

**Report of the  
Barnstable County  
Retirement Association**

# Barnstable County Retirement Association

750 Attucks Lane

Hyannis, MA 02601

Telephone: 508-775-1110

Facsimile: 508-775-1344



## 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**

## 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.



**T**he Pension Reserve Fund is the account established for the purpose of funding future pension costs. The balance of this account as of 12/31/2008 is \$178 million. This fund now represents 41.11% of the Association's total assets.

The system's total assets as of 12/31/2008 are \$433.4 million reflecting a net loss in assets of \$156 million. The reported rate of return of the system's assets was -29.15%. For the broad US stock market the S&P 500 annual return was -37.0% and the fixed income Barclays Capital Aggregate return was 5.2%.

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 - \$2.1 million real estate; Intercontinental Fund - \$2.1 million real estate; PRIT Fund - \$408.7 million. As of 12/31/2008 the PRIT Fund assets totaled \$37.8 billion with the annual rate of return of -29.44%.

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**

<table border="0" style="width: 100%;"> <tr><td>Cash - Operating</td><td style="text-align: right;">\$ 7,690,754.62</td></tr> <tr><td>- Short term</td><td style="text-align: right;">0.00</td></tr> <tr><td>Real Estate</td><td style="text-align: right;">4,260,686.01</td></tr> <tr><td>PRIT Capital Fund</td><td style="text-align: right;">408,711,107.56</td></tr> <tr><td>Fixed Income</td><td style="text-align: right;">0.00</td></tr> <tr><td><b>Sub-total</b></td><td style="text-align: right;"><b>420,662,549.18</b></td></tr> <tr><td>Due &amp; Acc</td><td style="text-align: right;">0.00</td></tr> <tr><td>Receivables</td><td style="text-align: right;">12,756,656.50</td></tr> <tr><td>Payables</td><td style="text-align: right;"><u>(10,992.86)</u></td></tr> <tr><td><b>TOTAL</b></td><td style="text-align: right;"><b>\$433,408,211.83</b></td></tr> </table>	Cash - Operating	\$ 7,690,754.62	- Short term	0.00	Real Estate	4,260,686.01	PRIT Capital Fund	408,711,107.56	Fixed Income	0.00	<b>Sub-total</b>	<b>420,662,549.18</b>	Due & Acc	0.00	Receivables	12,756,656.50	Payables	<u>(10,992.86)</u>	<b>TOTAL</b>	<b>\$433,408,211.83</b>	<table border="0" style="width: 100%;"> <tr><td colspan="2"><b>FUND BALANCES</b></td></tr> <tr><td>Annuity Savings Fund</td><td style="text-align: right;">192,617,739.18</td></tr> <tr><td>Annuity Reserve Fund</td><td style="text-align: right;">50,276,211.83</td></tr> <tr><td>Military Service Fund</td><td style="text-align: right;">71,648.34</td></tr> <tr><td>Pension Fund</td><td style="text-align: right;">12,227,901.62</td></tr> <tr><td>Pension Reserve Fund</td><td style="text-align: right;">178,214,710.86</td></tr> <tr><td>Expense Fund</td><td style="text-align: right;"><u>0.00</u></td></tr> <tr><td><b>TOTAL</b></td><td style="text-align: right;"><b>\$433,408,211.83</b></td></tr> </table>	<b>FUND BALANCES</b>		Annuity Savings Fund	192,617,739.18	Annuity Reserve Fund	50,276,211.83	Military Service Fund	71,648.34	Pension Fund	12,227,901.62	Pension Reserve Fund	178,214,710.86	Expense Fund	<u>0.00</u>	<b>TOTAL</b>	<b>\$433,408,211.83</b>
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**RECEIPTS AND DISBURSEMENTS - 2008**

Balance 12/31/2007	\$589,519,033.68
<b>RECEIPTS 2008</b>	
Members' Contributions	23,011,237.18
Employer Appropriations	41,838,018.57
Government Reimbursements	2,506,895.69
Investment Earnings	(173,388,727.08)
Interest not refunded	27,088.75
	(106,005,486.89)
<b>DISBURSEMENTS 2008</b>	
Payments to Members	3,438,063.72
Payments to Retirees	42,393,875.82
Government Reimbursements	478,405.36
Administrative Expenses	984,293.80
Asset Management Expenses	2,810,696.36
	(50,105,334.96)
<b>BALANCE - 12/31/2008</b>	<b>\$433,408,211.83</b>

**MEMBERSHIP SUMMARY - 12/31/2008**

Active Members	5,346
Inactive Members	710
Retirees and Survivors	2,437

**ACCRUED ACTUARIAL LIABILITY AS OF 1/1/2007**

The Segal Company conducted the most recent actuarial valuation. The accrued liability at 1/1/2007 was:

Active Members	\$ 461,243,003.00
Retired & Inactive Members	<u>+364,620,065.00</u>
Total actuarial liability at 1/1/2008	\$ 825,863,068.00
Market Value of Assets at 1/1/2008	<u>- 417,396,087.00</u>
Unfunded actuarial liability at 1/1/2008	\$ 308,466,981.00