

Plan Assets

Cash: Highly liquid, very safe investments that can be easily converted into cash, such as Treasury Bills and money-market funds.

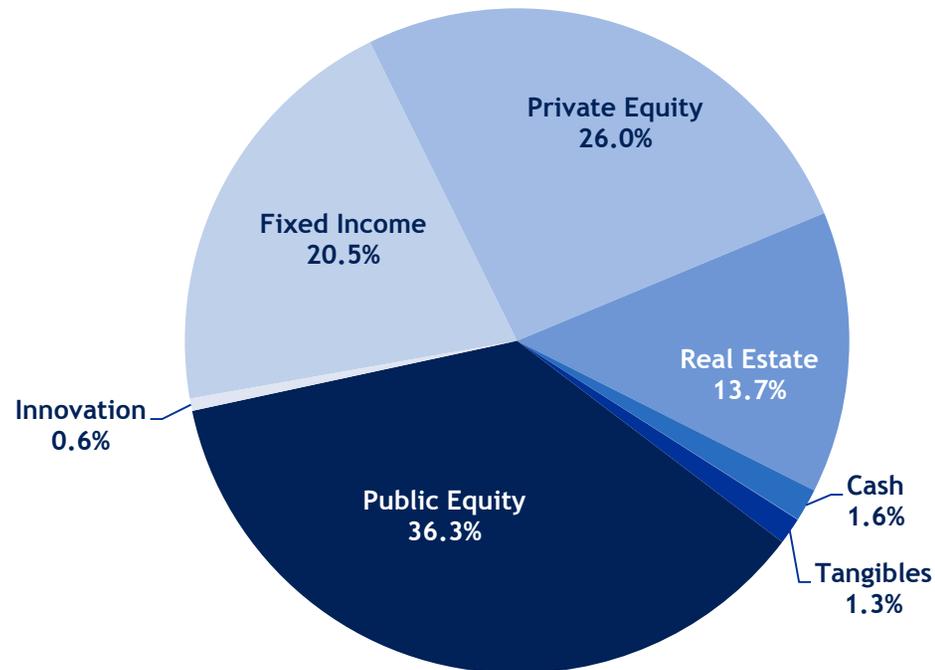
Fixed Income: Securities representing debt obligations and usually having fixed payments and maturities. Different types of fixed income securities include government and corporate bonds, mortgage-backed securities, asset-backed securities, convertible issues, and may also include money-market instruments.

Innovation: Fund that provides the ability to invest in a broad range of assets that fall outside the traditional asset classes or management style of existing asset classes.

Public Equity: Shares of U.S. and non-U.S. corporations that trade on public exchanges or "over-the-counter." The ownership of a corporation is represented by shares that are claimed on the corporation's earnings and assets.

Private Equity: The infusion of equity capital into a private company (one that is not available on the public markets). Private equity investments include securities that are not listed on a public exchange and are not easily accessible to most individuals. These investments range from initial capital in start-up enterprises to leveraged buyouts of mature corporations.

Retirement Commingled Trust Fund (CTF) Asset Allocation



Real Estate: An externally-managed selection of partnership investments with the majority of the partnerships invested in high-quality real estate leased to third parties.

Tangibles: The tangible asset portfolio invests in sectors such as infrastructure, timber, agriculture, natural resources, commodities, or other sectors consistent with the goals of the asset class.

Change in Market Value of Assets						
<i>(Dollars in Millions)</i>	PERS			TRS		
	Plan 1	Plan 2/3*		Plan 1	Plan 2/3*	
	Fund 631	Fund 641	Total	Fund 632	Fund 642	Total
2011 Market Value	\$8,178	\$20,097	\$28,274	\$6,902	\$6,839	\$13,741
Revenue						
Contributions						
Employee	24	310	334	14	30	44
Employer/State	257	385	642	112	214	326
Total Contributions	282	695	977	126	244	370
Investment Return	86	285	371	73	96	170
Restorations	7	16	23	4	1	5
Transfers In	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Total Revenue	\$375	\$996	\$1,372	\$203	\$341	\$544
Disbursements						
Monthly Benefits**	\$1,174	\$377	\$1,551	\$914	\$91	\$1,005
Refunds	5	36	40	2	2	4
Total Benefits	1,178	413	1,591	915	94	1,009
Transfers Out	0	1	1	0	0	0
Expenses	1	1	1	0	0	0
Total Disbursements	\$1,179	\$415	\$1,594	\$916	\$94	\$1,010
Payables	\$0	\$0	\$0	\$0	\$0	\$0
2012 Market Value	\$7,374	\$20,678	\$28,052	\$6,189	\$7,087	\$13,276
2012 Actuarial Value	\$8,521	\$22,653	\$31,173	\$7,145	\$7,758	\$14,902
Ratio (AV/MV)	116%	110%	111%	115%	109%	112%

Note: Totals may not agree due to rounding.

**Defined Benefit portion only.*

***TRS Plan 1 value includes annuity cashouts.*

Change in Market Value of Assets (Continued)							
(Dollars in Millions)	SERS	PSERS	LEOFF		WSPRS	Total	
	Plan 2/3*	Plan 2	Plan 1	Plan 2			
	Fund 633	Fund 635	Fund 819	Fund 829	Total	Fund 615	
2011 Market Value	\$2,746	\$143	\$5,185	\$6,366	\$11,550	\$895	\$57,350
Revenue							
Contributions							
Employee	24	15	0	133	133	5	556
Employer/State	75	15	0	133	133	6	1,198
Total Contributions	99	31	0	266	266	12	1,754
Investment Return	38	3	61	93	154	11	747
Restorations	0	0	1	7	8	2	38
Transfers In	0	0	0	0	0	0	1
Miscellaneous	0	0	0	0	0	0	0
Total Revenue	\$137	\$33	\$63	\$365	\$428	\$25	\$2,540
Disbursements							
Monthly Benefits	54	0	343	78	422	40	3,072
Refunds	3	2	0	11	12	0	60
Total Benefits	56	2	344	89	433	41	3,132
Transfers Out	0	0	0	0	0	0	2
Expenses	0	0	0	1	1	0	3
Total Disbursements	\$57	\$2	\$344	\$91	\$435	\$41	\$3,137
Payables	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2012 Market Value	\$2,827	\$174	\$4,903	\$6,640	\$11,544	\$879	\$56,753
2012 Actuarial Value	\$3,100	\$180	\$5,562	\$7,222	\$12,783	\$982	\$63,122
Ratio (AV/MV)	110%	103%	113%	109%	111%	112%	111%

Note: Totals may not agree due to rounding.

*Defined Benefit portion only.

Calculation of Actuarial Value of Assets							
<i>(Dollars in Millions)</i>		PERS 1	PERS 2/3*	TRS 1	TRS 2/3*	SERS 2/3*	
a.	Market Value at 6/30/2012	\$7,374	\$20,678	\$6,189	\$7,087	\$2,827	
b.	Deferred Gains and (Losses)						
Plan Year	Years	Years					
Ending	Deferred	Remaining					
6/30/2012	7	6	(\$450)	(\$1,122)	(\$377)	(\$382)	(\$153)
6/30/2011	8	6	716	1,619	601	550	221
6/30/2010	6	3	207	365	170	123	50
6/30/2009	8	4	(1,598)	(2,742)	(1,333)	(933)	(379)
6/30/2008	8	3	(379)	(615)	(318)	(212)	(87)
6/30/2007	8	2	267	397	226	140	57
9/30/2006	8	1	91	124	77	44	18
Total Deferral			(\$1,147)	(\$1,974)	(\$955)	(\$671)	(\$273)
c.	Market Value less Deferral (a-b)	\$8,521	\$22,653	\$7,145	\$7,758	\$3,100	
d.	70% of Market Value of Assets	\$5,162	\$14,475	\$4,332	\$4,961	\$1,979	
e.	130% of Market Value of Assets	\$9,586	\$26,882	\$8,046	\$9,213	\$3,675	
f.	Actuarial Value of Assets**	\$8,521	\$22,653	\$7,145	\$7,758	\$3,100	

Note: Totals may not agree due to rounding.

*Defined Benefit portion only.

**Actuarial Value of Assets can never be less than 70% or greater than 130% of the market value of assets.

Calculation of Actuarial Value of Assets							
<i>(Continued)</i>							
<i>(Dollars in Millions)</i>		PSERS 2	LEOFF 1	LEOFF 2	WSPRS	Total	
a.	Market Value at 6/30/2012	\$174	\$4,903	\$6,640	\$879	\$56,753	
b.	Deferred Gains and (Losses)						
Plan Year Ending	Years Deferred	Years Remaining					
6/30/2012	7	6	(\$8)	(\$287)	(\$334)	(\$50)	(\$3,163)
6/30/2011	8	6	10	439	524	74	4,755
6/30/2010	3, 5, 6*	0, 2, 3*	0	117	87	18	1,137
6/30/2009	8	4	(7)	(911)	(827)	(142)	(8,872)
6/30/2008	8	3	(1)	(214)	(184)	(33)	(2,043)
6/30/2007	8	2	0	148	116	22	1,372
9/30/2006	2, 8**	0, 1**	0	49	36	7	446
Total Deferral			(\$6)	(\$658)	(\$581)	(\$103)	(\$6,369)
c.	Market Value less Deferral (a-b)	\$180	\$5,562	\$7,222	\$982	\$63,122	
d.	70% of Market Value of Assets	\$122	\$3,432	\$4,648	\$615	\$39,727	
e.	130% of Market Value of Assets	\$227	\$6,374	\$8,633	\$1,143	\$73,779	
f.	Actuarial Value of Assets***	\$180	\$5,562	\$7,222	\$982	\$63,122	

Note: Totals may not agree due to rounding.

*PSERS Plan 2 = 3 years deferred, 0 years remaining; LEOFF Plan 2 = 5 years deferred, 2 years remaining; all other plans = 6 years deferred, 3 years remaining.

**PSERS Plan 2 = 2 years deferred, 0 years remaining; all other plans = 8 years deferred, 1 year remaining.

***Actuarial Value of Assets can never be less than 70% or greater than 130% of the market value of assets.

Investment Gains and (Losses) for Prior Year					
(Dollars in Millions)	PERS 1	PERS 2/3*	TRS 1	TRS 2/3*	SERS 2/3*
a. 2011 Market Value (at WSIB)	\$8,180	\$20,061	\$6,905	\$6,817	\$2,737
b. Total Cash Flow	(889)	281	(785)	139	36
c. 2012 Market Value (at WSIB)	7,378	20,630	6,194	7,055	2,812
d. Actual Return (c - b - a)	\$87	\$288	\$74	\$98	\$39
e. Weighted Asset Amount	\$7,746	\$20,214	\$6,509	\$6,886	\$2,755
f. Expected Return (7.9% x e)	612	1,597	514	544	218
g. Investment Gain/(Loss) for Prior Year (d - f)	(525)	(1,309)	(440)	(446)	(179)
h. Dollar-Weighted Rate of Return	1.13%	1.42%	1.14%	1.43%	1.42%

Note: Totals may not agree due to rounding.

*Defined Benefit portion only.

Investment Gains and (Losses) for Prior Year					
(Continued)					
(Dollars in Millions)	PSERS 2	LEOFF 1	LEOFF 2	WSPRS	Total
a. 2011 Market Value (at WSIB)	\$141	\$5,185	\$6,349	\$894	\$57,268
b. Total Cash Flow	29	(343)	177	(28)	(1,383)
c. 2012 Market Value (at WSIB)	172	4,903	6,620	878	56,643
d. Actual Return (c - b - a)	\$3	\$62	\$94	\$12	\$757
e. Weighted Asset Amount	\$155	\$5,019	\$6,442	\$882	\$56,609
f. Expected Return (7.9% x e)*	12	397	483	70	4,446
g. Investment Gain/(Loss) for Prior Year (d - f)	(9)	(335)	(390)	(58)	(3,691)
h. Dollar-Weighted Rate of Return	1.80%	1.23%	1.45%	1.31%	1.34%

Note: Totals may not agree due to rounding.

* The expected return for LEOFF 2 is (7.5% x e).