed by the U.S. government and not considered to have credit risk. The System's investments in bond mutual and money market funds are not rated.

Custodial Credit Risk. For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The System's investment policy requires that securities be held in trust by a third-party institution in the System's name or its nominee custodian's name or in bearer form.

Although uninsured and unregistered, the System's investments are not exposed to custodial credit risk since the securities are held by the counterparty's trust department or agent in the System's name. Short-term investments in money market funds and open-end mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book form.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the System's investment in a single issuer. The System's investment policy requires that no manager will hold more than 5% of its portion of the total fund in any single company and no more than 5% may be held in any single common stock. At December 31, 2012 and 2013 the System's investment portfolio was not concentrated.

Notes to Financial Statements

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The System's investment policy does not discuss the maximum maturity for any single fixed income security or the weighted average portfolio maturity.

Maturities of the System's debt securities were as follows as of December 31:

		Investment Maturities (fair value by years)			
	Fair Value	Less Than 1	1-5	6-10	More Than 10
2012					
U.S. treasuries	$ 20,418,854	$ -	$ 8,313,920	$ 9,068,208	$ 3,036,726
U.S. agencies	10,077,247	-	9,228,812	606,306	242,129
Foreign government bonds	16,012,552	-	5,030,165	3,920,625	7,061,762
Corporate bonds	31,614,501	-	16,253,827	12,486,847	2,873,827
Municipal bonds	548,237	-	-	-	548,237
CMO	2,502,772	-	-	-	2,502,772
	$ 81,174,163	$ -	$ 38,826,724	$ 26,081,986	$ 16,265,453
2011					
U.S. treasuries	$ 20,429,631	$ -	$ 6,276,431	$ 8,762,093	$ 5,391,107
U.S. agencies	8,521,699	-	5,343,384	810,479	2,367,836
Foreign government bonds	13,241,677	551,368	4,891,639	3,378,172	4,420,498
Corporate bonds	31,699,747	-	17,126,154	10,293,865	4,279,728
Municipal bonds	476,133	-	-	-	476,133
CMO	1,201,567	-	-	-	1,201,567
	$ 75,570,454	$ 551,368	$ 33,637,608	$ 23,244,609	$ 18,136,869

CMO – Collateralized mortgage obligations

Of the above balances as of December 31, 2012 and 2011, none of the corporate securities were callable.

Foreign Currency Risk. Foreign currency risk is the risk that significant fluctuations in exchange rates may adversely affect the fair value of an investment. The System's exposure to foreign currency risk is summarized as follows:

		Fair Value (in U.S. Dollars)	
Investment/Country	**Currency**	**2012**	**2011**
Foreign government bonds			
Australia	Australian dollar	$ 2,511,293	$ 2,156,324
Brazil	Brazilian real	208,500	-
Canada	Canadian dollar	-	1,553,046
Germany	European euro	749,472	490,951
Ireland	European euro	405,829	-
Italy	European euro	1,541,384	813,966
Malaysia	Malaysian ringgit	1,094,890	1,034,027
Mexico	Mexican peso	3,794,249	1,545,947
New Zealand	New Zealand dollar	998,942	663,700
Norway	Norwegian krone	-	927,358
Poland	Polish zloty	1,773,452	1,301,619
South Africa	South African rand	994,837	826,163
United Kingdom	British pound	1,939,704	1,928,576
		16,012,552	13,241,677
International equities			
Australia	Australian dollar	-	130,342
Bermuda	Bermudian dollar	944,506	630,415
Brazil	Brazilian real	488,089	-
Canada	Canadian dollar	2,735,103	2,737,972
Cayman Islands	Cayman Islands dollar	587,963	143,643
China	Chinese renminbi	210,222	169,000
France	European euro	115,151	97,658
Germany	European euro	517,876	382,126
India	Indian rupee	196,636	198,055
Ireland	European euro	202,090	157,535
Israel	Israeli new shekel	128,390	141,595
Luxembourg	European euro	152,069	343,593
Netherlands	European euro	358,673	362,177
Panama	Panamanian balboa	287,709	-
Singapore	Singapore dollar	344,378	167,650
Switzerland	Swiss franc	618,960	896,804
Taiwan	Taiwan dollar	135,087	242,701
United Kingdom	British pound	931,221	501,032
		8,954,123	7,302,298
	Total	$ 24,966,675	$ 20,543,975

Notes to Financial Statements

As part of a foreign currency overlay plan, the System has entered into certain forward contracts (derivatives) to reduce overall portfolio volatility caused by foreign currency risk. Following is a summary of these forward contracts, for which a asset in the amount of $30,267 and a liability in the amount of $123,188 as of December 31, 2012 and 2011, respectively, representing the fair value of those contracts, has been reported in the accompanying statements of plan net position:

		Receivable (Payable) [in U.S. Dollars]	
Investment/Currency	**Current Maturity Date**	**2012**	**2011**
Australian dollar payable	02/11/13	$ (3,031,137)	$ (2,636,310)
British pounds receivable	03/12/13	1,563,374	1,720,941
Brazilian real receivable	03/05/13	636,591	-
Canadian dollar payable		-	(442,440)
Chilean peso receivable	02/12/13	630,474	582,177
Chilean peso receivable	05/15/13	222,132	-
Chinese renminbi receivable		-	456,138
Chinese renminbi receivable		-	475,699
European euros receivable		-	61,028
European euros payable	02/05/13	(377,183)	(753,116)
New Zealand dollars payable	03/13/13	(937,814)	(801,251)
Norwegian krone payable		-	(901,271)
Singapore dollars receivable		-	705,585
South Korea won receivable	02/12/13	1,219,828	991,687
United States dollars payable	02/12/13	(1,169,614)	(447,143)
United States dollars payable	02/12/13	(628,347)	(469,730)
United States dollars payable	05/15/13	(218,387)	(594,584)
United States dollars payable	03/05/13	(617,191)	(63,949)
United States dollars payable	03/05/13	(1,547,858)	(1,006,599)
United States dollars payable		-	(1,719,616)
United States dollars payable		-	(707,930)
United States dollars receivable	02/11/13	2,962,625	912,792
United States dollars receivable	02/05/13	371,157	2,461,110
United States dollars receivable	03/13/13	951,617	811,420
United States dollars receivable		-	442,374
United States dollars receivable		-	799,800
Net contracts receivable (payable)		$ 30,267	$ (123,188)

Securities Lending. A contract approved by the System's Board of Directors permits the System to lend its securities to broker-dealers and other entities (borrowers) for collateral that will be returned for the same securities in the future. The System's custodial bank manages the securities lending program and receives securities or irrevocable bank letters of credit as collateral. The collateral securities cannot be pledged or sold by the System unless the borrower defaults. Collateral securities and letters of credit are initially pledged at 102 percent of the market value of the securities lent, and may not fall below 100 percent during the term of the loan. There are no restrictions on the amount of securities that can be loaned.

At year-end, the System has no credit risk exposure to borrowers because the amounts the System owes the borrowers exceed the amounts the borrowers owe the System. The contract with the custodial bank requires it to indemnify the System if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the System for income distributions by the securities' issuers while the securities are on loan.

Also at both year-ends, through a cash collateral investing program provided by the custodial bank, the System has an obligation to repay $347,334 of cash collateral that was invested in a Sigma Finance Medium Term Note which is impaired. Any current or future recoveries from Sigma Finance are not expected.

4. ANNUAL REQUIRED CONTRIBUTION

The annual pension cost and net pension obligation for the year ended December 31 were as follows:

	2012	2011
Annual required contribution/ pension cost	$ 7,184,103	$ 5,994,825
Contribution made	7,184,103	5,994,825
Increase (decrease) in net pension obligation	-	-
Net pension asset, beginning of year	-	-
Net pension asset, end of year	**$ -**	**$ -**

The annual required contribution for 2012 and 2011 was determined as part of an actuarial valuation of the System as of December 31, 2010 and 2009, respectively, using the entry age normal cost method and is designed to accumulate sufficient assets to pay benefits when due. Normal cost is funded on a current basis. Unfunded actuarial accrued liabilities are being amortized as a level percent of payroll over a period of 20 years. Significant actuarial assumptions used include: (a) a rate of return on investments of 7.0% per year compounded annually; (b) projected salary increases of 4.0% per year compounded annually, attributable to inflation; (c) additional projected salary increases ranging from 1.0% to 8.0% per year, depending on age and service, attributable to seniority/merit; and (d) the assumption that pension benefits will not increase after retirement.

The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the fair value of investments over a five-year period. Liabilities created by plan, assumption or method changes are amortized as a level percentage of payroll over a 12-year closed period. Liabilities created by plan experience and all other liabilities or over-funding are amortized as a level percentage of payroll over a 9-year open period.

5. FUNDED STATUS AND FUNDING PROGRESS

The funded status of the System as of December 31, 2011, the date of the most recent actuarial valuation, was as follows:

Actuarial accrued liability (AAL)	(1)	$ 240,885,825	
Actuarial value of assets	(2)	192,013,890	
Unfunded AAL (UAAL)	(3)	$ 48,871,935	(1) - (2)
Funded ratio	(4)	79.7%	(2) / (1)
Covered payroll	(5)	$ 38,891,988	
UAAL as % of covered payroll	(6)	125.7%	(3) / (5)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and mortality. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, present multiyear trend information about whether the actuarial values of trust assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. For purposes of the schedule of funding progress, the actuarial accrued liability value as shown is determined using the entry age actuarial cost method.

The accompanying schedule of employer contributions presents trend information about the amounts contributed to the System by the employer in comparison to the ARC (annual required contribution), an amount that is actuarially determined in accordance with the parameters of GASB Statement 25. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Additional information as of the latest actuarial valuation includes:

Valuation date	December 31, 2011
Actuarial cost method	Individual entry age normal cost
Amortization method	General Division liabilities were amortized using a 20-year level dollar method. Mental Health liabilities were amortized using a 10-year level
Asset valuation method	7-year smoothed market

Three-Year Trend Information

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/10	$ 5,938,425	100.00%	$ -
12/31/11	5,994,825	100.00%	-
12/31/12	7,184,103	100.00%	-

GASB Statement 25 required supplementary information is presented after the notes to the financial statements section of this report.

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REQUIRED SUPPLEMENTARY INFORMATION

MONROE COUNTY EMPLOYEES' RETIREMENT SYSTEM

Required Supplementary Information

SCHEDULE OF FUNDING PROGRESS

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date, December 31	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (Overfunded) (UAAL) (2-1)	Funded Ratio (1/2)	Covered Payroll	UAAL as a % of Covered Payroll (3/5)
2002	$ 148,404,995	$ 125,652,447	$ (22,752,548)	118.1%	$ 35,895,185	-63.4%
2003	162,683,115	139,141,015	(23,542,100)	116.9%	37,862,618	-62.2%
2004	162,725,639	150,510,011	(12,215,628)	108.1%	38,712,508	-31.6%
2005	163,151,579	163,641,875	490,296	99.7%	41,047,874	1.2%
2006	169,283,765	174,001,978	4,718,213	97.3%	41,821,305	11.3%
2007	181,320,182	186,841,313	5,521,131	97.0%	43,152,156	12.8%
2008	184,967,843	199,860,437	14,892,594	92.5%	43,961,798	33.9%
2009	188,779,278	211,333,497	22,554,219	89.3%	42,893,801	52.6%
2010	192,859,386	231,680,911	38,821,525	83.2%	38,418,135	101.0%
2011	192,013,890	240,885,825	48,871,935	79.7%	38,891,988	125.7%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended December 31,	Annual Required Contribution	Percentage Contributed
2003	$ 191,979	100.00%
2004	1,411,037	100.00%
2005	2,034,222	100.00%
2006	3,170,195	100.00%
2007	4,910,784	100.00%
2008	5,391,367	100.00%
2009	5,547,369	100.00%
2010	5,938,425	100.00%
2011	5,994,825	100.00%
2012	7,184,103	100.00%