

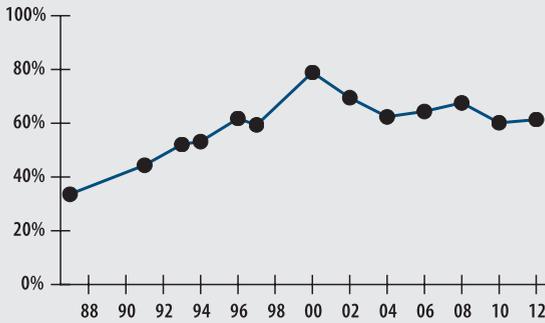
Boston

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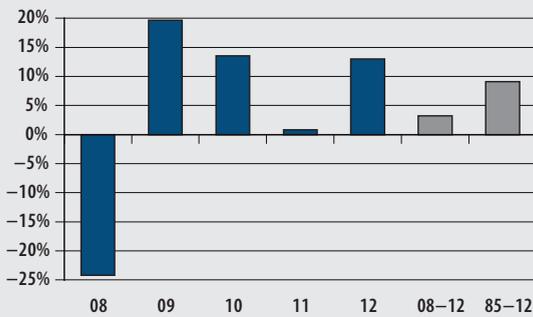
Board Members
Sean Kelly (Chairperson),
Diane Bissonette-Moes, Sally D. Glora,
Michael W. McLaughlin, Robert Smyth

Board Administrator
Daniel J. Greene, Esq.
Board Meeting
Monthly, date varies

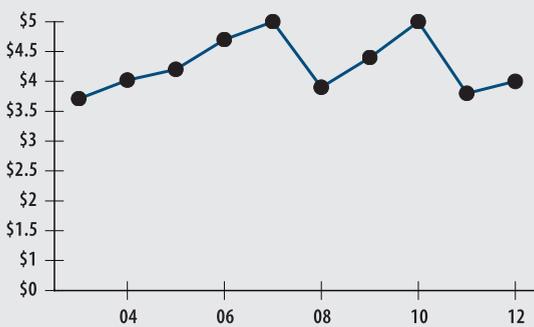
Funded Ratio (1987-2012)



Investment Return (2008-2012, 5 Year and 28 Year Averages)



Asset Growth (2003-2012) (Market Value in Billions)



Investment Return History

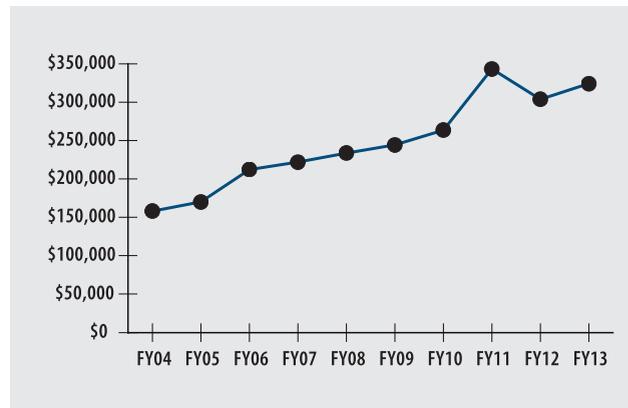
<u>28 years 2012</u>	<u>27 years 2011</u>	<u>26 years 2010</u>
9.11%	8.97%	9.29%
<u>10 years 2012</u>	<u>10 years 2011</u>	<u>10 years 2010</u>
8.36%	5.95%	5.24%
<u>5 years 2012</u>	<u>5 years 2011</u>	<u>5 years 2010</u>
3.25%	2.77%	5.52%

ACTUARIAL

• Funded Ratio	61.4%
• Date of Last Valuation	01/12
• Actuary	Segal
• Assumed Rate of Return	7.75%
• Funding Schedule	9.25% Total Increasing
• Year Fully Funded	2025
• Unfunded Liability	\$3.0 B
• Total Pension Appropriation (Fiscal 2013)	\$324.0 M

	Active	Retired
• Number of Members	19,399	14,189
• Total Payroll/Benefit	\$1.3 B	\$461.6 M
• Average Salary/Benefit	\$67,100	\$32,500
• Average Age	46	73
• Average Service	13.9 years	NA

10-YEAR HISTORY OF APPROPRIATIONS (IN THOUSANDS)



AUDIT

Date of Last Audit	08/24/12
Period Covered	01/01/08-12/31/10

	2010	2009	2008
Annual Receipts	\$1.14 B	\$1.05 B	\$(778.02 M)
Annual Disbursements	\$518.18 M	\$455.54 M	\$441.44 M

EARNED INCOME OF DISABILITY RETIREES (2011)

Number of Disability Retirees	1,837
Number Who Reported Earnings	301
Number of Excess Earners	28
Total Amount of Refund Due	\$169,539

▶ 2012 Return	13.00%
▶ Assumed Rate of Return	7.75%
▶ 2012 Market Value	\$3.5 B
▶ 2008-2012 (Annualized)	3.25%
▶ 1985-2012 (Annualized)	9.11%