

Annual Statement

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· **OF THE FINANCIAL CONDITION**
· **OF THE BELMONT RETIREMENT BOARD**
· **TO THE PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION**
· **FOR THE YEAR ENDED 12/31/2022**
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Annual Statement for the Year Ended December 31, 2022 of the conditions and Affairs of the Belmont Retirement Board.

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

Date of Certificate 07/01/1937

Effective Date 07/01/1937

ADMINISTRATION OFFICE

90 Concord Ave
Street & Number

3rd Floor, Suite 3, Belmont, MA 02478
City/Town, State and Zip Code

(617) 993-2792
Telephone Number

We, the undersigned, members of the Belmont Retirement Board certify under penalties of perjury, 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	
	Donna Tuccinardi	_____
	(Name)	(Signature)
	Appointed Member	Term Expires <u>07/01/2023</u>
	Floyd Carman	_____
	(Name)	(Signature)
Elected Member	Term Expires <u>12/27/2023</u>	
	Walter Wellman	_____
	(Name)	(Signature)
Elected Member	Term Expires <u>06/30/2025</u>	
	Ross Vona	_____
(Name)	(Signature)	
Member Appointed by Other Members	Term Expires <u>02/06/2024</u>	
	Thomas Gibson (Chair)	_____
(Name)	(Signature)	
Investment Managers	Atlanta Capital Management	1075 Peachtree St. NE, Suite 2100, ATL, GA
	Rothschild Asset Management	1251 Avenue of the Americas, NY, NY 10020
	PRIM International Equity	84 State Street, Boston MA 02109
Investment Consultant	NEPC	255 State Street, Boston, MA 02109
Custodian	M & T Bank	16 North Main Street, Andover, MA 01810

ANNUAL STATEMENT BALANCE TESTS

1. ASSET BALANCE

Assets Previous Year	161,766,701.25
Income Current Year	2,727,437.97
Disbursements Current Year	15,471,871.11
Assets Current Year	149,022,268.11

2. ASSET DIFFERENCE

Assets Current Year	149,022,268.11
Assets Previous Year	161,766,701.25
Difference	-12,744,433.14

3. INCOME DIFFERENCE

Income Current Year	2,727,437.97
Disbursements Current Year	15,471,871.11
Difference	-12,744,433.14

4. FUND CHANGE DIFFERENCE

Total Fund Change Credits Current Year	3,748,588.21
Total Fund Change Debits Current Year	-16,493,021.35
Difference	-12,744,433.14

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

Annual Statement of the Belmont Retirement Board for the Year Ended December 31, 2022.

ASSETS & LIABILITIES

	2022	2021	2020
1. 1040 Cash	5,265,460.99	6,753,642.83	7,109,897.46
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	8,211,971.05	9,412,584.19	6,917,900.52
5. 1101 Pooled Short Term Funds	0.00	0.00	0.00
6. 1172 Pooled Domestic Equity Funds	27,806,361.57	32,794,440.26	24,663,779.45
7. 1173 Pooled International Equity Funds	12,909,947.17	15,585,184.07	17,708,976.45
8. 1174 Pooled Global Equity Funds	2,476,716.00	2,127,760.00	1,597,192.00
9. 1181 Pooled Domestic Fixed Income Funds	13,002,419.04	13,525,456.88	12,384,564.96
10. 1182 Pooled International Fixed Income Funds	8,427,019.60	10,423,238.38	10,269,766.72
11. 1183 Pooled Global Fixed Income Funds	14,993,589.03	15,140,411.96	14,134,814.09
12. 1193 Pooled Alternative Investments	24,483,237.17	23,875,825.02	18,379,087.76
13. 1194 Pooled Real Estate Funds	20,188,731.83	20,402,698.73	14,328,249.19
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 Hedge Funds	7,782,077.61	7,943,002.85	7,257,081.36
17. 1198 PRIT Cash	0.00	0.00	0.00
18. 1199 PRIT Fund	3,369,003.26	3,804,190.01	3,171,760.03
19. 1550 Interest Due and Accrued	7,299.44	0.00	0.00
20. 1350 Prepaid Expenses	0.00	0.00	0.00
21. 1398 Accounts Receivable (A)	98,434.35	2,138.35	67,459.42
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)	(0.00)	(-23,872.28)	(0.00)
TOTAL	149,022,268.11	161,766,701.25	137,990,529.41
FUNDS			
1. 3293 Annuity Savings Fund	32,198,213.55	30,514,466.32	29,151,003.62
2. 3294 Annuity Reserve Fund	6,003,855.53	7,017,847.55	7,563,695.64
3. 3295 Military Service Fund	4,957.16	4,952.21	4,947.26
4. 3296 Pension Fund	3,340,019.10	2,135,421.14	1,334,324.93
5. 3298 Expense Fund	0.00	0.00	0.00
6. 3297 Pension Reserve Fund	107,475,222.77	122,094,014.03	99,936,557.96
TOTAL ASSETS AT MARKET VALUE	149,022,268.11	161,766,701.25	137,990,529.41

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

Annual Statement of the Belmont Retirement Board for the Year Ended December 31, 2022.

	Balance Dec. 31 Prior year	Receipts	Interfund Transfers	Disbursements	Balance Dec.31 Current Year
Annuity Savings Fund	30,514,466.32	3,888,291.51	-1,021,150.24	-1,183,394.04	32,198,213.55
Annuity Reserve Fund	7,017,847.55	194,304.95	1,021,008.61	-2,229,305.58	6,003,855.53
Pension Fund	2,135,421.14	12,038,805.54	0.00	-10,834,207.58	3,340,019.10
Military Service Fund	4,952.21	4.95	0.00	0.00	4,957.16
Expense Fund	0.00	1,224,963.91	0.00	-1,224,963.91	0.00
Pension Reserve Fund	122,094,014.03	-14,618,932.89	141.63	0.00	107,475,222.77
Total All Funds	161,766,701.25	2,727,437.97	- 0 -	-15,471,871.11	149,022,268.11

List below all transfers:

Xfer from	Annuity Savings Fund	to	Annuity Reserve Fund	in the amt of	1,021,008.61	on acct of	Current Year Retirees
	Control Acct						
Xfer from	Annuity Savings Fund	to	Pension Reserve Fund	in the amt of	141.63	on acct of	Int Not Ref
	Control Acct		Control Acct				
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	
Xfer from		to		in the amt of		on acct of	

Annual Statement of the Belmont Retirement Board for the Year Ended December 31, 2022.

RECEIPTS

	2022	2021	2020
1. Annuity Savings Fund:			
(a) 4891 Members' Deductions	3,049,543.36	2,866,989.89	2,896,653.36
(b) 4892 Transfers from Other Systems	801,868.38	528,436.14	172,826.59
(c) 4893 Member Make Up Payments and Redeposits	3,783.69	14,874.73	11,261.35
(d) 4900 Member Payments from Rollovers	0.00	0.00	0.00
(e) Investment Income Credited to Members' Accounts	33,096.08	33,295.08	31,157.08
Subtotal	<u>3,888,291.51</u>	<u>3,443,595.84</u>	<u>3,111,898.38</u>
2. Annuity Reserve Fund:			
(a) 4750 Recovery of Annuity from Reinstatement	0.00	0.00	0.00
(b) Investment Income Credited to Annuity Reserve Fund	194,304.95	212,527.89	212,971.84
Subtotal	<u>194,304.95</u>	<u>212,527.89</u>	<u>212,971.84</u>
3. Pension Fund:			
(a) 4898 3(8)(c) Reimbursements from Other Systems	774,174.47	371,953.59	296,862.18
(b) 4899 Received from Commonwealth for COLA & Survivor Bft	33,790.09	53,995.74	81,476.16
(c) 4894 Pension Fund Appropriation	11,217,037.00	11,186,416.00	10,784,043.00
(d) 4840 Workers Compensation Settlement	5,000.00	10,000.00	0.00
(e) 4751 Recovery of Pension from Reinstatement	0.00	0.00	0.00
(f) 4841 Recovery of 91A Overearnings	8,803.98	0.00	0.00
Subtotal	<u>12,038,805.54</u>	<u>11,622,365.33</u>	<u>11,162,381.34</u>
4. Military Service Fund:			
(a) 4890 Contributions Received from Municipality	0.00	0.00	0.00
(b) Investment Income Credited	4.95	4.95	4.94
Subtotal	<u>4.95</u>	<u>4.95</u>	<u>4.94</u>
5. Expense Fund:			
(a) 4896 Expense Fund Appropriation	0.00	0.00	0.00
(b) Investment Income Credited to Expense Fund	1,224,963.91	1,126,143.52	910,217.11
Subtotal	<u>1,224,963.91</u>	<u>1,126,143.52</u>	<u>910,217.11</u>
6. Pension Reserve Fund:			
(a) 4897 Federal Grant Reimbursement	0.00	0.00	0.00
(b) 4895 Pension Reserve Appropriation	0.00	0.00	0.00
(c) 4822 Interest Not Refunded	1,482.08	1,393.34	853.18
(d) 4825 Miscellaneous Income	-1,054.90	0.00	0.00
(e) Excess Investment Income	-14,619,360.07	22,149,953.79	12,370,679.12
Subtotal	<u>-14,618,932.89</u>	<u>22,151,347.13</u>	<u>12,371,532.30</u>
TOTAL RECEIPTS	<u>2,727,437.97</u>	<u>38,555,984.66</u>	<u>27,769,005.91</u>

Annual Statement of the Belmont Retirement Board for the Year Ended December 31, 2022.

DISBURSEMENTS

	2022	2021	2020
1. Annuity Savings Fund:			
(a) 5757 Refunds to Members	101,720.63	331,676.36	171,686.63
(b) 5756 Transfers to Other Systems	1,081,673.41	345,353.41	391,331.35
Subtotal	<u>1,183,394.04</u>	<u>677,029.77</u>	<u>563,017.98</u>
2. Annuity Reserve Fund:			
(a) 5750 Annuities Paid	2,229,305.58	2,155,370.41	2,049,360.45
(b) 5759 Option B Refunds	0.00	0.00	0.00
Subtotal	<u>2,229,305.58</u>	<u>2,155,370.41</u>	<u>2,049,360.45</u>
3. Pension Fund:			
(a) 5751 Pensions Paid	10,326,788.41	10,207,054.73	10,034,245.87
Regular Pension Payments	7,547,764.53	7,539,910.51	7,544,883.05
Survivorship Payments	695,570.36	699,834.15	631,787.83
Ordinary Disability Payments	156,569.94	153,878.34	149,114.52
Accidental Disability Payments	1,619,835.91	1,513,198.27	1,407,521.76
Accidental Death Payments	245,422.61	248,150.76	244,250.76
Section 101 Benefits	61,625.06	52,082.70	56,687.95
(b) 5755 3(8)(c) Reimbursements To Other Systems	507,419.17	614,214.39	304,916.19
(c) 5752 COLAs Paid	0.00	0.00	0.00
(d) 5753 Chapter 389 Beneficiary Increase Paid	0.00	0.00	0.00
Subtotal	<u>10,834,207.58</u>	<u>10,821,269.12</u>	<u>10,339,162.06</u>
4. Military Service Fund:			
(a) 4890 Return to Municipality for Members who Withdrew Funds	0.00	0.00	0.00
Subtotal	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
5. Expense Fund:			
(a) 5118 Board Member Stipend	15,000.00	15,000.00	14,750.00
(b) 5119 Salaries	194,769.10	177,961.44	186,781.30
(c) 5120 Benefits	0.00	0.00	0.00
(d) 5304 Management Fees	764,593.21	663,164.74	466,312.48
(e) 5305 Custodial Fees	38,281.98	40,905.62	29,480.53
(f) 5307 Investment Consultant Fees	52,500.00	86,250.00	65,059.16
(g) 5308 Legal Expenses	27,669.58	24,973.02	29,579.04
(h) 5309 Medical Expenses	0.00	0.00	0.00
(i) 5310 Fiduciary Insurance	6,399.00	0.00	0.00
(j) 5311 Service Contracts	0.00	0.00	0.00
(k) 5312 Rent Expense	26,700.00	25,200.00	25,200.00
(l) 5315 Professional Services	5,000.00	28,500.00	8,500.00
(m) 5316 Actuarial Services	15,000.00	5,000.00	22,750.00
(n) 5317 Accounting Services	0.00	0.00	0.00
(o) 5320 Education And Training	3,875.24	400.00	1,630.00
(p) 5589 Administrative Expenses	67,824.41	57,206.70	59,747.81
(q) 5599 Furniture and Equipment	0.00	1,582.00	0.00
(r) 5719 Travel	7,351.39	0.00	426.79
(s) 5829 Depreciation Expense: Building	0.00	0.00	0.00
Subtotal	<u>1,224,963.91</u>	<u>1,126,143.52</u>	<u>910,217.11</u>
TOTAL DISBURSEMENTS	<u>15,471,871.11</u>	<u>14,779,812.82</u>	<u>13,861,757.60</u>

Annual Statement of the Belmont Retirement Board for the Year Ended December 31, 2022.

INVESTMENT INCOME

Investment Income received from:	2022	2021	2020
(a) Cash (from Schedule 1)	12,133.06	0.00	14,171.29
(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)	94,316.05	75,747.24	63,337.02
(e) Pooled Funds (from Schedule 5)	3,513,902.76	3,159,290.17	2,559,287.78
(f) Commission Recapture and Securities Litigation	0.00	0.00	0.00
4821 TOTAL INVESTMENT INCOME	3,620,351.87	3,235,037.41	2,636,796.09
Plus:			
4884 Realized Gains (Profits)	2,769,359.00	5,448,602.86	4,867,526.18
4886 Unrealized Gains (Increase in Market Value)	7,734,351.46	20,762,219.10	18,563,182.08
1550 Interest Due & Accrued on Fixed Income Securities at End Of Current Year	7,299.44	0.00	0.00
Less:			
4823 Paid Accrued Interest on Fixed Income Securities	0.00	0.00	0.00
4885 Realized Losses	1,056,755.66	286,250.19	941,852.42
4887 Unrealized Losses (Decrease in Market Value)	26,201,073.17	5,637,683.95	11,597,324.49
1550 Interest Due and Accrued on Fixed Income Securities Prior Year	0.00	0.00	3,297.35
Additional Adjustments:			
4701 Carried Interest Expense	40,523.12	0.00	0.00
4702 Equalization Expense	0.00	0.00	0.00
4703 Miscellaneous Investment Expenses	0.00	0.00	0.00
NET INVESTMENT INCOME	-13,166,990.18	23,521,925.23	13,525,030.09
Income required:			
Annuity Savings Fund (from Supplementary Schedule)	33,096.08	33,295.08	31,157.08
Annuity Reserve Fund	194,304.95	212,527.89	212,971.84
Expense Fund	1,224,963.91	1,126,143.52	910,217.11
Military Service Fund	4.95	4.95	4.94
TOTAL INCOME REQUIRED	1,452,369.89	1,371,971.44	1,154,350.97
Net Investment Income	-13,166,990.18	23,521,925.23	13,525,030.09
Less Income Required	1,452,369.89	1,371,971.44	1,154,350.97
EXCESS INCOME TO PENSION RESERVE FUND	-14,619,360.07	22,149,953.79	12,370,679.12

Annual Statement of the Belmont Retirement Board for the Year Ended December 31, 2022.

MEMBERSHIP FOR CURRENT YEAR

ACTIVE MEMBERS	Group 1	Group 2 & 4	TOTAL
Active Membership, Dec. 31st, Previous Year	336	121	457
Inactive Membership, Dec. 31st, Previous Year	360	14	374
Enrolled During Current Year	87	10	97
Transfers Between Groups	0	0	0
Reinstatements of Disabled Members	0	0	0
SUBTOTAL	87	10	97
Deduct:			
Death	0	0	0
Withdrawals	43	2	45
Retirements	11	2	13
SUBTOTAL	54	4	58
Active Membership, Dec. 31st, Current Year	340	124	464
Inactive Membership, Dec. 31st, Current Year	389	17	406

RETIRED MEMBERS, BENEFICIARIES & SURVIVORS

Retired, Beneficiary and Survivor Membership, Dec. 31st, Previous Year	219	140	359
Retirements During the Year			
Superannuation	8	1	9
Ordinary Disability	0	0	0
Accidental Disability	2	1	3
Termination Retirement Allowance	0	0	0
Beneficiary of Deceased Retiree	2	1	3
Survivor Benefits from Active Membership	0	0	0
SUBTOTAL	12	3	15
Deduct:			
Deaths of Retired Members	9	4	13
Termination of Survivor Benefits	2	2	4
Reinstatements of Disabled Pensions	0	0	0
SUBTOTAL	11	6	17
Retired Membership, Dec. 31st, Current Year			
Superannuation	176	83	259
Ordinary Disability	4	3	7
Accidental Disability	19	25	44
Termination	0	0	0
Beneficiaries from Accidental Deaths	0	3	3
Beneficiaries from Section 100	0	1	1
Beneficiaries from Section 101	1	4	5
Beneficiaries under Option C	7	13	20
Option (D) Survivor Allowance	10	3	13
Section 12B Survivor Allowance	3	2	5
Total Retired, Beneficiary and Survivor Membership, Dec. 31st, Current Year	220	137	357
TOTAL MEMBERSHIP			
Active, Inactive, Retired, Beneficiary and Survivor, Dec. 31st, Current Year	949	278	1,227

Annual Statement of the Belmont Retirement Board for the Year Ended December 31, 2022.

Schedule A: Detail of Accounts Receivable and Accounts Payable

Accounts Receivable	Amount	Original Date
4751 Recovery of Pension from Reinstatement	0.00	
4840 Workers Compensation Settlements	0.00	
4841 Recovery of 91A Overearnings	0.00	
4891 Members Deductions	3,266.66	12/31/2022
4892 Transfers From Other Systems	14,005.68	12/31/2022
4893 Member Make Up Payments and Redeposits	0.00	
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)	80,967.00	12/31/2022
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)		
Prior Year Rec ???	195.01	12/31/2020
	0.00	
	0.00	
	0.00	
TOTAL RECEIVABLES	98,434.35	
Accounts Payable		
5316 Actuarial Services	0.00	
5317 Accounting Services	0.00	
5320 Education and Training	0.00	
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	0.00	
5309 Medical Expenses	0.00	
5310 Fiduciary Insurance	0.00	
5311 Service Contracts	0.00	
5312 Rent Expense	0.00	
5315 Professional Services Expense	0.00	
5589 Administrative Expenses	0.00	
5599 Furniture and Equipment	0.00	
5719 Travel	0.00	
Investments Purchased But Not Paid For (list individually)		
	0.00	
	0.00	
	0.00	
	0.00	
TOTAL PAYABLES	0.00	