

Marin County Employees' Retirement Association
Statement of Plan Net Assets
As of

	2009	2008
Assets		
Cash and Short Term Investments	\$ 118,021,449	\$ 51,958,299
Receivables		
Contributions	\$ 1,971,016	\$ 4,644,531
Interest and Dividends	1,845,957	2,151,790
Investments Receivable	3,173,376	8,105,837
Other Receivables	825,830	121,516
Total Receivables	7,816,179	15,023,674
Investments at Fair Market Value		
Domestic Equities	474,172,067	664,531,571
International Equities	237,693,275	330,617,261
Domestic Fixed Income	124,423,217	163,300,085
International Fixed Income	9,953,463	13,851,238
Private Equity	3,958,762	0
Real Estate	155,324,370	192,554,622
Total Investments	1,005,525,154	1,364,854,777
Capital Assets (net of accumulated depreciation)	6,104,088	3,528,012
Other Assets		
Collateral for Loaned Securities	48,596,264	109,220,513
Prepaid Insurance	699,085	631,927
Total Other Assets	49,295,349	109,852,440
Total Assets	1,186,762,219	1,545,217,202
Liabilities		
Accounts Payable	\$ 1,883,639	\$ 3,226,177
Investments Payable	4,543,172	15,533,786
Rental security deposits	717,859	661,183
Health Insurance Payable	1,000,000	1,000,000
Collateral for Loaned Securities	48,596,264	109,220,513
Total Liabilities	56,740,934	129,641,659
Net Assets Held In Trust for Pension Benefits	\$ 1,130,021,285	\$ 1,415,575,543

Investment Portfolio Performance
As of June 30, 2009

Annualized Returns	
1 Year	-19.32%
3 Years	-3.52%
5 Years	2.18%

Portfolio Distribution
As of June 30

	2009	2008
Stocks		
Market Neutral	7.62%	6.56%
Enhanced Index	8.91%	7.72%
Large Cap Value	7.28%	8.02%
Large Cap Growth	9.07%	8.98%
Small Cap Value	4.34%	4.04%
Small Cap Growth	3.02%	3.29%
International	19.89%	20.83%
	60.13%	59.44%
Fixed Income	25.31%	26.55%
Real Estate	14.56%	14.01%
	100.00%	100.00%

Member Agencies

LAFCO
Marin County
Marin County Courts
City of San Rafael
San Rafael Redevelopment
Marin/Sonoma Mosquito and Vector Control District
Marin City Community Service District
Novato Fire Protection District
Southern Marin Fire District
Tamalpais Community Service District

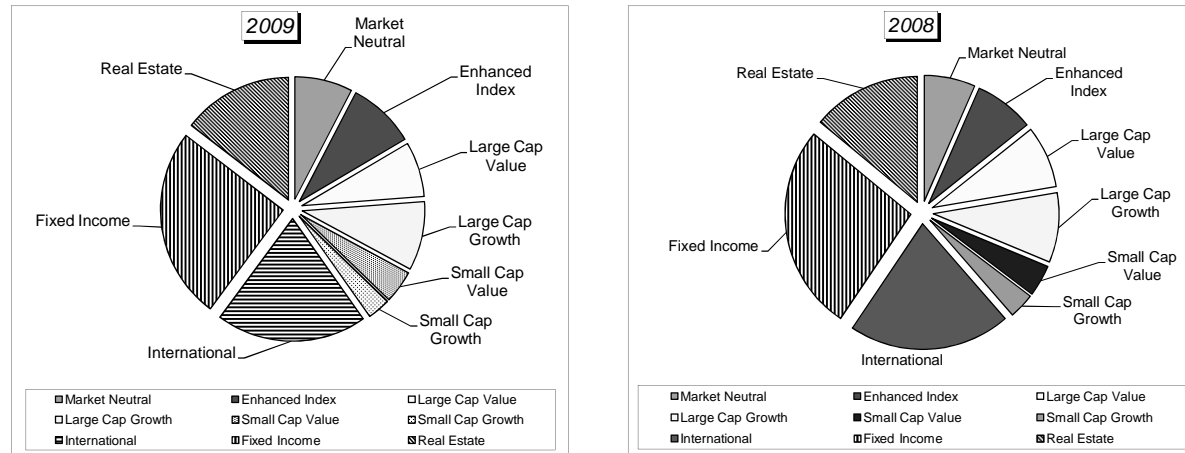
Membership Statistics

Number of:	June 30 2009
Safety Members	758
Miscellaneous Members	2,422
Deferred Members	381
Retired Members	1,979
Survivors & Beneficiaries	300
	5,840

Notes to Members

1. The complete financial statements for June 30, 2009 and 2008 about which the auditor has issued a clean opinion are available in the Retirement Office for your review.
2. Interest is credited to members' accounts each June 30 and December 31 on the accumulated contribution balance which has been on deposit for the previous six months.

**Marin County Employees' Retirement Association
Investment Portfolio Distribution**



**Marin County Employees' Retirement Association
Statement of Changes in Plan Net Assets
For the Year Ended**

	2009	2008
Additions		
Employer Contributions	\$ 54,555,518	\$ 58,089,688
Employee Contributions	<u>17,397,816</u>	<u>15,881,073</u>
Total Contributions	71,953,334	73,970,761
Investment Income		
Net Appreciation in Fair Market Value of Assets	(296,120,833)	\$ (115,744,403)
Interest and Dividends	21,857,378	21,351,241
Real Estate Income (Net)	5,045,796	3,603,771
Other Investment Income	510,941	210,228
Net Securities Lending Income	830,442	<u>909,970</u>
Total Investment Income (Loss)	(267,876,276)	(89,669,193)
Less Investment Expense	<u>7,955,952</u>	<u>8,987,364</u>
Total Net Investment Income(Loss)	<u>(275,832,228)</u>	<u>(98,656,557)</u>
Total Additions (Declines)	(203,878,894)	(24,685,796)
Deductions		
Benefits	77,417,556	72,188,685
Refund of Contributions	1,065,627	530,647
Administrative Costs	2,701,167	2,929,645
Legal Expense	762,963	563,428
Litigation Settlement	13,000	-
Actuarial Expense	<u>103,113</u>	<u>89,641</u>
Total Deductions	<u>82,063,426</u>	<u>76,302,046</u>
Net Increase (Decrease)	(285,942,320)	(100,987,842)
Net Assets Beginning of Year	1,415,575,543	1,516,563,385
Prior Period Adjustment	<u>388,062</u>	<u>-</u>
	\$ <u>1,130,021,285</u>	\$ <u>1,415,575,543</u>



**Marin County Employees'
Retirement Association**

ANNUAL REPORT

June 30, 2009

Members of the Board of Retirement

Maya Gladstern	Miscellaneous Member, 2nd
Sherry Sweet	Miscellaneous Member, 3rd
James Hufford	Safety Member, 7th
Karen Wofford	Safety Alternate
Allen Haim	Retiree, 8th
Sean Webb	Retiree, Alternate
Peter Arrigoni	BOS Appointee, 4th
James Phillips	BOS Appointee, 6th
Gerald Richardson	BOS Appointee, 5th
Bernadette Bolger	BOS Appointee, 9th
Michael J. Smith	Treasurer Ex-officio, 1st

Legal Counsel

Ashley Dunning, Esq. Manatt, Phelps and Phillips

Staff

Charnel K. Benner, CFP, Retirement Administrator

To the Association Members:

Submitted herein is the condensed financial statement of the MARIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION presenting its financial position for the years ended June 30, 2009 and 2008. Any questions should be directed to the Retirement Office.

Jim Phillips, Chairperson