

ALLEGHENY COUNTY EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF PLAN NET ASSETS
 December 31, 2010

ASSETS:	
Cash and Cash Equivalents	\$ 18,106,853
Investments*	679,877,348
Accrued Interest and Dividends Receivable	1,242,326
Accrued Contributions Receivable Receivable from Brokers for Investment Securities Sold	1,868,989
Other Assets	207,008
	<u>51,077</u>
TOTAL ASSETS	<u>701,353,601</u>

LIABILITIES:	
Accrued Expenses	1,635,938
Investment Securities Purchased	410,396
Other Liabilities	<u>5,767</u>
TOTAL LIABILITIES	<u>2,052,101</u>

**NET ASSETS HELD IN TRUST
FOR PENSION BENEFITS** **\$699,301,500**

*Investment Portfolio at Fair Value:	
Common Stock/S&P 500 Index Fund	\$168,167,298
Bonds and Notes	103,485,440
Debt/Equity/Commodities Mutual Funds	284,185,565
Real Estate Trusts/Venture Capital/Hedge Funds	<u>124,039,045</u>
	\$679,877,348

**NUMBER OF EMPLOYEES RETIRED
2007 – 2010**

Number on Retirement as of 12/31/07	4,491
Number on Retirement as of 12/31/08	4,454
Number on Retirement as of 12/31/09	4,428
Number on Retirement as of 12/31/10	4,407

ALLEGHENY COUNTY EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF CHANGES IN PLAN NET ASSETS
 Year Ended December 31, 2010

ADDITIONS:	
Employee's Contributions	\$ 20,194,179
Employer's Contributions	20,115,911
Net Appreciation of Investments	66,699,939
Investment Income (Less fees of \$1,693,912)	9,772,089
Miscellaneous Income	59,654
Recaptured broker commissions	<u>-</u>
TOTAL ADDITIONS-NET	<u>116,841,772</u>

DEDUCTIONS:	
Benefit Payments	65,844,509
Principal and Interest on Refunds of Employee Contributions	3,057,594
Administrative and Other Expenses	994,754
Salaries, Wages, and Related Expenses	<u>285,917</u>
TOTAL DEDUCTIONS	<u>70,182,774</u>

Net Increase in Net Assets	46,658,998
Net Assets Held in Trust for Pension Benefits at 12/31/09	<u>652,642,502</u>
Net Assets Held in Trust for Pension Benefits at 12/31/10	<u>\$699,301,500</u>

RETIREMENTS IN 2010

Number on Retirement 12/31/09	4,428
Number Retired during 2010	161
Survivorship Applicants	49
Deaths (including Survivorship & voids)	(230)
Timing Difference Adjustment	<u>(1)</u>
Number on Retirement 12/31/10	4,407

**RETIREMENT
BOARD OF
ALLEGHENY COUNTY**

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President/Treasurer

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Vice President/Elected Member

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Member

BRUCE D. CAMPBELL
Solicitor

CHERYL A. BATEMAN
Executive Director

I hereby certify that, according to the records maintained in the Retirement System Office, the foregoing statements are true and correct.



MARK PATRICK FLAHERTY
Controller



2010 ANNUAL REPORT

ALLEGHENY COUNTY EMPLOYEES' RETIREMENT FUND

**542 Forbes Avenue
Room 106
Pittsburgh, PA 15219**

AUGUST

2011

ALLEGHENY COUNTY RETIREMENT BOARD



The Retirement Board takes this opportunity to ensure all members of the system that the Retirement Plan remains financially sound and solvent. The Board, with the help of its consultants, has adopted an investment policy that is specifically tailored to help fund the liabilities of the system. The policy includes a highly diversified asset allocation designed to provide long-term sustainability as well as weather short-term market fluctuations. The Board maintains its goal of preserving the long-term financial strength of the Plan and to not overreact to short-term fluctuations in the market.

The challenging market environment during the recent past made it difficult for most plans to maintain funding levels. Nearly all plans experienced significant losses in asset values during 2008 and many recovered a portion of those losses in 2009. Our Plan fared better than many plans throughout this difficult time period primarily due to our well diversified investment structure.

The Board consistently monitors the Plan and appreciates the confidence members have always shown. We will continue to maintain the Plan in a strong and viable manner in order to protect your funds for the future.

Thank you,
President & Board Members