

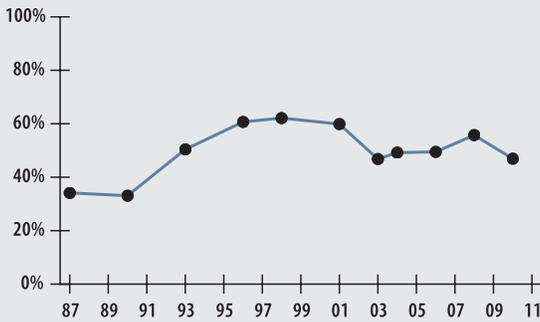
Gloucester

P.O. Box 114
127 Eastern Avenue, Level Two, Suite F
Gloucester, MA 01930
Phone 978-281-9744
Fax 978-281-9817

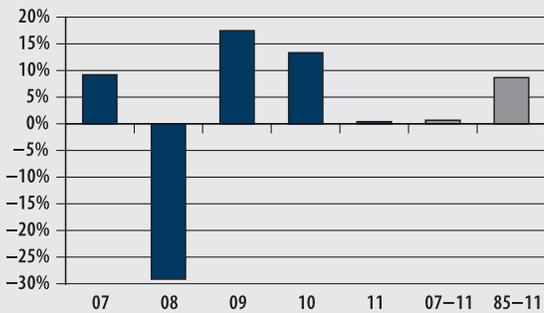
Board Members
Douglas A. MacArthur (Chairperson),
David J. Bain, Jr., Kenny Costa, Edward Hardy,
Melissa Ann Hobbs

Board Administrator
Patricia Ivas
Board Meeting
Generally the last Wednesday of each month

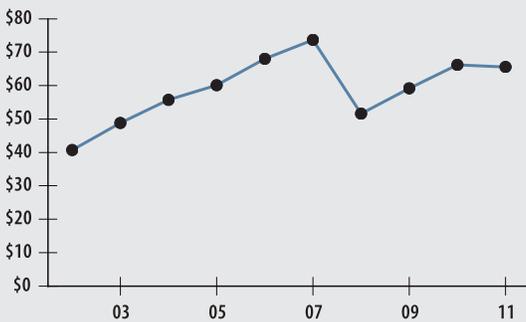
Funded Ratio (1987-2011)



Investment Return (2007-2011, 5 Year and 27 Year Averages)



Asset Growth (2002-2011) (Market Value in Millions)



Investment Return History

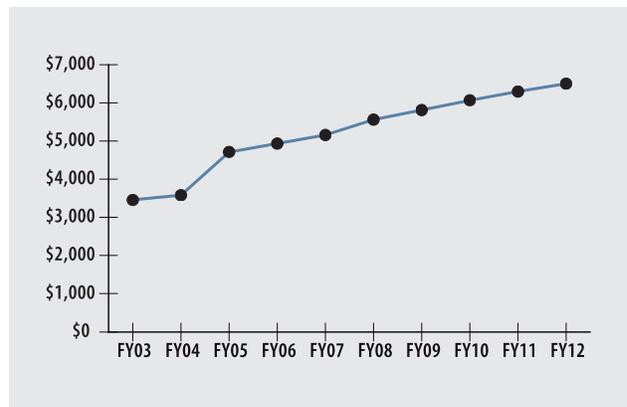
<u>27 years 2011</u>	<u>26 years 2010</u>	<u>25 years 2009</u>
8.70%	9.03%	8.86%
<u>10 years 2011</u>	<u>10 years 2010</u>	<u>10 years 2009</u>
4.75%	4.66%	3.32%
<u>5 years 2011</u>	<u>5 years 2010</u>	<u>5 years 2009</u>
0.70%	3.39%	2.53%

ACTUARIAL

• Funded Ratio	46.9%
• Date of Last Valuation	01/10
• Actuary	Segal
• Assumed Rate of Return	7.88%
• Funding Schedule	4.0% Increasing
• Year Fully Funded	2037
• Unfunded Liability	\$73.7 M
• Total Pension Appropriation (Fiscal 2012)	\$6.5 M

	Active	Retired
• Number of Members	515	437
• Total Payroll/Benefit	\$22.3 M	\$8.8 M
• Average Salary/Benefit	\$43,200	\$20,100
• Average Age	50	72
• Average Service	12 years	NA

10-YEAR HISTORY OF APPROPRIATIONS (IN THOUSANDS)



AUDIT

Date of Last Audit	07/19/10
Period Covered	01/01/07-12/31/08

	2008	2007
Annual Receipts	\$(13.31 M)	\$14.21 M
Annual Disbursements	\$8.89 M	\$8.37 M

EARNED INCOME OF DISABILITY RETIREES (2010)

Number of Disability Retirees	61
Number Who Reported Earnings	17
Number of Excess Earners	1
Total Amount of Refund Due	\$1,609

▶ 2011 Return	.42%
▶ 2011 Target	7.70%
▶ 2011 Market Value	\$65.6 M
▶ 2007-2011 (Annualized)	.70%
▶ 1985-2011 (Annualized)	8.70%