



Town of Braintree
Contributory Retirement System

74 Pond Street, 2nd Floor
Braintree, MA 02184

March 23, 2011

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, 2010*. 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. Ryan, 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 12/31/2010**

Annual Statement for the Year Ended December 31, 2010 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

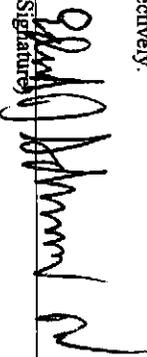
Braintree, MA 02184
City/Town, State and Zip Code

(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

Ex-Officio Member
Edward J. Spellman
(Name)


(Signature)

Appointed Member

Term Expires

Frederick T. Viola
(Name)

(Signature)

Elected Member

Term Expires 06/30/2011

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

(Signature)

Elected Member

Term Expires 06/30/2011

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 for the Year Ended December 31, 2010 of the Conditions and Affairs of

Braintree Contributory Retirement

INVESTMENT MANAGERS

Boston Company Asset Mgmt, LLC
International Equity

One Boston Place
Boston, MA 02108-4408

Loomis Sayles & Company

One Financial Center
Boston, MA 02111

Pension Reserves Investment Management Board

84 State Street, Suite 250
Boston, MA 02109

State Street Global Advisors

State Street Financial Center
One Lincoln Street -34rd Floor
Boston, MA 02111-2900

Annual Statement of the Braintree Retirement Board for the Year Ended December 31, 2010.

ANNUAL STATEMENT BALANCE TESTS

1. ASSET BALANCE	
Assets Previous Year	127,400,469.96
Income Current Year	25,078,241.82
Disbursements Current Year	14,924,212.88
Assets Current Year	137,554,498.90
2. ASSET DIFFERENCE	
Assets Current Year	137,554,498.90
Assets Previous Year	127,400,469.96
Difference	10,154,028.94
3. INCOME DIFFERENCE	
Income Current Year	25,078,241.82
Disbursements Current Year	14,924,212.88
Difference	10,154,028.94
4. FUND CHANGE DIFFERENCE	
Total Fund Change Credits Current Year	30,741,385.23
Total Fund Change Debits Current Year	-20,587,356.29
Difference	10,154,028.94

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

Annual Statement of the Braintrust Retirement Board for the Year Ended December 31, 2010.

ASSETS & LIABILITIES

	2010	2009	2008
1. 1040 Cash	2,723,420.16	2,873,434.52	2,979,361.89
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	31,143,168.18	27,047,949.87	21,369,537.23
7. 1173 Pooled International Equity Funds	19,007,330.10	17,811,554.43	13,203,127.21
8. 1174 Pooled Global Equity Funds	0.00	0.00	0.00
9. 1181 Pooled Domestic Fixed Income Funds	52,717,113.16	51,098,068.93	45,564,915.01
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	0.00	0.00	5,554,480.26
13. 1194 Pooled Real Estate Funds	4,542,429.57	4,024,640.60	4,361,229.51
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 PRT Absolute	6,631,834.89	6,239,467.63	0.00
17. 1198 PRT Cash	0.00	0.00	0.00
18. 1199 PRT Fund	20,716,682.16	18,299,171.21	15,610,401.79
19. 1550 Interest Due and Accrued	0.00	0.00	0.00
20. 1350 Prepaid Expenses	7,904.05	4,009.12	0.00
21. 1398 Accounts Receivable (A)	92,008.87	17,119.32	36,911.86
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)	(-27,392.24)	(-14,945.67)	(-26,190.01)
TOTAL	137,554,498.90	127,400,469.96	108,653,774.75
FUNDS			
1. 3293 Annuity Savings Fund	35,835,799.72	34,244,442.48	32,274,672.87
2. 3294 Annuity Reserve Fund	11,845,101.91	11,856,244.38	11,740,724.23
3. 3295 Military Service Fund	1,504.28	1,499.78	1,492.31
4. 3296 Pension Fund	2,082,009.48	2,248,166.37	1,848,728.36
5. 3298 Expense Fund	0.00	0.00	0.00
6. 3297 Pension Reserve Fund	87,790,083.51	79,050,116.95	62,788,156.98
TOTAL ASSETS AT MARKET VALUE	137,554,498.90	127,400,469.96	108,653,774.75

(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, 2010.

	Balance Dec. 31 Prior Year	Receipts	Interfund Transfers	Disbursements	Balance Dec.31 Current Year
Annuity Savings Fund	34,244,442.48	3,597,223.27	-1,384,662.92	-621,203.11	35,835,799.72
Annuity Reserve Fund	11,856,244.38	346,135.90	1,384,571.57	-1,741,849.94	11,845,101.91
Pension Fund	2,248,166.37	7,255,569.69	4,278,446.00	-11,700,172.58	2,082,009.48
Military Service Fund	1,499.78	4.50	0.00	0.00	1,504.28
Expense Fund	0.00	860,987.25	0.00	-860,987.25	0.00
Pension Reserve Fund	79,050,116.95	13,018,321.21	-4,278,354.65	0.00	87,790,083.51
Total All Funds	127,400,469.96	25,078,241.82	- 0 -	-14,924,212.88	137,554,498.90

List below all transfers:

Xfer from Annuity Savings Fund Control Acct	to Pension Reserve Fund Control	in the amt of 91.35	on acct of adjust interest; retro retirements
Xfer from Annuity Savings Fund Control Acct	to Annuity Reserve Fund Control	in the amt of 1,384,662.92	on acct of Retirements
Xfer from Pension Reserve Fund Control	to Pension Fund Account	in the amt of 4,278,446.00	on acct of Trsfr from PRF to Pension Fund
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, 2010.

RECEIPTS

	2010	2009	2008
1. Annuity Savings Fund:			
(a) 4891 Members' Deductions	3,322,567.48	3,219,678.22	3,258,767.52
(b) 4892 Transfers from Other Systems	68,996.14	118,389.00	491,586.77
(c) 4893 Member Make Up Payments and Redeposits	89,104.14	14,014.81	25,992.19
(d) 4900 Member Payments from Rollovers	13,753.62	743.04	7,747.69
(e) Investment Income Credited to Members' Accounts	102,801.89	156,903.91	176,641.38
Subtotal	3,597,223.27	3,509,728.98	3,960,735.55
2. Annuity Reserve Fund:			
(a) Investment Income Credited to Annuity Reserve Fund	346,135.90	352,482.75	338,308.88
Subtotal	346,135.90	352,482.75	338,308.88
3. Pension Fund:			
(a) 4898 3(8)(c) Reimbursements from Other Systems	184,651.94	188,926.59	155,374.10
(b) 4899 Received from Commonwealth for COLA & Survivor Bft	127,196.75	281,756.90	306,605.04
(c) 4894 Pension Fund Appropriation	6,943,721.00	6,747,969.00	6,342,165.04
(e) 4840 Workers Compensation Settlement	0.00	9,000.00	0.00
Subtotal	7,255,569.69	7,227,652.49	6,804,144.18
4. Military Service Fund:			
(a) 4890 Contributions Received from Municipality	0.00	0.00	0.00
(b) Investment Income Credited	4.50	7.47	8.90
Subtotal	4.50	7.47	8.90
5. Expense Fund:			
(a) 4896 Expense Fund Appropriation	0.00	0.00	0.00
(b) Investment Income Credited to Expense Fund	860,987.25	769,520.34	803,145.99
Subtotal	860,987.25	769,520.34	803,145.99
6. Pension Reserve Fund:			
(a) 4897 Federal Grant Reimbursement	210,764.41	54,852.48	54,357.04
(b) 4895 Pension Reserve Appropriation	0.00	0.00	0.00
(c) 4822 Interest Not Refunded	44,786.47	942.72	2,450.90
(d) 4825 Miscellaneous Income	2,950.10	1,094.18	18,162.14
(f) Excess Investment Income	12,759,820.23	20,184,552.64	-31,111,468.79
Subtotal	13,018,321.21	20,241,442.02	-31,036,498.71
TOTAL RECEIPTS	25,078,241.82	32,100,834.05	-19,130,155.21

Annual Statement of the Braintree Retirement Board for the Year Ended December 31, 2010.

DISBURSEMENTS

	2010	2009	2008
1. Annuity Savings Fund:			
* (a) 5757 Refunds to Members	523,340.56	67,679.27	224,695.48
(b) 5756 Transfers to Other Systems	97,862.55	49,895.67	373,044.37
	Subtotal	117,574.94	597,739.85
2. Annuity Reserve Fund:			
(a) 5750 Annuities Paid	1,702,762.30	1,646,684.10	1,539,714.65
(b) 5759 Option B Refunds	39,087.64	12,355.98	64,233.96
	Subtotal	1,659,040.08	1,603,948.61
3. Pension Fund:			
(a) 5751 Pensions Paid	10,802,806.74	10,506,124.38	10,243,975.87
Regular Pension Payments	7,225,990.27	7,017,160.93	6,747,579.15
Survivorship Payments	681,157.54	646,872.66	682,982.55
Ordinary Disability Payments	236,782.56	233,257.38	214,978.88
Accidental Disability Payments	1,833,169.15	1,807,369.58	1,802,276.60
Accidental Death Payments	770,044.98	747,422.85	743,691.69
Section 101 Benefits	55,662.24	54,040.98	52,467.00
(b) 5755 3(8)(c) Reimbursements To Other Systems	822,374.87	227,595.31	228,315.65
(c) 5752 COLAs Paid	74,990.97	74,283.79	84,462.60
(d) 5753 Chapter 389 Beneficiary Increase Paid	0.00	0.00	0.00
	Subtotal	11,700,172.58	10,556,754.12
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
5. Expense Fund:			
(a) 5118 Board Member Stipend	0.00	0.00	0.00
(b) 5119 Salaries	160,092.37	163,765.88	158,720.00
(c) 5304 Management Fees	479,310.77	409,207.88	423,228.33
(d) 5305 Custodial Fees	63,955.61	55,703.05	70,476.73
(e) 5307 Investment Consultant Fees	65,000.00	65,000.00	65,000.00
(f) 5308 Legal Expenses	27,145.57	10,310.00	13,648.00
(g) 5309 Medical Expenses	79.21	0.00	0.00
(h) 5310 Fiduciary Insurance	8,562.00	7,905.00	7,489.00
(i) 5311 Service Contracts	22,257.24	20,616.12	19,480.00
(j) 5312 Rent Expense	0.00	0.00	0.00
(k) 5315 Professional Services	13,200.00	12,000.00	0.00
(l) 5320 Education And Training	1,475.00	1,000.00	0.00
(m) 5589 Administrative Expenses	16,651.96	20,002.40	37,675.47
(n) 5599 Furniture and Equipment	0.00	2,322.49	1,524.33
(o) 5719 Travel	3,257.52	1,687.52	5,904.13
(p) 5829 Depreciation Expense: Building	0.00	0.00	0.00
	Subtotal	769,520.34	803,145.99
TOTAL DISBURSEMENTS	14,924,212.88	13,354,138.84	13,561,588.57

Annual Statement of the Braintree Retirement Board for the Year Ended December 31, 2010.

INVESTMENT INCOME

	2010	2009	2008
Investment Income received from:			
(a) Cash (from Schedule 1)	1,008.46	3,368.67	57,851.13
(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)	11,291.81	8,846.21	38,594.94
(e) Pooled Funds (from Schedule 5)	4,356,608.98	2,282,707.37	3,492,644.60
(f) Commission Recapture	0.00	0.00	0.00
4821 TOTAL INVESTMENT INCOME	4,368,909.25	2,294,922.25	3,589,090.67
Plus:			
4884 Realized Gains (Profits)	638,278.67	385,640.83	299,437.24
4886 Unrealized Gains (Increase in Market Value)	25,495,343.34	30,694,763.56	9,780,736.70
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	42,245.08	1,464,488.74	1,653,736.99
4887 Unrealized Losses (Decrease in Market Value)	16,390,536.41	10,447,370.79	41,808,891.26
1550 Interest Due and Accrued on Fixed Income Securities Prior Year	0.00	0.00	0.00
NET INVESTMENT INCOME	14,069,749.77	21,463,467.11	-29,793,363.64
Income required:			
Annuity Savings Fund (from Supplementary Schedule)	102,801.89	156,903.91	176,641.38
Annuity Reserve Fund	346,135.90	352,482.75	338,308.88
Expense Fund	860,987.25	769,520.34	803,145.99
Military Service Fund	4.50	7.47	8.90
TOTAL INCOME REQUIRED	1,309,929.54	1,278,914.47	1,318,105.15
Net Investment Income	14,069,749.77	21,463,467.11	-29,793,363.64
Less Income Required	1,309,929.54	1,278,914.47	1,318,105.15
EXCESS INCOME TO PENSION RESERVE FUND	12,759,820.23	20,184,552.64	-31,111,468.79

Annual Statement of the Braintree Retirement System for the Year Ended December 31, 2010

ACTIVE MEMBERS

	Group 1	Group 2&4	Total
Active Membership, Dec. 31, previous year	547	209	756
Inactive Membership, Dec. 31, previous year	39	3	42
			798
Enrolled during current year:			
Transfers between groups	37	1	38
Reinstatements of disabled members	(1)	1	0
	<u>0</u>	<u>0</u>	<u>0</u>
SUBTOTAL	36	2	38
			836
Death	1	0	1
Withdrawal (refunds/ Transfers out)	30	0	30
Retirements	<u>8</u>	<u>6</u>	<u>14</u>
SUBTOTAL	39	6	45
			791

Active Membership totals:
Inactive Membership, Dec. 31, current yr

Total Membership, Dec. 31, 2010

	584	207	791
	* -	+ -	* -

RETIRED MEMBERS, BENEFICIARIES, and SURVIVORS

Retired, Beneficiary, and Survivor Membership, Dec. 31, previous year 326 178 504

Retirements during the year:

Superannuation	7	6	13
Ordinary disability	0	0	0
Accidental disability	1	0	1
Termination Retirement Allowance	0	0	0
Beneficiary of Deceased Retiree	2	1	3
Survivor benefits from active membership	0	0	0
SUBTOTAL	10	7	17

Deduct:

Deaths of retired members	12	3	15
Termination of Survivor Benefits	0	0	0
Reinstatements of disabled pensions	0	0	0
SUBTOTAL	12	3	15

Retired Membership, Dec. 31, current year 324 182 506

Superannuation	258	92	350
Ordinary Disability	7	10	17
Accidental Disability	14	42	56
Termination	0	0	0
Beneficiaries from accidental deaths	1	14	15
Beneficiaries from Section 100	0	4	4
Beneficiaries from Section 101	3	4	7
Beneficiaries from Option (c)	25	10	35
Option (d) Survivor Allowance	17	4	21
Section 12B Survivor Allowance	0	1	1

Total Retired, Beneficiary, and Survivor Membership, Dec. 31, current year 325 181 506

TOTAL MEMBERSHIP

Active, Inactive, Retired, Beneficiary and Survivor, Dec. 31, current year 909 388 1,297

Annual Statement of the Braintree Retirement Board for the Year Ended December 31, 2010.

Schedule A: Detail of Accounts Receivable and Accounts Payable

	Amount	Original Date
Accounts Receivable		
4891 Members Deductions	6,939.90	
4892 Transfers From Other Systems	0.00	
4893 Member Make Up Payments and Redeposits	85,068.97	
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)	0.00	
	0.00	
	0.00	
	0.00	
	0.00	
TOTAL RECEIVABLES	92,008.87	
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	0.00	
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	-5,454.57	
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	-7,535.00	
5599 Furniture and Equipment	0.00	
5719 Travel	0.00	
Investments Purchased But Not Paid For (list individually)	-232.40	
4891- Members Deductions (error)	-5,896.41	
A/P from 2008	-7,841.80	
A/P from 2009	0.00	
TOTAL PAYABLES	-27,392.24	

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2010

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	20,927.81	11,340.90	32,268.71	49.09 4821-0005
Ckng	9957945-50	BANK OF AMERICA	282.53	(249.13)	33.40	(207.74) 4821-0041
Cap	2820-8480	BANK OF AMERICA	2,852,224.18	(161,106.13)	2,691,118.05	1,167.11 4821-0040
SCHEDULE TOTALS			2,873,434.52	(150,014.36)	2,723,420.16	1,008.46

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2010

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>
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N/A

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2010

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>
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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>
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N/A

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2010

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>
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N/A

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2010

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>
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N/A

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2010

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>
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N/A

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2010

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>
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N/A

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2010

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>
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N/A

ANNUAL STATEMENT OF THE TOWN OF BRAINTREE RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2010

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 - Renaissance				0.00	0.00	0.00	0.00	742.06
4821-0005	D31B	SECURITIES LITIGATION INCOME - World Com				0.00	0.00	0.00	0.00	10,549.75
SCHEDULE TOTALS						0.00	0.00	0.00	0.00	11,291.81

ANNUAL STATEMENT OF THE TOWN OF BRAintree RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE 5
POOLED FUND ACTIVITY DURING YEAR

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	17,811,554.43	0.00	0.00	0.00	0.00	5,724,824.96	4,529,049.29	0.00	0.00	130,362.82 *	19,007,330.10
1197	D31B	47099K983	PRIT ABSOLUTE RETURN FUND	6,239,467.63	0.00	49,281.11	34,760.36	0.00	521,281.40	162,187.86	0.00	0.00	50,767.75	6,631,834.89
1181-0030	D31B	543495105	LOOMIS SAYLES INVT GRADE INC FD	32,093,402.04	3,513,048.18	3,513,048.18	0.00	0.00	3,469,758.50	2,952,062.04	3,500,000.00	3,513,048.18	157,111.20	32,467,035.48
1199	D31B	69499F935	PRIT GENERAL ALLOCATION FUND	18,299,171.21	0.00	548,148.93	509,633.83	16,699.48	3,750,098.65	2,284,252.30	0.00	0.00	89,418.98	20,716,682.16
1181-0031	D31B	70299B926	SSGA PASSIVE BO MKT INDEX SL FD	19,004,666.89	0.00	0.00	0.00	0.00	1,599,925.44	354,514.65	0.00	0.00	5,821.90 *	20,250,077.68
1194	D31B	74299C991	PRIT CORE REAL ESTATE FUND	4,024,640.60	0.00	246,130.76	93,884.48	25,545.60	443,160.80	217,395.09	0.00	0.00	22,446.48	4,542,429.57
1172	D31B	784997918	SSGA S & P 500 FLAGSHIP FUND	27,047,949.87	0.00	0.00	0.00	0.00	9,986,293.49	5,891,075.18	0.00	0.00	23,581.94 *	31,143,168.18
SCHEDULE TOTALS				124,520,852.67	3,513,048.18	4,356,608.98	638,276.67	42,245.08	25,495,343.34	16,390,536.41	3,500,000.00	3,513,048.18	479,310.77	134,758,558.06

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	UnRealized Gain	UnRealized Loss	Realized Gain	Realized Loss	Investment Income Received During Year	
1040 - Cash	2,723,420.16	-	-						1,008.46	
1100 - Short Term Securities	-									
1180 - Fixed Inc Securities	-									
1170 - Equities										
1172 - Pooled Domestic Equity Funds	St St Global S&P	31,143,168.18	-	-	-	9,986,293.49	5,891,075.18	-		
1173 - Pooled Intern'l Equity Funds	Boston Int'l	19,007,330.10	-	-	-	5,724,824.96	4,529,049.29	-	0.00	
1174 - Pooled Global Equity Funds		-								
1181 - Pooled Domestic Fixed Income Fund	SSGA Passive Loomis	20,250,077.68 32,467,035.48	-	-	-	1,599,925.44 3,469,758.50	354,514.65 2,952,062.04	- -	0 3,513,048.18	
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			-	-						
1194 - Pooled Real Estate Funds	PRIM	4,542,429.57	-	-	443,160.90	217,395.09	93,884.48	25,545.60	246,130.76	
1195 - Pooled Domestic Balanced Fund										
1196 - Pooled Intern'l Balanced Fund										
1197 - Hedge Funds	PRIT Abs Ret	6,631,834.89			521,281.40	162,187.86	34,760.36		49,281.11	
1198 - PRIT Cash										
1199 - PRIT Fund	PRIT General Alloc	20,716,682.16			3,750,098.65	2,284,252.30	509,633.83	16,699.48	548,148.93	
Total		137,481,978.22	0.00	0.00	0.00	25,495,343.34	16,390,536.41	638,278.67	42,245.08	4,357,617.44

APPENDIX PAGE 1

PLAN DESCRIPTION

The plan is a contributory defined benefit plan covering all **Salariate** 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 **37** , 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, deposits, 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 members' 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	(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
Value of Assets		Actuarial Liability (AAL)	Unfunded AAL (UAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll	
\$137,153	1/1/2010	\$202,777	\$65,624	68%	\$35,051	187%	
\$141,346	1/1/2008	\$189,266	\$47,920	75%	\$33,894	141%	
\$119,722	1/1/2006	\$167,313	\$47,592	72%	\$30,861	154%	
\$103,345	1/1/2004	\$151,324	\$47,979	68%	\$29,450	163%	
\$91,927	1/1/2002	\$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.

Original Amortization Amount is the annual amortization amount when the base was established.

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.

