

CENTRAL STATES FUNDS
FINANCIAL AND ANALYTICAL INFORMATION
DECEMBER 31, 2011

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DECEMBER 31, 2011

Financial Report FR

PENSION FUND

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Graph 7

HEALTH AND WELFARE FUND

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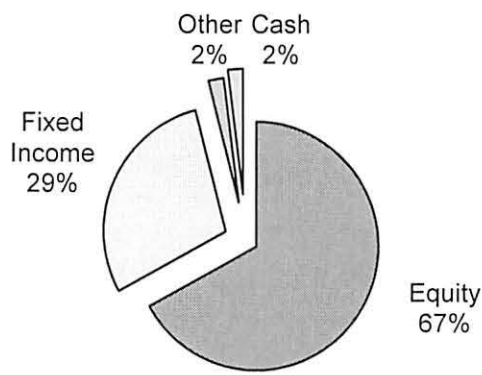
Graph 7

FINANCIAL REPORT
December 31, 2011 and the Twelve Months Then Ended
Does Not Include Year End Adjustments

HIGHLIGHTS

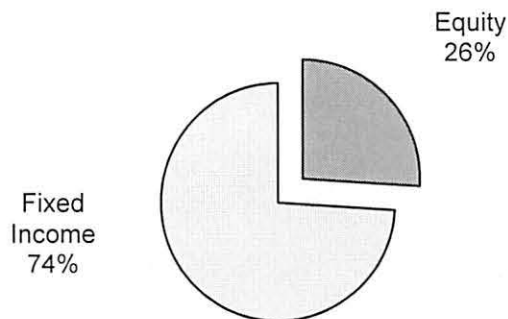
PENSION FUND:

- Net assets decreased \$72.5 million during December resulting in a month end balance of \$17.7 billion.
- Investment asset allocation as of December 31, 2011:



HEALTH AND WELFARE FUND:

- Net assets increased \$25.4 million during December resulting in a month end balance of \$1.7 billion.
- Investment asset allocation as of December 31, 2011:



FINANCIAL REPORT
December 31, 2011 and the Twelve Months Then Ended
Does Not Include Year End Adjustments
(Dollars in Thousands)

PENSION FUND:

1. Net assets were \$17,668,396 at December 31, 2011, compared to \$19,843,959 at December 31, 2010, a decrease of \$2,175,563 compared to an increase of \$301,917 for the same period last year.

The \$2,477,480 difference is due to \$2,573,308 less investment income offset by \$95,828 less net operating loss.

2. A comparison of Full-Time Equivalent (FTE) memberships and retirees follows:

	<u>Memberships</u>	<u>Retirees</u>
As of:		
November 2011	67,815	213,647
December 2010	56,566	214,377
Eleven-months average:		
November 2011	62,729	213,865
November 2010	58,347	214,336
% increase (decrease)	7.51%	(0.22)%

3. For the twelve months ended December 31, 2011, the Fund's net asset decrease from operations (before investment income) was \$2,124,432 compared to a decrease of \$2,220,260 for the same period in 2010, or a \$95,828 favorable change:
 - \$114,695 more contributions primarily due to an increase in contribution rates and withdrawal liability income,
 - (\$19,662) more benefits paid, and
 - \$795 less general and administrative expenses.
4. During the twelve months ended December 2011 and 2010, the Fund withdrew \$2,146,767 and \$2,223,134, respectively, from investment assets to fund the cash operating deficit.

HEALTH AND WELFARE FUND:

1. Net assets were \$1,651,039 at December 31, 2011, compared to \$1,495,431 at December 31, 2010, an increase of \$155,608 compared to an increase of \$206,822 for the same period last year.

The \$51,214 difference is due to \$33,482 less investment income combined with \$17,732 less net operating income.

2. A comparison of Full-Time Equivalent (FTE) memberships and retirees follows:

	<u>Memberships</u>	<u>Retirees</u>
As of:		
November 2011	83,385	10,576
December 2010	83,450	11,614
Eleven-months average:		
November 2011	83,850	11,175
November 2010	83,316	12,170
% increase (decrease)	0.64%	(8.18)%

3. For the twelve months ended December 2011, the Fund's net asset increase before investment income was \$95,278 compared to an increase of \$113,010 for the same period in 2010, or a \$17,732 unfavorable change:
 - \$67,193 more contributions due to an increase in contribution rates, an extra billing week in 2011 and an increase in FTEs,
 - (\$82,601) more benefits,
 - (\$1,352) more TeamCare administrative fees and
 - (\$972) more general and administrative expenses.
4. During the twelve months ended December 2011 and 2010, the Fund transferred \$91,496 and \$110,353, respectively, to investments (BNY Mellon) as the operations generated positive cash flows for those periods.

Central States, Southeast and Southwest Areas Pension Fund
Executive Summary of Financial Position
December 31, 2011
(Dollar amounts in thousands)

	December 31, 2011 (1)	December 31, 2010	Change in Net Assets	
			Dollars	Percentage
Investments				
Cash equivalents	\$ 668,695	845,106	(176,411)	(0.9)
Fixed income	4,582,325	4,651,702	(69,377)	(0.4)
Equity	11,867,084	13,948,843	(2,081,759)	(10.5)
Other	384,243	369,529	14,714	0.1
Total investments	<u>17,502,347</u>	<u>19,815,180</u>	<u>(2,312,833)</u>	<u>(11.7)</u>
Investment related assets	1,202,975	1,764,100	(561,125)	(2.8)
Employer contributions receivable, net	105,678	86,543	19,135 (2)	0.1
Other assets	<u>5,697</u>	<u>1,487</u>	<u>4,210</u>	<u>-</u>
Total assets	<u>18,816,697</u>	<u>21,667,310</u>	<u>(2,850,613)</u>	<u>(14.4)</u>
Investment related liabilities	1,092,871	1,766,494	673,623	3.4
Other liabilities	<u>55,430</u>	<u>56,857</u>	<u>1,427</u>	<u>-</u>
Total liabilities	<u>1,148,301</u>	<u>1,823,351</u>	<u>675,050</u>	<u>3.4</u>
NET ASSETS	\$ <u>17,668,396</u>	<u>19,843,959</u>	<u>(2,175,563)</u>	<u>(11.0)</u>

Note(s):

(1) Does not include final year end adjustments.

(2) Primarily a five week billing period for December 2011 compared to a four week billing period for December 2010.

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Central States, Southeast and Southwest Areas Pension Fund
 Executive Summary of Financial Operations
 December 31, 2011
 (Tabular dollar amounts in thousands)

	Year-to-Date		Change from Prior Year		
	2011	(1)	2010	Dollars	Percentage
<u>INCOME & EXPENSES</u>					
Contributions (includes W/L)	\$ 736,996		622,301	114,695 (2)	18.4
Benefits	2,826,596		2,806,934	(19,662)	(0.7)
General and administrative expenses	34,832		35,627	795	2.2
Decrease in net assets before net investment income(loss)	(2,124,432)		(2,220,260)	95,828	N/A
Net investment income(loss)	(51,131)		2,522,177	(2,573,308)	N/A
Increase(Decrease) in net assets	\$ (2,175,563)		301,917	(2,477,480)	N/A
<u>OPERATING STATISTICS</u>					
Benefits to contributions	383.5 %		451.1 %		
General and administrative expenses to:					
Contributions	4.7 %		5.7 %		
Benefits	1.2 %		1.3 %		
Eleven months average FTEs	62,729		58,347		
Contributions per average FTE	\$ 11,749		10,666		
Benefits per average FTE	\$ 45,060		48,108		
Pensioners and beneficiaries - current month	213,470		214,377		
Current month average benefit per pensioner and beneficiary	\$ 1,100		1,090		

Note(s):

(1) Does not include final year end adjustments.

(2) Primarily an increase in contribution rates and withdrawal liability income.

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Central States, Southeast and Southwest Areas Pension Fund
Executive Summary of Current and Projected Operations
For Year Ending December 31, 2012
(Dollar amounts in thousands)

	Projection		
	January 2012	Remainder of 2012	Year Ending December 2012
Contributions (includes W/L)	\$ 49,500	577,700	627,200
Benefits	236,200	2,607,300	2,843,500
General and administrative expenses	<u>3,000</u>	<u>32,500</u>	<u>35,500</u>
Decrease in net assets before net investment income(loss)	\$ <u><u>(189,700)</u></u>	<u><u>(2,062,100)</u></u>	<u><u>(2,251,800)</u></u>

Assumptions Used in 2012 Projections

Contributions - No change in plan mix and \$48.3 million in estimated withdrawal liability income.

Benefits - Increase in average monthly benefits.

General and administrative expenses - 2% increase over 2011.

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Central States, Southeast and Southwest Areas Pension Fund

Statement of Net Assets

(In thousands)

	December 31, 2011 (1)	December 31,	
		2010	2009
ASSETS			
Investments:			
Cash equivalents	\$ 668,695	845,106	1,212,277
Fixed income	4,582,325	4,651,702	5,407,482
Equity	11,867,084	13,948,843	12,444,571
Other, primarily real estate related	384,243	369,529	430,517
Total investments	<u>17,502,347</u>	<u>19,815,180</u>	<u>19,494,847</u>
Receivables:			
Employer contributions, less allowance for uncollectible contributions (2)	105,678	86,543	108,951
Interest and dividends	50,092	50,439	56,513
Other, primarily for securities sold	121,100	20,594	83,382
Total receivables	<u>276,870</u>	<u>157,576</u>	<u>248,846</u>
Cash	4,537	300	8,957
Assets held in securities lending program	1,031,783	1,693,067	1,856,898
Other, primarily furniture and equipment - net	1,160	1,187	1,238
Total assets	<u>18,816,697</u>	<u>21,667,310</u>	<u>21,610,786</u>
LIABILITIES			
Liability to return collateral held under securities lending agreements	1,038,893	1,704,137	1,871,070
Payable for securities purchased	42,066	46,908	71,093
Accounts payable and accrued expenses (3)	50,359	55,069	54,324
Deferred withdrawal liability receipts	16,983	17,237	72,257
Total liabilities	<u>1,148,301</u>	<u>1,823,351</u>	<u>2,068,744</u>
NET ASSETS	<u>\$ 17,668,396</u>	<u>19,843,959</u>	<u>19,542,042</u>

Note(s):

(1) Does not include final year end adjustments.

(2) Allowance for uncollectible contributions:

Reserve for YRC included in above allowance:

(3) Includes a liability for 401(h) plan assets:

\$ 56,390	57,094	53,377
\$ 52,374	52,374	46,030
\$ 32,106	31,636	27,046

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Central States, Southeast and Southwest Areas Pension Fund
Statement of Changes in Net Assets
(In thousands)

	December		Twelve Months Ended December	
	2011	(1)	2010	2010
Revenue:				
Contributions	\$ 53,310		34,048	567,801
Withdrawal liability	40,916		9,254	169,195
Total revenue	<u>94,226</u>		<u>43,302</u>	<u>736,996</u>
Benefits and expenses:				
Benefits to participants	235,111		234,062	2,826,596
General and administrative expenses	3,013		3,574	34,832
Total benefits and expenses	<u>238,124</u>		<u>237,636</u>	<u>2,861,428</u>
Decrease in net assets before net investment income(loss)	(143,898)		(194,334)	(2,124,432)
Investment income(loss):				
Interest, dividends and other	38,834		37,449	388,829
Realized and unrealized gain(loss) on investments, net	35,686		869,190	(393,559)
Investment expenses	(3,145)		(7,004)	(46,401)
Net investment income(loss)	<u>71,375</u>		<u>899,635</u>	<u>(51,131)</u>
Increase(Decrease) in net assets	(72,523)		705,301	(2,175,563)
NET ASSETS:				
Beginning of period	<u>17,740,919</u>		<u>19,138,658</u>	<u>19,843,959</u>
End of period	<u>\$ 17,668,396</u>		<u>19,843,959</u>	<u>19,843,959</u>

Note(s):

(1) Does not include final year end adjustments.

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Central States, Southeast and Southwest Areas Pension Fund
Statement of Changes in Net Assets
(In thousands)

	Years Ended			
	2010	2009	2008	2007
Revenue:				
Contributions	\$ 502,886	588,569 (1)	849,544	1,440,300
Withdrawal liability	119,415	86,584	88,358	6,187,750 (2)
Total revenue	<u>622,301</u>	<u>675,153</u>	<u>937,902</u>	<u>7,628,050</u>
Benefits and expenses:				
Benefits to participants	2,806,934	2,740,960	2,685,450	2,639,158
General and administrative expenses	35,627	36,725	37,311	38,205
Total benefits and expenses	<u>2,842,561</u>	<u>2,777,685</u>	<u>2,722,761</u>	<u>2,677,363</u>
Increase(Decrease) in net assets before net investment income(loss)	(2,220,260)	(2,102,532)	(1,784,859)	4,950,687
Investment income(loss):				
Interest, dividends and other	430,198	466,721	708,504	727,549
Realized and unrealized gain(loss) on investments, net	2,151,686	3,876,272	(8,301,954)	534,549
Investment expenses	(59,707)	(57,071)	(68,886)	(79,686)
Net investment income(loss)	<u>2,522,177</u>	<u>4,285,922</u>	<u>(7,662,336)</u>	<u>1,182,412</u>
Increase(Decrease) in net assets	301,917	2,183,390	(9,447,195)	6,133,099
NET ASSETS:				
Beginning of period	<u>19,542,042</u>	<u>17,358,652</u>	<u>26,805,847</u>	<u>20,672,748</u>
End of period	<u>\$ 19,843,959</u>	<u>19,542,042</u>	<u>17,358,652</u>	<u>26,805,847</u>

Note(s):

(1) Includes reserves of \$46 million for YRC, Inc.

(2) Includes receipt of \$6.1 billion from UPS.

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Central States, Southeast and Southwest Areas Pension Fund
Statement of Cash Receipts and Disbursements
(In thousands)

	December		Twelve Months Ended December	
	2011	(1)	2010	2010
Operations:				
Contributions	\$ 44,835		46,469	548,667
Benefits paid, net (2)	(235,278)		(234,423)	(2,806,913)
	<u>(190,443)</u>		<u>(187,954)</u>	<u>(2,277,815)</u>
Payroll	(1,784)		(1,776)	(15,693)
Employee benefits	(572)		(618)	(7,358)
Fees and services	(126)		(212)	(3,285)
Rent	(141)		(135)	(1,481)
Office	(260)		(246)	(7,917)
Withdrawal liability receipts	32,787		8,610	171,270
Other	(256)		(8,414)	(1,862)
	<u>29,648</u>		<u>(2,791)</u>	<u>134,718</u>
Net (to)from operations	(160,795)		(190,745)	(2,143,097)
Investments:				
Net sales(purchases)	122,003		154,240	1,814,358
Interest and dividends	45,027		40,821	382,884
Management fees	(2,154)		(4,292)	(49,908)
Net (to)from investments	<u>164,876</u>		<u>190,769</u>	<u>2,147,334</u>
Increase(Decrease) in cash	4,081		24	4,237
Cash:				
Beginning of period	<u>456</u>		<u>276</u>	<u>300</u>
End of period	<u>\$ 4,537</u>		<u>300</u>	<u>4,537</u>

Note(s):

(1) Does not include final year end adjustments.

(2) Includes increase(decrease) in overdraft:

\$	(166)	(361)	113	22
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Central States, Southeast and Southwest Areas Pension Fund
Statement of Cash Receipts and Disbursements
(In thousands)

	Years Ended			
	2010	2009	2008	2007
Operations:				
Contributions	\$ 525,899	545,684	926,341	1,435,555
Benefits paid, net (1)	<u>(2,806,913)</u>	<u>(2,741,336)</u>	<u>(2,685,133)</u>	<u>(2,639,128)</u>
	<u>(2,281,014)</u>	<u>(2,195,652)</u>	<u>(1,758,792)</u>	<u>(1,203,573)</u>
Payroll	(15,728)	(16,513)	(16,507)	(16,002)
Employee benefits	(7,417)	(7,406)	(7,157)	(6,666)
Fees and services	(3,285)	(2,538)	(3,358)	(3,565)
Rent	(1,481) (2)	(1,605) (3)	(2,552)	(1,871) (4)
Office	(7,306)	(7,348)	(8,375)	(8,648)
Withdrawal liability receipts	85,307	85,928	87,941	6,187,064 (5)
Other	<u>(697)</u>	<u>(3,377)</u>	<u>1,410</u>	<u>1,429</u>
	<u>49,393</u>	<u>47,141</u>	<u>51,402</u>	<u>6,151,741</u>
Net (to)from operations	<u>(2,231,621)</u>	<u>(2,148,511)</u>	<u>(1,707,390)</u>	<u>4,948,168</u>
Investments:				
Net sales(purchases)	1,873,869	1,723,869	1,054,700	(5,587,360)
Interest and dividends	412,939	476,774	737,209	718,456
Management fees	<u>(63,844)</u>	<u>(52,167)</u>	<u>(75,968)</u>	<u>(81,358)</u>
Net (to)from investments	<u>2,222,964</u>	<u>2,148,476</u>	<u>1,715,941</u>	<u>(4,950,262)</u>
Increase(Decrease) in cash	(8,657)	(35)	8,551	(2,094)
Cash:				
Beginning of period	<u>8,957</u>	<u>8,992</u>	<u>441</u>	<u>2,535</u>
End of period	<u>\$ 300</u>	<u>8,957</u>	<u>8,992</u>	<u>441</u>

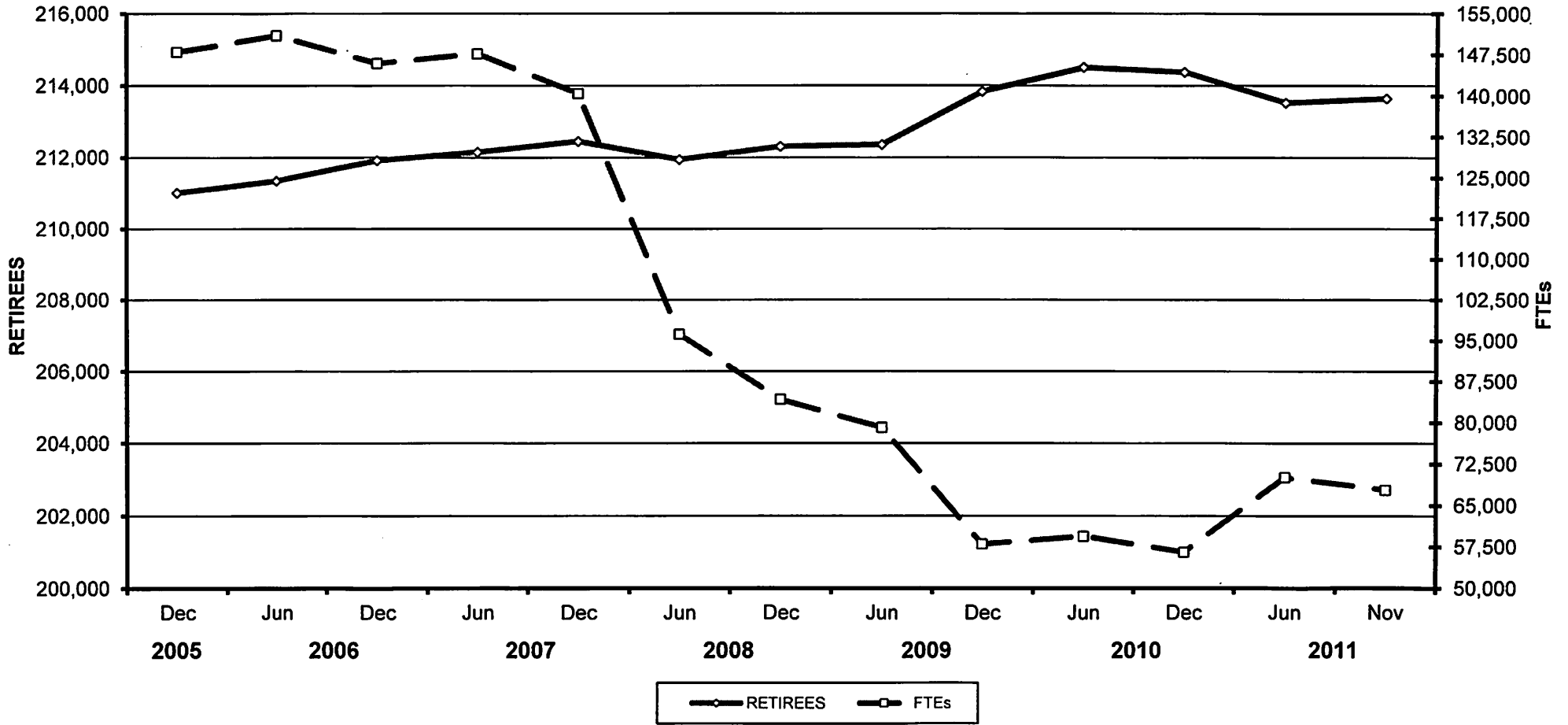
Note(s):

(1) Includes increase(decrease) in overdraft:	\$ 22	(376)	316	29
(2) Includes unused building improvement allowance of \$229.				
(3) Includes rent abatement of \$495.				
(4) Includes rebate from Duke Realty of \$1,314.				
(5) Includes receipt of \$6.1 billion from UPS.				

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Central States Pension Fund

Full Time Equivalents vs. Retirees
December 2005 Through November 2011



Central States, Southeast and Southwest Areas Health and Welfare Fund
 Executive Summary of Financial Position
 December 31, 2011
 (Dollar amounts in thousands)

	December 31, 2011 (1)	December 31, 2010	Change in Net Assets	
			Dollars	Percentage
Total investments, net	\$ 1,745,391	1,593,834	151,557	10.1
Employer contributions receivable, net	111,511	88,164	23,347 (2)	1.6
Assets held in securities lending program	228,049	305,638	(77,589)	(5.2)
Other assets	<u>11,666</u>	<u>29,596</u>	<u>(17,930)</u>	<u>(1.2)</u>
Total assets	<u>2,096,617</u>	<u>2,017,232</u>	<u>79,385</u>	<u>5.3</u>
Estimated benefits	203,971	203,472	(499)	-
Liability to return collateral held under securities lending agreements	228,969	306,723	77,754	5.2
Other liabilities	<u>12,638</u>	<u>11,606</u>	<u>(1,032)</u>	<u>(0.1)</u>
Total liabilities	<u>445,578</u>	<u>521,801</u>	<u>76,223</u>	<u>5.1</u>
NET ASSETS	\$ <u><u>1,651,039</u></u>	<u><u>1,495,431</u></u>	<u><u>155,608</u></u>	<u><u>10.4</u></u>

Note(s):

(1) Does not include final year end adjustments.

(2) Primarily a five week billing period for December 2011 compared to a four week billing period for December 2010.

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Central States, Southeast and Southwest Areas Health and Welfare Fund
 Executive Summary of Financial Operations
 December 31, 2011
 (Tabular dollar amounts in thousands)

	Year-to-Date		Change from Prior Year		
	2011	(1)	2010	Dollars	Percentage
<u>INCOME & EXPENSES</u>					
Contributions	\$ 1,201,688		1,134,495	67,193 (2)	5.9
Benefits	1,038,364	(3)	955,763 (4)	(82,601)	(8.6)
TeamCare administrative fees	30,765		29,413	(1,352)	(4.6)
General and administrative expenses	<u>37,281</u>		<u>36,309</u>	<u>(972)</u>	(2.7)
Increase in net assets before net investment income(loss)	95,278		113,010	(17,732)	N/A
Net investment income(loss)	<u>60,330</u>		<u>93,812</u>	<u>(33,482)</u>	N/A
Increase in net assets	<u>\$ 155,608</u>		<u>206,822</u>	<u>(51,214)</u>	N/A
<u>OPERATING STATISTICS</u>					
Benefits <u>paid</u> to contributions	86.4	%	83.4	%	
General and administrative expenses to:					
Contributions	3.1	%	3.2	%	
Benefits <u>paid</u>	3.6	%	3.8	%	
Eleven months average FTEs	83,850		83,316		
Contributions per average FTE	\$ 14,331		13,617		
Benefits <u>paid</u> per average FTE	\$ 12,378		11,360		

Note(s):

- (1) Does not include final year end adjustments.
- (2) Increase in contribution rates, extra billing week in 2011 and an increase in FTEs.
- (3) Includes ERRP reimbursement of \$5,717.
- (4) Includes ERRP reimbursements of \$16,983.

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Central States, Southeast and Southwest Areas Health and Welfare Fund
 Executive Summary of Current and Projected Operations
 For Year Ending December 31, 2012
 (Dollar amounts in thousands)

	Projection (1)		
	January 2012	Remainder of 2012	Year Ending December 2012
Contributions	\$ 87,700	1,108,500	1,196,200
Benefits	87,500	1,002,300	1,089,800
TeamCare administrative fees	2,600	28,200	30,800
General and administrative expenses	<u>3,200</u>	<u>34,800</u>	<u>38,000</u>
Increase(Decrease) in net assets before net investment income(loss)	(5,600)	43,200	37,600
Net investment income(loss)	<u>4,400</u>	<u>48,900</u>	<u>53,300</u>
Increase(Decrease) in net assets	<u>\$ (1,200)</u>	<u>92,100</u>	<u>90,900</u>

Note(s):

(1) Projection is based upon 2011 results which do not yet include final year end adjustments, most significantly the estimated claims liability adjustment.

Assumptions Used in 2012 Projections

Contributions - Scheduled contract rate increase and trended FTEs.

Benefits - Overall cost increase of 7% per FTE.

General and administrative expenses - 2% increase over 2011.

Net investment income - Annualized return of 3%.

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Central States, Southeast and Southwest Areas Health and Welfare Fund
Statement of Net Assets
(In thousands)

	December 31, 2011 (1)	December 31,	
		2010	2009
ASSETS			
Investments:			
United States government and government agency debt	\$ 1,044,203	935,486	690,935
Corporate debt	245,039	290,793	379,490
Common stock index fund	447,450	401,973	348,549
Total investments	1,736,692	1,628,252	1,418,974
Receivables:			
Employer contributions, less allowance for uncollectible contributions (2)	111,511	88,164	84,786
Other, primarily investment related	109,722	32,443	54,345
Total receivables	221,233	120,607	139,131
Cash	193	467	502
Assets held in securities lending program	228,049	305,638	335,955
Other, primarily furniture and equipment - net	2,209	2,686	2,438
Total assets	2,188,376	2,057,650	1,897,000
LIABILITIES			
Estimated benefits (3)	203,971 (4)	203,472	194,185
Liability to return collateral held under securities lending agreements	228,969	306,723	337,267
Checks drawn against future deposits	4,390	3,140	3,933
Payable for securities purchased	91,759	40,418	65,397
Accounts payable and accrued expenses	8,248	8,466	7,609
Total liabilities	537,337	562,219	608,391
NET ASSETS	\$ 1,651,039	1,495,431	1,288,609

Note(s):

(1) Does not include final year end adjustments.

(2) Allowance for uncollectible contributions:

	\$ 2,083	1,676	2,534
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(3) Includes estimated claims liability adjustments:

	\$ 0	9,287	(515)
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(4) Includes 2011 claims of \$16.2 million paid in January 2012.

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Central States, Southeast and Southwest Areas Health and Welfare Fund
Statement of Changes in Net Assets
(In thousands)

	December		Twelve Months Ended December	
	2011	(1) 2010	2011	(1) 2010
Contributions	\$ 114,086	92,984	1,201,688	1,134,495
Benefits and expenses:				
Benefits paid	77,219	43,045	1,037,865 (2)	946,476 (3)
Changes to liabilities for benefits	16,227	18,929	499	9,287
TeamCare administrative fees	2,583	2,719	30,765	29,413
General and administrative expenses	3,162	3,810	37,281	36,309
Total benefits and expenses	99,191	68,503	1,106,410	1,021,485
 Increase in net assets before net investment income(loss)	 14,895	 24,481	 95,278	 113,010
Investment income(loss):				
Interest and dividends	3,572	3,261	42,384	37,046
Realized and unrealized gain(loss) on investments, net	7,036	12,314	18,664	57,400
Investment expenses	(60)	(58)	(718)	(634)
Net investment income(loss)	10,548	15,517	60,330	93,812
 Increase in net assets	 25,443	 39,998	 155,608	 206,822
NET ASSETS:				
Beginning of period	1,625,596	1,455,433	1,495,431	1,288,609
End of period	\$ 1,651,039	1,495,431	1,651,039	1,495,431

Note(s):

- (1) Does not include final year end adjustments.
(2) Includes ERRP reimbursement of \$5,717.
(3) Includes ERRP reimbursements of \$16,983.

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Central States, Southeast and Southwest Areas Health and Welfare Fund
Statement of Changes in Net Assets
(In thousands)

	Years Ended			
	2010	2009	2008	2007
Contributions	\$ 1,134,495	1,137,257	1,188,782	1,169,116
Benefits and expenses:				
Benefits paid	946,476 (1)	984,203	1,024,199	1,000,498
Changes to liabilities for benefits	9,287	(515)	(1,600)	(3,870)
TeamCare administrative fees	29,413	29,203	30,005	29,411
General and administrative expenses	36,309	36,104	38,424	38,251
Total benefits and expenses	<u>1,021,485</u>	<u>1,048,995</u>	<u>1,091,028</u>	<u>1,064,290</u>
Increase in net assets before net investment income(loss)	113,010	88,262	97,754	104,826
Investment income(loss):				
Interest and dividends	37,046	39,171	47,366	47,703
Realized and unrealized gain(loss) on investments, net	57,400	59,680	(126,125)	23,546
Investment expenses	(634)	(546)	(512)	(495)
Net investment income(loss)	<u>93,812</u>	<u>98,305</u>	<u>(79,271)</u>	<u>70,754</u>
Increase in net assets	206,822	186,567	18,483	175,580
NET ASSETS:				
Beginning of period	<u>1,288,609</u>	<u>1,102,042</u>	<u>1,083,559</u>	<u>907,979</u>
End of period	<u>\$ 1,495,431</u>	<u>1,288,609</u>	<u>1,102,042</u>	<u>1,083,559</u>

Note(s):

(1) Includes ERRP reimbursements of \$16,983.

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Central States, Southeast and Southwest Areas Health and Welfare Fund
Statement of Cash Receipts and Disbursements
(In thousands)

	December		Twelve Months Ended December	
	2011	(1)	2010	2010
Operations:				
Contributions	\$ 93,199		99,358	1,179,951
Benefits paid, net (2)	(85,367)		(65,108) (3)	(1,021,138) (4)
	7,832		34,250	158,813
				175,702
Payroll	(2,101)		(2,063)	(19,065)
Employee benefits	(704)		(736)	(8,935)
Fees and services (primarily Teamcare)	(3,060)		(3,040)	(33,352)
Rent	(152)		(146)	(1,556) (5)
Office	(334)		(336)	(4,200)
Other	(892)		(3,674)	(485)
	(7,243)		(9,995)	(67,593)
Net from operations	589		24,255	91,220
Net (to)from investments	(501)		(23,855)	(91,494)
Increase(Decrease) in cash	88		400	(274)
Cash:				
Beginning of period	105		67	467
End of period	\$ 193		467	193
467			467	

Note(s):

(1) Does not include final year end adjustments.

(2) Includes increase(decrease) in overdraft of:

(3) Includes ERRP reimbursement of \$8,901.

(4) Includes ERRP reimbursements of \$13,799.

(5) Includes rent abatement of \$270.

(6) Includes unused building improvement allowance of \$248.

	\$ 542	(442)	1,250	(793)
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FOR INTERNAL USE ONLY

Central States, Southeast and Southwest Areas Health and Welfare Fund
Statement of Cash Receipts and Disbursements
(In thousands)

	Years Ended			
	2010	2009	2008	2007
Operations:				
Contributions	\$ 1,131,181	1,146,400	1,204,574	1,161,124
Benefits paid, net (1)	(955,479) (2)	(984,650)	(1,032,875)	(1,006,124)
	<u>175,702</u>	<u>161,750</u>	<u>171,699</u>	<u>155,000</u>
Payroll	(18,218)	(18,490)	(19,496)	(19,398)
Employee benefits	(9,033)	(8,666)	(8,535)	(8,268)
Fees and services (primarily Teamcare)	(31,680)	(31,677)	(32,108)	(31,367)
Rent	(1,595) (3)	(1,708) (4)	(2,731)	(2,091) (5)
Office	(3,770)	(3,844)	(4,753)	(5,402)
Other	(1,115)	(566)	318	(259)
	<u>(65,411)</u>	<u>(64,951)</u>	<u>(67,305)</u>	<u>(66,785)</u>
Net from operations	110,291	96,799	104,394	88,215
Net (to)from investments	<u>(110,326)</u>	<u>(96,527)</u>	<u>(104,385)</u>	<u>(88,864)</u>
Increase(Decrease) in cash	(35)	272	9	(649)
Cash:				
Beginning of period	<u>502</u>	<u>230</u>	<u>221</u>	<u>870</u>
End of period	<u>\$ 467</u>	<u>502</u>	<u>230</u>	<u>221</u>

Note(s):

- | | | | | |
|--|----------|-------|-------|---------|
| (1) Includes decrease in overdraft of: | \$ (793) | (971) | (399) | (1,480) |
| (2) Includes ERRP reimbursement of \$8,901. | | | | |
| (3) Includes unused building improvement allowance of \$248. | | | | |
| (4) Includes rent abatement of \$537. | | | | |
| (5) Includes rebate from Duke Realty of \$805. | | | | |

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Central States Health and Welfare Fund

Full Time Equivalents vs. Retirees
December 2005 Through November 2011

