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## Introduction to the Board Profiles

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The Board Profile section of the *PERAC Annual Report* represents the only comprehensive compilation of data relative to our retirement systems that is available. This data can be used to assess the funding condition of the system and access membership information, investment return history, asset growth, disability experience, and audit results. In addition, the names of the board members and administrators are listed, as well as the board meeting schedule and pertinent information about how to contact the board.

As always, actuarial information details the fiscal condition of the systems, which can play a direct role in state and local budgets. The Funded Ratio indicates the extent to which assets cover system liabilities. When the system will pay off its unfunded liability and what type of funding technique is being used are also noted. The excellent returns achieved in 2003 are generally not yet reflected in the actuarial statistics.

PERAC has emphasized that investment performance be assessed over the long term. The experience of the last several years when returns were dismal and then bounced back in 2003 underscores this point.

In assessing investment performance, PERAC relies on the retirement boards to submit accurate and complete information about investment activity. Unfortunately, that is not always the case. In those instances, we have made the appropriate adjustments to returns. In the past, we noted that PERAC numbers might differ from those provided to the board by its consultant. These differences are often attributable to PERAC's measurement of all assets, including monies not committed to investment management. In addition, PERAC includes fourth quarter results from real estate and venture capital partnerships that are often not available to consultants until the close of the first quarter of the next year.