



Barnstable County Retirement Association

Barnstable County Retirement Association
750 Attucks Lane
Hyannis, MA 02601
Telephone: 508-775-1110 or 800-553-5569

Administration

Debra L. Cohen, Executive Director
Susy Holmes, Administrator
Denise Mulligan, Administrator
Patricia Sprague, Administrator
Sandra Burkhardt, Administrative Assistant
Sue Atherton, Staff Assistant
Lori Hemsworth, Staff Assistant
Jane Svoboda, Staff Assistant

In accordance with the provisions of Chapter 32, Section 20(5) of the Massachusetts General Laws, you are provided with a summary of the Annual Report of the Barnstable County Retirement Association for the year ending December 31, 2009. The report has been filed with the Executive Director of the Public Employee Retirement Administration Commission in accordance with the provisions of said statute and may be examined at the office of the Retirement Association at 750 Attucks Lane, Hyannis, MA.

Board Members

E. MARK ZIELINSKI: Chairman/Director of Finance. As the Director of Finance for the County of Barnstable, Mr. Zielinski is the Board Chairman.

C. RANDALL SHERMAN: Retired Chief of the Yarmouth Fire Department, Chief Sherman is elected to the Board by the active and retired members of the system.

MARK FOLEY: Deputy Chief of the Eastham Fire Department, Mr. Foley is the second member to be elected to the Board by the active and retired members of the system.

KAREN V. WALDEN: As the Treasurer for the Mashpee Water District, Ms. Walden is elected by the Treasurers of all the governmental units which comprise the Association. All 49 Unit Treasurers serve as the Advisory Council to the Board.

MARY PAT FLYNN: An elected County Commissioner for the County of Barnstable, Ms. Flynn has been appointed by the Commissioners as the fifth member of the Board.

The Pension Reserve Fund is the account established for the purpose of funding future pension costs. The balance of this account as of 12/31/2009 is \$247 million. This fund now represents 47.72% of the Association's total assets.

The system's total assets as of 12/31/2009 are \$518.8 million reflecting a net gain in assets of \$85 million. The reported rate of return of the system's assets was 17.18%. For the broad US stock market the S&P 500 annual return was 26.5% and the fixed income Barclays Capital Aggregate return was 5.9%.

With the exception of operating and short term cash, the majority of the Barnstable County Retirement Association's portfolio is in the Pension Reserve Investment Trust (PRIT). As of year end the portfolio was allocated as follows: Allegis Value Trust – \$3.4 million real estate; Intercontinental Fund - \$1.9 million real estate; PRIT Fund - \$493.4 million. As of 12/31/2009 the PRIT Fund assets totaled \$42.7 billion with the annual rate of return of 17.69%.

The Retirement Board members, as fiduciaries of the fund, continue to monitor the investments. In their efforts to achieve a high rate of return to meet the statutory obligations, the Board considers safety and preservation of capital to be of the utmost importance. With Segal Advisors, as Investment Consultant, the Board regularly reviews the investment managers to evaluate their strengths and weaknesses.

**BARNSTABLE COUNTY RETIREMENT ASSOCIATION
ASSETS & LIABILITIES STATEMENT**

Cash - Operating	\$ 10,183,061.21	FUND BALANCES	
- Short term	0.00	Annuity Savings Fund	206,596,227.92
Real Estate	5,396,330.45	Annuity Reserve Fund	52,745,912.61
PRIT Capital Fund	493,463,772.64	Military Service Fund	88,441.27
Fixed Income	0.00	Pension Fund	11,850,595.55
Sub-total	509,043,164.30	Pension Reserve Fund	247,609,473.10
Due & Acc	0.00	Expense Fund	<u>0.00</u>
Receivables	9,888,446.64	TOTAL	\$518,890,650.45
Payables	<u>(40,960.49)</u>		
TOTAL	\$518,890,650.45		

Receipts and Disbursements - 2009

Balance 12/31/2008 \$433,408,211.83

Receipts 2009

Members' Contributions	23,979,681.78	
Employer Appropriations	39,840,200.55	
Government Reimbursements	2,657,652.56	
Investment Earnings	72,260,116.20	
Interest not refunded	21,161.52	138,758,812.61

Disbursements 2009

Refunds to Members	3,162,113.36	
Payments to Retirees	45,393,575.22	
Government Reimbursements	937,009.18	
Administrative Expenses	1,131,645.84	
Asset Management Expenses	2,652,030.39	<u>(53,276,373.99)</u>

BALANCE - 12/31/2009 **\$518,890,650.45**

Membership Summary - 12/31/2009

Active Members	5,195
Inactive Members	739
Retirees and Survivors	2,481

Accrued Actuarial Liability as of 1/1/2009

The Segal Company conducted the most recent actuarial valuation. The accrued liability at 1/1/2009 was:

Active Members	\$ 534,203,079.00
Retired & Inactive Members	<u>+432,361,535.00</u>
Total actuarial liability at 1/1/2009	\$ 966,564,614.00

Market Value of Assets at 1/1/2009	<u>- 520,089,855.00</u>
Unfunded actuarial liability at 1/1/2009	\$ 446,474,759.00