

Annual Financial Statement

OF THE FINANCIAL CONDITION
OF THE Brockton Retirement System
TO THE PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION
FOR THE YEAR ENDED 12/31/2025

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

Date of Certificate: 07/01/1936

Effective Date: 01/01/1937

ADMINISTRATION OFFICE

1322 Belmont St, Suite 101
Street and Number

Brockton, MA 02301-1813
City / Town, State and Zip Code

(508) 580-7847
Telephone Number

We, the undersigned, members of the Brockton Retirement System 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

Juan P. Gonzalez
Name

Signature

Appointed Member

Term Expires

John A. Condon
Name

Signature

Elected Member

Term Expires 06/30/2027

Scott G. Albanese
Name

Signature

Elected Member

Term Expires 06/30/2028

Archibald Gormley, Jr.
Name

Signature

Member Appointed by Other Members

Term Expires 02/25/2028

William R. Farmer, Chairman
Name

Signature

Investment Managers

SEI

1 Freedom Valley Dr. Oaks, PA 19456

See additional list

Investment Consultant

Fiduciary Investment Advisors

100 Northfield Dr. Windsor, CT 06095

Custodian

SEI

1 Freedom Valley Dr. Oaks, PA 19456

ANNUAL STATEMENT BALANCE TESTS

1. ASSET BALANCE

Assets Previous Year	825,640,242.51
Income Current Year	155,168,843.88
Disbursements Current Year	<u>(65,166,632.96)</u>
Assets Current Year	915,642,453.43

2. ASSET DIFFERENCE

Assets Current Year	915,642,453.43
Assets Previous Year	<u>(825,640,242.51)</u>
Difference	90,002,210.92

3. INCOME DIFFERENCE

Income Current Year	155,168,843.88
Disbursements Current Year	<u>(65,166,632.96)</u>
Difference	90,002,210.92

4. FUND CHANGE DIFFERENCE

Total Fund Change Credits Current Year	163,402,507.03
Total Fund Change Debits Current Year	<u>(-73,400,296.11)</u>
Difference	90,002,210.92

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

ASSETS & LIABILITIES

	2025	2024	2023
1. 1040 Cash	829,284.11	3,497,818.97	2,543,489.89
2. 1100 Individually Owned Short Term Investments	0.00	0.00	0.00
3. 1180 Fixed Income Securities (Market Value)	0.00	0.00	0.00
4. 1101 Pooled Short Term Funds	0.00	0.00	0.00
5. 1170 Equities	0.00	0.00	0.00
6. 1172 Pooled Domestic Equity Funds	288,840,815.68	209,389,518.34	123,564,769.58
7. 1173 Pooled International Equity Funds	195,431,770.69	132,221,910.35	82,646,506.30
8. 1174 Pooled Global Equity Funds	0.00	86,162,355.03	204,677,289.62
9. 1181 Pooled Domestic Fixed Income Funds	183,678,186.15	172,434,205.63	120,684,851.83
10. 1182 Pooled International Fixed Income Funds	28,855,298.49	25,516,346.55	24,569,887.24
11. 1183 Pooled Global Fixed Income Funds	0.00	0.00	0.00
12. 1193 Pooled Alternative Investments / Private Equity	88,411,454.75	73,533,965.65	60,778,324.01
13. 1194 Pooled Real Estate Funds	77,412,672.25	75,153,633.28	79,653,037.05
14. 1195 Pooled Domestic Balanced Funds	0.00	0.00	39,301,476.08
15. 1196 Pooled International Balanced Funds	0.00	0.00	0.00
16. 1197 Hedge Funds	51,438,692.80	46,981,076.40	41,805,909.99
17. 1198 PRIT Cash Fund	0.00	0.00	0.00
18. 1199 PRIT Core Fund	0.00	0.00	0.00
19. 1350 Prepaid Expenses	0.00	0.00	0.00
20. 1398 Accounts Receivable (A)	655.40	0.00	3,567.47
21. 1550 Interest Due and Accrued	745,870.30	752,014.48	570,278.75
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)	(-2,247.19)	(-2,602.17)	(-7,460.73)
TOTAL	915,642,453.43	825,640,242.51	780,791,927.08

FUNDS

1. 3293 Annuity Savings Fund	132,018,103.73	126,641,616.85	120,951,983.56
2. 3294 Annuity Reserve Fund	23,945,129.74	24,493,143.20	25,505,372.50
3. 3295 Special Military Service Credit Fund	138,247.59	100,644.67	100,544.13
4. 3296 Pension Fund	201,517,249.35	237,019,121.60	264,927,565.85
5. 3298 Expense Fund	0.00	0.00	0.00
6. 3297 Pension Reserve Fund	558,023,723.02	437,385,716.19	369,306,461.04
TOTAL ASSETS MARKET VALUE	915,642,453.43	825,640,242.51	780,791,927.08

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

Annual Statement of the Brockton Retirement Board for the Year Ended December 31, 2025

	Bal.12/31 Prior Year	Receipts	Interfund Transfers	Disbursements	Bal. 12/31 Current Year
Annuity Savings Fund	126,641,616.85	16,285,784.27	-8,135,621.22	-2,773,676.17	132,018,103.73
Annuity Reserve Fund	24,493,143.20	717,431.83	8,039,328.69	-9,304,773.98	23,945,129.74
Special Military Service Credit Fund	100,644.67	135,644.85	-98,041.93	0.00	138,247.59
Pension Fund	237,019,121.60	12,315,193.19	96,066.16	-47,913,131.60	201,517,249.35
Expense Fund	0.00	5,175,051.21	0.00	-5,175,051.21	0.00
Pension Reserve Fund	437,385,716.19	120,539,738.53	98,268.30	0.00	558,023,723.02
TOTAL ALL FUNDS	825,640,242.51	155,168,843.88	0.00	-65,166,632.96	915,642,453.43

List below all transfers:

Transfer From	To	In the amount of	On account of
Annuity Savings Fund	Annuity Reserve Fund	8,039,328.69	To account for 2025 retirements
Annuity Savings Fund	Pension Fund	96,066.16	Transfer To Annuity Reserve (Meghan Chase)
Annuity Savings Fund	Pension Reserve Fund	226.37	INTEREST P/Y ADR; YEAR END ENTRY
Military Service Fund	Pension Reserve Fund	98,041.93	TO MOVE FUNDS BACK TO PRF, EXCEPT PRIOR YR INTEREST; PER PERAC AUDIT

RECEIPTS

Annuity Savings Fund		2025	2024	2023
(a)	4891 Members' Deductions	15,229,020.52	14,365,467.15	13,536,307.87
(b)	4892 Transfers from Other Systems	669,136.26	1,068,446.39	584,296.13
(c)	4893 Members' Make up Payments and Re-deposits	139,955.28	123,353.70	130,179.75
(d)	4900 Member Payments from Rollovers	57,136.62	77,481.52	64,153.90
(e)	Investment Income Credited to Members' Accounts	190,535.59	192,145.30	158,386.15
SUBTOTAL		16,285,784.27	15,826,894.06	14,473,323.80
Annuity Reserve Fund				
(a)	4750 Recovery of Annuity from Reinstatement	0.00	0.00	0.00
(b)	Investment Income Credited to Annuity Reserve Fund	717,431.83	745,479.83	778,966.54
SUBTOTAL		717,431.83	745,479.83	778,966.54
Pension Fund				
(a)	4898 3(8)(c) Reimbursements from Other Systems 4899 Received from Commonwealth for COLA and	733,017.07	418,711.77	402,314.13
(b)	Survivor Benefits	144,423.12	234,550.86	148,815.03
(c)	4894 Pension Fund Appropriation	11,431,753.00	17,409,796.00	16,752,600.00
(d)	4840 Workers' Compensation Settlements	6,000.00	15,000.00	37,500.00
(e)	4751 Recovery of Pension from Reinstatement	0.00	0.00	0.00
(f)	4841 Recovery of 91A Overearnings	0.00	0.00	0.00
SUBTOTAL		12,315,193.19	18,078,058.63	17,341,229.16
Military Service Fund				
(a)	4890 Contributions Received for Military Service	135,506.75	0.00	0.00
(b)	Investment Income Credited	138.10	100.54	100.44
SUBTOTAL		135,644.85	100.54	100.44
Expense Fund				
(a)	4896 Expense Fund Appropriation	0.00	0.00	0.00
(b)	Investment Income Credited to Expense Fund	5,175,051.21	5,113,350.36	5,249,656.87
SUBTOTAL		5,175,051.21	5,113,350.36	5,249,656.87
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	29,976.60	29,363.12	7,554.49
(d)	4825 Miscellaneous Income	3,468.80	33,785.99	1,403.22
(e)	Excess Investment Income	120,506,293.13	68,015,432.45	64,251,187.18
SUBTOTAL		120,539,738.53	68,078,581.56	64,260,144.89
TOTAL RECEIPTS		155,168,843.88	107,842,464.98	102,103,421.70

DISBURSEMENTS

Annuity Savings Fund		2025	2024	2023
(a)	5757 Refund to Members	1,391,618.82	1,714,848.05	1,336,501.80
(b)	5756 Transfers to Other Systems	1,382,057.35	1,447,735.37	1,239,053.49
SUBTOTAL		2,773,676.17	3,162,583.42	2,575,555.29
Annuity Reserve Fund				
(a)	5750 Annuities Paid	9,210,773.00	8,722,018.99	8,495,021.88
(b)	5759 Option B Refunds	94,000.98	9,693.90	161,784.67
SUBTOTAL		9,304,773.98	8,731,712.89	8,656,806.55
Pension Fund				
(a)	5751 Pensions Paid	46,670,359.04	44,792,293.40	43,845,662.48
	Regular Pension Payments	30,619,911.65	29,575,954.39	28,854,512.96
	Survivorship Payments	3,229,783.90	2,831,146.41	2,521,878.91
	Ordinary Disability Payments	215,331.03	251,480.61	265,927.43
	Accidental Disability Payments	10,776,713.53	10,230,494.22	9,963,029.54
	Accidental Death Payments	1,540,738.80	1,523,313.43	1,844,627.49
	Section 101 Benefits	287,880.13	379,904.34	395,686.15
(b)	5755 3(8)(c) Reimbursements to Other Systems	1,242,772.56	1,194,209.48	1,183,481.00
(c)	5752 COLAs Paid	0.00	0.00	0.00
(d)	5753 Chapter 389 Beneficiary Increase Paid	0.00	0.00	0.00
SUBTOTAL		47,913,131.60	45,986,502.88	45,029,143.48
Expense Fund				
(a)	5118 Board Members' Stipend	24,000.00	24,000.90	20,875.00
(b)	5119 Staff Salaries	580,393.40	550,393.14	454,001.82
(c)	5120 Benefits	146,658.94	17,827.26	8,123.97
(d)	5304 Management Fees	4,106,107.98	1,683,926.00	960,190.00
(e)	5305 Custodial Fees	0.00	0.00	0.00
(f)	5307 Investment Consultant Fees	46,349.48	2,465,179.65	3,470,934.90
(g)	5308 Legal Expenses	22,300.00	16,470.00	20,935.20
(h)	5309 Medical Expenses	0.00	0.00	0.00
(i)	5310 Fiduciary Insurance	66,439.37	65,982.79	65,985.00
(j)	5311 Service Contracts	58,784.36	87,088.66	74,368.70
(k)	5312 Rent Expense	63,185.16	60,420.96	57,781.20
(l)	5315 Professional Services	0.00	0.00	0.00
(m)	5316 Actuarial Services	16,700.00	17,175.00	4,000.00
(n)	5317 Accounting Services	0.00	0.00	0.00
(o)	5320 Education and Training	4,239.48	3,204.57	4,119.60
(p)	5589 Administrative Expenses	35,113.88	119,014.91	99,507.90
(q)	5599 Furniture and Equipment	975.00	206.40	4,994.20
(r)	5719 Travel Expense	3,804.16	2,460.12	3,839.38
(s)	5829 Depreciation Expense: Building	0.00	0.00	0.00
SUBTOTAL		5,175,051.21	5,113,350.36	5,249,656.87
TOTAL DISBURSEMENTS		65,166,632.96	62,994,149.55	61,511,162.19

INVESTMENT INCOME

Investment Income received from	2025	2024	2023
(a) Cash (from Schedule 1)	22,195,023.61	44,707.57	92,638.46
(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)	0.00	0.00	0.00
(e) Pooled Funds (from Schedule 5)	0.00	19,801,853.20	18,065,880.58
(f) Commission Recapture and Securities Litigation	0.00	0.00	0.00
4821 TOTAL INVESTMENT INCOME	22,195,023.61	19,846,560.77	18,158,519.04
Plus			
4884 Realized Gains (Profits)	66,754,874.83	53,502,597.98	14,026,791.13
4886 Unrealized Gains (Increase in Market Value)	160,517,260.08	139,992,228.87	133,746,843.69
1550 Interest/Dividends Due and Accrued-Current Year	745,870.30	752,014.48	570,278.75
Less			
4823 Paid Accrued Interest on Fixed Income Securities	0.00	0.00	0.00
4885 Realized Losses	25,731,785.77	8,798,228.47	7,084,583.07
4887 Unrealized Losses (Decrease in Market Value)	97,092,519.12	130,475,531.28	88,471,284.65
1550 Interest/Dividends Due and Accrued-Prior Year	752,014.48	570,278.75	411,701.31
Additional Adjustments			
4701 Carried Interest Expense	20,104.59	151,133.59	72,604.19
4702 Equalization Expense	0.00	0.00	0.00
4703 Miscellaneous Investment Expenses	27,155.00	31,721.53	23,962.21
NET INVESTMENT INCOME	126,589,449.86	74,066,508.48	70,438,297.18
Income Required			
Annuity Savings Fund (from Supplementary Schedule)	190,535.59	192,145.30	158,386.15
Annuity Reserve Fund	717,431.83	745,479.83	778,966.54
Special Military Service Credit Fund	138.10	100.54	100.44
Expense Fund	5,175,051.21	5,113,350.36	5,249,656.87
TOTAL INCOME REQUIRED	6,083,156.73	6,051,076.03	6,187,110.00
Net Investment Income	126,589,449.86	74,066,508.48	70,438,297.18
Less Income Required	6,083,156.73	6,051,076.03	6,187,110.00
EXCESS INCOME TO PENSION RESERVE FUND	120,506,293.13	68,015,432.45	64,251,187.18

MEMBERSHIP FOR CURRENT YEAR

ACTIVE MEMBERS	Group 1	Group 2 & 4	TOTAL
Active Membership, Dec. 31 st , Previous Year	1,690	385	2,075
Inactive Membership, Dec. 31 st , Previous Year	989	24	1,013
Enrolled During Current Year	285	32	317
Transfers Between Groups	2	-2	0
Reinstatements of Disabled Members	0	0	0
SUBTOTAL	287	30	317
Deduct			
Death	4	1	5
Withdrawals	174	3	177
Retirements	43	25	68
SUBTOTAL	221	29	250
Active Membership, Dec. 31 st , Current Year	1,756	386	2,142
Inactive Membership, Dec. 31 st , Current Year	976	28	1,004
RETIRED MEMBERS, BENEFICIARIES & SURVIVORS			
Retired, Beneficiary, and Survivor Membership, Dec. 31st, Previous Year	903	409	1,312
Retirements During the Year			
Superannuation	39	14	53
Ordinary Disability	0	0	0
Accidental Disability	3	9	12
Termination Retirement Allowance	0	0	0
Beneficiary of Deceased Retiree	1	5	6
Survivor Benefits from Active Membership	1	2	3
SUBTOTAL	44	30	74
Deaths of Retired Members	29	19	48
Terminations of Survivor Benefits	4	7	11
Reinstatements of Disabled Pensions	0	0	0
SUBTOTAL	33	26	59
Retired Membership, Dec. 31, Current Year			
Superannuation	705	210	915
Ordinary Disability	8	1	9
Accidental Disability	86	121	207
Termination	0	0	0
Beneficiaries from Accidental Deaths	3	25	28
Beneficiaries from Section 100	0	2	2
Beneficiaries from Section 101	2	16	18
Beneficiaries under Option (C)	72	22	94
Option (D) Survivor Allowance	36	16	52
Section 12B Survivor Allowance	3	0	3
Total Retired, Beneficiary, and Survivor Membership, Dec. 31, Current Year	915	413	1,328
TOTAL MEMBERSHIP			
Active, Inactive, Retired, Beneficiary, and Survivor, Dec. 31, Current Year	3,647	827	4,474

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	465.10	12/31/2025
4892	Transfers From Other Systems	0.00	
4893	Members' Make Up Payments and Redeposits	0.00	
4900	Members' Payments from Rollovers	0.00	
4898	3(8)(c) Reimbursements from Other Systems Received from Commonwealth for COLA and	190.30	12/31/2025
4899	Survivor Benefits	0.00	
4884	Realized Gain on Sale of Investments	0.00	
4894	Pension Fund Appropriation (Previous Fiscal Year)	0.00	
4894	Pension Fund Appropriation (Current Fiscal Year)	0.00	
	Contributions Received from Municipality on		
4890	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)		

Investment Name	Amount(\$)	Original Date (\$)
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TOTAL RECEIVABLES	655.40
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Accounts Payable			
5757	Refunds to members	0.00	
5756	Transfers to Other Systems	0.00	
5750	Annuities Paid	0.00	
5759	Option B Refunds	0.00	
5751	Pension 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	
5118	Board Members' Stipend	0.00	
5119	Staff Salaries	0.00	
5120	Benefits	-779.11	12/31/2025
5304	Management Fees	0.00	
5305	Custodial Fees	0.00	
5307	Investment Consultant Fees	0.00	
5308	Legal Expenses	-450.00	12/31/2025
5309	Medical Expenses	0.00	
5310	Fiduciary Insurance	0.00	
5311	Service Contracts	-107.80	12/31/2025
5312	Rent Expense	0.00	
5315	Professional Services	0.00	
5320	Education and Training	0.00	
5589	Administrative Expenses	-910.28	12/31/2025
5599	Furniture and Equipment	0.00	
5719	Travel Expense	0.00	
5316	Actuarial Services	0.00	
	Investments Purchased But Funds Not Paid (list individually)		

Annual Statement of the Brockton Retirement Board for the Year Ended December 31, 2025

Investment Name	Amount(\$)	Original Date (\$)
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TOTAL PAYABLES	-2,247.19
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