

Missouri State Employees' Retirement System  
A Component Unit of the State of Missouri



# REFLECTIONS OF THE PAST



Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2006

Missouri State Employees' Retirement System  
A Component Unit of the State of Missouri

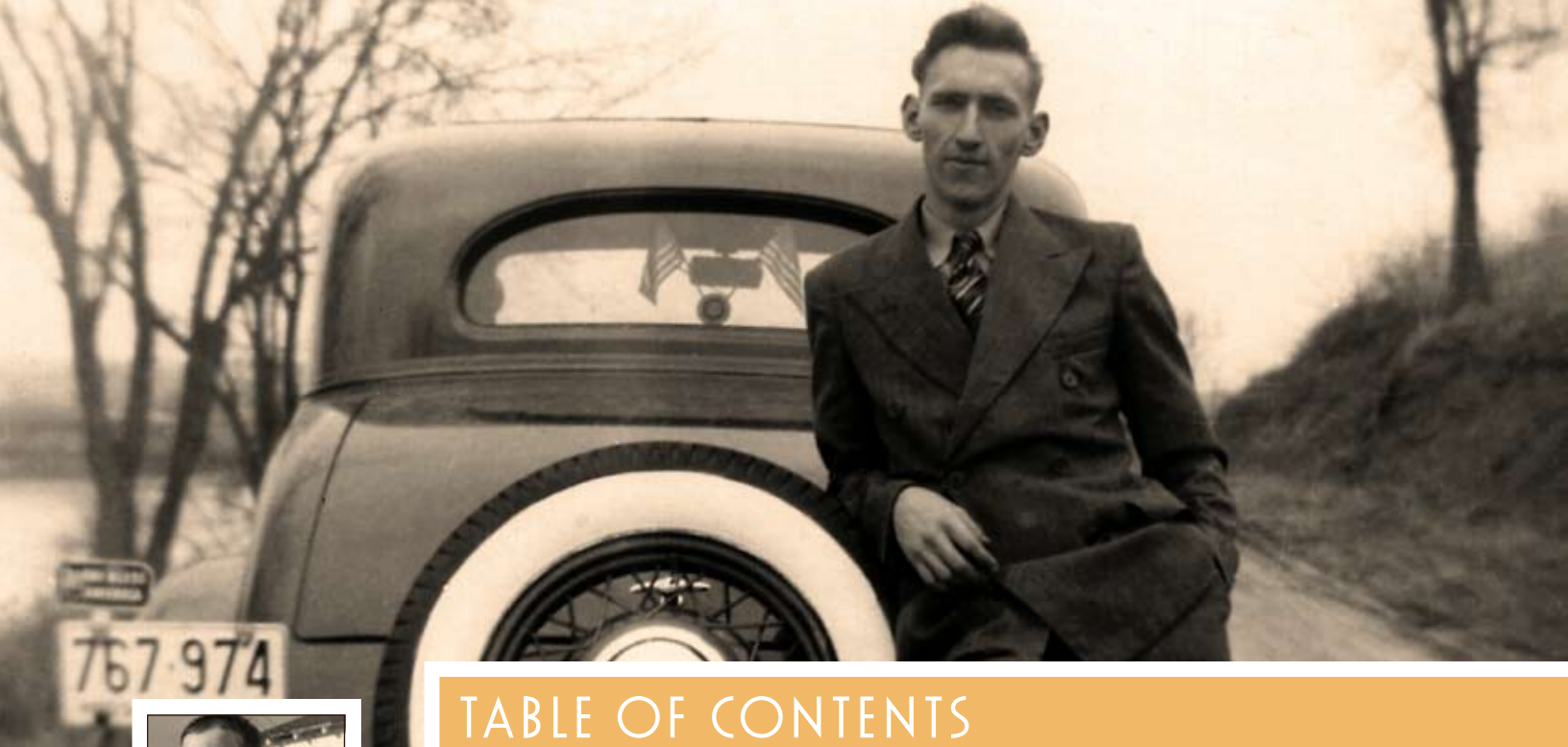
Gary Findlay, Executive Director  
Gary Irwin, Chief Finance Officer



REFLECTIONS OF THE PAST



Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2006



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\* Missouri State Employees' Plan





## OUR MISSION

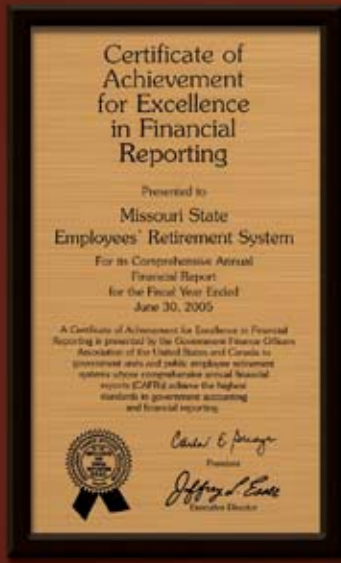
### Core Values

- **Quality** - Strive to exceed the expectations of internal and external customers through innovation, competence, and teamwork. Seek to “do it right” the first time.
- **Respect** - Be sensitive to the needs of others, both within and outside the organization. Be courteous, considerate, responsive, and professional.
- **Integrity** - In all endeavors, act in an ethical, honest, and professional manner.
- **Openness** - Be willing to listen to, and share information with, others. Be receptive to new ideas. Be trusting of others.
- **Accountability** - Take ownership of and responsibility for actions and their results. Learn from mistakes. Control system risks and act to protect the security of member information and system assets.



INTRODUCTORY SECTION





## PROFESSIONAL AWARDS



*MOSERS' Comprehensive Annual Financial Report (CAFR)* for the fiscal year ended June 30, 2005, was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). This was the seventeenth consecutive year that MOSERS has achieved this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

MOSERS also received the Public Pension Coordinating Council (PPCC), Public Pension Standards Award in 2005, in recognition of meeting the professional standards for plan design and administration as set forth in the Public Pension Standards. This award is presented by the PPCC, a confederation of the National Association of State Retirement Administrators (NASRA), the National Conference on Public Employee Retirement Systems (NCPERS), and the National Council on Teacher Retirement (NCTR).

In April 2006, MOSERS was named the "Savviest Public Plan of the Year" for 2005 by *Money Management Letter*, a publication of Institutional Investor, Inc. The selection criteria for the award included sophistication, investment knowledge and receptiveness to new ideas. MOSERS' success can be credited to the combined efforts of the board of trustees and the investment professionals associated with the system.

These awards are gratifying to the staff involved in the projects and increase MOSERS' stature as a leader in the public retirement fund universe.



## | LETTER OF TRANSMITTAL



**Mailing Address**  
PO Box 209  
Jefferson City, MO 65102-0209

**Shipping Address**  
907 Wildwood Drive  
Jefferson City, MO 65109

October 17, 2006

The Board of Trustees  
Missouri State Employees' Retirement System  
907 Wildwood Drive  
Jefferson City, MO 65109

Dear Board Members:

It is with great pleasure that I again submit to you the *Comprehensive Annual Financial Report (CAFR)* of the Missouri State Employees' Retirement System (MOSERS). The theme of this year's report is "Reflections of the Past." I believe it is important to take time each year to reflect on how we got to where we are with an eye toward the future. At MOSERS, that vision is focused on adding value by pursuing excellence in all that we do. Our success in achieving this vision will enable our stakeholders to reflect on the past with confidence that their future benefits are secure.

### **Report Contents and Structure**

This CAFR is designed to satisfy the reporting requirements of state law as stipulated in Sections 104.480, 104.1006, and 105.661 of the Revised Statutes of Missouri (RSMo) as amended. The financial information presented in the report is the responsibility of the management of MOSERS, and sufficient internal accounting controls exist to provide reasonable assurance regarding the safekeeping of assets and fair presentation of the financial statements, supporting schedules, and statistical tables. An independent auditing firm, Williams-Keepers LLC, has audited the financial statements included in this report and their opinion letter is presented in the financial section of this CAFR. The financial section also contains a management discussion and analysis report that provides a narrative introduction, overview, and analysis of the financial statements. MOSERS is considered a component unit of the state of Missouri for financial reporting purposes and, as such, the financial statements in this report are also included in the *State of Missouri's Comprehensive Annual Financial Report*.

This report is divided into the following five sections:

- The Introductory Section, which contains general information regarding the operations of MOSERS.
- The Financial Section, which contains the management's responsibility for financial reporting letter, independent auditor's opinion letter, a management discussion and analysis report, the financial statements and notes thereto, required supplementary information regarding the funds administered by MOSERS, and supporting financial schedules.
- The Investment Section, which contains information pertaining to the management of the investments of the pension trust funds, including reports from the system's chief investment officer (CIO) and investment consultant.

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Email: [mosers@mosers.org](mailto:mosers@mosers.org) • Website: [www.mosers.org](http://www.mosers.org)

- The Actuarial Section, which contains information regarding the financial condition and financial position of the retirement plans administered by the system, including the retained actuary's opinion.
- The Statistical Section, which contains general statistical information regarding the system participants and finances.

### **Profile of MOSERS**

MOSERS is an instrumentality of the state of Missouri established in 1957 by state statutes for the purpose of providing retirement benefits to those state employees not covered by another retirement system. MOSERS provides for those retirement benefits through pension trust funds.

Subsequent to its creation, MOSERS was given the task of also providing members of the retirement system with life and long-term disability insurance. MOSERS operates an internal service fund for the state of Missouri and contracts with insurance companies to provide those benefits through insured defined benefit plans. MOSERS maintains membership information on those eligible for the insurance coverage and collects and remits the premiums to the insurance company. Currently, the life and long-term disability plans are insured through The Standard Insurance Company.

The board of trustees of MOSERS annually approves the administrative expense budgets of MOSERS' operation and investment divisions. MOSERS' governance policy requires an exception report to the board of trustees by the executive director if expenses are expected to exceed budget by 10% or if there are any unscheduled salary increases or staff expansion not included in the budget approved by the board.

### **Fiscal Year (FY) 2006 Activities**

#### ***Performance Measurement***

This year we implemented software to automate the procedures we employ to monitor, measure, and assess our performance relative to pre-established benchmarks of excellence. The new software reduced the time and effort needed to document performance and increased the quality of the documentation, which helped to simplify administration of the program.

#### ***Rumor Central***

This was the second year of our use of "Rumor Central" on our website to provide members with authoritative information to either replace or confirm rumors they encounter. Members (and others) have expressed appreciation for us providing a place where they can ask questions and get timely reliable answers. We received and responded to over 200 questions during the last fiscal year. We appreciate being recognized as a reputable source of information, which reflects positively on our goal of being a center of excellence in customer service.

#### ***Imaging System Upgrade***

This year, we upgraded our imaging system from Optical Storage and Retrieval (OSAR) to Magnetic Storage and Retrieval (MSAR). The MSAR system provides us with faster document retrieval, is more reliable than the OSAR technology, and eliminates the space requirements of the optical disk equipment. In addition, our records section has completed conversion of approximately 10% of terminated member microfiche files to the imaging system. Converting these files to images allows for quicker access to the records when a terminated member returns to a MOSERS' eligible position with the state of Missouri and provides a means to efficiently backup the data for off-site storage.

***Electronic Forms***

We expanded our capability for electronic submission of forms this past year. Members and employers can now access 21 forms from our website and submit them electronically to MOSERS. This enhances our service to members by reducing the costs associated with handling paper documents while minimizing the potential for error as forms are processed.

***Online Access Expanded***

To enhance the service to the employing agencies of the state that report payroll information to MOSERS, we automated the aged accounts receivable report and the terminated report and now provide online access to these reports so any needed corrections can be made in a more timely fashion. In addition, MOSERS implemented an online member address match process so the state's human resource representatives and MOSERS can keep this critical piece of information as accurate and up to date as possible.

Benefit recipients can now access their payment stub information online. With the implementation of this service, retirees that receive their benefit payments through direct deposit (EFT) no longer receive a paper EFT stub in the mail unless they choose that as an option. During the implementation of this revision to our procedures, one retiree wrote, "I am proud of the way the Missouri State Employees' Retirement System is managed. The Social Security fund should take some lessons from you. Your direct deposit appears on my bank statement each month so that is enough confirmation."

***Cost Effective Measurement***

We continue to use the Cost Effective Measurement (CEM) Benefit Administration Benchmarking Analysis to gauge our overall performance and cost effectiveness each year. This year CEM's analysis of our fiscal year ending June 30, 2005, rated MOSERS' service as the highest in our peer group with a total service score of 87, which was well above the peer average service score of 78. This was accomplished with a cost per active and annuitant member of \$69, which was equal to the peer group median cost – in other words, the highest service level at median cost.

***Change in External Audit Firm***

Williams-Keepers LLC was hired in January 2006 as MOSERS' external audit firm replacing KPMG LLP. The change in auditing firms was the result of the normal competitive bid process MOSERS performs every four years for audit services. It should be noted that there were no disagreements between management and KPMG LLP on any accounting or auditing related issues.

***Legislation - House Joint Resolution (HJR) 55***

HJR 55 will submit to Missouri voters a constitutional amendment to existing language that would allow for automatic approval of the schedule of compensation developed by the Missouri Citizen's Commission on Compensation of Elected Officials for all elected state officials, members of the General Assembly, and judges unless disapproved by a concurrent resolution adopted by the General Assembly. The HJR removes restrictive appropriations language and contains new provisions that would disqualify any public official from receiving any state pension beginning January 1, 2007, if they are convicted in any court of a felony which occurred while in office or have been removed from office for misconduct or by impeachment. The HJR would also prohibit salary increases for any member of the House or Senate until January 2009. The net effect of these changes as they relate to the retirement benefits of MOSERS' legislative members and elected officials would be realized in the calculation of the base benefit and post-retirement cost-of-living adjustments (COLAs) under the plan, which became effective July 1, 2000 – both of which are based on the pay level of active members in those positions.

### Summary of Financial Information

The following schedule is a comparative summary of the pension trust funds' additions and deductions for the years ended June 30, 2006, and June 30, 2005.

	<b>Pension Trust Funds</b>	
	<b>Year Ended June 30, 2006</b>	<b>Year Ended June 30, 2005</b>
Additions	\$ 987,834,791	\$ 957,705,464
Deductions	(425,935,784)	(393,068,640)
Net change	<u>\$ 561,899,007</u>	<u>\$ 564,636,824</u>

The following schedule is a comparative summary of the revenues and expenses of the Internal Service Fund (insurance activity) for the years ended June 30, 2006, and June 30, 2005.

	<b>Internal Service Fund</b>	
	<b>Year Ended June 30, 2006</b>	<b>Year Ended June 30, 2005</b>
Operating revenues	\$ 26,851,737	\$ 27,741,794
Operating expenses	(26,902,935)	(27,771,836)
Nonoperating revenues	85,124	49,326
Net change	<u>\$ 33,926</u>	<u>\$ 19,284</u>

Additional financial information can be found in the management discussion and analysis report, the financial statements, and schedules included in the Financial Section of this report.

### Investments

Strong returns in the emerging markets and developed international equity portfolios enabled MOSERS' total fund to return 11.5% (net of fees and expenses) for FY06. This return outpaced our policy benchmark return of 10.1% by 1.37%. This excess resulted in an extra \$90 million that was generated for the fund. MOSERS continues to rank in the top quartile when compared to our peer universe of other state-wide public pension funds across the country.

It has been four years since the MOSERS board made the difficult decision to move away from a more traditional approach to portfolio management toward a more dynamic process. This shift was the result of a great deal of research and debate that concluded with the view that financial assets like stocks and bonds that had become the dominant force in our portfolio and most other pension fund portfolios over the last 20 years, were not positioned to deliver the returns necessary to achieve our long-term investment objectives. As a result, in order to better position the fund to achieve its objectives, the following was recognized: (i) there was a way to build a more economically diversified policy portfolio that was less dependent on U.S. stocks and bonds, which should lead to lower overall volatility without sacrificing returns, thus providing for more stability in the contribution rates, (ii) a higher level of active management should be emphasized in the portfolio in areas deemed the most inefficient, as a way to add incremental value to the fund, and (iii) staff should be given greater flexibility to maneuver the portfolio away from the broad policy targets when valuation discrepancies suggested that such a move would lead to better returns, less risk, or a combination of the two.



The following table compares several relevant statistics for the old policy benchmark, the new policy benchmark, and our actual results.

#### Four-Year Results Ended June 30, 2006

Statistics	Old Policy Benchmark Prior to June 30, 2002	New Policy Benchmark Effective After June 30, 2002	MOSERS Actual Four-year Results
Annualized return	11.2%	11.2%	12.0%
Annualized standard deviation	9.5%	7.7%	8.0%
Sharpe ratio	0.96	1.18	1.23
Percentage of positive months	69.0%	73.0%	71.0%
Percentage of negative months	31.0%	27.0%	29.0%

As can be seen from the table above, in the last four years the new policy portfolio has generated higher risk adjusted returns as observed through its higher sharpe ratio. While the returns over the last four-year period are identical, the portfolio has experienced nearly a 20% reduction in volatility.

In my view, the fund has achieved its goal of adding value over its policy benchmark and, over the longer term, has continued to exceed the assumed funding rate of 8.5%, resulting in over \$200 million in added value this fiscal year. A significant portion of our success can be attributed to an excellent investment staff operating under governance policies that allow and encourage them to pursue excellence in investment policy implementation. I firmly believe this is further confirmation of the notion that good governance policies produce good results. Additional detailed information regarding MOSERS' investments can be found in the Investment Section of this report.

#### Plans Financial Condition

The funding objective of MOSERS' pension trust funds is to meet long-term benefit promises through contributions that remain approximately level as a percent of member payroll over decades of time. Historical information relating to progress in meeting this objective is presented on pages 43-46. During the year ended June 30, 2006, the funded ratio of the Missouri State Employees' Plan, which covers 97,309 participants, increased from 84.9% to 85.3%, primarily as the result of experience that was more favorable than assumed. Funding of the Judicial Plan, which covers 857 participants, began on July 1, 1998. During the year ended June 30, 2006, the funded ratio of the Judicial Plan increased from 15.1% to 16.7%, primarily as the result of favorable plan experience during the year. Additional information regarding the financial condition of the pension trust funds can be found in the Actuarial Section of this report.

#### Awards

##### *Savviest Public Plan of the Year Award*

MOSERS was named "Savviest Public Plan of the Year" for 2005 by *Money Management Letter*, a publication of Institutional Investor, Inc. This award for excellence was established to honor leaders in the public pension fund community. The selection criteria for the savviest plan award include sophistication, investment knowledge, and receptiveness to new ideas. MOSERS' success can be attributed to the combined efforts of the MOSERS Board of Trustees and the investment professionals associated with the system. The 11-member board sets broad asset allocation parameters and then allows the CIO and asset consultant, Summit Strategies Group, to make investment strategy and manager selection decisions.

***Certificate of Achievement for Excellence in Financial Reporting***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to MOSERS for its CAFR for the fiscal year ended June 30, 2005. This was the seventeenth consecutive year that MOSERS has achieved this prestigious award. In order to be awarded a certificate of achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A certificate of achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the certificate of achievement program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

***Public Pension Coordinating Council Public Pension Standards Award***

MOSERS also received the Public Pension Coordinating Council (PPCC), Public Pension Standards Award in 2005 in recognition of meeting the professional standards for plan design and administration as set forth in the Public Pension Standards. This award is presented by the PPCC, a confederation of the National Association of State Retirement Administrators (NASRA), the National Conference on Public Employee Retirement Systems (NCPERS), and the National Council on Teacher Retirement (NCTR).


**Conclusion**

This report is a product of the combined efforts of the MOSERS' staff and advisors functioning under your leadership. It is intended to provide complete and reliable information that will facilitate the management decision making process, serve as a means for determining compliance with legal requirements, and allow for the evaluation of responsible stewardship of the funds of the system. As in the past, MOSERS received an unqualified opinion from our independent auditors on the financial statements included in this report. The opinion of the independent auditor can be found on page 20.

Copies of this report are provided to the Governor, State Auditor, and Joint Committee on Public Employee Retirement of the General Assembly, and all state agencies. These agencies form the link between MOSERS and its members, and their cooperation contributes significantly to the success of MOSERS. We hope all recipients of this report find it informative and useful.

I would like to take this opportunity to express my gratitude to you, the staff, the advisors, and other people who have worked so diligently to assure the continued successful operation of the system.

Respectfully submitted,



Gary Findlay  
Executive Director

## | LETTER FROM THE BOARD CHAIR



**Mailing Address**  
PO Box 209  
Jefferson City, MO 65102-0209

**Shipping Address**  
907 Wildwood Drive  
Jefferson City, MO 65109

October 17, 2006

Dear Members:

On behalf of the board of trustees, I am pleased to present the *MOSERS Comprehensive Annual Financial Report* for the fiscal year ended June 30, 2006. This report provides information on the financial status of your retirement system while also highlighting changes that occurred during the year.

First and foremost, I am pleased to report that your retirement system remains well funded and your promised benefits are secure. The MOSERS fund generated a return of 11.5% (net of expenses) for the year placing MOSERS' investment return in the top 25% of all public pension funds with assets in excess of \$1 billion as reported by the Independent Consultant Cooperative. This resulted in over \$200 million in excess of the return that would have been generated by the 8.5% return rate assumed for funding purposes. This type of performance makes your fund more secure while also reducing future costs to the taxpayers.

In keeping with this year's annual report theme, "Reflections of the Past," I'm pleased to report that for the sixth straight year MOSERS' investments have generated returns in excess of our benchmark and have done so with less volatility. The incremental reward from these results over six years has been an additional \$1.1 billion in MOSERS' coffers.

In an effort to further ensure that the system is employing best practices, this year we had a comprehensive fiduciary audit conducted by Independent Fiduciary Services – a firm of individuals who have substantial experience with and expertise in matters associated with the public employee retirement industry. I'm pleased to report that their in-depth review did not identify any significant operational deficiencies or major fiduciary concerns. We are, however, considering their suggestions and recommendations for fine tuning our current practices as part of our ongoing efforts to improve the ways in which we manage risk and deliver customer service.

The board experienced some turnover this past year. On behalf of the board, staff and membership, I wish to express our collective thanks to John Pelzer, Gubernatorial Appointee, for his contributions to the system.

In closing, you can be assured that the MOSERS staff continues to provide the expertise and professionalism required for excellence in our retirement system, and I would like to thank them for continuing to maintain a high level of commitment to serving our membership. We look forward to meeting your future needs. If you have any questions regarding this report or any other aspect of MOSERS, please contact us at MOSERS, P.O. Box 209, Jefferson City, MO 65102, or by calling 1-800-827-1063.

Sincerely,

Representative Todd Smith, Chair  
Board of Trustees

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MO Relay: (800) 735-2466 (Voice) • (800) 735-2966 (TDD)  
Email: [mosers@mosers.org](mailto:mosers@mosers.org) • Website: [www.mosers.org](http://www.mosers.org)



## BOARD OF TRUSTEES

**1 Senator Jason Crowell**  
*Member of the Senate*

**2 Representative Bill Deeken**  
*Member of the House of Representatives*

**3 Marsha Buckner**  
*Elected Active Member*

**4 Commissioner Mike Keathley**  
*Ex-Officio Member*

**5 Representative Todd Smith – Board Chair**  
*Member of the House of Representatives*

**6 Wayne Bill – Board Vice-Chair**  
*Elected Active Member*

**7 John T. Russell**  
*Governor Appointed Member*

**8 State Treasurer Sarah Steelman**  
*Ex-Officio Member*

**9 Don Martin**  
*Elected Retired Member*

**10 Senator Timothy Green**  
*Member of the Senate*

**11 John Pelzer**  
*Governor Appointed Member*





1



2



3

## ADMINISTRATIVE ORGANIZATION

**1 Gary Findlay**  
*Executive Director*

**Jake McMahon**  
*Chief Counsel*

**Greg Beck**  
*Chief Auditor*

**Lisa Verslues**  
*Human Resources Coordinator*

**Judy Delaney**  
*Legislative Coordinator*

**2 Karen Stohlgren**  
*Deputy Executive Director  
Chief Operations Officer (COO)*

**Gary Irwin**  
*Chief Finance Officer*

**Stacy Gillmore**  
*Manager of Information Technology*

**JoAnn Looten**  
*Manager of Records*

**Sandra Lynn**  
*Manager of Communications*

**Diana Mosier**  
*Manager of Administrative Services*

**Scott Simon**  
*Manager of Benefit Services*

**3 Rick Dahl**  
*Deputy Executive Director  
Chief Investment Officer*

**Pat Neylon**  
*Manager of Public Equity*

**Jim Mullen**  
*Manager of Public Debt*

**Tricia Scrivner**  
*Manager of Alternatives*

**Shannon Davidson**  
*Manager of Investment Operations*

**Christine Rackers**  
*Manager of Investment Policy  
& Communications*

## ADMINISTRATIVE ORGANIZATION

### Purpose

MOSERS was established September 1, 1957, and is governed by laws of the state of Missouri.

MOSERS provides retirement, survivor, and disability benefits, as well as life insurance to its members.

MOSERS administers retirement benefits for most state employees, including members of the Missouri General Assembly, elected state officials, administrative law judges and legal advisors, and judges. MOSERS is responsible for administering the law in accordance with the expressed intent of the Missouri General Assembly and bears a fiduciary obligation to the state employees who are its members and beneficiaries.

### Administration

State law provides that responsibility for the administration of MOSERS is vested in an 11-member board of trustees. The board is comprised of:

- Two members of the Senate appointed by the President Pro Tem of the Senate.
- Two members of the House of Representatives appointed by the Speaker of the House.
- Two members appointed by the Governor.
- The State Treasurer.
- The Commissioner of Administration.
- Three other members of the system: two active members elected by the active and terminated-vested members, and one retiree elected by the retired members.

The day-to-day management of MOSERS is delegated to the executive director who is appointed by the board and serves at its pleasure. The executive director acts as advisor to the board on all matters pertaining to the system, contracts for professional services, and employs the remaining staff needed to operate the system.

### Organization

The executive director, deputy executive director - COO, and the deputy executive director - CIO are responsible for planning, organizing, and administering the operations of the system under the broad policy guidance and direction of the board.

MOSERS' office is divided into eight administrative sections that perform specific functions for the system.

### Executive Services

The executive services team provides administrative support by assisting the executive director and COO, and CIO in the major legal, operational, and oversight functions of the retirement, benefit, and communication programs.

### Accounting

This section is responsible for all financial records of the programs administered by MOSERS, including the preparation of financial and statistical reports. Accounting performs the purchasing functions for MOSERS and interfaces with the investment custodian, Office of Administration accounting, various payroll and personnel departments, life insurance companies, actuaries, banks, and the IRS on all accounting related issues.

### Benefit Services

Benefit services is responsible for all contact with the membership regarding the benefit programs administered by MOSERS, which include retirement, life insurance, and long-term disability.

### Communications

Communications is responsible for providing clearly written and attractively designed publications and educational seminars needed to inform all members about benefit programs administered by MOSERS. Communications and the information technology section are jointly responsible for MOSERS' website.

### Information Technology

Utilizing an IBM AS400 minicomputer and high-end work stations, information technology provides all computer and technical design support for MOSERS' data processing activities. This group is responsible for establishing and updating computer programs to implement plan changes and also maintains members' folder information on FileNet - a magnetic disk image system that allows information to be stored and processed using computer displayed images of original documents. Information technology is also responsible for administration of the personal computer network and the telephone system. Information technology and the communications section are jointly responsible for MOSERS' website.

**Investments**

The primary function of the investment department is to provide internal investment management and consulting services to the board and the executive director. Other functions include hiring and terminating external investment managers, making strategic allocation decisions, analyzing and rebalancing the overall asset allocation and portfolio, serving as a liaison to the investment community, and informing and advising the board and executive director on financial, economic, and political developments, which may affect the system. The investment staff also works with the asset consultant and the executive director in selecting and monitoring external money managers. Information regarding the investment professionals who provide services to MOSERS can be found in the Investment Section.

**Records Management**

Records management is responsible for establishing and maintaining all membership records including maintenance of the data on the electronic imaging system, balancing payroll deductions for insurance, and entering the payroll, service, and leave data into the system's computerized database.

**Administrative Services**

Administrative services provides clerical support, mail services, and general building maintenance for MOSERS' personnel.

## OUTSIDE PROFESSIONAL SERVICES

### ACTUARY

**Gabriel, Roeder, Smith & Co.**  
Actuaries and Consultants  
Norman L. Jones, Brad Armstrong  
Southfield, Michigan

### AUDITORS

**Williams-Keepers LLC**  
Certified Public Accountants & Consultants  
Heidi Chick, Anita Brand  
Columbia/Jefferson City, Missouri

### LEGAL COUNSEL

**Thompson Coburn**  
Attorneys at Law  
General Counsel  
Allen Allred, Tom Litz  
St. Louis, Missouri

### Perkins Coie, LLP

Attorneys at Law  
Timberland Counsel  
Bob Maynard  
Boise, Idaho

### MASTER CUSTODIAN

**Mellon Trust**  
Primary Custodian  
Doug Cook, Eleanor Amidon  
Boston, Massachusetts

### INVESTMENT MANAGEMENT CONSULTANTS

**Summit Strategies Group**  
General Asset Consultant  
Steve Holmes, Tom Pollihan  
St. Louis, Missouri

### TimberLink, LLC

Timberland Consultant  
Kate Robie, Gary Myers  
Atlanta, Georgia

### RISK MANAGEMENT CONSULTANTS

**Charlesworth & Associates, LC**  
Art Charlesworth, Bob Charlesworth  
Overland Park, Kansas

### THIRD-PARTY ADMINISTRATORS

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