

## **PENSION PLANS**

(December 31, 2007 and 2006 Consolidated Financial Statement)

### **(11) Pension Plans**

**Professional Community Management, Inc. (PCM, Inc.) makes contributions to TWO union-sponsored, multi-employer defined benefit pension plans (covering most union employees) in accordance with a negotiated labor contract between PCM, Inc. and the labor union. In the event this plan is either terminated or PCM, Inc. withdraws from the plan, PCM, Inc. may be required to contribute additional amounts under the provisions of the Employee Retirement Income Security Act of 1974. Such amounts would be reimbursed by the Foundation and the Mutuals. However, no such termination of, or, withdrawal from the plan is currently contemplated.**

**During 2007 and 2006, PCM, Inc. sponsored a 401(K) plan covering all eligible employees. Employee contributions to the plan are at the participants' discretion. In 2007 and 2006, PCM, Inc. made contributions into the plan for eligible non-union employee participants. The Village mutuals and the Foundation are not responsible for the Management or ultimate funding of the 401 (K) plan beyond the agreed-upon annual contributions.**

**Amounts by PCM, Inc. to these plans in 2007 and 2006 and REIMBURSED by the Foundation (GRF) and the Mutuals aggregated approximately \$656,000 and \$642,000 respectively, for the defined benefit pension plan and approximately \$769,000 and \$752,000, respectively, for the 401(K) Plan.**

**2007 Pension plan (\$656,000) plus 401(K) plan (\$769,000) totaled \$1,425,000.**

**2006 Pension plan (\$642,000) plus 401(K) plan (\$753,000) totaled \$1,395,000.**