



Town of Braintree
Contributory Retirement System

74 Pond Street, 2nd Floor
Braintree, MA 02184

March 30, 2012

Joseph Connarton, Executive Director
Public Employee Retirement Administration Commission
5 Middlesex Avenue
Somerville, MA 02145

Dear Mr. Connarton:

Enclosed please find the signed *Annual Statement of the Financial Conditions and Affairs of the Braintree Retirement System for the year ended December 31, 2011*. Also per PERAC's request I have enclosed a complete supplemental schedule for the members' Annuity Savings Fund. Please note that manual notations have been made to account for accounts receivables for members' makeups, which PERAC originally instructed the Boards to account for at the 2006 Annual Statement conference.

If you have any questions, please do not hesitate to contact me.

Respectfully Submitted,


Jeanne Martineau
Director

Enc:

Cc: (exclude ASF)
Mayor Sullivan
C. Kokoros, Town Council President
Stone Consulting, Inc.
K. Leonard, NEPC

Annual Statement

.....
OF THE FINANCIAL CONDITION
OF THE BRAINTREE RETIREMENT BOARD
TO THE PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION
FOR THE YEAR ENDED 12/31/2011

Annual Statement for the Year Ended December 31, 2011 of the conditions and Affairs of the Braintree Retirement Board.

Organized Under the Laws of the Commonwealth of Massachusetts to the Public Employee Retirement Administration Commission.

Date of Certificate 12/02/1936

Effective Date 01/04/1937

ADMINISTRATION OFFICE

74 Pond Street, 2nd Floor
Street & Number

Braintree, MA 02184
City/Town, State and Zip Code

(781) 794-8210
Telephone Number

We, the undersigned, members of the Braintree Retirement Board certify under penalties of perjury, that that we are the official board members of said retirement system, and that on the thirty-first date of December last, all of the herein-described assets were the absolute property of said retirement system, free and clear from any liens or claims thereon, except as stated, and the following statements, with the schedules and explanations therein contained, annexed, or referred to, are a full and correct exhibit of all of the assets, liabilities, income and disbursements, changes in fund balances, and the conditions and affairs of said retirement system on the said thirty-first date of December last, and for the year ended on that date, according to the best of our information, knowledge, and belief respectively.

Board Of Retirement

Member, *Appointed*

Edward J. Spellman
(Name)


(Signature)

Appointed Member

Term Expires

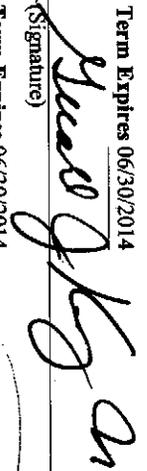
Peter J. Morin
(Name)


(Signature)

Elected Member

Term Expires 06/30/2014

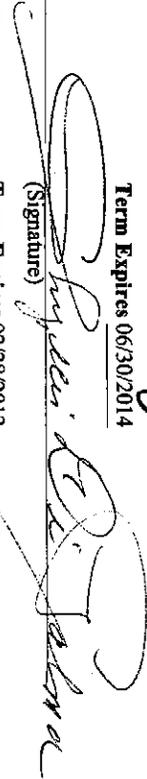
Gerald J. Kenny, Jr. (Chairperson)
(Name)


(Signature)

Elected Member

Term Expires 06/30/2014

Phyllis DiPalma
(Name)


(Signature)

Member Appointed by Other Members

Term Expires 02/28/2012

Edward Dowd
(Name)


(Signature)

Investment Managers

see attached

Investment Consultant

New England Pension Consultants

One Main Street, Cambridge, MA 02142-1542

Custodian

State Street Bank & Trust

200 Newport Avenue, Quincy, MA 02171

Annual Statement of the Braintree Retirement Board for the Year Ended December 31, 2011.

ANNUAL STATEMENT BALANCE TESTS

| | |
|--|----------------|
| 1. ASSET BALANCE | |
| Assets Previous Year | 137,554,498.90 |
| Income Current Year | 12,880,505.68 |
| Disbursements Current Year | 15,138,571.75 |
| Assets Current Year | 135,296,432.83 |
| 2. ASSET DIFFERENCE | |
| Assets Current Year | 135,296,432.83 |
| Assets Previous Year | 137,554,498.90 |
| Difference | -2,258,066.07 |
| 3. INCOME DIFFERENCE | |
| Income Current Year | 12,880,505.68 |
| Disbursements Current Year | 15,138,571.75 |
| Difference | -2,258,066.07 |
| 4. FUND CHANGE DIFFERENCE | |
| Total Fund Change Credits Current Year | 18,410,839.80 |
| Total Fund Change Debits Current Year | -20,668,905.87 |
| Difference | -2,258,066.07 |

Note: The difference as a result of tests 2, 3 and 4 should be the same.

Annual Statement of the Braintree Retirement Board for the Year Ended December 31, 2011.

ASSETS & LIABILITIES

| | 2011 | 2010 | 2009 |
|--|-----------------------|-----------------------|-----------------------|
| 1. 1040 Cash | 2,129,536.60 | 2,723,420.16 | 2,873,434.52 |
| 2. 1100 Short Term Investments | 0.00 | 0.00 | 0.00 |
| 3. 1180 Fixed Income Securities | 0.00 | 0.00 | 0.00 |
| 4. 1170 Equities | 0.00 | 0.00 | 0.00 |
| 5. 1101 Pooled Short Term Funds | 0.00 | 0.00 | 0.00 |
| 6. 1172 Pooled Domestic Equity Funds | 31,809,128.28 | 31,143,168.18 | 27,047,949.87 |
| 7. 1173 Pooled International Equity Funds | 15,823,306.49 | 19,007,330.10 | 17,811,554.43 |
| 8. 1174 Pooled Global Equity Funds | 0.00 | 0.00 | 0.00 |
| 9. 1181 Pooled Domestic Fixed Income Funds | 52,600,104.61 | 52,717,113.16 | 51,098,068.93 |
| 10. 1182 Pooled International Fixed Income Funds | 0.00 | 0.00 | 0.00 |
| 11. 1183 Pooled Global Fixed Income Funds | 0.00 | 0.00 | 0.00 |
| 12. 1193 Pooled Alternative Investments | 767,501.00 | 0.00 | 0.00 |
| 13. 1194 Pooled Real Estate Funds | 5,030,952.55 | 4,542,429.57 | 4,024,640.60 |
| 14. 1195 Pooled Domestic Balanced Funds | 0.00 | 0.00 | 0.00 |
| 15. 1196 Pooled International Balanced Funds | 0.00 | 0.00 | 0.00 |
| 16. 1197 PRIT Absolute | 6,448,305.02 | 6,631,834.89 | 6,239,467.63 |
| 17. 1198 PRIT Cash | 0.00 | 0.00 | 0.00 |
| 18. 1199 PRIT Fund | 20,649,272.20 | 20,716,682.16 | 18,299,171.21 |
| 19. 1550 Interest Due and Accrued | 0.00 | 0.00 | 0.00 |
| 20. 1350 Prepaid Expenses | 7,969.11 | 7,904.05 | 4,009.12 |
| 21. 1398 Accounts Receivable (A) | 81,292.89 | 92,008.87 | 17,119.32 |
| 22. 1910 Land | 0.00 | 0.00 | 0.00 |
| 23. 1920 Buildings | 0.00 | 0.00 | 0.00 |
| 24. 1929 Accumulated Depreciation – Buildings | 0.00 | 0.00 | 0.00 |
| 25. 2020 Accounts Payable (A) | (-50,935.92) | (-27,392.24) | (-14,945.67) |
| TOTAL | <u>135,296,432.83</u> | <u>137,554,498.90</u> | <u>127,400,469.96</u> |
| FUNDS | | | |
| 1. 3293 Annuity Savings Fund | 38,106,640.79 | 35,835,799.72 | 34,244,442.48 |
| 2. 3294 Annuity Reserve Fund | 11,563,801.29 | 11,845,101.91 | 11,856,244.38 |
| 3. 3295 Military Service Fund | 1,507.29 | 1,504.28 | 1,499.78 |
| 4. 3296 Pension Fund | 1,963,575.83 | 2,082,009.48 | 2,248,166.37 |
| 5. 3298 Expense Fund | 0.00 | 0.00 | 0.00 |
| 6. 3297 Pension Reserve Fund | 83,660,907.63 | 87,790,083.51 | 79,050,116.95 |
| TOTAL ASSETS AT MARKET VALUE | <u>135,296,432.83</u> | <u>137,554,498.90</u> | <u>127,400,469.96</u> |

(A) Specific details for Accounts Receivable and Accounts Payable are to be disclosed on Schedule A

Annual Statement of the Braintree Retirement Board for the Year Ended December 31, 2011.

| | Balance Dec. 31 Prior year | Receipts | Interfund Transfers | Disbursements | Balance Dec. 31 Current Year |
|------------------------|-------------------------------|----------------------|------------------------|-----------------------|---------------------------------|
| Annuity Savings Fund | 35,835,799.72 | 3,717,642.93 | -1,219,628.12 | -227,173.74 | 38,106,640.79 |
| Annuity Reserve Fund | 11,845,101.91 | 346,699.52 | 1,219,439.69 | -1,847,439.83 | 11,563,801.29 |
| Pension Fund | 2,082,009.48 | 7,729,768.90 | 4,310,894.43 | -12,159,096.98 | 1,963,575.83 |
| Military Service Fund | 1,504.28 | 3.01 | 0.00 | 0.00 | 1,507.29 |
| Expense Fund | 0.00 | 904,861.20 | 0.00 | -904,861.20 | 0.00 |
| Pension Reserve Fund | 87,790,083.51 | 181,530.12 | -4,310,706.00 | 0.00 | 83,660,907.63 |
| Total All Funds | 137,554,498.90 | 12,880,505.68 | -0 - | -15,138,571.75 | 135,296,432.83 |

List below all transfers:

| | | | | |
|---|---------------------------------|----------------------------|---|------------------------------|
| Xfer from Pension Reserve Fund Control | to Pension Fund Account | in the amt of 4,310,706.00 | on acct of Fund | Transfer from PRF to Pension |
| Xfer from Annuity Savings Fund Control Acct | to Annuity Reserve Fund Account | in the amt of 1,219,439.69 | on acct of Retirements | |
| Xfer from Annuity Savings Fund Control Acct | to Pension Fund Control Account | in the amt of 188.43 | on acct of adjust interest; retro retirements | |
| Xfer from | to | in the amt of | on acct of | |
| Xfer from | to | in the amt of | on acct of | |
| Xfer from | to | in the amt of | on acct of | |

Annual Statement of the Braintree Retirement Board for the Year Ended December 31, 2011.

RECEIPTS

| | 2011 | 2010 | 2009 |
|--|----------------------|----------------------|----------------------|
| 1. Annuity Savings Fund: | | | |
| (a) 4891 Members' Deductions | 3,457,467.84 | 3,322,567.48 | 3,219,678.22 |
| (b) 4892 Transfers from Other Systems | 164,644.82 | 68,996.14 | 118,389.00 |
| (c) 4893 Member Make Up Payments and Redeposits | 19,017.59 | 89,104.14 | 14,014.81 |
| (d) 4900 Member Payments from Rollovers | 4,341.31 | 13,753.62 | 743.04 |
| (e) Investment Income Credited to Members' Accounts | 72,171.37 | 102,801.89 | 156,903.91 |
| Subtotal | 3,717,642.93 | 3,597,223.27 | 3,509,728.98 |
| 2. Annuity Reserve Fund: | | | |
| (a) Investment Income Credited to Annuity Reserve Fund | 346,699.52 | 346,135.90 | 352,482.75 |
| Subtotal | 346,699.52 | 346,135.90 | 352,482.75 |
| 3. Pension Fund: | | | |
| (a) 4898 3(8)(c) Reimbursements from Other Systems | 194,909.39 | 184,651.94 | 188,926.59 |
| (b) 4899 Received from Commonwealth for COLA & Survivor Bn | 123,606.51 | 127,196.75 | 281,756.90 |
| (c) 4894 Pension Fund Appropriation | 7,376,253.00 | 6,943,721.00 | 6,747,969.00 |
| (e) 4840 Workers Compensation Settlement | 35,000.00 | 0.00 | 9,000.00 |
| Subtotal | 7,729,768.90 | 7,255,569.69 | 7,227,652.49 |
| 4. Military Service Fund: | | | |
| (a) 4890 Contributions Received from Municipality | 0.00 | 0.00 | 0.00 |
| (b) Investment Income Credited | 3.01 | 4.50 | 7.47 |
| Subtotal | 3.01 | 4.50 | 7.47 |
| 5. Expense Fund: | | | |
| (a) 4896 Expense Fund Appropriation | 0.00 | 0.00 | 0.00 |
| (b) Investment Income Credited to Expense Fund | 904,861.20 | 860,987.25 | 769,520.34 |
| Subtotal | 904,861.20 | 860,987.25 | 769,520.34 |
| 6. Pension Reserve Fund: | | | |
| (a) 4897 Federal Grant Reimbursement | 195,990.53 | 210,764.41 | 54,852.48 |
| (b) 4895 Pension Reserve Appropriation | 0.00 | 0.00 | 0.00 |
| (c) 4822 Interest Not Refunded | 115.65 | 44,786.47 | 942.72 |
| (d) 4825 Miscellaneous Income | 2,620.90 | 2,950.10 | 1,094.18 |
| (f) Excess Investment Income | -17,196.96 | 12,759,820.23 | 20,184,552.64 |
| Subtotal | 181,530.12 | 13,018,321.21 | 20,241,442.02 |
| TOTAL RECEIPTS | 12,880,505.68 | 25,078,241.82 | 32,100,834.05 |

Annual Statement of the Braintree Retirement Board for the Year Ended December 31, 2011.

DISBURSEMENTS

| | 2011 | 2010 | 2009 |
|--|----------------------|----------------------|----------------------|
| 1. Annuity Savings Fund: | | | |
| (a) 5757 Refunds to Members | 44,543.69 | 523,340.56 | 67,679.27 |
| (b) 5756 Transfers to Other Systems | 182,630.05 | 97,862.55 | 49,895.67 |
| Subtotal | 227,173.74 | 621,203.11 | 117,574.94 |
| 2. Annuity Reserve Fund: | | | |
| (a) 5750 Annuities Paid | 1,794,489.69 | 1,702,762.30 | 1,646,684.10 |
| (b) 5759 Option B Refunds | 52,950.14 | 39,087.64 | 12,355.98 |
| Subtotal | 1,847,439.83 | 1,741,849.94 | 1,659,040.08 |
| 3. Pension Fund: | | | |
| (a) 5751 Pensions Paid | 11,232,084.97 | 10,802,806.74 | 10,506,124.38 |
| Regular Pension Payments | 7,502,305.78 | 7,225,990.27 | 7,017,160.93 |
| Survivorship Payments | 719,025.00 | 681,157.54 | 646,872.66 |
| Ordinary Disability Payments | 226,074.96 | 236,782.56 | 233,257.38 |
| Accidental Disability Payments | 1,848,884.44 | 1,833,169.15 | 1,807,369.58 |
| Accidental Death Payments | 877,994.40 | 770,044.98 | 747,422.85 |
| Section 101 Benefits | 57,800.39 | 55,662.24 | 54,040.98 |
| (b) 5755 3(8)(c) Reimbursements To Other Systems | 778,660.02 | 822,374.87 | 227,595.31 |
| (c) 5752 COLAs Paid | 148,351.99 | 74,990.97 | 74,283.79 |
| (d) 5753 Chapter 389 Beneficiary Increase Paid | 0.00 | 0.00 | 0.00 |
| Subtotal | 12,159,096.98 | 11,700,172.58 | 10,808,003.48 |
| 4. Military Service Fund: | | | |
| (a) 4890 Return to Municipality for Members who Withdrew Funds | 0.00 | 0.00 | 0.00 |
| Subtotal | 0.00 | 0.00 | 0.00 |
| 5. Expense Fund: | | | |
| (a) 5118 Board Member Stipend | 0.00 | 0.00 | 0.00 |
| (b) 5119 Salaries | 173,525.94 | 160,092.37 | 163,765.88 |
| (c) 5304 Management Fees | 527,942.26 | 479,310.77 | 409,207.88 |
| (d) 5305 Custodial Fees | 69,682.32 | 63,955.61 | 55,703.05 |
| (e) 5307 Investment Consultant Fees | 65,000.00 | 65,000.00 | 65,000.00 |
| (f) 5308 Legal Expenses | 13,662.50 | 27,145.57 | 10,310.00 |
| (g) 5309 Medical Expenses | 95.43 | 79.21 | 0.00 |
| (h) 5310 Fiduciary Insurance | 8,901.00 | 8,562.00 | 7,905.00 |
| (i) 5311 Service Contracts | 21,558.24 | 22,257.24 | 20,616.12 |
| (j) 5312 Rent Expense | 0.00 | 0.00 | 0.00 |
| (k) 5315 Professional Services | 900.00 | 13,200.00 | 12,000.00 |
| (l) 5320 Education And Training | 540.00 | 1,475.00 | 1,000.00 |
| (m) 5589 Administrative Expenses | 20,998.94 | 16,651.96 | 20,002.40 |
| (n) 5599 Furniture and Equipment | 0.00 | 0.00 | 2,322.49 |
| (o) 5719 Travel | 2,054.57 | 3,257.52 | 1,687.52 |
| (p) 5829 Depreciation Expense: Building | 0.00 | 0.00 | 0.00 |
| Subtotal | 904,861.20 | 860,987.25 | 769,520.34 |
| TOTAL DISBURSEMENTS | 15,138,571.75 | 14,924,212.88 | 13,354,138.84 |

Annual Statement of the Bralntree Retirement Board for the Year Ended December 31, 2011.

INVESTMENT INCOME

| | 2011 | 2010 | 2009 |
|---|---------------------|----------------------|----------------------|
| Investment Income received from: | | | |
| (a) Cash (from Schedule 1) | 6,953.95 | 1,008.46 | 3,368.67 |
| (b) Short Term Investments (from Schedule 2) | 0.00 | 0.00 | 0.00 |
| (c) Fixed Income Securities (from Schedules 3A and 3C) | 0.00 | 0.00 | 0.00 |
| (d) Equities (from Schedules 4A and 4C) | 986.53 | 11,291.81 | 8,846.21 |
| (e) Pooled Funds (from Schedule 5) | 3,412,368.87 | 4,356,608.98 | 2,282,707.37 |
| (f) Commission Recapture | 0.00 | 0.00 | 0.00 |
| 4821 TOTAL INVESTMENT INCOME | 3,420,309.35 | 4,368,909.25 | 2,294,922.25 |
| Plus: | | | |
| 4884 Realized Gains (Profits) | 737,589.01 | 638,278.67 | 385,640.83 |
| 4886 Unrealized Gains (Increase in Market Value) | 16,749,074.45 | 25,495,343.34 | 30,694,763.56 |
| 1550 Interest Due & Accrued on Fixed Income Securities at End Of Current Year | 0.00 | 0.00 | 0.00 |
| Less: | | | |
| 4823 Paid Accrued Interest on Fixed Income Securities | 0.00 | 0.00 | 0.00 |
| 4885 Realized Losses | 18,877.81 | 42,245.08 | 1,464,488.74 |
| 4887 Unrealized Losses (Decrease in Market Value) | 19,581,556.86 | 16,390,536.41 | 10,447,370.79 |
| 1550 Interest Due and Accrued on Fixed Income Securities Prior Year | 0.00 | 0.00 | 0.00 |
| NET INVESTMENT INCOME | 1,306,538.14 | 14,069,749.77 | 21,463,467.11 |
| Income required: | | | |
| Annuity Savings Fund (from Supplementary Schedule) | 72,171.37 | 102,801.89 | 156,903.91 |
| Annuity Reserve Fund | 346,699.52 | 346,135.90 | 352,482.75 |
| Expense Fund | 904,861.20 | 860,987.25 | 769,520.34 |
| Military Service Fund | 3.01 | 4.50 | 7.47 |
| TOTAL INCOME REQUIRED | 1,323,735.10 | 1,309,929.54 | 1,278,914.47 |
| Net Investment Income | 1,306,538.14 | 14,069,749.77 | 21,463,467.11 |
| Less Income Required | 1,323,735.10 | 1,309,929.54 | 1,278,914.47 |
| EXCESS INCOME TO PENSION RESERVE FUND | -17,196.96 | 12,759,820.23 | 20,184,552.64 |

Annual Statement of the Braintree Retirement System for the Year Ended December 31, 2011

ACTIVE MEMBERS

| | <i>Group 1</i> | <u><i>Group 2&4</i></u> | <u><i>Total</i></u> |
|---|----------------|-----------------------------|---------------------|
| Active Membership, Dec. 31, previous year | 519 | 205 | 724 |
| Inactive Membership, Dec. 31, previous year | 65 | 2 | 67 |
| Enrolled during current year: | 33 | 1 | 34 |
| Transfers between groups | (1) | 1 | 0 |
| Reinstatements of disabled members | 0 | 0 | 0 |
| SUBTOTAL | 32 | 2 | 34 |
| Death | 0 | 0 | 0 |
| Withdrawal (refunds/ Transfers out) | 17 | 0 | 17 |
| Retirements (8 active; 1 Inactive) | 9 | 5 | 14 |
| SUBTOTAL | 26 | 5 | 31 |
| Active Membership totals: | 526 | 202 | 728 |
| Inactive Membership, Dec. 31, current yr | 64 | 2 | 66 |
| Total Membership, Dec. 31, 2011 | 590 | 204 | 794 |
| ***** | * | * | * |
| RETIRED MEMBERS, BENEFICIARIES, and SURVIVORS | | | |
| Retired, Beneficiary, and Survivor Membership, Dec. 31, previous year | <u>325</u> | <u>181</u> | <u>506</u> |
| Retirements during the year: | | | |
| Superannuation | 8 | 5 | 13 |
| Ordinary disability | 0 | 0 | 0 |
| Accidental disability | 1 | 0 | 1 |
| Termination Retirement Allowance | 0 | 0 | 0 |
| Beneficiary of Deceased Retiree | 1 | 3 | 4 |
| Survivor benefits from active membership | 0 | 0 | 0 |
| SUBTOTAL | 10 | 8 | 18 |
| Deduct: | | | |
| Deaths of retired members | 12 | 7 | 19 |
| Termination of Survivor Benefits | 1 | 0 | 1 |
| Reinstatements of disabled pensions | 0 | 0 | 0 |
| SUBTOTAL | 13 | 7 | 20 |
| Retired Membership, Dec. 31, current year | 322 | 182 | 504 |

| | | | |
|--------------------------------------|-----|-----|-----|
| Superannuation | 251 | 101 | 352 |
| Ordinary Disability | 6 | 3 | 9 |
| Accidental Disability | 15 | 40 | 55 |
| Termination | 0 | 0 | 0 |
| Beneficiaries from accidental deaths | 1 | 16 | 17 |
| Beneficiaries from Section 100 | 1 | 4 | 4 |
| Beneficiaries from Section 101 | 0 | 3 | 7 |
| Beneficiaries from Option (c) | 4 | 10 | 38 |
| Option (d) Survivor Allowance | 28 | 4 | 21 |
| Section 12B Survivor Allowance | 17 | 4 | 21 |
| | 0 | 1 | 1 |

| | | | |
|---|------------|------------|------------|
| Total Retired, Beneficiary, and Survivor Membership, Dec. 31, current year | <u>322</u> | <u>182</u> | <u>504</u> |
|---|------------|------------|------------|

| | | | |
|--|------------|------------|--------------|
| TOTAL MEMBERSHIP | | | |
| Active, Inactive, Retired, Beneficiary and Survivor, Dec. 31, current year | <u>912</u> | <u>386</u> | <u>1,298</u> |

Annual Statement of the Braintree Retirement Board for the Year Ended December 31, 2011.

Schedule A: Detail of Accounts Receivable and Accounts Payable

| | Amount | Original Date |
|--|-------------------|---------------|
| Accounts Receivable | | |
| 4891 Members Deductions | 0.00 | |
| 4892 Transfers From Other Systems | 0.00 | |
| 4893 Member Make Up Payments and Redeposits | 81,063.15 | |
| 4900 Member Payments from Rollovers | 0.00 | |
| 4898 3(8)(c) Reimbursements from Other Systems | 0.00 | |
| 4899 Received from Commonwealth for COLA and Survivor Benefits | 0.00 | |
| 4884 Realized Gain on Sale of Investments | 0.00 | |
| 4894 Pension Fund Appropriation (Current Fiscal Year) | 0.00 | |
| 4894 Pension Fund Appropriation (Previous Fiscal Year) | 0.00 | |
| 4890 Contributions Received from Municipality on Account of Military Service | 0.00 | |
| 4897 Federal Grant Reimbursement | 0.00 | |
| 4895 Pension Reserve Appropriation | 0.00 | |
| Investments Sold But Funds Not Received (list individually) | 229.74 | |
| 4825- Misc receipts, Estate of M. Ricci | 0.00 | |
| | 0.00 | |
| | 0.00 | |
| | 0.00 | |
| TOTAL RECEIVABLES | 81,292.89 | |
| Accounts Payable | | |
| 5757 Refunds to Members | 0.00 | |
| 5756 Transfers to Other Systems | 0.00 | |
| 5750 Annuities Paid | 0.00 | |
| 5759 Option B Refund | 0.00 | |
| 5751 Pensions Paid | 0.00 | |
| 5755 3(8)(c) Reimbursements to Other Systems | -20,142.65 | |
| 5752 COLAs Paid | 0.00 | |
| 5753 Chapter 389 Beneficiary/ Increase Paid | 0.00 | |
| 4885 Realized Loss on Sale of Investments | 0.00 | |
| 4890 Return to Municipality for Members Who Withdrew Their Funds | 0.00 | |
| 5118 Board Members' Stipend | 0.00 | |
| 5119 Salaries | 0.00 | |
| 5304 Management Fees | 0.00 | |
| 5305 Custodial Fees | 0.00 | |
| 5307 Investment Consultant Fees | 0.00 | |
| 5308 Legal Expenses | -2,208.00 | |
| 5309 Medical Expenses | 0.00 | |
| 5310 Fiduciary Insurance | 0.00 | |
| 5311 Service Contracts | -432.06 | |
| 5312 Rent Expense | 0.00 | |
| 5315 Professional Services Expense | 0.00 | |
| 5589 Administrative Expenses | -8,140.00 | |
| 5599 Furniture and Equipment | 0.00 | |
| 5719 Travel | 0.00 | |
| Investments Purchased But Not Paid For (list individually) | -5,896.41 | |
| A/P from 2008 - | -6,616.80 | |
| A/P from 2009- | -7,500.00 | |
| A/P from 2010 | 0.00 | |
| TOTAL PAYABLES | -50,935.92 | |

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE 1
CASH ACCOUNT ACTIVITY DURING YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>BOOK VALUE AT END OF PREVIOUS YEAR</u> | <u>TOTAL DEPOSITS/WITHDRAWALS THIS YEAR</u> | <u>BOOK VALUE AT END OF YEAR</u> | <u>INCOME RECEIVED THIS YEAR</u> |
|-----------------|--------------|-----------------------------|---|---|--------------------------------------|--|
| D31B | 8611239B5 | STATE STREET BANK STIF | 32,268.71 | 128,950.46 | 161,219.17 | 76.93 4821-0005 |
| Ckng | xxxxxx6736 | ROCKLAND TRUST | 33.40 | (30.63) | 2.77 | 770.47 4821-0041 |
| Cap | xxxxxx6686 | ROCKLAND TRUST | 2,691,118.05 | (722,803.39) | 1,968,314.66 | 6,106.55 4821-0040 |
| SCHEDULE TOTALS | | | 2,723,420.16 | (593,883.56) | 2,129,536.60 | 6,953.95 |

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE 2A
SHORT TERM SECURITIES OWNED AT END OF YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>RATE</u> | <u>MATURITY DATE</u> | <u>PAR VALUE</u> | <u>PRICE</u> | <u>MARKET VALUE AT END OF YEAR</u> | <u>CHANGE IN MARKET VALUE INCR/DECR</u> | <u>INTEREST RECEIVED DURING YEAR</u> | <u>INTEREST DUE AND ACCRUED AT YEAR END</u> |
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|--------------|------------------------------------|---|--------------------------------------|---|
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|--------------|------------------------------------|---|--------------------------------------|---|

N/A

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE 2B
SHORT TERM SECURITIES PURCHASED DURING YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>RATE</u> | <u>MATURITY DATE</u> | <u>PAR VALUE</u> | <u>TRADE DATE</u> | <u>NAME OF BROKER</u> | <u>COMM</u> | <u>ACCRUED INT PAID</u> | <u>COST INCLUDING COMMISSION BUT EXCLUDING INT</u> |
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|-------------------|-----------------------|-------------|-------------------------|--|
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|-------------------|-----------------------|-------------|-------------------------|--|

N/A

SCHEDULE 2C
SHORT TERM SECURITIES SOLD DURING YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>RATE</u> | <u>MATURITY DATE</u> | <u>PAR VALUE</u> | <u>TRADE DATE</u> | <u>NAME OF BROKER</u> | <u>COMM</u> | <u>PROCEEDS FROM SALE</u> | <u>BOOK VALUE</u> | <u>PROFIT/LOSS ON SALE</u> | <u>INTEREST RECEIVED DURING YEAR</u> |
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|-------------------|-----------------------|-------------|---------------------------|-------------------|----------------------------|--------------------------------------|
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|-------------------|-----------------------|-------------|---------------------------|-------------------|----------------------------|--------------------------------------|

N/A

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE 3A
FIXED INCOME SECURITIES OWNED AT END OF YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>RATE</u> | <u>MATURITY DATE</u> | <u>PAR VALUE</u> | <u>PRICE</u> | <u>MARKET VALUE AT END OF YEAR</u> | <u>CHANGE IN MARKET VALUE INCR/DECR</u> | <u>INTEREST RECEIVED DURING YEAR</u> | <u>INTEREST DUE AND ACCRUED AT YEAR END</u> |
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|--------------|------------------------------------|---|--------------------------------------|---|
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|--------------|------------------------------------|---|--------------------------------------|---|

N/A

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE 3B
FIXED INCOME SECURITIES PURCHASED DURING YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>RATE</u> | <u>MATURITY DATE</u> | <u>PAR VALUE</u> | <u>TRADE DATE</u> | <u>NAME OF BROKER</u> | <u>COMM</u> | <u>ACCRUED INT PAID</u> | <u>COST INCLUDING COMMISSION BUT EXCLUDING INT</u> |
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|-------------------|-----------------------|-------------|-------------------------|--|
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|-------------------|-----------------------|-------------|-------------------------|--|

N/A

SCHEDULE 3C
FIXED INCOME SECURITIES SOLD DURING YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>RATE</u> | <u>MATURITY DATE</u> | <u>PAR VALUE</u> | <u>TRADE DATE</u> | <u>NAME OF BROKER</u> | <u>COMM</u> | <u>PROCEEDS FROM SALE</u> | <u>BOOK VALUE</u> | <u>PROFIT/LOSS ON SALE</u> | <u>INTEREST RECEIVED DURING YEAR</u> |
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|-------------------|-----------------------|-------------|---------------------------|-------------------|----------------------------|--------------------------------------|
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|-------------------|-----------------------|-------------|---------------------------|-------------------|----------------------------|--------------------------------------|

N/A

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE 4A
EQUITIES OWNED AT END OF YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>SHARES</u> | <u>PRICE PER SHARE</u> | <u>MARKET VALUE AT END OF YEAR</u> | <u>CHANGE IN MARKET VALUE INCR/DECR</u> | <u>DIVIDENDS RECEIVED DURING YEAR</u> |
|-------------|--------------|-----------------------------|---------------|------------------------|------------------------------------|---|---------------------------------------|
| | | N/A | | | | | |

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE 4B
EQUITIES PURCHASED DURING YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>SHARES</u> | <u>TRADE DATE</u> | <u>NAME OF BROKER</u> | <u>COMM</u> | <u>COST INCLUDING COMMISSION</u> |
|-------------|--------------|-----------------------------|---------------|-------------------|-----------------------|-------------|----------------------------------|
|-------------|--------------|-----------------------------|---------------|-------------------|-----------------------|-------------|----------------------------------|

N/A

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE 4C
EQUITIES SOLD DURING YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>SHARES</u> | <u>TRADE DATE</u> | <u>NAME OF BROKER</u> | <u>COMM</u> | <u>PROCEEDS FROM SALE</u> | <u>BOOK VALUE</u> | <u>PROFIT/LOSS ON SALE</u> | <u>DIVIDENDS RECEIVED DURING YEAR</u> |
|-----------------|--------------|--|---------------|-------------------|-----------------------|-------------|---------------------------|-------------------|----------------------------|---------------------------------------|
| 4821-0005 | D31B | SECURITIES LITIGATION INCOME - AIG | | | | 0.00 | 0.00 | 0.00 | 0.00 | 690.45 |
| 4821-0005 | D31B | SECURITIES LITIGATION INCOME - Career Education Corp | | | | 0.00 | 0.00 | 0.00 | 0.00 | 40.25 |
| 4821-0005 | D31B | SECURITIES LITIGATION INCOME - El Paso Corp | | | | | | | | 232.50 |
| 4821-0005 | D31B | SECURITIES LITIGATION INCOME - SPX Corp | | | | | | | | 23.33 |
| SCHEDULE TOTALS | | | | | | 0.00 | 0.00 | 0.00 | 0.00 | 986.53 |

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE 5
POOLED FUND ACTIVITY DURING YEAR

* indicates fees paid on warrant

| PERAC LEDGER NUMBER | FUND | CUSIP | SECURITY DESCRIPTION | (A) MARKET VALUE AT END OF PREVIOUS YEAR | (B) TOTAL PURCHASES THIS YEAR | (C) 4821 REINVESTED INVESTMENT INCOME | (D) 4884 REALIZED GAIN | (E) 4885 REALIZED LOSS | (F) 4886 UNREALIZED GAIN | (G) 4887 UNREALIZED LOSS | (H) TOTAL SALES THIS YEAR | (I) CASH DIVIDENDS /DISTRIBUTIONS THIS YEAR | (J) 5304 FEES PAID | (K) MARKET VALUE AT END OF YEAR |
|---------------------------|------|-----------|---------------------------------|---|--|---|---------------------------------|---------------------------------|-----------------------------------|-----------------------------------|------------------------------------|--|-----------------------------|---------------------------------------|
| 1173 | D31B | 100991975 | TBC INTERNATIONAL EQUITY FUND | 19,007,330.10 | 0.00 | 0.00 | 0.00 | 0.00 | 3,372,268.24 | 6,556,291.85 | 0.00 | 0.00 | 138,410.24 * | 15,823,306.49 |
| 1197 | D31B | 47099K983 | PRIT ABSOLUTE RETURN FUND | 6,631,834.89 | 0.00 | 52,179.15 | 17,604.18 | 0.00 | 261,808.06 | 460,483.80 | 0.00 | 0.00 | 54,637.46 | 6,448,305.02 |
| 1193 | D31B | 52999B943 | LEXINGTON CAPITAL PARTNERS VII | 0.00 | 751,252.00 | 0.00 | 0.00 | 0.00 | 144,136.00 | 0.00 | 127,887.00 | 0.00 | 6,840.00 * | 767,501.00 |
| 1181-0030 | D31B | 543495105 | LOOMIS SAYLES INVT GRADE INC FD | 32,467,035.48 | 2,471,668.53 | 2,471,668.53 | 0.00 | 0.00 | 2,762,721.32 | 3,366,767.14 | 0.00 | 2,471,668.53 | 166,409.18 | 34,168,249.01 |
| 1199 | D31B | 69499F935 | PRIT GENERAL ALLOCATION FUND | 20,716,682.16 | 0.00 | 637,571.53 | 649,544.11 | 11,800.48 | 2,059,231.84 | 3,297,327.34 | 0.00 | 0.00 | 104,629.62 | 20,649,272.20 |
| 1181-0031 | D31B | 70299B926 | SSGA PASSIVE BD MKT INDEX SL FD | 20,250,077.68 | 0.00 | 0.00 | 0.00 | 0.00 | 1,450,442.56 | 68,664.64 | 3,200,000.00 | 0.00 | 7,176.80 * | 18,431,855.60 |
| 1194 | D31B | 74299C991 | PRIT CORE REAL ESTATE FUND | 4,542,429.57 | 0.00 | 250,949.66 | 70,440.72 | 7,077.33 | 443,629.53 | 243,145.29 | 0.00 | 0.00 | 26,274.31 | 5,030,952.55 |
| 1172 | D31B | 784997918 | SSGA S & P 500 FLAGSHIP FUND | 31,143,168.18 | 0.00 | 0.00 | 0.00 | 0.00 | 6,254,836.90 | 5,588,876.80 | 0.00 | 0.00 | 23,764.65 * | 31,809,128.28 |
| SCHEDULE TOTALS | | | | 134,758,558.06 | 3,222,920.53 | 3,412,368.87 | 737,589.01 | 18,877.81 | 16,749,074.45 | 19,581,556.86 | 3,327,887.00 | 2,471,668.53 | 527,942.26 | 133,128,570.15 |

SCHEDULE NO. 6
Summary of Investments Owned

| Category of Investment | Book Value | Interest Due and Accrued | 4823 | Commissions | 4886 | 4887 | 4884 | 4885 | 4821 |
|---|------------------------|--------------------------------|---|--------------------------------|-------------|------------------------------|---------------------------|-------------------|---|
| | | | Paid Accrued Interest on Purchases in Current Year | Paid During Current Year | | | | | |
| 1040 - Cash | 2,129,536.60 | - | - | - | - | - | - | - | 6,953.95 |
| 1100 - Short Term Securities | - | - | - | - | - | - | - | - | - |
| 1180 - Fixed Inc Securities | - | - | - | - | - | - | - | - | - |
| 1170 - Equities | | | | | | | | | |
| 1172 - Pooled Domestic Equity Funds | St St Global S&P | 31,809,128.28 | - | - | - | 6,254,836.90 | 5,588,876.80 | - | - |
| 1173 - Pooled Intern'l Equity Funds | Boston Int'l | 15,823,306.49 | - | - | - | 3,372,268.24 | 6,556,291.85 | - | - |
| 1174 - Pooled Global Equity Funds | | - | - | - | - | - | - | - | - |
| 1181 - Pooled Domestic Fixed Income Fund | SSGA Passive Loomis | 18,431,855.60 34,168,249.01 | - - | - - | - - | 1,450,442.56 2,762,721.32 | 68,664.64 3,366,767.14 | - - | - 2,471,668.53 |
| 1182 - Pooled Intern'l Fixed Income Funds | | | | | | | | | |
| 1182 - Pooled Intern'l Fixed Income Funds | | | | | | | | | |
| 1183 - Pooled Global Fixed Income Funds | | | | | | | | | |
| 1193 - Pooled Alternative inv Private Equity | Lexington Cap Prtnrs | 767,501.00 | - | - | - | 144,136.00 | - | - | 0.00 |
| 1194 - Pooled Real Estate Funds PRIM | | 5,030,952.55 | - | - | - | 443,629.53 | 243,145.29 | 70,440.72 | 7,077.33 250,949.66 |
| 1195 - Pooled Domestic Balanced Fund | | | | | | | | | |
| 1196 - Pooled Intern'l Balanced Fund | | | | | | | | | |
| 1197- Hedge Funds PRIT Hedge Funds | | 6,448,305.02 | - | - | - | 261,808.06 | 460,483.80 | 17,604.18 | - 52,179.15 |
| 1198 - PRIT Cash | | | | | | | | | |
| 1199 - PRIT Fund PRIT General Alloc | | 20,649,272.20 | - | - | - | 2,059,231.84 | 3,297,327.34 | 649,544.11 | 11,800.48 637,571.53 |
| Total | | 135,258,106.75 | 0.00 | 0.00 | 0.00 | 16,749,074.45 | 19,581,556.86 | 737,589.01 | 18,877.81 3,419,322.82 |

APPENDIX PAGE 1

PLAN DESCRIPTION

The plan is a contributory defined benefit plan covering all Reahtree Retirement System member unit employees deemed eligible by the retirement board, with the exception of school department employees who serve in a teaching capacity. The pensions of such school employees are administered by the Teachers' Retirement Board.

Instituted in 19 31 the System is a member of the Massachusetts Contributory Retirement System and is governed by Chapter 32 of the Massachusetts General Laws. Membership in the plan is mandatory immediately upon the commencement of employment for all permanent, full-time employees.

The system provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of service, or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65 (for certain hazardous duty and public safety positions, normal retirement is at age 55).

A retirement allowance consists of two parts: an annuity and a pension. A member's accumulated total deductions and a portion of the interest they generate constitute the annuity. The difference between the total retirement benefit and the annuity is the pension. The average retirement benefit is approximately 80 - 85% pension and 15 - 20% annuity.

Active members contribute either 5, 7, 8, or 9% of their gross regular compensation. Members joining the retirement system after January 1, 1979 must contribute an additional 2% on regular compensation earned at a rate in excess of \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. These deductions are deposited in the Annuity Savings Fund and earn interest at a rate determined by the Executive Director of PERAC according to statute. When a member's retirement becomes effective, his/her deductions and related interest are transferred to the Annuity Reserve Fund. Cost-of-living adjustments, and any other increase in benefits imposed by state law granted between 1981 and 1996, are borne by the state.

The pension portion of any retirement benefit is paid from the Pension Fund of the System. The governmental unit employing the member must annually appropriate and contribute the amount of current year pension payments as determined by PERAC's Actuary. In the past, retirement systems were paying only the actual retirement benefits that were due each year. Systems had no statutory authorization to put aside any money for the future benefits of employees who are now working. Large unfunded liabilities resulted from operating upon this pay-as-you-go basis. In 1977, legislation authorized local governments to appropriate funds to meet future pension obligations.

In 1983, additional legislation was passed requiring the transfer of investment earnings (in excess of the amount credited to member accounts) into the Pension Reserve Fund. These initiatives have significantly reduced the rate of growth of the retirement systems' unfunded liabilities and, in some systems, have actually reduced such liability.

Administrative expenses are funded through excess investment income.

Members who become permanently disabled for further duty may be eligible to receive a disability retirement allowance. The amount of benefits to be received in such cases is dependent upon several factors including: whether or not the disability is work related, the member's age, years of creditable service, level of compensation, veteran's status, and group classification.

Employees who resign from service and who are not eligible to receive a retirement allowance, or are under the age of 55, are entitled to request a refund of their accumulated total deductions. In addition, depending upon the number of years of creditable service, such employees are entitled to receive either zero (0%) percent, fifty (50%) percent, or one hundred (100%) percent of the regular interest that has accrued upon those deductions. Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

APPENDIX PAGE 2

SIGNIFICANT ACCOUNTING POLICIES

The accounting records of the System are maintained on a calendar year basis in accordance with the standards and procedures established by the Executive Director of Public Employee Retirement Administration Commission. All investments are stated at market value at the end of the year.

The Annuity Savings Fund is the fund in which members' contributions are deposited. Active members contribute either 5, 7, 8, or 9% of their gross regular compensation, Voluntary contributions, redposits, and transfers to and from other systems, are also accounted for in this fund. Members' contributions to the fund earn interest at a rate determined by PERAC. Interest for some members who withdraw within less than ten years of service is transferred to the Pension Reserve Fund. Upon retirement, a member's contributions and interest are transferred to the Annuity Reserve Fund. Dormant account balances must be transferred to the Pension Reserve Fund after a period of ten years of inactivity.

The Annuity Reserve Fund is the fund to which a member's account is transferred upon retirement from the Annuity Savings Fund and Special Military Service Credit Fund. The annuity portion of the retirement allowance is paid from this fund. Interest is credited monthly to this fund at the rate of 3% annually on the previous month's balance.

The Special Military Service Credit Fund contains contributions and interest for members while on a military leave for service in the Armed Forces who will receive creditable service for the period of that leave.

The Expense Fund contains amounts transferred from investment income or appropriated by the governmental units for the purposes of administering the retirement system.

The Pension Fund contains the amounts appropriated by the governmental units as established by PERAC to pay the pension portion of each retirement allowance.

The Pension Reserve Fund contains amounts appropriated by the governmental units for the purposes of funding future retirement benefits. Any profit or loss realized on the sale or maturity of any investment, or on the unrealized gain of a market valued investment as of the valuation date, is credited to the Pension Reserve Fund. Additionally, any investment income in excess of the amount required to credit interest to the Annuity Savings Fund, Annuity Reserve Fund, Expense Fund, and Special Military Service Credit Fund, is credited to this Reserve account.

The Investment Income Account is credited all income derived from invested funds. At the end of the year, the income credited to the Annuity Savings Fund, Annuity Reserve Fund, Expense Fund, and Special Military Service Credit Fund, is distributed from this account, and the remaining balance is transferred to the Pension Reserve Fund.



BRAINTREE RETIREMENT SYSTEM

PERAC INFORMATION DISCLOSURE

The most recent actuarial valuation of the System was prepared by Stone Consulting, Inc. as of January 1, 2010

The normal cost for employees on that date was: \$3,192,377 9.1% of payroll

The normal cost for the employer was: \$1,580,290 4.5% of payroll

The actuarial liability for active members was: \$89,591,332

The actuarial liability for retired members was (includes inactive): \$113,185,370

Total actuarial accrued liability: \$202,776,702

System assets as of that date: \$137,153,350

Unfunded actuarial accrued liability: \$65,623,352

The ratio of system's assets to total actuarial liability was: 68%

As of that date the total covered employee payroll was: \$35,050,919

The principal actuarial assumptions used in the valuation are as follows:

Investment Return: 7.875% per annum

Rate of Salary Increase: 4.25% per annum

SCHEDULE OF FUNDING PROGRESS (Dollars in \$000's)

| Actuarial Valuation | Date | Actuarial Value of Assets (a) | Actuarial Liability (AAL) (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a % of Covered Payroll ((b-a)/c) |
|---------------------|----------|-------------------------------|-------------------------------|---------------------------|--------------------|---------------------|--|
| 1/1/2010 | 1/1/2010 | \$137,153 | \$202,777 | \$65,624 | 68% | \$35,051 | 187% |
| 1/1/2008 | 1/1/2008 | \$141,346 | \$189,266 | \$47,920 | 75% | \$33,894 | 141% |
| 1/1/2006 | 1/1/2006 | \$119,722 | \$167,313 | \$47,592 | 72% | \$30,861 | 154% |
| 1/1/2004 | 1/1/2004 | \$103,345 | \$151,324 | \$47,979 | 68% | \$29,450 | 163% |
| 1/1/2002 | 1/1/2002 | \$91,927 | \$132,850 | \$40,923 | 69% | \$28,775 | 142% |



**BRAINTREE RETIREMENT SYSTEM
FUNDING SCHEDULE**

| Fiscal Year | Normal Cost | Unfunded Liability | Funding Amortization of UAL | Net 3(8)(c) Payments | Schedule Contribution | Adjusted for Aug 15 - Nov 15 Monthly Payments |
|-------------|-------------|--------------------|-----------------------------|----------------------|-----------------------|---|
| 2012 | 2,039,096 | 69,197,395 | 5,161,177 | 103,664 | 7,303,937 | 7,443,486 |
| 2013 | 2,125,758 | 69,079,071 | 5,341,265 | 103,664 | 7,570,687 | 7,715,333 |
| 2014 | 2,216,102 | 68,757,158 | 5,527,657 | 103,664 | 7,847,423 | 7,997,356 |
| 2015 | 2,310,287 | 68,208,824 | 5,720,572 | 103,664 | 8,134,523 | 8,289,941 |
| 2016 | 2,408,474 | 67,409,202 | 5,920,239 | 103,664 | 8,432,377 | 8,593,486 |
| 2017 | 2,510,834 | 66,331,219 | 6,126,895 | 103,664 | 8,741,393 | 8,908,406 |
| 2018 | 2,617,544 | 64,945,415 | 6,340,783 | 103,664 | 9,061,992 | 9,235,130 |
| 2019 | 2,728,790 | 63,219,746 | 6,562,158 | 103,664 | 9,394,612 | 9,574,106 |
| 2020 | 2,844,764 | 61,119,373 | 6,780,041 | 103,664 | 9,728,468 | 9,914,341 |
| 2021 | 2,965,666 | 58,618,555 | 7,012,629 | 103,664 | 10,081,959 | 10,274,585 |
| 2022 | 3,091,707 | 55,669,893 | 7,258,071 | 103,664 | 10,453,442 | 10,653,166 |
| 2023 | 3,223,104 | 52,224,253 | 7,512,104 | 103,664 | 10,838,872 | 11,045,960 |
| 2024 | 3,360,086 | 48,233,231 | 7,775,027 | 103,664 | 11,238,777 | 11,453,506 |
| 2025 | 3,502,890 | 43,644,287 | 8,047,153 | 103,664 | 11,653,707 | 11,876,363 |
| 2026 | 3,651,763 | 38,400,408 | 8,328,803 | 103,664 | 12,084,230 | 12,315,112 |
| 2027 | 3,806,963 | 32,439,744 | 8,620,312 | 103,664 | 12,530,938 | 12,770,355 |
| 2028 | 3,968,759 | 25,695,212 | 8,922,022 | 103,664 | 12,994,445 | 13,242,717 |
| 2029 | 4,137,431 | 18,094,079 | 9,234,293 | 103,664 | 13,475,388 | 13,732,849 |
| 2030 | 4,313,272 | 9,557,494 | 9,557,494 | 103,664 | 13,974,429 | 14,241,425 |

Amortization of Unfunded Liability as of July 1, 2011

| Year | Type | Original Amort. Amount | Percentage Increasing | Original # of Years | Current Amort. Amount | Years Remaining |
|------|-------------|------------------------|-----------------------|---------------------|-----------------------|-----------------|
| 2005 | ERI-BHA2002 | 11,240 | 0.00% | 15 | 11,240 | 8 |
| 2006 | ERI_BHA2003 | 4,554 | 0.00% | 15 | 4,554 | 9 |
| 2012 | Fresh Start | 5,145,383 | 3.50% | 19 | 5,145,383 | 19 |

Notes on Amortization of Unfunded Liability

Year is the year the amortization base was established.

Type is the reason for the creation of the base. Examples are Gain/(Loss) or Fresh Start.

Percentage Increasing is the percentage that the Original Amortization Amount increases per year.

Original # of Years is the number of years over which the base is being amortized.

Current Amortization Amount is the amortization payment amount for this year.

Years Remaining is the number of years left to amortize the base.