WASHINGTON SUBURBAN SANITARY COMMISSION EMPLOYEES' RETIREMENT PLAN

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2011 AND 2010

WASHINGTON SUBURBAN SANITARY COMMISSION
EMPLOYEES' RETIREMENT PLAN
FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS REPORT
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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INDEPENDENT AUDITOR'S REPORT

The Commissioners
Washington Suburban Sanitary Commission

The Board of Trustees
Washington Suburban Sanitary Commission
Employees' Retirement Plan

We have audited the accompanying Statements of Plan Net Assets of the Washington Suburban Sanitary Commission Employees' Retirement Plan (the "Plan") as of December 31, 2011 and 2010, and the related Statements of Changes in Plan Net Assets for the years then ended. These basic financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform an audit to obtain reasonable assurance about 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. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the net assets of the Plan as of December 31, 2011 and 2010, and the changes in its net assets for the years then ended, in conformity with accounting principles generally accepted in the United States.

The management's discussion and analysis, the schedules of funding progress and employer contributions, and the notes to the required supplementary information are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedule of investments as of December 31, 2011, is presented for purposes of additional analysis and is not a required part of the financial statements. The supplemental schedule of investments has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Washington, D.C.
August 31, 2012

Bazilio Cobb Associates

WASHINGTON SUBURBAN SANITARY COMMISSION
EMPLOYEES' RETIREMENT PLAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

The Washington Suburban Sanitary Commission Employees' Retirement Plan (the "Plan") provides retirement benefits to the employees, retirees, and beneficiaries of the Washington Suburban Sanitary Commission. To facilitate understanding the Plan's financial performance for the calendar year ended December 31, 2011, management has prepared this discussion and analysis. This discussion and analysis should be read in conjunction with the Plan's financial statements, and supplementary information provided in this report.

OTHER SIGNIFICANT MATTERS

During 2011, uncertainty and global macro events affected the financial markets recovery from the significant declines of 2008 and early 2009.

As of December 31, 2011, the uncertainty that impacted investor sentiments and market conditions is reflected in the investments of the Plan reported in the accompanying financial statements. During this period, and to the date of this report, the market has experienced additional volatility. As the values of investments fluctuate with market conditions, the amount of investment gains or losses that the Plan will recognize in future financial statements, if any, cannot be determined.

FINANCIAL HIGHLIGHTS

As of December 31, 2011, the Plan's net assets held in trust for current and future retirement benefits were $602.7 million. This reflects a decrease in the Plan's net assets of $43.4 million from the prior year. The total net investment loss was $15.7 million in 2011, comprised of a $27.9 net loss in the fair market value of investments, $13.3 million in dividends and interest, and investment expenses of $1.0 million. This is compared to net assets of $646 million as of December 31, 2010 and net investment income of $81.6 million for 2010. The 2011 decrease in net assets reflects the continued volatility in financial markets throughout 2011.

Participant and Plan sponsor contributions increased in 2011 to $21.9 million from $20.9 million in 2010 due to an increase in the number of employees and higher salary levels. Retirement annuity benefit payments totaled $49.3 million in 2011 and $47.1 million in 2010. This represented an increase of $2.20 million from 2010 to 2011 due to an increase in the number of retirees and a small cost-of-living increase.

The total fund investment return for 2011 was (2.2%). For the period that ended December 31, 2011, the Plan returned 0.8% annualized over the past five years and 4.8% annualized over the past ten years.

BOARD ACTIONS

During the year, the Board of Trustees (the "Board") took the following actions:

- Re-allocated $4 million from Treasury Inflation Protected Security manager Income Research & Management to real estate manager CB Richard Ellis (now CBRE Clarion Securities).

- Issued a Policy Statement on Divestment from the Sudan, which calls for monitoring and review of existing actively managed, separate accounts and inquiries of new managers for investment in companies doing business in the Sudan.

- Approved changes to the Asset Allocation Policy, adding a Global Tactical Asset Allocation asset class targeted at 15%, and resultant changes to targets and ranges in U.S. Equity, Emerging Market Equity, Real Return, Private Equity, and Real Estate.

- Funded two separate $50 million Global Tactical Asset Allocation ("GTAA") investments: the Wellington Opportunistic Investment Allocation and BlackRock Global Allocation funds with investment proceeds from Investment Counselors of Maryland ("ICM") ($40 million), Vanguard Total Stock Market Index ($20 million), State Street Value Index ($10 million), Artio International Equity II ($10 million), and Income Research & Management ($20 million).

- Agreed to fund monthly retiree annuity payment obligations (as needed) with funds from the second Prudential Guaranteed Deposit Account.

- Ended the Plan's investment with international equity manager Artio Global.

- Hired J.P. Morgan Asset Management ("JPMAM") for investment in JPMAM's Global Focus fund. Funded the $40 million investment with $20 million from ICM, and $20 million from Artio redemption proceeds, with the $10.8 million Artio residual balance invested with Dimensional Fund Advisors Emerging Market Value Fund.

The Board has not taken any significant actions subsequent to December 31, 2011.

PLAN FUNDING

The Plan's actuarially determined target rate of investment return is 8.0%, net of expenses. On an annual basis, the market value of the Plan's assets and its investment gains and losses are reviewed by the Plan's actuary to determine the viability and funding progress of the Plan.

The Plan began using the Average Value Method to determine actuarial asset value effective July 1, 2007. This smoothing method explicitly recognizes each year's investment gain or loss over a five-year period with the final actuarial value not less than 80% or more than 120% of the market value of assets. As required by Governmental Accounting Standards Board ("GASB") Statements No. 25 and 27, the Plan's reported funding progress (expressed as the ratio of the actuarial value of assets to the actuarial accrued liability) was 94.8% on June 30, 2011, compared to 95.8% on June 30, 2010.

OVERVIEW OF THE FINANCIAL STATEMENTS AND SCHEDULES

The financial information presented in this report includes two financial statements, the notes to the financial statements, and supplementary information.

The Statements of Plan Net Assets show the amount of assets, liabilities, and net assets held in trust for pension beneficiaries as of the end of the current and prior calendar years.

The Statements of Changes in Plan Net Assets show the additions to and reductions in the Plan's net assets during the current and prior calendar years. The statements present the major sources of funds added and uses of funds deducted.

The Notes to the Financial Statements contain disclosures and discussions which support the data presented in the financial statements. The notes present information about the creation and administration of the Plan, significant accounting policies, and investments. The notes are an integral part of the financial statements and should be considered in conjunction with any review of the financial statements.

The Supplementary Information includes additional information on the Plan's financial condition and trends, including information on employer contributions, actuarial assumptions, funding status, and investments for the last six fiscal years.

ADDITIONAL INFORMATION

These financial statements present the finances of the Plan in accordance with accounting principles generally accepted in the United States of America. Questions about these financial statements or other inquiries should be addressed to the Executive Director, WSSC Employees' Retirement Plan, Washington Suburban Sanitary Commission, 14501 Sweitzer Lane, Laurel, MD 20707-5901.

WASHINGTON SUBURBAN SANITARY COMMISSION
EMPLOYEES' RETIREMENT PLAN
STATEMENTS OF PLAN NET ASSETS
DECEMBER 31, 2011 AND 2010

	2011	2010
ASSETS		
Cash and cash equivalents	$ 5,540,131	$ 3,528,030
Investments at fair value:		
Mutual and/or commingled funds	401,176,755	406,955,480
U.S. Government and agency bonds	63,575,337	84,543,982
Corporate bonds	25,863,286	21,342,314
Common stock	46,347,469	46,430,394
Investment contracts with insurance company	51,336,422	76,188,310
Other holdings		
Cash collateral received under securities lending agreements (Note H)	53,584,927	40,151,928
Real estate fund units (Note F)	17,816,846	15,333,958
Limited partnership units	20,000	20,000
Total investments	659,721,042	690,966,366
Dividends and accrued interest receivable	768,156	1,152,989
Contributions receivable from employees	381,537	293,705
Total Assets	666,410,866	695,941,090
LIABILITIES		
Payable for collateral received under securities lending agreements (Note H)	53,584,927	40,151,928
Benefits payable and accrued expenses	825,906	636,260
Deferred prefunded WSSC contributions (Note C)	9,343,199	9,112,402
Total Liabilities	63,754,032	49,900,590
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	$ 602,656,834	$ 646,040,500

The accompanying notes are an integral part of these financial statements.

WASHINGTON SUBURBAN SANITARY COMMISSION
EMPLOYEES' RETIREMENT PLAN
STATEMENTS OF CHANGES IN PLAN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
ADDITIONS		
Income from investments:		
Dividends and interest	$ 13,250,848	$ 12,879,310
Net (depreciation) appreciation in the fair value of Plan investments	(27,894,196)	69,726,930
Less investment expenses	(1,013,758)	(1,029,105)
Net investment (loss) income	(15,657,106)	81,577,135
Contributions (Note C):		
WSSC contributions	18,455,605	17,491,535
Employee contributions	3,492,694	3,405,564
Total contributions	21,948,299	20,897,099
Total Additions	6,291,193	102,474,234
DEDUCTIONS		
Benefit payments to retirees	49,303,765	47,106,606
Refunds of employees' contributions and interest earned	371,094	169,218
Total Deductions	49,674,859	47,275,824
NET (DECREASE) INCREASE IN NET ASSETS	(43,383,666)	55,198,410
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS		
BEGINNING OF YEAR	646,040,500	590,842,090
END OF YEAR	$ 602,656,834	$ 646,040,500

The accompanying notes are an integral part of these financial statements.

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Washington Suburban Sanitary Commission Employees' Retirement Plan (the "Plan") are presented on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Plan considers all cash and highly liquid investments with an original maturity of three months or less to be cash and cash equivalents.

Investments

Investments are stated at fair value. The fair value is generally based on quoted market prices on the last business day of the Plan's year end.

The Plan holds investment contracts with Prudential Financial. The fair value of these contracts is determined based on the fair value of the underlying pooled assets, and is an estimate only and not the result of a precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year. It does not constitute an offer by Prudential Financial or a final experience adjustment.

Net (depreciation) appreciation in the fair value of investments reflected in the Statements of Changes in Plan Net Assets includes realized depreciation and losses on investments that were sold during the year and unrealized depreciation/appreciation in the fair value of investments.

The Plan's investments, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risk.

NOTE B. DESCRIPTION OF PLAN

General

The Plan, a single employer contributory defined benefit retirement plan, was established in 1967 to provide retirement and death benefits for the employees of the Washington Suburban Sanitary Commission (WSSC) under conditions set forth in the Plan Document based on an employee's age, length of service, and compensation. The Retirement Plan Document is amended from time to time, with the Plan last amended on January 21, 2009. WSSC has the right to amend the Plan Document via Commission resolution.

WSSC implemented the Open version of the Plan on July 1, 1978. Members of the Plan as of June 30, 1978 had an option to be included in the Open Version. This option expired December 31, 1978. The Open Version is mandatory for new employees. It generally provides for reduced employee contributions and benefits. As of December 31, 2011, there were 1,511 employees participating in the Open Version of the Plan, and 17 employees in the Closed Version of the Plan, a total of 1,528 employee participants.

The Plan provides for a review process for Participants whose claim for benefits is denied. As of December 31, 2011, there were no reviews pending.

Contributions

The Plan requires employees under the Closed Version to contribute 6% of gross wages and employees under the Open Version to contribute 3% of gross wages as a condition of employment.

Expenses

WSSC pays the administrative expenses of the Plan, other than investment management and consulting fees.

Pension Benefits

The Plan provides for 100% vesting of retirement benefits after five years of credited service.

NOTE B. DESCRIPTION OF PLAN (Continued)

Generally, the normal retirement benefits payable to an eligible participant are equal to the sum of:

1. 2.1% of final average monthly compensation multiplied by the Closed Version credited service, plus

2. 1.4% of final average monthly compensation multiplied by the Open Version credited service where the sum of Closed Version credited service and Open Version credited service, exclusive of accumulated sick leave service is subject to a maximum of 36 years.

The Plan provides options for disability and early retirement to eligible participants or their surviving spouses.

The Plan provides for periodic cost of living increases to retirement benefits. Participants covered by the Closed Version will receive an increase two months following a sustained increase in the Consumer Price Index of 3% or more. Participants in the Open Version receive an increase each March 1, based on the preceding calendar year's increase in the Consumer Price Index. The first increase may be pro-rated depending on the time of retirement.

As of December 31, 2011, there were 1,470 retirees and/or beneficiaries receiving benefits from the Plan, and there were 68 terminated vested employees not yet receiving benefits. Eight employees retired as of December 31, 2011 and began receiving benefits in January 2012.

Plan Termination

In the event of termination, Plan assets are to be allocated in the following priorities:

1. Expenses, fees and other charges under the Plan, not previously paid.
2. Pension benefits based upon contributions made by employees and interest earned thereon.
3. Pension benefits based upon contributions made by the employer which are vested.
4. All other pension benefits under the Plan.

NOTE C. CONTRIBUTIONS

WSSC funds annual pension plan costs based upon a level percentage of payroll costs. WSSC's contribution, which is made in a lump sum on July 1 each year, amounted to $18,686,488 and $18,224,813 on July 1, 2011 and 2010, respectively. For the years ended December 31, 2011 and 2010, the Plan recognized WSSC's contributions of $18,455,605 and $17,491,535, respectively. At December 31, 2011 and 2010, $9,343,199 and $9,112,402, respectively, of these contributions were recorded as deferred prefunded WSSC contributions.

NOTE D. TRUSTEES OF THE PLAN

WSSC established a Board of Trustees (the "Board") for the Plan to be responsible for the investment management of the Plan's assets for the exclusive benefit of the Plan's participants. The trustees are governed by a Trust Agreement. The agreement provides for trustees to be appointed by WSSC and for the Board to be composed of two Commissioners, one staff expert, four employees who are participants of the Plan, and four representatives of the public.

The administration of the Plan is managed by the Executive Director of the WSSC Employee Retirement Plan who is appointed by the General Manager of WSSC.

NOTE E. INTERNAL REVENUE STATUS

The Plan obtained its determination letter on October 25, 2002, in which the Internal Revenue Service stated that the Plan, as then designed and amended, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code, and therefore, the Plan was qualified and the related Trust was tax exempt as of December 31, 2011 and 2010. Subsequent to year end, the Plan obtained its latest determination letter dated May 25, 2012.

NOTE F. INVESTMENT IN REAL ESTATE FUND

The Plan invests in the CB Richard Ellis Global REIT Fund, which is valued by using quoted market prices on the last business day of the Plan's year-end.

NOTE G. SIGNIFICANT INVESTMENTS

Individual investments that represent 5 percent or more of the fair value of the Plan's net assets are as follows.

	December 31, 2011	December 31, 2010
ICM Small Company Portfolio	$ 40,043,494	$ 101,792,012
Vanguard Total Stock Market Index Fund	77,910,872	95,829,891
State Street Global Advisor	47,080,455	56,281,785
Morgan Stanley Investment Management International Equity Trust	44,912,783	48,910,684
Prudential Financial Investment Contract	50,920,700	49,199,664
Artio Global Investors	-	47,658,136
Vanguard High Yield Corporate Fund	35,545,267	33,145,249
BlackRock Global Allocation Fund	45,952,616	*
Wellington OIA Fund	42,066,285	*
JP Morgan Global Focus Fund	39,744,500	*

*Balance less than 5%.

Except for investments in U.S. Government or Agency securities, investment managers invest no more than 7 percent of their portion of Plan assets, at cost, and no more than 10 percent at market, in securities of any one issuer or its subsidiaries or affiliates.

NOTE H. SECURITIES LENDING

The Board of Trustees permits the Plan to lend its securities to broker-dealers and other entities (the "Borrowers") for collateral that will be returned for the same securities in the future. The Plan's custodian is the agent in lending the Plan's securities for collateral of 102 percent for domestic securities and 105 percent for international securities. The custodian receives cash, securities or irrevocable bank letters of credit as collateral. All securities loans can be terminated on demand by either the Plan or the Borrowers. Cash collateral received from the Borrowers is invested by the lending agent, as an agent for the Plan, in a short-term investment pool in the name of the Plan, with guidelines approved by the Board. Such investments are considered a collateralized investment pool. The relationship between the maturities of the investment pool and the Plan's loans is affected by the maturities of securities loans made by other plan entities that invest cash collateral in the investment pool, which the Plan cannot determine. The Plan records a liability for the return of the cash collateral

NOTE H. SECURITIES LENDING (Continued)

shown as collateral held for securities lending in the Statements of Plan Net Assets. The Board does not restrict the amount of loans the lending agent may make on its behalf. The agent indemnifies the Plan by agreeing to purchase replacement securities, or return the cash collateral thereof, in the event a Borrower fails to return loaned securities or pay distributions thereon.

As of December 31, 2011 and 2010, the fair value of securities on loan was $52,430,152 and $39,365,067, respectively. Cash received as collateral and the related liability of $53,584,927 and $40,151,928 as of December 31, 2011 and 2010, respectively, are shown on the Statements of Plan Net Assets. Securities received as collateral are not reported as assets since the Plan does not have the ability to pledge or sell the collateral securities.

Securities lending revenues and expenses amounting to $176,150 and $101,064, respectively for December 31, 2011 and $227,990 and $171,668, respectively for December 31, 2010, have been classified with investment income and investment expenses, respectively, in the accompanying financial statements.

The following represents the balances relating to the securities lending transactions as of December 31, 2011 and 2010:

	Fair Value of Underlying Securities	Cash Collateral Investment Value
December 31, 2011		
Securities Loaned for Cash Collateral		
Corporate Bonds	$ 2,265,037	$ 2,316,579
Common Stock	8,605,641	8,841,914
U.S. Government & Agency Bonds	41,559,474	42,426,434
Total	$ 52,430,152	$ 53,584,927
December 31, 2010		
Securities Loaned for Cash Collateral		
Corporate Bonds	$ 3,045,906	$ 3,104,465
Common Stock	8,035,809	8,249,459
U.S. Government & Agency Bonds	28,283,352	28,798,004
Total	$ 39,365,067	$ 40,151,928

NOTE H. SECURITIES LENDING (Continued)

At year-end, the Plan has credit risk exposure to Borrowers because the amount the Plan owes the Borrowers is less than the amounts the Borrowers owe the Plan. The Plan is fully indemnified by its custodial bank against any losses incurred as a result of Borrower default.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2011 and 2010, there were no funds held by a counterparty that was acting as the Plan's agent in securities lending transactions.

REQUIRED SUPPLEMENTARY INFORMATION

WASHINGTON SUBURBAN SANITARY COMMISSION
EMPLOYEES' RETIREMENT PLAN
REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)
FOR YEAR ENDED DECEMBER 31, 2011 AND 2010

The information presented in the required supplementary schedules of funding progress and employer contributions was determined as part of the actuarial valuations at the dates indicated. Additional information as of June 30, 2011, underlying the actuarial computations are as follows:

Valuation date	June 30, 2011
Actuarial method	Frozen initial liability modification of the entry age normal method.
Amortization method	Prior to the effective date of GASB 25, the method is a 15-year amortization at 8% interest adjusted for the yearly increase in salary scale. Beginning with the effective date, the amortization method is based on a level percentage of projected payroll.
Remaining amortization	For the amortization component of the ARC (Annual Required Contribution), the effective remaining period is 7 years.
Asset valuation method	Beginning July 1, 2007, the Average Value Method is used to determine the Actuarial Asset Value. This method determines the value of assets so that asset appreciation or depreciation is only partially recognized in the year of occurrence. The result is a gradual recognition of 20% per year over a 5-year period of each year's appreciation or depreciation in excess of or less than that which was assumed. The Actuarial Asset Value must be within 80% to 120% of the Market Value of Assets.
Actuarial assumptions:	
Rate of return on investment	8%
Yearly increase in cost of living	3.5%
Yearly increase in salary scale	5%
Yearly increase in total payroll	5%
Annual rates of severance prior to retirement	Severance due to withdrawal is based on WSSC experience. Severance due to mortality or disability is based on published rates adjusted to reflect actual experience.
Mortality rates after retirement	RP 2000 Healthy Annuitant mortality table for non-disability retirement pensioners. GA-1983 mortality table assumed forward ten years for disability retirement pensioners.
Retirement age assumptions	Ranging from age 45 to 69.

WASHINGTON SUBURBAN SANITARY COMMISSION
EMPLOYEES' RETIREMENT PLAN
REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2006	$ 601,159,241	$ 642,651,894	$ 41,492,653	93.5%	$ 89,509,798	46.4%
6/30/2007	$ 689,681,811	$ 730,211,276	$ 40,529,465	94.4%	$ 97,976,657	41.4%
6/30/2008	$ 727,310,385	$ 769,488,003	$ 42,177,618	94.5%	$ 102,652,120	41.1%
6/30/2009	$ 619,401,976	$ 655,824,629	$ 36,422,653	94.4%	$ 108,582,987	33.5%
6/30/2010	$ 672,657,242	$ 701,998,709	$ 29,341,467	95.8%	$ 110,028,784	26.7%
6/30/2011	$ 673,242,000	$ 710,346,757	$ 37,104,757	94.8%	$ 110,954,566	33.4%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30	Annual Required Contribution (ARC)	Employer Contributions Made	Percentage Contributed*
2007	$ 19,541,202	$ 15,762,030	80.7%
2008	$ 21,786,354	$ 15,748,374	72.3%
2009	$ 14,444,809	$ 15,741,076	109.0%
2010	$ 12,201,033	$ 16,016,323	131.3%
2011	$ 26,295,382	$ 16,756,099	63.7%
2012	$ 22,757,807	$ 18,220,798	80.1%

• The Employer contributions made are based upon a level percentage (16.9%) of a budgeted payroll amount. This amount is determined subsequent to the actuarial valuation date, and therefore, will be a different percentage of covered (actuarial) payroll calculated in the annual valuation.

WASHINGTON SUBURBAN SANITARY COMMISSION
EMPLOYEES' RETIREMENT PLAN
SUPPLEMENTAL SCHEDULE OF INVESTMENTS
AS OF DECEMBER 31, 2011

		Cost	Fair Value
Mutual and/or Commingled Funds:			
Shares			
1,537,178	ICM Small Company Portfolio	$ 39,860,861	$ 40,043,494
259,458	Morgan Stanley Investment Management International Equity Trust	4,216,956	44,912,783
1,075,519	Dimensional Fund Advisors	34,350,010	27,920,483
6,246,971	Vanguard High Yield Corporate Fund	37,173,651	35,545,267
2,751,090	Vanguard Total Stock Market Index Fund	86,705,938	77,910,872
1,351,109	State Street Global Advisor	32,914,582	47,080,455
2,519,332	BlackRock Global Allocation Fund	51,462,519	45,952,616
4,181,539	Wellington OIA Fund	50,250,767	42,066,285
2,838,893	JP Morgan Global Focus Fund	40,000,000	39,744,500
	TOTAL MUTUAL AND/OR COMMINGLED FUNDS	376,935,284	401,176,755
U.S. Government and Agency Bonds:			
Par			
$ 400,000	Federal Home Loan Mortgage Corporation 4.00%, due June 12, 2013	399,508	420,940
610,000	Federal Home Loan Mortgage Corporation 2.215%, due September 21, 2012	622,981	618,372
10,298	Federal Home Loan Mortgage Corporation Group #E88105, 6.00%, due March 1, 2017	10,389	11,206
121,033	Federal Home Loan Mortgage Corporation Pool #G13076, 5.00%, due March 1, 2023	120,617	129,818
4,737	Federal Home Loan Mortgage Corporation Group #E00546, 5.50%, due March 1, 2013	4,598	4,865
5,867	Federal Home Loan Mortgage Corporation Pool #E00938, 7.00%, due January 1, 2016	6,011	6,329
109,571	Federal Home Loan Mortgage Corporation Group #E01098, 6.00%, due February 1, 2017	110,906	117,260
185,689	Federal Home Loan Mortgage Corporation Pool #B13269, 4.50%, due April 1, 2019	180,307	198,032
685,606	Federal Home Loan Mortgage Corporation Pool #G12395, 6.00%, due October 1, 2021	742,784	750,391

WASHINGTON SUBURBAN SANITARY COMMISSION
EMPLOYEES' RETIREMENT PLAN
SUPPLEMENTAL SCHEDULE OF INVESTMENTS
AS OF DECEMBER 31, 2011

U.S. Government and Agency Bond (Continued):			Cost	Fair Value
	Par			
$	614,223	Federal Home Loan Mortgage Corporation Pool #J02815, 5.5%, due June 1, 2021	$ 659,042	$ 672,383
	251,311	Federal Home Loan Bank 5.46%, due November 27, 2015	261,445	279,207
	156,166	Federal Home Loan Bank 5.27%, due December 28, 2012	156,123	161,691
	260,000	Federal National Mortgage Association 6.125%, due March 15, 2012	288,688	263,115
	350,000	Federal National Mortgage Association 5.25%, due August 1, 2012	349,402	359,680
	1,186,614	Federal National Mortgage Association Pool #AE4481, 4.0%, due April 1, 2041	1,234,449	1,247,642
	258,557	Federal National Mortgage Association Pool #AE5773, 4.5%, due September 1, 2025	272,293	275,721
	459,481	Federal National Mortgage Association Pool #AB2782, 5.0%, due April 1, 2041	489,420	499,631
	1,330,026	Federal National Mortgage Association Pool #AA7755, 4.5%, due June 1, 2024	1,380,161	1,439,513
	1,195,704	Federal National Mortgage Association Pool #AA7889, 5.0%, due June 1, 2024	1,264,271	1,303,796
	2,804,824	Federal National Mortgage Association Pool #AA8719, 5.0%, due June 1, 2039	2,905,184	3,100,733
	576,505	Federal National Mortgage Association Pool #AC4521, 4.0%, due August , 2024	603,889	608,195
	1,850,499	Federal National Mortgage Association Pool #AC5454, 6.0%, due November 1, 2039	1,976,564	2,052,962
	580,199	Federal National Mortgage Association Pool #AE5105, 4.50%, due October 1, 2040	613,651	620,348
	12,678	Federal National Mortgage Association Pool #253883, 6.00%, due August 1, 2016	12,736	13,711

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U.S. Government and Agency Bonds (Continued): Par		Cost	Fair Value
$ 9,902	Federal National Mortgage Association Pool #253941, 7.00%, due August 1, 2016	$ 10,139	$ 10,896
30,233	Federal National Mortgage Association Pool #254259, 5.50%, due April 1, 2017	29,855	32,862
4,077	Federal National Mortgage Association Pool #535006, 7.00%, due November 1, 2014	3,975	4,342
3,750	Federal National Mortgage Association Pool #535201, 7.50%, due March 1, 2015	3,757	3,967
4,047	Federal National Mortgage Association Pool #535377, 8.00%, due June 1, 2015	4,051	4,334
14,613	Federal National Mortgage Association Pool #545404, 6.00%, due January 1, 2017	14,618	15,805
3,122	Federal National Mortgage Association Pool #545093, 7.50%, due June 1, 2016	3,225	3,367
6,330	Federal National Mortgage Association Pool #580052, 6.00%, due July 1, 2016	6,407	6,846
3,310	Federal National Mortgage Association Pool #580044, 6.00%, due June 1, 2016	3,313	3,579
3,730	Federal National Mortgage Association Pool #630293, 6.00%, due March 1, 2017	3,788	4,039
17,325	Federal National Mortgage Association Pool #634771, 6.00%, due March 1, 2017	17,493	18,759
135,915	Federal National Mortgage Association Pool #789085, 5.50%, due August 1, 2019	136,170	149,393
211,696	Federal National Mortgage Association Pool #910434, 6.00%, due January 1, 2037	213,383	234,693
361,363	Federal National Mortgage Association Pool #916933, 5.50%, due May 1, 2037	387,336	397,626

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U.S. Government and Agency Bonds (Continued):

Par		Cost	Fair Value
$ 268,059	Federal National Mortgage Association Pool #929627, 5.50%, due June 1, 2038	$ 270,991	$ 293,366
1,661,746	Federal National Mortgage Association Pool #930134, 5.50%, due November 1, 2038	1,759,893	1,850,836
139,394	Federal National Mortgage Association Pool #976406, 5.50%, due March 1, 2038	139,372	152,554
9,285	Government National Mortgage Association Pool #403952, 8.00%, due September 15, 2024	9,608	11,000
4,814	Government National Mortgage Association Pool #423986, 8.00%, due August 15, 2026	4,904	5,739
1,132,000	United States Treasury Notes, 6.00%, due February 15, 2026	1,328,641	1,631,495
1,437,000	United States Treasury Notes, 3.625%, due April 15, 2028	2,399,393	2,991,487
838,000	United States Treasury Notes, 3.875%, due April 15, 2029	1,460,619	1,798,704
2,007,000	United States Treasury Notes, 2.375%, due January 15, 2025	2,386,118	3,065,499
1,470,000	United States Treasury Notes, 2.00%, due January 15, 2026	1,540,061	2,061,624
728,000	United States Treasury Notes, 2.375%, due January 15, 2027	798,322	1,055,760
764,000	United States Treasury Notes, 3.375%, due November 15, 2018	833,503	888,806
865,000	United States Treasury Notes, 2.125%, due February 15, 2041	1,081,759	1,208,164
979,000	United States Treasury Notes, 1.875%, due July 15, 2013	1,183,510	1,262,234
1,445,000	United States Treasury Notes, 2.364%, due January 15, 2014	1,740,193	1,875,391
1,249,000	United States Treasury Notes, 2.00%, due July 15, 2014	1,478,270	1,616,657
850,000	United States Treasury Notes, 2.15%, due February 15, 2040	904,607	1,195,081
952,000	United States Treasury Notes, 1.625%, due January 15, 2015	1,122,307	1,217,671

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U.S. Government and Agency Bonds (Continued):		Cost	Fair Value
Par			
$ 1,333,000	United States Treasury Notes, 1.875% due July 15, 2015	$ 1,512,155	$ 1,711,460
745,000	United States Treasury Notes, 2.00%, January 15, 2016	833,535	950,074
844,000	United States Treasury Notes, 2.50%, due July 15, 2016	955,027	1,094,555
937,000	United States Treasury Notes, 2.375%, due January 15, 2017	1,046,185	1,221,335
427,000	United States Treasury Notes, 2.00%, due April 15, 2012	482,598	478,600
1,213,000	United States Treasury Notes, 2.625%, due July 15, 2017	1,300,922	1,577,668
248,000	United States Treasury Notes, 5.25%, due November 15, 2028	300,916	341,930
2,219,000	United States Treasury Notes, 4.50%, due February 15, 2036	2,794,945	2,903,770
274,000	United States Treasury Notes, 4.25%, due August 15, 2015	287,175	310,498
216,000	United States Treasury Notes, 4.50%, due November 15, 2015	232,086	248,333
296,000	United States Treasury Notes, 5.125%, due May 15, 2016	339,305	352,217
386,000	United States Treasury Notes, 2.75%, due February 15, 2019	393,265	422,760
650,000	United States Treasury Notes, 2.625%, August 15, 2020	693,761	701,035
620,000	United States Treasury Notes, 1.375%, due July 15, 2018	635,155	737,153
728,000	United States Treasury Notes, .625%, due April 15, 2013	735,525	793,119
589,000	United States Treasury Notes, 2.125%, due January 15, 2019	629,271	738,397
1,805,000	United States Treasury Notes, 1.25%, due July 15, 2020	1,849,761	2,119,942
1,810,000	United States Treasury Notes, 1.875%, due July 15, 2019	1,905,113	2,261,716
159,000	United States Treasury Notes, 1.25%, due April 15, 2014	169,208	178,281
1,774,000	United States Treasury Notes, 1.125%, due January 15, 2021	1,937,895	2,048,046

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U.S. Government and Agency Bonds (Continued):		Cost	Fair Value
Par			
$ 1,064,000	United States Treasury Notes, .128%, due April 15, 2016	$ 1,110,916	$ 1,137,971
389,000	United States Treasury Notes, .627%, due July 15, 2021	412,607	418,111
549,000	United States Treasury Notes, .505%, due April 15, 2015	577,294	600,249
	TOTAL U.S. GOVERNMENT AND AGENCY BONDS	57,079,620	63,575,337
Corporate Bonds			
Par			
200,000	American Express Credit Notes, 5.875%, due May 2, 2013	199,314	210,231
300,000	Bank of America Corp. Senior Notes, 4.90%, due May 1, 2013	299,534	300,243
270,000	Bank of New York Inc. Notes, 2.40%, due January 17, 2017	269,511	269,390
296,465	Bear Stearns Notes, 4.735%, due September 11, 2042	298,084	301,601
620,000	Bear Stearns Notes, 0.00%, due October 12, 2042	660,688	662,242
387,763	Bear Stearns Notes, 5.710%, due September 11, 2038	389,886	398,640
330,000	Bear Stearns Notes, 5.209%, due December 11, 2038	331,814	333,009
565,000	Bear Stearns Notes, 5.736%, due June 11, 2050	577,402	593,340
650,000	Bear Stearns Notes, 5.309%, due February 11, 2044	629,440	667,874
500,000	BellSouth Capital Funding Notes, 7.875%, due February 15, 2030	576,485	672,543
520,000	CMO PTHUR /CTF CL Notes, 5.39%, due July 15, 2044	532,272	541,727

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Corporate Bonds (Continued):

Par		Cost	Fair Value
$ 550,000	Caterpillar Financial Service Corp. Notes, 4.90%, due August 15, 2013	$ 550,129	$ 586,075
250,000	Canadian Pacific Railroad Co. Notes, 7.25%, due May 15, 2019	252,468	293,131
600,000	Citigroup Notes, 5.88%, due December 10, 2049	642,375	636,464
260,000	CSX Corp. 6.30%, due March 15, 2012	284,404	262,592
263,000	Coca Cola Enterprises Inc., Notes, 8.50%, due February 1, 2012	342,553	264,544
200,000	Coca Cola Enterprises Inc. Notes, 7.375%, due March 3, 2014	217,952	227,166
240,000	Colgate-Palmolive Corp. Notes, 5.98%, due April 25, 2012	240,000	243,943
300,000	Conoco Phillips GTD Notes, 5.75%, due February 1, 2019	299,227	361,500
100,000	Dell Computer Corp. Notes, 7.10%, due April 15, 2028	108,047	125,587
575,000	E. I. Du Pont De Nemours Notes, 4.75%, due March 15, 2015	573,356	637,337
250,000	ERP Operating LP Notes, 5.25%, due September 15, 2014	249,693	266,050
120,000	Emerson Electric Co. Notes, 4.875%, due October 15, 2019	119,543	140,468
31,404	Federal Express Corp. Notes, 7.39%, due January 30, 2013	32,634	31,891
330,000	Fuel Trust Notes, 4.207%, due April 15, 2016	338,771	332,801
200,000	Gatx Corp. Notes, 8.75%, due May 15, 2014	235,064	226,966

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Corporate Bonds (Continued):

Par		Cost	Fair Value
$ 230,000	Gatx Corp. Notes, 3.50%, due July 15, 2016	$ 230,580	$ 231,072
330,000	General Electric Capital Corp. Notes, 5.625%, due September 15, 2017	306,567	365,236
480,000	General Electric Capital Corp. Notes, 6.00%, due June 15, 2012	485,455	490,790
170,000	Gilead Sciences Notes, 4.40%, due December 15, 2015	169,609	179,978
800,000	GMAC Notes, 5.118%, due April 10, 2040	839,594	810,805
450,000	Goldman Sachs Group Inc. Notes, 5.15%, due January 15, 2014	455,760	458,566
325,000	Goodrich B F Co. Notes, 6.8%, due February 1, 2018	331,175	398,720
420,000	Greenwich Capitol Notes, 4.799%, due August 10, 2042	451,270	451,098
1,080,000	HSBC Financial Corp. Notes, 0.00%, due February 27, 2012	1,079,370	1,079,287
280,000	Hewlett Packard Co. Notes, 4.75%, JUNE 2, 2014	279,980	295,696
325,000	Illinois Tool Works Inc. Notes, 5.15%, due April 1, 2014	324,740	357,016
240,000	Intel Corp. Notes, 4.80%, due October 1, 2041	245,165	268,970
200,000	International Business Notes, 7.00%, due October 30, 2025	231,956	274,237
380,000	JP Morgan Chase Notes, 5.27%, due January 12, 2042	381,888	387,464
300,000	Jefferies Group Notes, 8.5%, due July 15, 2019	296,742	304,500

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Corporate Bonds (Continued):

Par		Cost	Fair Value
$ 400,000	Kimberly Clark Corp. Notes, 5.00%, due August 15, 2013	$ 399,492	$ 426,742
402,000	Lehman Brothers Holdings Inc. Senior Notes, 7.20%, due December 31, 2040	462,191	103,013
171,000	Liberty Mutual Group Inc. Senior Notes, 7.25%, due September 1, 2012	171,000	176,262
90,000	Lowes Cos. Inc. Notes, 5.60%, due September 15, 2012	89,848	92,939
350,000	Mattel Inc. Notes, 5.45%, due November 1, 2041	346,619	354,401
570,000	Met Life Inc. Notes, 7.717%, due February 15, 2019	713,338	714,749
360,000	Met Life Inc. Notes, 5.375%, due December 15, 2012	389,192	374,650
350,000	Merrill Lynch Notes, 4.615%, due August 12, 2039	362,277	368,815
350,000	Mid American Energy Notes, 6.125%, due April 1, 2036	358,470	418,022
500,000	Morgan Stanley Dean Witter & Co. Notes, 4.7%, due July 15, 2056	527,129	534,616
600,000	Morgan Stanley Dean Witter & Co. Notes, 5.45%, due January 9, 2017	621,516	577,658
333,000	National Rural Utilities Notes, 7.25%, due March 1, 2012	355,025	336,501
260,000	Nations Bank Corp. Notes, 7.75%, due August 15, 2015	266,711	263,315
180,000	Novartis Securities Investment Notes, 5.125%, due February 10, 2019	179,680	211,545
100,000	Pepsi Bottling Group Inc. Notes, 7.0%, due March 1, 2029	118,179	137,528

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Corporate Bonds (Continued):

Par		Cost	Fair Value
$ 300,000	Pfizer Inc. Notes, 6.2% due March 15, 2019	$ 299,697	$ 370,172
449,564	Residential Funding Mortgage Securities Notes, 5.31% due February 25, 2036	446,810	279,359
270,000	Staples Inc. Notes, 9.75% due January 15, 2014	273,488	308,737
260,000	Starbucks Corp. Notes, 6.25%, due August 15, 2017	260,134	308,696
400,000	TD Ameritrade Holdings Notes, 5.6%, due December 1, 2019	402,032	432,499
400,000	Travelers Property Casualty Corp. Notes, 5.00%, due March 15, 2013	406,588	417,268
800,000	UBS Notes, 5.398%, due February 15, 2040	855,063	827,694
350,000	United Technologies Corp. Notes, 4.875%, due May 1, 2015	348,030	393,163
120,000	Walgreen Co. Notes, 5.25%, due January 15, 2019	119,372	142,661
230,000	Wal Mart Stores Inc. Notes, 5.80%, due February 15, 2018	229,592	281,942
120,000	Walt Disney Co. Notes, 4.50%, due December 15, 2013	118,831	129,165
875,000	Wells Fargo & Co. Notes, 5.375%, due February 7, 2035	818,011	940,384
	TOTAL CORPORATE BONDS	25,298,812	25,863,286

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Common stock		Cost	Fair Value
Shares			
26,600	Agilent Technologies Inc.	$ 1,225,693	$ 929,138
12,000	Allergan Inc.	847,719	1,052,880
44,500	American Express Co.	1,968,465	2,099,065
4,500	Anadarko Petro Corp.	253,808	343,485
17,500	Ansys Inc.	709,740	1,002,400
5,700	Apple Inc.	919,619	2,308,500
22,100	ADR Arm Holdings	530,834	611,507
29,100	Boeing Co.	1,884,798	2,134,485
16,400	Borg Warner Inc.	978,942	1,045,336
24,600	Carefusion Corp.	599,233	625,086
11,100	Caterpillar Inc.	1,052,594	1,005,660
23,200	Citigroup Inc.	611,584	610,392
17,900	Coach Inc.	845,395	1,092,616
21,200	Coca Cola Co.	1,437,115	1,483,364
69,542	Cypress Semiconductor Corp.	1,161,825	1,174,564
21,500	Dicks Sporting Goods Inc.	520,673	792,920
48,200	EMC Corp.	1,185,463	1,038,228
7,000	F5 Networks Inc.	599,947	742,840
12,700	Genesee & Wyo Inc.	461,880	769,366
42,900	Gentex Corp.	1,154,188	1,269,411
29,400	Halliburton Co.	1,204,854	1,014,594
24,500	J.B Hunt Transport Services, Inc.	788,398	1,104,215
33,000	Intel Corp.	770,127	800,250
3,100	Intuitive Surgical Inc.	969,402	1,435,331
24,700	Johnson CTL Inc.	805,973	772,122
26,200	Lincoln Electric Holdings Inc.	744,438	1,024,944
5,300	McDonald Corp.	490,888	531,749
27,500	Medtronic Inc.	1,076,596	1,051,875
5,100	Mettler-Toledo International Inc.	775,032	753,321
22,100	Monsanto Co.	1,588,176	1,548,547
26,800	Paccar Inc.	1,211,901	1,004,196
14,600	Perrigo Co.	1,217,297	1,420,580
33,400	Qualcomm Inc.	1,731,651	1,826,980
5,300	Ralph Lauren Corp.	788,655	731,824
17,000	Range Res Corp.	914,799	1,052,980
12,300	Schlumberger Ltd.	878,958	840,213
25,300	Southwestern Energy Co.	1,098,531	808,082
9,800	TJX Cos. Inc.	431,284	632,590
25,800	Target Corp.	1,306,691	1,321,476
31,700	Teradata Corp.	1,451,677	1,537,767
31,600	Tibco Software Inc.	710,377	755,556
10,100	Transdigm Group Inc.	838,179	966,368
10,800	Verifone Systems Inc.	358,006	383,616
23,300	William Sonoma Inc.	886,907	897,050
	TOTAL COMMON STOCK	41,988,312	46,347,469

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		Cost	Fair Value
Investment Contracts with Insurance Company:			
Par			
$ 415,722	Investment Contract with Prudential Financial #IN15546	$ 415,722	$ 415,722
50,920,700	Investment Contract with Prudential Financial #IN17086	50,920,700	50,920,700
	TOTAL INVESTMENT CONTRACTS	51,336,422	51,336,422
Other Holdings:			
Units			
400	Peachtree Cable Association Ltd. Limited Partnership Units	4,000	20,000
14,000,000	CB Richard Ellis Global REIT Fund	14,000,000	17,816,846
	Cash collateral received under securities lending agreements	53,584,927	53,584,927
	TOTAL OTHER HOLDINGS	67,588,927	71,421,773
	TOTAL INVESTMENTS	**$ 620,227,377**	**$ 659,721,042**