2010 ATRF

FINANCIALS

Management's Responsibility for FINANCIAL REPORTING

The financial statements of the Alberta Teachers' Retirement Fund Board and all information in the Annual Report are the responsibility of management and have been approved by the Board. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Where necessary, management has made informed judgments and estimates of the outcome of events and transactions with due consideration to materiality.

Financial and operating data elsewhere in the Annual Report is consistent with the information contained in the financial statements.

For the integrity of financial information included in this Annual Report, management relies on the organization's system of internal controls and supporting procedures. This system has been established to ensure within reasonable limits that assets are safeguarded, that transactions are properly executed in accordance with management's authorization, and that the accounting records provide a solid foundation from which to prepare the financial statements. Controls include high quality standards for hiring and training employees, an organizational structure that provides a well-defined division of responsibilities and accountability for performance, and the communication of policies and guidelines throughout the organization.

Ultimate responsibility for the financial statements rests with the Board, which is assisted in its responsibilities by the staff and the Audit Committee. The Alberta Teachers' Retirement Fund Board's external auditor, the Auditor General, has conducted an independent examination of the financial statements in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as he considers necessary to express the opinion in his report. The Audit Committee of the Board reviews the Auditor's Report and the financial statements and recommends them for approval by the Board. The Auditor General has full and unrestricted access to discuss the audit and related findings regarding the integrity of financial reporting and the adequacy of internal control systems.

Emilian V. Groch
Chief Executive Officer

Myles Norton, CMA, CFA
Director, Financial Services

Auditor's
REPORT

To the Alberta Teachers' Retirement Fund Board

I have audited the Statements of Net Assets Available for Benefits and Accrued Pension Benefits and Deficiency of the Alberta Teachers' Retirement Fund Board as at August 31, 2010 and 2009 and the Statements of Changes in Net Assets Available for Benefits and Changes in Accrued Pension Benefits for the years then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the Net Assets Available for Benefits and Accrued Pension Benefits and Deficiency of the Board as at August 31, 2010 and 2009 and the Changes in Net Assets Available for Benefits and Changes in Accrued Pension Benefits for the years then ended in accordance with Canadian generally accepted accounting principles.

[Original signed by Merwan N. Saher]
CA
Auditor General

Edmonton, Alberta
December 7, 2010

Financial
STATEMENTS

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AND ACCRUED PENSION BENEFITS AND DEFICIENCY AS AT AUGUST 31, 2010

$ Thousands	**2010**	2009
Assets		
Cash	$ 3,674	$ 1,351
Investments (Note 4)	5,502,748	3,757,560
Receivables (Note 5)	43,372	24,215
Loan Receivable from the Province (Note 6)	–	1,184,685
Capital assets (Note 7)	397	284
	5,550,191	4,968,095
Liabilities		
Accounts payable (Note 8)	13,246	11,655
Net assets available for benefits	**5,536,945**	4,956,440
Actuarial Value of Accrued Pension Benefits (Note 12)	7,467,688	6,861,654
Deficiency	**$ 1,930,743**	$ 1,905,214

The accompanying notes are part of these financial statements.

Approved by the Board

Greg Meeker
Chair

Lowell Epp
Vice Chair

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED AUGUST 31, 2010

$ Thousands	2010	2009
Increase in Net Assets		
Investment earnings (losses) (Note 9)	$ 273,066	$ (519,587)
Interest on Loan Receivable from the Province (Note 6)	1,233	76,087
	274,299	(443,500)
Contributions (Note 10)		
Teachers	263,777	234,586
Province of Alberta	246,373	215,822
Employers	1,150	880
Past service purchases	5,649	4,884
Transfers from other plans	7,917	11,711
	524,866	467,883
Total increase in net assets	**799,165**	24,383
Decrease in Net Assets		
Pension benefits	173,029	152,976
Termination benefits	20,521	26,268
Transfer to other plans	5,148	7,893
Administrative expenses (Note 11)	19,962	18,199
Total decrease in net assets	**218,660**	205,336
Change in Net Assets for the Year	580,505	(180,953)
Net Assets Available for Benefits at Beginning of Year	4,956,440	5,137,393
Net Assets Available for Benefits at End of Year	**$ 5,536,945**	$ 4,956,440

STATEMENTS OF CHANGES IN ACCRUED PENSION BENEFITS
FOR THE YEAR ENDED AUGUST 31, 2010

$ Thousands	2010	2009
Accrued Pension Benefits at Beginning of Year	$ 6,861,654	$ 6,321,904
Increase (Decrease) in Accrued Pension Benefits		
Interest on accrued benefits	487,101	465,248
Benefits accrued	378,978	360,718
Changes in actuarial assumptions	10,616	131,023
Experience gains	(85,530)	(246,697)
Benefits paid	(185,131)	(170,542)
	606,034	539,750
Accrued Pension Benefits at End of Year	**$ 7,467,688**	$ 6,861,654

Notes to the Financial **STATEMENTS**

NOTE 1
AUTHORITY AND NATURE OF OPERATIONS

a) Authority

The Alberta Teachers' Retirement Fund Board, a corporation of the Province of Alberta (the "Province") operating under the authority of the *Teachers' Pension Plans Act*, Chapter T-1, RSA 2000, is the trustee and administrator of the Teachers' Pension Plan and the Private School Teachers' Pension Plan (the "Plans"). The Plans are Registered Pension Plans as defined in the *Income Tax Act* and are not subject to income taxes. The income tax registration number is 0359125.

b) Obligations relating to the Pre-September 1992 Period

The Teachers' Pension Plan assets and obligations related to pensionable service since August 31, 1992 (the "Post-August 1992 period") have been accounted for separately from the assets and obligations related to pensionable service prior to September 1, 1992 (the "Pre-September 1992 period") and, accordingly, these financial statements and notes include only Post-August 1992 transactions of the Teachers' Pension Plan and transactions of the Private School Teachers' Pension Plan.

Effective September 1, 2009, the Province assumed full responsibility for obligations related to Pre-September 1992 period pensionable service and provides the required amounts to pay the obligations on a monthly basis.

NOTE 2
DESCRIPTION OF THE PENSION PLANS

The following description of the Plans is a summary only.

a) General

The Plans are contributory defined-benefit pension plans for the teachers of Alberta.

b) Funding

The determination of the value of the benefits and the required contributions for the Plans is made on the basis of periodic actuarial valuations.

All teachers under contract with school jurisdictions and charter schools in Alberta are required to contribute to the Teachers' Pension Plan. Current service costs and related deficiencies are funded by equal contributions from the Province and the teachers. An additional 10 percent cost-of-living adjustment for service earned after 1992, as described in Note 2(h), is funded entirely by the teachers.

Certain public colleges and other designated organizations in Alberta also participate in the Teachers' Pension Plan under the same funding arrangements, except these organizations make the employer contributions rather than the Province.

Certain private schools participate in the Private School Teachers' Pension Plan. Plan costs are funded by contributions from the employers and the teachers.

c) Retirement Pensions

Retirement pensions are based on the number of years of pensionable service and the highest consecutive five-year average salary. Pensions are payable to teachers who retire after completion of at least five years of pensionable service, with certain restrictions, and who have attained age 65. Unreduced pensions are also payable to teachers who have reached at least age 55 and the sum of their age and service equals 85. With certain restrictions, reduced early retirement pensions are payable to teachers who retire on or after age 55 with a minimum of five years of pensionable service.

d) Disability Benefits

Teachers who are disabled after August 31, 1992 are credited with pensionable service while disabled. Teachers do not contribute to the Plans while disabled.

e) Termination Benefits

Refunds or commuted value transfers are available when a teacher ceases employment.

f) Death Benefits

Death benefits are available upon the death of a teacher and may be available upon the death of a pensioner. The benefit may take the form of a lump sum payment or a survivor pension.

g) Other Provisions

Purchase of past service and reinstatement of refunded service is allowed on a basis that is cost neutral to the Plans.

h) Cost-of-Living Adjustments

Pensions payable are increased each year by an amount equal to 60 percent of the increase in the Alberta Consumer Price Index. The portion of pension earned after 1992 is increased by an additional 10 percent of the increase in the Alberta Consumer Price Index.

NOTE 3
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

a) Basis of Presentation

The financial statements are prepared on a going-concern basis in accordance with Canadian generally accepted accounting principles and present the aggregate financial position of the Plans. The statements disclose the net assets available to meet future benefit payments, and are prepared to assist participants and others in reviewing the activities of the Plans for the fiscal year.

b) Investments

Investments are recorded as of the trade date and are stated at fair value. The methods used to determine year-end fair value are explained in the following paragraphs.

- Money-market securities are recorded at cost which approximates fair value.
- The fair value of publicly traded securities is based on market prices quoted by independent suppliers of securities related data.
- The fair value of non-publicly traded equity investments reflects cash outlays adjusted by periodic third party valuations and fees charged by general partners.
- The fair value of real estate and oil and gas properties not publicly traded is based on estimates as determined by management in conjunction with industry specialists.

Premiums and discounts arising on acquisitions are amortized using the effective interest rate method and included in investment earnings. Changes in fair value subsequent to acquisition are included in investment earnings (Note 9).

c) Foreign Exchange

Foreign currency transactions are translated into Canadian dollars at rates of exchange prevailing at the dates of the transactions. At year-end, the fair value of investments and any other assets and liabilities denominated in a foreign currency are translated at the year-end exchange rate. Gains or losses resulting from exchange differences are included in the determination of the change in fair value of investments.

d) Derivative Financial Instruments

Derivative financial instruments are valued based on quoted market prices. Gains or losses on these instruments are recognized with changes in market value, and are included in the determination of current year change in fair value of investments.

e) Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives. Amortization is calculated using the straight-line method at the following annual rates:

Furniture and equipment	10-25%
Computer hardware and software	20-33.3%

Software under development is not amortized until implemented.

f) Compensation

Details of senior staff compensation and Board member remuneration included in "Salaries and benefits" (Note 11) are presented in the Compensation and Discussion Analysis section of the Annual Report.

g) Measurement Uncertainty

The preparation of financial statements, in conformity with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from these estimates.

Measurement uncertainty exists in the calculation of the Plans' actuarial value of accrued benefits. Uncertainty arises because the Plans' actual experience may differ significantly from assumptions used in the calculation of the Plans' accrued benefits.

Measurement uncertainty exists in the valuation of the Plans' private investments as values may differ significantly from the values that would have been used had a ready market existed for these investments.

h) Future Accounting Requirements

The Canadian Accounting Standards Board (AcSB) has confirmed that Section 4600 Pension Plans will replace the existing Section 4100 Pension Plans on January 1, 2011. The Plans will adopt these new standards for the fiscal year ending August 31, 2012, including comparative figures. The adoption of Section 4600 Pension Plans will result in additional disclosures but will not have a significant impact on the Plans' financial position or operations.

NOTE 4
INVESTMENTS

$ Thousands	2010				2009			
	Fair Value		Cost		Fair Value		Cost	
Fixed Income and Cash								
Cash	$	34,197	$	34,197	$	47,276	$	47,276
Money-market securities		155,856		155,856		110,981		110,981
Bonds and debentures		1,805,110		1,708,117		597,921		568,223
		1,995,163		1,898,170		756,178		726,480
Equities								
Publicly traded equities								
Canadian		1,156,825		1,003,740		1,016,244		958,120
Global		2,141,958		2,265,390		1,857,460		1,899,497
Non-publicity traded equities		208,802		222,145		127,678		157,339
		3,507,585		3,491,275		3,001,382		3,014,956
	$	5,502,748	$	5,389,445	$	3,757,560	$	3,741,436

a) Derivative Contracts

Derivative contracts are financial contracts, the value of which is derived from the value of underlying assets, indices, interest rates or currency rates.

- Foreign currency forwards are contractual obligations either to buy or sell specified amounts of foreign currencies at predetermined future dates and exchange rates;
- Credit default swaps allow counterparties to buy and sell protection on credit risk inherent in a bond;
- Interest rate swaps allow parties to exchange fixed and floating interest rate cash flows based on notional amounts; and,
- Futures contracts are agreements to receive or pay cash on settlement dates based on changes in the levels of specified indices.

The maturities, notional amounts and the net fair values of the Plans' derivative contracts are as follows:

	2010					2009	
	Terms of Maturity (%)			$ Thousands		$ Thousands	
	Within 1 Year	1 to 3 Years	Over 3 Years	Notional Amount	Net Fair Value	Notional Amount	Net Fair Value
Foreign currency forwards	100	–	–	2,099,149	(1,355)	1,060,685	3,614
Credit default swaps	–	61	39	3,252	(1,935)	14,104	(391)
Interest rate swaps	–	27	73	60,026	(4,398)	56,686	3,028
Fixed income futures	100	–	–	25,227	16,402	21,604	272

b) Interest Rate Risk

Interest rate risk relates to the impact of interest rate changes on the Plans' cash flows and financial position. This risk arises from differences in the timing and amount of cash flows related to the Plans' assets and liabilities.

As at August 31, 2010, a 1% increase in nominal interest rates would result in a decline in the fair value of Fixed Income investments of 7.6 % (2009: 7.0%).

Based on fair values at August 31, 2010, Fixed Income investments have the following average effective yields and term structures:

	2010					2009	
	$ Thousands					$ Thousands	
	Terms of Maturity						
	Within 1 Year	1 to 5 Years	Over 5 Years	Total	Average Effective Yield	Total	Average Effective Yield
Money-market securities	155,856	–	–	155,856	0.79%	110,981	0.28%
Bonds and debentures	69,923	566,116	1,169,071	1,805,110	4.12%	597,921	5.17%

c) Credit Risk

Credit risk arises from the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract.

The Plans limit their credit risk by dealing with counterparties that are considered to be of high quality, setting and monitoring compliance with portfolio guidelines, diversification and obtaining collateral where appropriate.

The Plans record all investments at fair value. Consequently, investment values reflected in Note 4 of these financial statements represent the maximum credit risk exposure of the Plans as at August 31, 2010.

d) Currency Risk

Currency risk arises from the Plans' holding of investments that are denominated in foreign currencies. Currency exposure may be managed using derivative contracts, primarily currency forwards. The Plans' foreign currency exposure is as follows:

$ Thousands	2010			2009
	Foreign Currency Exposure	Currency Derivatives	Net Foreign Currency Exposure	Net Foreign Currency Exposure
United States	$ 1,305,033	$ (170,883)	$ 1,134,150	$ 926,913
Euro	328,805	(81,790)	247,015	291,209
United Kingdom	231,188	(42,101)	189,087	178,036
Japan	120,353	56,568	176,921	162,785
Switzerland	116,902	14,448	131,350	83,467
Hong Kong	63,977	–	63,977	43,755
Other	128,546	94,816	223,362	209,524
	$ 2,294,804	$ (128,942)	$ 2,165,862	$ 1,895,689

NOTE 5
RECEIVABLES

$ Thousands		2010		2009
Accrued income	$	22,852	$	9,140
Contributions - teachers		11,324		11,166
Contributions receivable from the Province		8,981		3,733
Other		215		176
	$	43,372	$	24,215

NOTE 6
LOAN RECEIVABLE FROM THE PROVINCE

$ Thousands		2010		2009
Opening balance	$	1,184,685	$	944,099
Contributions relating to Pre-September 1992 period		–		(243,949)
Benefit payments relating to Pre-September 1992 period		–		408,448
Interest on Loan Receivable from the Province		1,233		76,087
Payment received from the Province		(1,185,918)		–
	$	–	$	1,184,685

During the year $414 million was received from the Province and was distributed as benefit payments relating to the Pre-September 1992 period.

NOTE 7
CAPITAL ASSETS

$ Thousands	2010						2009	
		Cost		Accumulated Amortization		Net		Net
Furniture and equipment	$	507	$	277	$	230	$	46
Computer hardware and software		4,120		3,953		167		238
	$	4,627	$	4,230	$	397	$	284

NOTE 8
ACCOUNTS PAYABLE

$ Thousands		2010		2009
Tax withholdings	$	7,050	$	6,583
Investment transactions		2,300		2,770
Supplementary Employee Pension Plan		966		823
Other		2,930		1,479
	$	13,246	$	11,655

NOTE 9
INVESTMENT EARNINGS/(LOSSES)

$ Thousands	2010	2009
Interest and dividend income		
Cash and money-market securities	$ 1,844	$ 3,335
Bonds and debentures	51,514	26,216
Publicly traded equities		
Canadian	27,078	40,969
Global	42,794	46,822
Non-publicly traded equities	214	859
	123,444	118,201
Realized net gain (loss) on disposal of investments	52,441	(486,306)
Unrealized net gain (loss) on investments	97,181	(151,482)
	$ 273,066	$ (519,587)

NOTE 10
CONTRIBUTIONS

$ Thousands	2010	2009
Teachers		
Current service	$ 194,915	$ 181,929
Current service additional 10% COLA	12,776	11,835
Deficiency	56,086	40,822
	263,777	234,586
The Province		
Current service	193,677	178,001
Deficiency	52,696	37,821
	246,373	215,822
Employers		
Current service	1,136	869
Deficiency	14	11
	1,150	880
Past service purchases	5,649	4,884
Transfers from other plans	7,917	11,711
	$ 524,866	$ 467,883

NOTE 11
ADMINISTRATIVE EXPENSES

$ Thousands	2010		2009
	Budget	Actual	Actual
Investment management	$ 14,894	$ 11,495	$ 9,976
Salaries and benefits	5,087	5,024	4,481
Custodial and banking	1,126	1,078	992
External professional services	1,124	904	1,330
Communications	761	622	601
Premises and equipment	638	524	604
Board and Investment Committee	152	160	116
Audit	70	75	78
Other	62	80	21
	$ 23,914	$ 19,962	$ 18,199

NOTE 12
OBLIGATIONS FOR BENEFITS

a) Valuations and Assumptions

Best-estimate valuations of the Teachers' Pension Plan for the Post-August 1992 period and the Private School Teachers' Pension Plan were done as at August 31, 2010. Valuations for the Plans were also prepared as at August 31, 2009. The present value of accrued benefits was determined using the projected benefit method prorated on service. The assumptions used in the valuations are based on management's best estimate of future events.

The major long-term economic assumptions used in the best-estimate valuations are:

	2010	2009
Rate of return on invested assets	7.00%	7.00%
Rate of Alberta inflation	2.75%	2.75%
Real wage increases	1.00%	1.00%

Future experience will differ from those assumptions. Any differences between the assumptions and future experience will emerge as gains or losses in future best-estimate valuations.

b) Sensitivity of Changes in Major Assumptions

The table below shows the impact of changes to major assumptions, holding all other assumptions constant:

	Teachers' Pension Plan		**Private School Teachers' Pension Plan**	
	0.50% decrease in Rate of Return on Invested Assets	0.50% increase in Rate of Inflation	0.50% decrease in Rate of Return on Invested Assets	0.50% increase in Rate of Inflation
Increase in current service costs (% of total teacher salaries)	1.52%	1.22%	1.89%	1.39%
Increase in accrued pension benefits	$627 million	$433 million	$3 million	$2 million

The current service cost (excluding 0.2% for administrative expenses) as a per cent of total teacher salaries for the Teachers' Pension Plan was 13.66% and for the Private School Teachers' Pension Plan was 14.71%.

c) Results Based on Valuations

The valuation for the Post-August 1992 period of the Teachers' Pension Plan as at August 31, 2010 determined a deficiency of $1.924 billion. The valuation for the Private School Teachers' Pension Plan to August 31, 2010 determined a deficiency of $6.349 million.

$ Thousands	**2010**			2009		
	Teachers' Pension Plan	Private Teachers'	Total	Teachers' Pension Plan	Private Teachers'	Total
Net assets at beginning of year	$ 4,929,596	$ 26,844	$ 4,956,440	$ 5,106,622	$ 30,771	$ 5,137,393
Net contributions	497,170	2,027	499,197	432,278	1,444	433,722
Benefits	(171,674)	(1,355)	(173,029)	(151,647)	(1,329)	(152,976)
Investment earnings / (losses)	271,587	1,479	273,066	(515,674)	(3,913)	(519,587)
Interest on Loan Receivable from Province	1,233	–	1,233	76,087	–	76,087
Administrative expenses	(19,854)	(108)	(19,962)	(18,070)	(129)	(18,199)
Net Assets	5,508,058	28,887	5,536,945	4,929,596	26,844	4,956,440
Actuarial value of accrued pension benefits	(7,432,452)	(35,236)	(7,467,688)	(6,829,453)	(32,201)	(6,861,654)
Deficiency	$ (1,924,394)	$ (6,349)	$ (1,930,743)	$ (1,899,857)	$ (5,357)	$ (1,905,214)

NOTE 13
INVESTMENT RETURNS AND RELATED BENCHMARK RETURNS

Investment returns and related benchmark returns by Plan for the years ended August 31 are as follows:

	2010		2009	
Plan	Investment Return	Benchmark Return	Investment Return	Benchmark Return
Teachers' Pension Plan – Post-August 1992 period	5.6%	5.4%	-8.5%	-6.8%
Private School Teachers' Pension Plan	6.9%	6.4%	-12.7%	-10.7%

Benchmark returns are weighted averages of certain market index returns based on the policy asset mix of each Plan.

NOTE 14
BUDGET INFORMATION

The accrued pension benefits are based on management's best estimates of future events after consultation with the Plans' actuary. Differences between actual results and management's expectations are disclosed as net experience gains in the statement of changes in accrued pension benefits. Accordingly, a budget is not included in these financial statements, with the exception of administrative expenses (Note 11).

11-YEAR FINANCIAL AND STATISTICAL REVIEW (UNAUDITED)

Financial Position as at August 31	**2010**	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
($ Millions)											
Investments											
Equities											
Canadian	1,156.8	1,016.2	1,248.5	1,246.2	1,035.6	955.6	795.1	707.8	687.9	775.0	865.0
Global	2,142.0	1,857.5	2,031.1	2,283.1	2,051.0	1,450.3	1,219.8	1,084.3	808.5	738.1	770.5
Private	208.8	127.7	120.6	53.9	22.6	6.8	3.0	2.7	2.9	3.0	2.7
Fixed Income	1,995.2	756.2	777.7	714.2	624.2	913.4	839.0	663.7	686.4	729.0	668.7
Net Investments	5,502.8	3,757.6	4,177.9	4,297.4	3,733.4	3,326.1	2,856.9	2,458.5	2,185.7	2,245.1	2,306.9
Loan Receivable from the Province	–	1,184.7	944.1	–	–	–	–	–	–	–	–
Contributions Receivable	11.3	11.2	9.0	13.7	12.5	11.0	10.2	7.3	25.2	5.0	9.0
Other Assets and Liabilities	22.9	3.0	6.4	(3.1)	4.5	10.1	(6.4)	2.8	9.3	7.1	4.8
Net Assets Available for Benefits	5,537.0	4,956.5	5,137.4	4,308.0	3,750.4	3,347.2	2,860.7	2,468.6	2,220.2	2,257.2	2,320.7
Actuarial Value of Accrued											
Pension Benefits	7,467.7	6,861.7	6,321.9	11,316.3	10,702.2	10,285.5	9,681.6	8,703.2	8,189.1	6,971.2	6,535.6
Deficiency	1,930.7	1,905.2	1,184.5	7,008.3	6,951.8	6,938.3	6,820.9	6,234.6	5,968.9	4,714.0	4,214.9
Activity during year ended August 31											
Benefit and Investment Operations											
Investment earnings	274.3	(443.5)	(209.4)	440.3	259.0	373.2	287.9	163.0	(107.8)	(135.0)	404.3
Amount assumed by the Province	–	–	784.5	–	–	–	–	–	–	–	–
Net contributions	499.2	433.7	402.8	600.8	581.0	518.0	481.0	436.5	399.4	376.6	357.6
Pension benefits	(173.0)	(153.0)	(130.0)	(465.3)	(425.0)	(394.5)	(367.5)	(342.7)	(320.5)	(297.5)	(276.3)
Administrative expenses	(20.0)	(18.2)	(18.5)	(18.3)	(11.5)	(10.2)	(9.2)	(8.5)	(8.1)	(7.6)	(7.0)
Increase in Net Assets	580.5	(181.0)	829.4	557.5	403.5	486.5	392.2	248.3	(37.0)	(63.5)	478.6
Increase (Decrease) in Accrued											
Pension Benefits	606.0	539.7	(4,994.3)	614.0	417.0	603.9	978.5	514.1	1,217.9	435.6	528.6
Increase (Decrease) in Deficiency	25.5	720.7	(5,823.7)	56.5	13.5	117.4	586.3	265.8	1,254.9	499.1	50.0
Post 1992 TPP* - year ended August 31											
Performance	5.6%	-8.5%	-2.8%	11.3%	7.5%	12.4%	11.4%	6.8%	-4.6%	-5.7%	21.5%
Benchmark	5.4%	-6.8%	-2.7%	10.9%	8.1%	12.2%	11.2%	9.7%	-6.4%	-11.9%	22.8%
Long-Term Funding Objective	4.8%	2.6%	8.3%	9.0%	9.0%	6.6%	6.5%	8.5%	6.8%	7.2%	8.0%
Funding Shortfall ($ Millions)											
Pre 1992 TPP*	–	–	–	6,592.0	6,367.0	6,266.1	6,030.0	5,562.1	5,342.0	4,657.0	4,450.0
Post 1992 TPP*	1,787.0	1,766.0	1,048.0	742.0	742.0	700.4	662.0	434.1	407.0	53.0	–
Private School TPP*	6.0	5.0	(0.4)	0.1	0.1	(0.2)	(0.4)	(0.7)	(1.4)	(2.1)	(3.6)
	1,793.0	1,771.0	1,047.6	7,334.1	7,109.1	6,966.3	6,691.6	5,995.5	5,747.6	4,707.9	4,446.4
Post 1992 TPP* Loan to Pre 1992 TPP*	–	–	–	724.0	543.0	384.0	228.2	82.1	–	–	–
Administrative Expenses											
Member services	20.9%	23.4%	21.7%	21.4%	34.7%	34.3%	36.3%	37.6%	37.0%	36.8%	45.7%
Investments	78.9%	76.6%	78.3%	78.6%	64.3%	65.7%	63.7%	62.4%	63.0%	63.2%	54.3%
Plan Members											
Active	38,578	38,422	37,627	37,577	36,640	36,266	34,649	35,278	35,378	33,719	33,028
Inactive	12,119	11,769	11,713	10,852	11,260	10,940	11,937	11,654	10,972	10,949	9,703
Pensioners	22,302	21,563	20,796	19,837	18,718	17,718	16,888	16,163	15,479	14,831	14,153
Number of new pensioners	1,056	1,060	1,257	1,419	1,263	1,103	993	968	944	937	919
Member Service costs (per member)	$69	$68	$69	$68	$72	$65	$65	$62	$59	$58	$67
Benchmark	$148	$138	$132	$120	$116	$117	$110	$108	$104	$102	N/A
Investment costs per $100 of assets	$0.29	$0.28	$0.38	$0.30	$0.22	$0.20	$0.20	$0.17	$0.20	$0.18	$0.18

Note: 2010, 2009 and 2008 amounts relate to transactions of the Post-August 1992 period of the TPP* and of the Private School TPP*.

*Teachers' Pension Plan