

Annual Statement for the Year Ended December 31, 2025 of the conditions and Affairs of the Taunton Retirement System.

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

104 Dean St, Suite 203
Street & Number

Taunton, MA 02780
City/Town, State and Zip Code

(508) 821-1052
Telephone Number

We, the undersigned, members of the Taunton 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

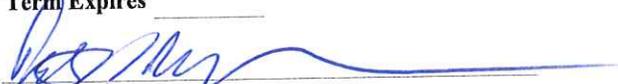
Ex-Officio Member

Ian D. Fortes
(Name)


(Signature)

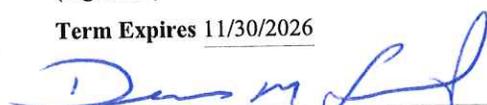
Appointed Member

Patrick D. Dello Russo, Jr.
(Name)

Term Expires _____

(Signature)

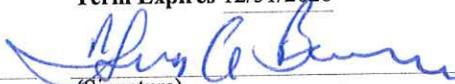
Elected Member

Dennis M. Smith (Chair)
(Name)

Term Expires 11/30/2026

(Signature)

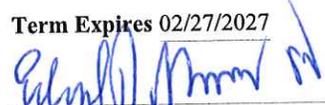
Elected Member

Thomas A. Bernier
(Name)

Term Expires 12/31/2028

(Signature)

Member Appointed by Other Members

Edward J. Spellman, Jr.
(Name)

Term Expires 02/27/2027

(Signature)

Investment Managers

Aberdeen Asset Mgmt.

1735 Market St., Philadelphia, PA 19103

Allspring Global

101 Seaport Blvd., Boston, MA 02210

Barksdale Investment Management

40 Burton Hill Blvd. Suite 230, Nashville TN 37215

Investment Consultant

Dahab Associates

423 South Country Rd., Bay Shore, NY 11706

Custodian

People's United Bank (M&T bank)

16 North Main St., Andover, MA. 01810

INVESTMENT ADVISOR(S) - continued

Name: Blackrock	Address: One Financial Center, Boston, MA 02111
Name: Boston Partners	Address: One Beacon St., 30th Floor, Boston, MA. 02108
Name: Ceres Partners LLC	Address: 1251 North Eddy St., Suite 200, South Bend, IN 46617
Name: Constitution Capital Partners	Address: 489 Fifth Ave., 21st Floor, New York, NY 10017
Name: Domain Timber Advisors, LLC	Address: 1230 Peachtree St NE, Suite 3600, Atlanta, GA 30309
Name: EnTrust Global	Address: 375 Park Ave., 24th Flr., New York, NY 10152
Name: Federated-Hermes	Address: Oliver Street Tower, 125 High St., 21st Flr., Boston, MA 02110
Name: Intercontinental Real Estate Corp.	Address: 1270 Soldiers Field Rd., Boston, MA. 02135-1003
Name: Manulife Investment Mgmt (John Hancock)	Address: 197 Clarendon St., Boston, MA 02116
Name: Metlife Opportunistic High Yield CIT-A	Address: 353 North Clark St., Chicago, IL 60654
Name: Molpus Woodlands Fund III, L.P.	Address: 654 North State St., Jackson, Mississippi 39202
Name: PRIT Private Equity Vintage Years	Address: 53 State Street, Suite 600, Boston, MA. 02109
Name: Rhumblin Advisers	Address: 265 Franklin St., 21st Floor, Boston, MA. 02110-3326
Name: State Street Investment Mgmt.	Address: State St. Financial Center, One Lincoln St., Boston, MA. 02111
Name: TA Realty LLC	Address: 28 State St., 10th Floor, Boston, MA. 02109
Name: Timberland Investment Resources, LLC	Address: 115 Perimeter Center Place, Suite 940, Atlanta, GA 30346
Name: Vontobel Asset Management	Address: 1540 Broadway, 38th Floor, New York, NY 10036

ANNUAL STATEMENT BALANCE TESTS

1. ASSET BALANCE

Assets Previous Year	451,713,867.12
Income Current Year	90,554,496.32
Disbursements Current Year	42,891,979.59
Assets Current Year	499,376,383.85

2. ASSET DIFFERENCE

Assets Current Year	499,376,383.85
Assets Previous Year	451,713,867.12
Difference	47,662,516.73

3. INCOME DIFFERENCE

Income Current Year	90,554,496.32
Disbursements Current Year	42,891,979.59
Difference	47,662,516.73

4. FUND CHANGE DIFFERENCE

Total Fund Change Credits Current Year	94,397,322.18
Total Fund Change Debits Current Year	-46,734,805.45
Difference	47,662,516.73

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

Annual Statement of the Taunton Retirement System for the Year Ended December 31, 2025.

ASSETS & LIABILITIES

	<u>2025</u>	<u>2024</u>	<u>2023</u>
1. 1040 Cash	10,284,888.86	3,554,889.32	9,564,360.03
2. 1100 Short Term Investments	0.00	692,622.66	0.00
3. 1180 Fixed Income Securities	24,644,524.88	21,795,096.15	22,625,913.13
4. 1170 Equities	26,830,575.80	28,384,555.68	51,605,617.29
5. 1101 Pooled Short Term Funds	0.00	0.00	0.00
6. 1172 Pooled Domestic Equity Funds	184,626,057.52	183,484,772.19	137,859,276.84
7. 1173 Pooled International Equity Funds	86,562,761.24	60,200,415.35	58,265,732.78
8. 1174 Pooled Global Equity Funds	0.00	0.00	0.00
9. 1181 Pooled Domestic Fixed Income Funds	64,702,626.57	57,733,429.21	46,020,382.05
10. 1182 Pooled International Fixed Income Funds	0.00	0.00	9,215,261.22
11. 1183 Pooled Global Fixed Income Funds	0.00	0.00	0.00
12. 1193 Pooled Alternative Investments	21,489,705.23	15,332,039.03	10,444,804.53
13. 1194 Pooled Real Estate Funds	69,070,833.53	65,107,915.01	65,187,646.64
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	0.00	0.00	0.00
17. 1198 PRIT Cash	0.00	0.00	0.00
18. 1199 PRIT Fund	0.00	0.00	0.00
19. 1550 Interest Due and Accrued	220,285.25	181,723.40	191,370.82
20. 1350 Prepaid Expenses	4,184.83	4,184.83	4,184.83
21. 1398 Accounts Receivable (A)	11,002,136.62	15,807,651.19	10,265,388.43
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)	(-62,196.48)	(-565,426.90)	(-61,310.53)
TOTAL	<u>499,376,383.85</u>	<u>451,713,867.12</u>	<u>421,188,628.06</u>
FUNDS			
1. 3293 Annuity Savings Fund	84,931,495.53	78,491,768.65	74,572,936.45
2. 3294 Annuity Reserve Fund	26,999,214.59	29,651,587.71	31,002,940.73
3. 3295 Military Service Fund	87,121.94	79,455.26	65,001.97
4. 3296 Pension Fund	6,032,087.08	15,308,030.40	25,250,706.42
5. 3298 Expense Fund	0.00	0.00	0.00
6. 3297 Pension Reserve Fund	381,326,464.71	328,183,025.10	290,297,042.49
TOTAL ASSETS AT MARKET VALUE	<u>499,376,383.85</u>	<u>451,713,867.12</u>	<u>421,188,628.06</u>

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

Annual Statement of the Taunton Retirement System for the Year Ended December 31, 2025.

	Balance Dec. 31 Prior year	Receipts	Interfund Transfers	Disbursements	Balance Dec.31 Current Year
Annuity Savings Fund	78,491,768.65	11,141,460.13	-3,837,383.41	-864,349.84	84,931,495.53
Annuity Reserve Fund	29,651,587.71	856,153.19	3,824,594.40	-7,333,120.71	26,999,214.59
Pension Fund	15,308,030.40	22,971,313.52	5,442.45	-32,252,699.29	6,032,087.08
Military Service Fund	79,455.26	13,109.13	-5,442.45	0.00	87,121.94
Expense Fund	0.00	2,441,809.75	0.00	-2,441,809.75	0.00
Pension Reserve Fund	328,183,025.10	53,130,650.60	12,789.01	0.00	381,326,464.71
Total All Funds	451,713,867.12	90,554,496.32	- 0 -	-42,891,979.59	499,376,383.85

List below all transfers:

Xfer from	<u>Annuity Savings Fund</u>	to	<u>Annuity Reserve Fund</u>	in the amt of	<u>4,004,235.63</u>	on acct of	<u>Retired members</u>
Xfer from	<u>Annuity Reserve Fund</u>	to	<u>Annuity Savings Fund</u>	in the amt of	<u>179,641.23</u>	on acct of	<u>Joseph McKenna-Section 105 re-activated</u>
Xfer from	<u>Special Military Serv Credit Fund</u>	to	<u>Pension Fund</u>	in the amt of	<u>5,442.45</u>	on acct of	<u>Keith Cloutier-return of military ded.</u>
Xfer from	<u>Annuity Savings Fund</u>	to	<u>Pension Reserve Fund</u>	in the amt of	<u>55.24</u>	on acct of	<u>Excess Interest from Annuity Savings</u>
Xfer from	<u>Pension Reserve Fund</u>	to	<u>Annuity Savings Fund</u>	in the amt of	<u>37,442.58</u>	on acct of	<u>10-Yr Inactives to Ann Savings-refunds</u>
Xfer from	<u>Annuity Savings Fund</u>	to	<u>Pension Reserve Fund</u>	in the amt of	<u>50,176.35</u>	on acct of	<u>10-Yr Inactives @ 12/31/2025</u>

Annual Statement of the Taunton Retirement System for the Year Ended December 31, 2025.

RECEIPTS

	2025	2024	2023
1. Annuity Savings Fund:			
(a) 4891 Members' Deductions	9,682,370.50	8,816,746.96	8,137,020.70
(b) 4892 Transfers from Other Systems	704,736.75	795,840.50	696,627.30
(c) 4893 Member Make Up Payments and Redeposits	472,965.98	140,411.01	32,297.56
(d) 4900 Member Payments from Rollovers	189,901.50	80,725.72	39,524.89
(e) Investment Income Credited to Members' Accounts	91,485.40	79,543.84	78,739.49
Subtotal	<u>11,141,460.13</u>	<u>9,913,268.03</u>	<u>8,984,209.94</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	856,153.19	915,850.94	928,865.68
Subtotal	<u>856,153.19</u>	<u>915,850.94</u>	<u>928,865.68</u>
3. Pension Fund:			
(a) 4898 3(8)(c) Reimbursements from Other Systems	2,163,168.18	373,732.22	306,707.50
(b) 4899 Received from Commonwealth for COLA & Survivor Bft	154,563.86	50,307.13	121,692.67
(c) 4894 Pension Fund Appropriation	20,644,429.00	20,943,987.00	20,118,228.00
(d) 4840 Workers Compensation Settlement	7,000.00	19,000.00	45,000.00
(e) 4751 Recovery of Pension from Reinstatement	0.00	0.00	0.00
(f) 4841 Recovery of 91A Overearnings	2,152.48	7,729.60	0.00
Subtotal	<u>22,971,313.52</u>	<u>21,394,755.95</u>	<u>20,591,628.17</u>
4. Military Service Fund:			
(a) 4890 Contributions Received from Municipality	13,035.11	14,388.30	8,336.85
(b) Investment Income Credited	74.02	64.99	56.62
Subtotal	<u>13,109.13</u>	<u>14,453.29</u>	<u>8,393.47</u>
5. Expense Fund:			
(a) 4896 Expense Fund Appropriation	0.00	0.00	0.00
(b) Investment Income Credited to Expense Fund	2,441,809.75	2,435,814.91	2,439,840.89
Subtotal	<u>2,441,809.75</u>	<u>2,435,814.91</u>	<u>2,439,840.89</u>
6. Pension Reserve Fund:			
(a) 4897 Federal Grant Reimbursement	334,909.07	99,751.88	73,786.27
(b) 4895 Pension Reserve Appropriation	0.00	0.00	0.00
(c) 4822 Interest Not Refunded	3,336.10	250.52	3,806.74
(d) 4825 Miscellaneous Income	30,514.22	243.81	57.25
(e) Excess Investment Income	52,761,891.21	37,809,604.54	40,798,527.88
Subtotal	<u>53,130,650.60</u>	<u>37,909,850.75</u>	<u>40,876,178.14</u>
TOTAL RECEIPTS	<u>90,554,496.32</u>	<u>72,583,993.87</u>	<u>73,829,116.29</u>

Annual Statement of the Taunton Retirement System for the Year Ended December 31, 2025.

DISBURSEMENTS

	2025	2024	2023
1. Annuity Savings Fund:			
(a) 5757 Refunds to Members	550,678.89	318,830.18	472,588.07
(b) 5756 Transfers to Other Systems	313,670.95	1,014,910.87	818,146.37
Subtotal	<u>864,349.84</u>	<u>1,333,741.05</u>	<u>1,290,734.44</u>
2. Annuity Reserve Fund:			
(a) 5750 Annuities Paid	7,219,266.83	6,955,781.90	6,589,427.69
(b) 5759 Option B Refunds	113,853.88	20,714.97	239,712.98
Subtotal	<u>7,333,120.71</u>	<u>6,976,496.87</u>	<u>6,829,140.67</u>
3. Pension Fund:			
(a) 5751 Pensions Paid	31,446,637.06	30,479,120.35	29,112,449.54
Regular Pension Payments	25,378,952.01	24,726,021.47	23,636,353.21
Survivorship Payments	1,985,959.97	1,836,245.12	1,759,134.83
Ordinary Disability Payments	207,632.13	220,028.28	219,188.13
Accidental Disability Payments	3,227,664.86	3,070,043.76	2,879,665.58
Accidental Death Payments	383,409.41	366,838.38	335,315.76
Section 101 Benefits	263,018.68	259,943.34	282,792.03
(b) 5755 3(8)(c) Reimbursements To Other Systems	806,062.23	833,581.63	705,543.28
(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>32,252,699.29</u>	<u>31,312,701.98</u>	<u>29,817,992.82</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	22,500.00	22,500.00	22,500.00
(b) 5119 Salaries	353,002.53	322,452.19	288,675.72
(c) 5120 Benefits	0.00	0.00	0.00
(d) 5304 Management Fees	1,636,245.10	1,682,200.58	1,684,224.84
(e) 5305 Custodial Fees	69,745.21	71,182.64	66,490.68
(f) 5307 Investment Consultant Fees	80,000.00	82,500.00	90,000.00
(g) 5308 Legal Expenses	36,174.84	41,325.55	47,557.45
(h) 5309 Medical Expenses	0.00	25.00	0.00
(i) 5310 Fiduciary Insurance	14,896.03	15,776.97	16,174.00
(j) 5311 Service Contracts	58,440.14	57,149.55	80,003.33
(k) 5312 Rent Expense	78,103.78	77,408.13	73,500.44
(l) 5315 Professional Services	0.00	0.00	10,000.00
(m) 5316 Actuarial Services	11,698.98	11,850.02	6,499.94
(n) 5317 Accounting Services	0.00	10,000.00	0.00
(o) 5320 Education And Training	12,312.00	6,538.00	6,504.00
(p) 5589 Administrative Expenses	46,181.38	19,600.89	30,887.29
(q) 5599 Furniture and Equipment	0.00	141.90	1,980.00
(r) 5719 Travel	22,509.76	15,163.49	14,843.20
(s) 5829 Depreciation Expense: Building	0.00	0.00	0.00
Subtotal	<u>2,441,809.75</u>	<u>2,435,814.91</u>	<u>2,439,840.89</u>
TOTAL DISBURSEMENTS	<u>42,891,979.59</u>	<u>42,058,754.81</u>	<u>40,377,708.82</u>

Annual Statement of the Taunton Retirement System for the Year Ended December 31, 2025.

INVESTMENT INCOME

	2025	2024	2023
Investment Income received from:			
(a) Cash (from Schedule 1)	240,684.88	514,619.96	403,362.68
(b) Short Term Investments (from Schedule 2)	0.00	0.00	0.00
(c) Fixed Income Securities (from Schedules 3A and 3C)	1,027,602.15	866,206.27	772,870.72
(d) Equities (from Schedules 4A and 4C)	959,649.81	1,014,474.92	1,100,397.32
(e) Pooled Funds (from Schedule 5)	3,284,823.54	3,664,179.15	3,496,178.18
(f) Commission Recapture and Securities Litigation	0.00	1,743.37	2,624.08
4821 TOTAL INVESTMENT INCOME	5,512,760.38	6,061,223.67	5,775,432.98
Plus:			
4884 Realized Gains (Profits)	16,422,300.61	11,562,571.73	3,567,937.22
4886 Unrealized Gains (Increase in Market Value)	76,257,489.60	70,209,271.12	85,102,580.90
1550 Interest Due & Accrued on Fixed Income Securities at End Of Current Year	220,285.25	181,723.40	191,370.82
Less:			
4823 Paid Accrued Interest on Fixed Income Securities	80,182.60	38,002.52	9,725.52
4885 Realized Losses	939,866.64	1,620,310.81	3,909,346.24
4887 Unrealized Losses (Decrease in Market Value)	40,585,200.47	44,475,523.45	46,164,380.48
1550 Interest Due and Accrued on Fixed Income Securities Prior Year	181,723.40	191,370.82	159,046.50
Additional Adjustments:			
4701 Carried Interest Expense	69,220.43	56,341.31	0.00
4702 Equalization Expense	0.00	0.00	0.00
4703 Miscellaneous Investment Expenses	405,228.73	392,361.79	148,792.62
NET INVESTMENT INCOME	56,151,413.57	41,240,879.22	44,246,030.56
Income required:			
Annuity Savings Fund (from Supplementary Schedule)	91,485.40	79,543.84	78,739.49
Annuity Reserve Fund	856,153.19	915,850.94	928,865.68
Expense Fund	2,441,809.75	2,435,814.91	2,439,840.89
Military Service Fund	74.02	64.99	56.62
TOTAL INCOME REQUIRED	3,389,522.36	3,431,274.68	3,447,502.68
Net Investment Income	56,151,413.57	41,240,879.22	44,246,030.56
Less Income Required	3,389,522.36	3,431,274.68	3,447,502.68
EXCESS INCOME TO PENSION RESERVE FUND	52,761,891.21	37,809,604.54	40,798,527.88

Annual Statement of the Taunton Retirement System for the Year Ended December 31, 2025.

MEMBERSHIP FOR CURRENT YEAR

	Group 1	Group 2 & 4	TOTAL
ACTIVE MEMBERS			
Active Membership, Dec. 31st, Previous Year	855	320	1,175
Inactive Membership, Dec. 31st, Previous Year	269	6	275
Enrolled During Current Year	145	14	159
Transfers Between Groups	0	0	0
Reinstatements of Disabled Members	0	0	0
SUBTOTAL	145	14	159
Deduct:			
Death	4	0	4
Withdrawals	53	1	54
Retirements	24	10	34
SUBTOTAL	81	11	92
Active Membership, Dec. 31st, Current Year	885	320	1,205
Inactive Membership, Dec. 31st, Current Year	303	9	312

RETIRED MEMBERS, BENEFICIARIES & SURVIVORS

Retired, Beneficiary and Survivor Membership, Dec. 31st, Previous Year	677	358	1,035
Retirements During the Year			
Superannuation	21	8	29
Ordinary Disability	1	0	1
Accidental Disability	0	1	1
Termination Retirement Allowance	0	0	0
Beneficiary of Deceased Retiree	3	7	10
Survivor Benefits from Active Membership	0	0	0
SUBTOTAL	25	16	41
Deduct:			
Deaths of Retired Members	21	12	33
Termination of Survivor Benefits	1	5	6
Reinstatements of Disabled Pensions	0	0	0
SUBTOTAL	22	17	39
Retired Membership, Dec. 31st, Current Year			
Superannuation	578	254	832
Ordinary Disability	3	4	7
Accidental Disability	29	46	75
Termination	5	0	5
Beneficiaries from Accidental Deaths	0	6	6
Beneficiaries from Section 100	0	1	1
Beneficiaries from Section 101	4	14	18
Beneficiaries under Option C	37	24	61
Option (D) Survivor Allowance	23	7	30
Section 12B Survivor Allowance	1	1	2
Total Retired, Beneficiary and Survivor Membership, Dec. 31st, Current Year	680	357	1,037
TOTAL MEMBERSHIP			
Active, Inactive, Retired, Beneficiary and Survivor, Dec. 31st, Current Year	1,868	686	2,554

Annual Statement of the Taunton Retirement System for the Year Ended December 31, 2025.

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	81,383.00	12/31/2025
4892 Transfers From Other Systems	0.00	
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)	10,381,473.75	12/31/2025
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)		
Current Year Buybacks Due	538,475.83	12/31/2025
Shirley Ferreira-Reimb Fed Taxes 2025	415.00	12/31/2025
Sally Latham-Deceased-Overpymt Due	389.04	12/31/2025
	0.00	
TOTAL RECEIVABLES	11,002,136.62	
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	-30,266.34	12/31/2025
5305 Custodial Fees	-11,930.14	12/31/2025
5307 Investment Consultant Fees	-20,000.00	12/31/2025
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	-62,196.48	