Commonwealth of Massachusetts
Public Employee Retirement Administration Commission

Annual Statement

2014

Public Employee Retirement Administration Commission Members

Philip Y. Brown
Chairman

The Honorable Suzanne Bump
Auditor of the Commonwealth
Vice Chairman

John B. Langan
Deputy Director, Office of Employee Relations

James M. Machado
Sergeant
Fall River Police Department

Kate Fitzpatrick
Town Manager
Town of Needham

Elizabeth Fontaine
Deputy Director of MEFA

Joseph E. Connarton
Executive Director

John Parsons
General Counsel / Deputy Director

Audit Unit Staff

Harry Chadwick, *Chief Auditor* | **James Tivnan,** *Deputy Chief Auditor*

Scott Henderson, *Auditor* | **Susan Kerr,** *Auditor* | **James Ryan,** *Auditor* | **John Shea,** *Auditor*

William Walsh, *Auditor* | **Sam O'Brien,** *Auditor* | **Michael Pasternak,** *Auditor*

You may leave messages for any member of PERAC's Audit Staff at telephone extension 924 in our Somerville offices.

Commonwealth of Massachusetts
Public Employee Retirement Administration Commission
Five Middlesex Avenue, Suite 304 | Somerville, MA 02145
ph 617 666 4446 fax 617 628 4414
tty 617 591 8917 web www.mass.gov/perac

Annual Statement for the Year Ended December 31, 2014 of the Conditions and Affairs of Hampshire County Retirement
(Name of Retirement System)

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

Date of Certificate Nov. 16, 1936 Effective Date Jul. 1, 1937

ADMINISTRATION OFFICE

99 Industrial Drive, Suite 2	Northampton, MA 01060	(413) 584-9100
Street & Number	City/Town, State and Zip Code	Telephone Number

We, the undersigned, members of the Hampshire County Board of Retirement certify under the penalties of perjury, that we are the official board members of said retirement system, and that on the thirty-first day 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 the assets, liabilities, income and disbursements, changes in fund balances, and of the conditions and affairs of the said retirement system on the said thirty-first day 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

Please identify the name of the Board Member who serves as Chairperson by inserting the title next to his or her name.

Ex-Officio Member

Patrick E. Brock, Chairman
(Name Typed)

Term expires: Dec. 31, 2020
Patrick E. Brock
(Signature)

Appointed Member

Claire McGinnis
(Name Typed)

Term Expires Dec. 31, 2017
Claire McG
(Signature)

Elected Member

Edward R. Montleon
(Name Typed)

Term Expires Dec. 31, 2017
Edward R. Montleon
(Signature)

Elected Member

Joseph A. Wilhelm, III
(Name Typed)

Term Expires Dec. 31, 2016
Joseph A. Wilhelm
(Signature)

Member Appointed by Other Members

Joyce Karpinski
(Name Typed)

Term Expires Dec. 16, 2015
Joyce K
(Signature)

INVESTMENT MANAGERS

Please compile/submit a complete list. Attach the list to this page.

See Attached
(Name) (Address)

(Name) (Address)

(Name) (Address)

INVESTMENT CONSULTANT

New England Pension Consultants
(Name)

Boston, MA
(Address)

CUSTODIAN

(Name) (Address)

ANNUAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2014
OF THE CONDITIONS AND AFFAIRS OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM

INVESTMENT MANAGERS

BABSON CAPITAL TOWER SQUARE	SPRINGFIELD, MA
RBC GLOBAL ASSET MANAGENT	BOSTON, MA
SHENKMAN CAPITAL MANAGEMENT	NEW YORK, NY
RHUMBLINE ADVISERS	BOSTON, MA
MFS INSTITUTIONAL ADVISORS, INC.	BOSTON, MA
ASCENT VENTURE PARTNERS	BOSTON, MA
COLCHESTER GLOBAL INVESTORS	NEW YORK, NY
PRIM	BOSTON, MA
INTERCONTINENTAL REAL ESTATE CORP	BOSTON, MA
PIMCO	NEWPORT BEACH, CA
MELLON CAPITAL MANAGEMENT	SAN FRANCISCO, CA
GMO	BOSTON, MA
LEXINGTON PARTNERS	NEW YORK, NY
PERELLA WEINBERG PARTNERS	NEW YORK, NY
PERMAL CAPITAL MANAGEMENT	BOSTON, MA
PENN CAPITAL MANAGEMENT	PHILADELPHIA, PA

ANNUAL STATEMENT BALANCE TESTS

1 ASSET BALANCE

Assets Previous Year	246,653,425.78
Income Current Year	39,946,401.87
Disbursements Current Year	28,189,143.78
Assets Current Year	258,410,683.87

2 ASSET DIFFERENCE

Assets Current Year	258,410,683.87
Assets Previous Year	246,653,425.78
Difference	11,757,258.09

3 INCOME DIFFERENCE

Income Current Year	39,946,401.87
Disbursements Current Year	28,189,143.78
Difference	11,757,258.09

4 FUND CHANGE DIFFERENCE - *Add interfund transfer credits and debits respectively to income ar Disbursement activities.*

Total Fund Change Credits Current Year	45,845,700.70
Total Fund Change Debits Current Year	34,088,442.61
Difference	11,757,258.09

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

Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2014

ASSETS & LIABILITIES

		2014	2013	2012
1040	Cash	2,141,887.19	4,932,273.56	2,525,290.23
1100	Individually Owned Short Term Investments	0.00	0.00	0.00
1180	Fixed Income Securities (Market Value)	0.00	0.00	0.00
1170	Equities	0.00	0.00	0.00
1101	Pooled Short Term Funds	0.00	0.00	0.00
1172	Pooled Domestic Equity Funds	38,787,162.60	35,812,869.96	30,961,624.79
1173	Pooled International Equity Funds	43,178,899.78	44,033,629.60	40,640,385.46
1174	Pooled Global Equity Funds	42,056,441.88	44,280,805.94	40,774,860.76
1181	Pooled Domestic Fixed Income Funds	31,164,061.72	28,339,006.01	27,071,755.12
1182	Pooled International Fixed Income Funds	0.00	0.00	0.00
1183	Pooled Global Fixed Income Funds	22,628,332.39	20,289,827.77	20,523,093.79
1193	Pooled Alternative Investments/Private Equity	28,224,768.91	24,471,332.18	19,162,197.22
1194	Pooled Real Estate Funds	22,708,751.91	18,951,330.72	15,994,750.62
1195	Pooled Domestic Balanced Funds	0.00	0.00	0.00
1196	Pooled International Balanced Funds	0.00	0.00	0.00
1197	Hedge Funds	27,007,753.01	22,907,281.13	20,354,621.21
1198	PRIT Cash Fund	0.00	0.00	0.00
1199	PRIT Core Fund	0.00	0.00	0.00
1350	Prepaid Expenses	0.00	0.00	0.00
1550	Interest Due & Accrued	0.00	0.00	0.00
1398	Accounts Receivable (A)	513,655.23	2,674,385.84	2,417,711.85
2020	Accounts Payable (A)	(1,030.75)	(39,316.93)	(1,033.15)
	TOTAL	**258,410,683.87**	**246,653,425.78**	**220,425,257.90**

FUNDS

		2014	2013	2012
3293	Annuity Savings Fund	74,689,843.12	72,645,871.12	69,811,547.45
3294	Annuity Reserve Fund	21,487,170.84	20,450,073.41	19,573,571.56
3295	Special Military Service Fund	58,458.25	64,153.56	55,829.35
3296	Pension Fund	0.00	0.00	0.00
3298	Expense Fund	0.00	0.00	0.00
3297	Pension Reserve Fund	162,175,211.66	153,493,327.69	130,984,309.54
	TOTAL ASSETS AT MARKET VALUE	**258,410,683.87**	**246,653,425.78**	**220,425,257.90**

(A) Detail for Accounts Receivable and Accounts Payable is to be placed on Schedule A

Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2014

	Balance December 31 Prior Year	Receipts	Interfund Transfers	Disbursements	Balance December 31 Current Year
Annuity Savings Fund	72,645,871.12	7,704,922.05	(4,138,361.41)	1,522,588.64	74,689,843.12
Annuity Reserve Fund	20,450,073.41	616,684.14	4,061,269.69	3,640,856.40	21,487,170.84
Pension Fund	-	18,340,884.15	1,838,029.14	20,178,913.29	0.00
Special Military Service Fund	64,153.56	63.67	0.00	5,758.98	58,458.25
Expense Fund	0.00	2,841,026.47	0.00	2,841,026.47	0.00
Pension Reserve Fund	153,493,327.69	10,442,821.39	(1,760,937.42)	0.00	162,175,211.66
TOTAL ALL FUNDS	**246,653,425.78**	**39,946,401.87**	**-**	**28,189,143.78**	**258,410,683.87**

List below all transfers:

Transfer from Annuity Savings Fund to the Annuity Reserve Fund in the amount of $ 4,061,269.69 on account of Current Year Retirements

Transfer from Annuity Savings Fund to the Pension Reserve Fund in the amount of $ 86.82 on account of Adjustment for Prior Year Retirements

Transfer from Annuity Savings Fund to the Pension Reserve Fund in the amount of $ 84,331.55 on account of 10 Year Inactives

Transfer from Pension Reserve Fund to Annuity Savings Fund in the amount of $ 7,326.65 on account of Reinstatements

Transfer from Pension Reserve Fund to Pension Fund in the amount of $ 1,838,029.14 on account of Cost of Benefits

Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2014

Receipts

			2014	2013	2012
1 Annuity Savings Fund:					
(a)	4891	Member Deductions	7,088,015.09	6,837,728.97	6,573,591.47
(b)	4892	Transfers from Other Systems	388,141.61	677,820.41	900,394.64
(c)	4893	Member Make-Up Payments & Redeposits	56,932.28	78,198.10	102,003.13
(d)	4900	Member Payments from Rollovers	32,483.57	108,537.60	111,680.19
(e)		Investment Income Credited to Members Accounts	139,349.50	126,341.69	118,096.23
		Subtotal	**7,704,922.05**	**7,828,626.77**	**7,805,765.66**
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	616,684.14	587,506.02	587,468.72
		Subtotal	**616,684.14**	**587,506.02**	**587,468.72**
3 Pension Fund:					
(a)	4898	3(8)(c) Reimbursements From Other Systems	679,403.54	639,905.34	649,687.22
(b)	4899	Rec'd from Commonwealth for COLA and Survivor Benefits	221,944.16	245,263.09	433,928.44
(c)	4894	Pension Fund Appropriation	17,434,393.00	15,419,821.50	14,303,218.00
(d)	4840	Workers' Compensation Settlements	3,000.00	6,750.00	5,250.00
(e)	4751	Recovery of Pension from Reinstatement	0.00	0.00	0.00
(f)	4841	Recovery of 91A Overearnings	2,143.45	0.00	0.00
		Subtotal	**18,340,884.15**	**16,311,739.93**	**15,392,083.66**
4 Military Service Fund					
(a)	4890	Contribution Received (For Military Service)	0.00	16,046.72	338.03
(b)		Investment Income Credited	63.67	59.05	57.80
		Subtotal	**63.67**	**16,105.77**	**395.83**
5 Expense Fund					
(a)		Investment Income Credited to Expense Fund	2,841,026.47	2,885,402.94	2,035,382.95
		Subtotal	**2,841,026.47**	**2,885,402.94**	**2,035,382.95**
6 Pension Reserve Fund:					
(a)	4897	Federal Grant Reimbursement	0.00	0.00	0.00
(b)	4895	Pension Reserve Appropriation	1,804.00	584,575.50	586,820.50
(c)	4822	Interest Not Refunded	21,476.19	16,402.57	20,907.07
(d)	4825	Miscellaneous Income	(50,377.51)	856.03	0.00
(e)		Excess Investment Income	10,469,918.71	24,608,494.32	25,268,013.26
		Subtotal	**10,442,821.39**	**25,210,328.42**	**25,875,740.83**
		TOTAL RECEIPTS	**39,946,401.87**	**52,839,709.85**	**51,696,837.65**

Annual Statement of the Hampshire County Retirement System for Year Ended December 31, 2014

Disbursements

	2014	2013	2012
1 Annuity Savings Fund:			
(a) 5757 Refunds to Members	795,556.15	766,446.54	964,013.28
(b) 5756 Transfer to Other Systems	727,032.49	578,796.38	867,486.58
Subtotal	**1,522,588.64**	**1,345,242.92**	**1,831,499.86**
2 Annuity Reserve Fund:			
(a) 5750 Annuities Paid	3,562,765.23	3,243,664.85	3,056,960.92
(b) 5759 Option B Refunds	78,091.17	60,778.32	11,732.57
Subtotal	**3,640,856.40**	**3,304,443.17**	**3,068,693.49**
3 Pension Fund:			
(a) 5751 Pensions Paid			
Regular Pension Payments	15,131,944.27	14,223,233.67	13,647,270.19
Survivorship Payments	808,764.75	717,621.90	703,572.18
Ordinary Disability Payments	85,652.65	82,695.44	92,057.82
Accidental Disability Payments	2,208,051.09	2,110,514.09	2,048,802.94
Accidental Death Payments	163,772.02	208,004.54	235,999.92
Section 101 Benefits	125,454.00	121,800.00	100,971.01
(b) 5755 3(8)(c) Reimbursements To Other Systems	1,655,274.51	1,607,096.17	1,327,385.25
(c) 5752 COLA's Paid	0.00	0.00	0.00
(d) 5753 Chapter 389 Beneficiary Increase paid	0.00	0.00	0.00
Subtotal	**20,178,913.29**	**19,070,965.81**	**18,156,059.31**
4 Military Service Fund			
(a) 4880 Return to Municipality for Members who withdrew their funds	5,758.98	5,487.13	0.00
Subtotal	**5,758.98**	**5,487.13**	**0.00**
5 Expense Fund			
(a) 5118 Board Member Stipend	66,593.74	58,022.64	51,147.64
(b) 5119 Staff Salaries	418,184.31	425,927.11	388,051.18
(c) 5304 Management Fees	1,999,708.94	2,044,191.84	1,269,677.48
(d) 5305 Custodial Fees	0.00	0.00	0.00
(e) 5307 Investment Consultant Fees	92,500.00	90,000.00	90,000.00
(f) 5308 Legal Expenses	21,399.13	13,844.95	12,254.91
(g) 5309 Medical Expenses	0.00	103.16	50.00
(h) 5310 Fiduciary Insurance	23,699.00	22,563.00	22,534.00
(i) 5311 Service Contracts	0.00	0.00	0.00
(j) 5312 Rent Expense	41,626.70	35,840.04	35,840.04
(k) 5315 Professional Services	0.00	0.00	0.00
(l) 5316 Actuarial Services	16,700.00	0.00	14,750.00
(m) 5317 Accounting Services	0.00	0.00	0.00
(n) 5320 Education and Training	7,995.00	14,474.00	7,949.00
(o) 5589 Administrative Expenses	126,669.27	106,227.08	116,972.49
(p) 5599 Furniture & Equipment	956.79	43,694.78	1,723.99
(q) 5719 Travel Expense	24,993.59	30,514.34	24,432.22
(r) 5829 Depreciation Expense: Building	0.00	0.00	0.00
Subtotal	**2,841,026.47**	**2,885,402.94**	**2,035,382.95**
TOTAL DISBURSEMENTS	**28,189,143.78**	**26,611,541.97**	**25,091,635.61**

INVESTMENT INCOME

	2014	2013	2012
Investment Income received from:			
(a) Cash (from schedule 1)	6,764.93	29,233.96	85,981.20
(b) Short Term Investments (from schedule 2)	0.00	0.00	0.00
(c) Fixed Income Securities (from sch 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)	6,120,874.74	5,003,350.50	4,680,564.21
(f) Commission Recapture	0.00	0.00	0.00
4821 TOTAL INVESTMENT INCOME	**6,127,639.67**	**5,032,584.46**	**4,766,545.41**
Plus:			
4884 Realized Gains (Profits)	6,589,255.50	5,160,981.19	3,032,521.66
4886 Unrealized Gains (Increase in Market Value)	28,472,167.41	36,953,263.75	36,713,559.71
1550 Interest/Dividends Due and Accrued-Current Year	0.00	0.00	0.00
	35,061,422.91	**42,114,244.94**	**39,746,081.37**
Less:			
4823 Paid Accrued Interest on Fixed Income Securities	0.00	0.00	0.00
4885 Realized Losses	(898,499.49)	(947,484.15)	(1,627,472.20)
4887 Unrealized Losses (Decrease in Market Value)	(26,223,520.60)	(17,991,541.23)	(14,876,135.62)
1550 Interest/Dividends Due and Accrued-Prior Year	0.00	0.00	0.00
	(27,122,020.09)	**(18,939,025.38)**	**(16,503,607.82)**
NET INVESTMENT INCOME	**14,067,042.49**	**28,207,804.02**	**28,009,018.96**

	2014	2013	2012
Income Required:			
Annuity Savings Fund (from supplementary schedule)	139,349.50	126,341.69	118,096.23
Annuity Reserve Fund	616,684.14	587,506.02	587,468.72
Expense Fund	2,841,026.47	2,885,402.94	2,035,382.95
Special Military Service Credit Fund	63.67	59.05	57.80
TOTAL INCOME REQUIRED	**3,597,123.78**	**3,599,309.70**	**2,741,005.70**
Net Investment Income	14,067,042.49	28,207,804.02	28,009,018.96
Less: Income Required	(3,597,123.78)	(3,599,309.70)	(2,741,005.70)
EXCESS INCOME TO PENSION RESERVE FUND	**10,469,918.71**	**24,608,494.32**	**25,268,013.26**

Annual Statement of the Hampshire County Retirement System for the year ended December 31, 2014

MEMBERSHIP FOR CURRENT YEAR

ACTIVE MEMBERS	Group 1	Group 2 & 4	Total
Active Membership, Dec. 31, previous year	1726	444	2170
Inactive Membership, Dec. 31, previous year	491	141	632
Correction for prior years	-38	-4	-42
Enrolled during current year	163	11	174
Transfers between groups	0	0	0
Reinstatement of disabled members	0	0	0
SUBTOTAL	125	7	132
Deduct:			
Death	1	1	2
Withdrawal	123	21	144
Retirements	68	10	78
	192	32	224
Active Membership, Dec. 31, current year	1619	403	2022
Inactive Membership, Dec. 31, current year	531	157	688

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RETIRED MEMBERS, BENEFICIARIES AND SURVIVORS	Group 1	Group 2 & 4	Total
Retired, Beneficiary, and Survivor Membership, Dec, 31, previous year	930	207	1137
Retirements during the year:			
Superannuation	56	7	63
Ordinary disability	1	0	1
Accidental disability	1	1	2
Termination Retirement Allowance	0	0	0
Beneficiary of Deceased Retiree	1	1	2
Survivor benefits from active membership	9	1	10
SUBTOTAL	68	10	78
Deduct:			
Death of retired members	28	3	31
Termination of Survivor Benefits	2	2	4
Reinstatement of disabled pensions	0	0	0
SUBTOTAL	30	5	35
Retired membership, Dec. 31, current year			
Superannuation	814	138	952
Ordinary Disability	7	1	8
Accidental Disability	31	45	76
Termination	13	0	13
Beneficiaries from accidental deaths	1	6	7
Beneficiaries from Section 100	0	0	0
Beneficiaries from Section 101	5	5	10
Beneficiaries under Option (C)	31	5	36
Option (D) Survivor Allowance	67	10	77
Section 12B Survivor Allowance	0	1	1
Total Retired, Beneficiary, and Survivor Membership, Dec. 31, current year	969	211	1180

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TOTAL MEMBERSHIP	Group 1	Group 2 & 4	Total
Active, Inactive, Retired, Beneficiary, and Survivor, Dec. 31, current year	3119	771	3890

Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2014

Schedule A

Detail of Accounts Receivable and Accounts Payable

		Original Date
Accounts Receivable		
4891 Members Deductions	513,396.63	12/14
4892 Transfers From Other Systems	-	
4893 Member Make-Up Payments and Redeposits	-	
4900 Member Payments from Rollovers		
4898 3(8)(c) Reimbursements From Other Systems	-	
4899 Received from Commonwealth for COLA and Survivor Benefits	-	
4884 Realized Gain on Sale of Investments		
4894 Pension Fund Appropriation (Current fiscal year)	-	
4894 Pension Fund Appropriation (Previous fiscal year)	-	
4890 Contributions Received from municipality on a/c of military service	-	
4897 Federal Grant Reimbursement	-	
4895 Pension Reserve Appropriation	-	
5750 Annuities Paid	18.03	12/13
5751 Pension Paid	240.57	12/13
Invesmtent sold but funds not received (list individually)		
TOTAL RECEIVABLES	**$ 513,655.23**	
Accounts Payable		
5757 Refunds to Members		
5756 Transfers to Other Systems		
5750 Annuities Paid	54.28	12/14
5759 Option B Refunds		
5751 Pensions Paid	136.31	12/14
5755 3(8)(c) Reimbursements to Other Systems		
5752 COLA's Paid		
5753 Chapter 389 Beneficiary Increase Paid		
4885 Realized Loss on Sale of Investments		
4890 Return to Municipality for Members who withdrew their funds		
5118 Board Members Stipend		
5119 Salaries	12.15	12/14
5304 Management Fees		
5305 Custodial Fees		
5307 Investment Consultant Fees		
5308 Legal Expenses		
5309 Medical Expenses		
5310 Fiduciary Insurance		
5311 Service Contracts		
5312 Rent Expense		
5315 Professional Services		
5320 Education and Training		
5589 Administrative Expenses		
5599 Furniture & Equipment		
5719 Travel		
5829 Depreciation Expense: Builidng		
4891 Member Deductions (overpaid)	828.01	12/14
Investments Purchased but no paid for (listed individually)		
	-	
	-	
	-	
TOTAL PAYABLES	**$ 1,030.75**	

Accounting Close Interest - 2014

Beginning Balance 3294: 20,450,073.41 **Beginning Bal 3294 x.0025**: 51,125.18

3294 Jan Adj:	257,672.66	**5750 Jan Cash Disb:**	-283,560.80	**5759 Jan Cash Disb:**	-186.25	**Jan Monthly Total:**	20,423,999.02
3294 Feb Adj:	72,577.53	**5750 Feb Cash Disb:**	-281,826.28	**5759 Feb Cash Disb:**	0.00	**Feb Monthly Total:**	20,214,750.27
3294 Mar Adj:	579,279.77	**5750 Mar Cash Disb:**	-292,338.42	**5759 Mar Cash Disb:**	0.00	**Mar Monthly Total:**	20,501,691.62
3294 Apr Adj:	500,819.10	**5750 Apr Cash Disb:**	-296,649.68	**5759 Apr Cash Disb:**	0.00	**Apr Monthly Total:**	20,705,861.04
3294 May Adj:	173,018.28	**5750 May Cash Disb:**	-291,357.83	**5759 May Cash Disb:**	0.00	**May Monthly Total:**	20,587,521.49
3294 Jun Adj:	137,976.91	**5750 Jun Cash Disb:**	-291,644.70	**5759 Jun Cash Disb:**	0.00	**Jun Monthly Total:**	20,433,853.70
3294 Jul Adj:	257,381.11	**5750 Jul Cash Disb:**	-294,879.25	**5759 Jul Cash Disb:**	0.00	**Jul Monthly Total:**	20,396,355.56
3294 Aug Adj:	372,550.89	**5750 Aug Cash Disb:**	-297,536.64	**5759 Aug Cash Disb:**	-6,148.19	**Aug Monthly Total:**	20,465,221.62
3294 Sep Adj:	636,255.17	**5750 Sep Cash Disb:**	-305,479.43	**5759 Sep Cash Disb:**	0.00	**Sep Monthly Total:**	20,795,997.36
3294 Oct Adj:	391,122.15	**5750 Oct Cash Disb:**	-306,186.79	**5759 Oct Cash Disb:**	0.00	**Oct Monthly Total:**	20,880,932.72
3294 Nov Adj:	242,781.06	**5750 Nov Cash Disb:**	-306,314.91	**5759 Nov Cash Disb:**	0.00	**Nov Monthly Total:**	20,817,398.87
3294 Dec Adj:	-3,201,021.34	**5750 Dec Cash Disb:**	-314,990.50	**5759 Dec Cash Disb:**	-71,756.73	**Dec Monthly Total:**	17,229,630.30

Jan Mthly Total x .0025:	51,060.00
Feb Mthly Total x .0025:	50,536.88
Mar Mthly Total x .0025:	51,254.23
Apr Mthly Total x .0025:	51,764.65
May Mthly Total x .0025:	51,468.80
Jun Mthly Total x .0025:	51,084.63
Jul Mthly Total x .0025:	50,990.89
Aug Mthly Total x .0025:	51,163.05
Sep Mthly Total x .0025:	51,989.99
Oct Mthly Total x .0025:	52,202.33
Nov Mthly Total x .0025:	52,043.50

Total x .0025 No Dec:	616,684.14
Mth Total + x .0025:	17,846,314.44
ASF 3293 Interest:	139,349.50
MSF 3295 Interest:	63.67
EXPF 3298 Interest:	2,841,026.47
PRF Interest:	10,469,918.71

ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE 1
CASH ACCOUNT ACTIVITY DURING YEAR

FUND	CUSIP	SECURITY DESCRIPTION	BOOK VALUE AT END OF PREVIOUS YEAR	TOTAL DEPOSITS/WITHDRAWALS THIS YEAR	BOOK VALUE AT END OF YEAR	INCOME RECEIVED THIS YEAR	INCOME DUE AND ACCRUED AT YEAR END
		TD BANK - MONEY MARKET	4,877,738.04	(2,784,184.63)	2,093,553.41	1,687.51	0.00
		TD BANK - OPERATING ACCOUNT	35,291.67	(3,800.25)	31,491.42	5,077.42	0.00
		TD BANK - PAYROLL ACCOUNT	19,243.85	(2,401.49)	16,842.36	0.00	0.00
SCHEDULE TOTALS			4,932,273.56	(2,790,386.37)	2,141,887.19	6,764.93	0.00

ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE 2A

SHORT TERM SECURITIES OWNED AT END OF YEAR

FUND	CUSIP	SECURITY DESCRIPTION	RATE	MATURITY DATE	PAR VALUE	PRICE	MARKET VALUE AT END OF YEAR	CHANGE IN MARKET VALUE INCR/DECR	INTEREST RECEIVED DURING YEAR	INTEREST DUE AND ACCRUED AT YEAR END
		NONE								

ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE 2B

SHORT TERM SECURITIES PURCHASED DURING YEAR

FUND	CUSIP	SECURITY DESCRIPTION	RATE	MATURITY DATE	PAR VALUE	TRADE DATE	NAME OF BROKER	COMM	ACCRUED INT PAID	COST INCLUDING COMMISSION BUT EXCLUDING INT
		NONE								

ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE 2C
SHORT TERM SECURITIES SOLD DURING YEAR

FUND	CUSIP	SECURITY DESCRIPTION	RATE	MATURITY DATE	PAR VALUE	TRADE DATE	NAME OF BROKER	COMM	PROCEEDS FROM SALE	BOOK VALUE	PROFIT/LOSS ON SALE	INTEREST RECEIVED DURING YEAR
		NONE										

ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE 3A
FIXED INCOME SECURITIES OWNED AT END OF YEAR

FUND	CUSIP	SECURITY DESCRIPTION	RATE	MATURITY DATE	PAR VALUE	PRICE	MARKET VALUE AT END OF YEAR	CHANGE IN MARKET VALUE INCR/DECR	INTEREST RECEIVED DURING YEAR	INTEREST DUE AND ACCRUED AT YEAR END
		NONE								

ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE 3B
FIXED INCOME SECURITIES PURCHASED DURING YEAR

FUND	CUSIP	SECURITY DESCRIPTION	RATE	MATURITY DATE	PAR VALUE	TRADE DATE	NAME OF BROKER	COMM	ACCRUED INT PAID	COST INCLUDING COMMISSION BUT EXCLUDING INT
				NONE						

ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE 3C
FIXED INCOME SECURITIES SOLD DURING YEAR

FUND	CUSIP	SECURITY DESCRIPTION	RATE	MATURITY DATE	PAR VALUE	TRADE DATE	NAME OF BROKER	COMM	PROCEEDS FROM SALE	BOOK VALUE	PROFIT/LOSS ON SALE	INTEREST RECEIVED DURING YEAR
	NONE											

ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE 4A
EQUITIES OWNED AT END OF YEAR

FUND	CUSIP	SECURITY DESCRIPTION	SHARES	PRICE PER SHARE	MARKET VALUE AT END OF YEAR	CHANGE IN MARKET VALUE INCR/DECR	DIVIDENDS RECEIVED DURING YEAR
		NONE					

ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE 4B
EQUITIES PURCHASED DURING YEAR

FUND	CUSIP	SECURITY DESCRIPTION	SHARES	TRADE DATE	NAME OF BROKER	COMM	COST INCLUDING COMMISSION
		NONE					

ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE 4C
EQUITIES SOLD DURING YEAR

FUND	CUSIP	SECURITY DESCRIPTION	SHARES	TRADE DATE	NAME OF BROKER	COMM	PROCEEDS FROM SALE	BOOK VALUE	PROFIT/LOSS ON SALE	DIVIDENDS RECEIVED DURING YEAR
		NONE								

Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2014

Schedule 5

Schedule of Pooled Funds

Perac Ledger	(A) Market Value at End of Previous Year	(B) Total Purchases this year at cost	(C) Reinvested Investment Income	(D) Realized Gain	(E) Realized Loss	(F) Unrealized Gain	(G) Unrealized Loss	(H) Total Sales/Redemptions this Year - Amount Received	(I) Cash Dividends/Distributions to System this Year	(J) Fees Paid	(K) =A+B+C+D-E+F-G-H-I-J Market Value at End of Year
Pooled Domestic Equity											
1172 RhumbLine S&P500	20,205,664.10	0.00	0.00	0.00	0.00	4,119,255.42	1,363,643.52	0.00	0.00	0.00	22,961,276.00
RhumbLine S&P400	7,900,834.98	0.00	0.00	0.00	0.00	1,817,494.39	1,044,142.49	600,000.00	0.00	0.00	8,074,186.88
RhumbLine S&P600	7,706,370.88	0.00	0.00	2,310.18	0.00	1,833,516.34	1,390,497.68	400,000.00	0.00	0.00	7,751,699.72
subtotal	**35,812,869.96**	**0.00**	**0.00**	**2,310.18**	**0.00**	**7,770,266.15**	**3,798,283.69**	**1,000,000.00**	**0.00**	**0.00**	**38,787,162.60**
Commingled Global Equity											
1174 PIMCO	17,830,219.67	0.00	753,631.72	0.00	0.00	1,572,541.98	1,988,471.77	3,500,000.00	0.00	147,763.94	14,520,157.66
Mellon Capital	13,539,147.39	0.00	0.00	0.00	0.00	1,936,798.66	1,020,104.82	0.00	0.00	0.00	14,455,841.23
GMO	12,911,438.88	0.00	488,409.71	692,982.26	0.00	1,253,695.61	2,200,529.47	0.00	0.00	65,554.00	13,080,442.99
subtotal	**44,280,805.94**	**0.00**	**1,242,041.43**	**692,982.26**	**0.00**	**4,763,036.25**	**5,209,106.06**	**3,500,000.00**	**0.00**	**213,317.94**	**42,056,441.88**
Pooled Alternative Investments											
1193 Ascent Partners III	192,475.59	0.00	240.38	0.00	0.00	0.00	38,952.83	0.00	0.00	0.00	153,763.14
Ascent Partners IV	1,578,519.41	0.00	19,306.00	425,914.00	93.00	60,751.00	499,793.00	120,954.67	0.00	103,077.00	1,360,572.74
Ascent Partners V	3,081,338.28	120,000.00	(2,259.00)	155,954.22	0.00	253,032.15	160,319.71	0.00	0.00	67,064.21	3,380,681.73
PRIM Alternative Inv '05	1,509,060.34	0.00	46,178.76	205,819.17	0.00	106,049.10	148,295.81	392,956.57	0.00	12,021.14	1,313,833.85
PRIM Alternative Inv '06	1,968,668.55	0.00	51,314.35	324,504.11	0.00	204,592.90	257,308.25	701,743.63	0.00	14,405.38	1,575,622.65
PRIM Alternative Inv '07	2,547,701.62	24,084.66	59,676.16	284,746.90	8,700.43	325,170.30	308,445.57	535,695.63	0.00	28,602.03	2,359,935.98
PRIM Alternative Inv '08	2,706,529.09	165,099.85	121,572.73	327,415.87	0.00	441,376.84	305,057.88	649,079.37	0.00	33,070.89	2,774,786.24
PRIM Alternative Inv '09	723,901.10	26,873.59	39,579.25	94,097.08	0.00	183,255.12	111,298.12	78,292.85	0.00	17,338.82	860,776.35
PRIM Alternative Inv '10	1,470,811.36	249,540.69	44,790.44	114,652.34	31.69	348,986.51	128,350.20	29,196.57	0.00	34,812.15	2,036,390.73
PRIM Alternative Inv '11	1,048,831.46	481,415.85	38,500.88	64,970.65	6,105.42	296,156.62	90,307.31	85,852.94	0.00	41,903.93	1,705,705.86
PRIM Alternative Inv '12	407,116.78	537,778.13	36,970.66	3,803.89	23.42	106,155.07	53,934.84	0.00	0.00	35,550.48	1,002,315.79
PRIM Alternative Inv '13	86,959.70	221,109.74	25,732.97	78.94	0.00	30,332.54	37,454.79	16,867.84	0.00	17,880.81	292,010.45
PRIM Alternative Inv '14	0.00	145,119.37	4,948.99	0.00	0.00	47.75	6,553.65	0.00	0.00	4,917.45	138,645.01
Lexington Capital	1,335,000.00	143,868.00	(3,397.00)	208,420.00	0.00	79,722.03	118,404.03	361,357.00	0.00	15,264.00	1,268,588.00
Permal Private Equity	1,370,268.62	260,000.00	12,084.00	148,845.00	0.00	82,640.00	56,535.00	180,000.00	0.00	41,204.00	1,596,098.62
Perella Weinberg	4,444,150.28	1,337,367.46	(310,694.00)	515,053.00	0.00	627,822.00	178,333.00	912,900.26	0.00	55,393.00	5,467,072.48
Babson Capital	0.00	938,886.47	25,260.00	293.00	0.00	7,956.00	5,096.00	20,420.18	0.00	8,910.00	937,969.29
subtotal	**24,471,332.18**	**4,651,143.81**	**209,805.57**	**2,874,568.17**	**14,953.96**	**3,154,045.93**	**2,504,439.99**	**4,085,317.51**	**0.00**	**531,415.29**	**28,224,768.91**
Hedge Funds											
1197 PRIM Absolute Return	22,907,281.13	2,700,000.00	369,536.30	644,612.73	0.00	1,377,579.66	613,397.64	0.00	0.00	377,859.17	27,007,753.01
subtotal	**22,907,281.13**	**2,700,000.00**	**369,536.30**	**644,612.73**	**0.00**	**1,377,579.66**	**613,397.64**	**0.00**	**0.00**	**377,859.17**	**27,007,753.01**
Commingled Real Estate (Limite											
1194 Intercontinental R.E.	3,250,500.62	0.00	361,526.00	22,168.00	511,829.00	1,730,088.00	24,849.00	1,029,454.05	0.00	30,686.00	3,767,464.57
PRIM Core RE Fund	15,700,830.10	1,000,000.00	859,499.05	721,801.36	25,426.57	1,197,701.86	415,112.59	0.00	0.00	98,005.87	18,941,287.34
subtotal	**18,951,330.72**	**1,000,000.00**	**1,221,025.05**	**743,969.36**	**537,255.57**	**2,927,789.86**	**439,961.59**	**1,029,454.05**	**0.00**	**128,691.87**	**22,708,751.91**
Commingled International Investments											
1173 RBC Global Asset Mgmt	14,450,636.27	1,000,000.00	468,559.29	876,279.66	3,863.55	1,241,115.57	2,981,592.87	1,000,000.00	0.00	0.00	14,051,134.37
MFS Institutional Internati	14,073,914.03	500,000.00	295,686.25	72,351.74	0.00	1,711,513.77	2,596,094.44	0.00	0.00	105,124.27	13,952,247.08

Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2014

Schedule 5

Schedule of Pooled Funds

Perac Ledger		(A) Market Value at End of Previous Year	(B) Total Purchases this year at cost	(C) Reinvested Investment Income	(D) Realized Gain	(E) Realized Loss	(F) Unrealized Gain	(G) Unrealized Loss	(H) Total Sales/Redemptions this Year - Amount Received	(I) Cash Dividends/Distributions to System this Year	(J) Fees Paid	(K) =A+B+C+D-E+F-G-H-I-J Market Value at End of Year
	PRIM Emerging Markets	15,509,079.30	0.00	417,470.12	217,705.10	97,930.07	2,335,585.62	3,167,780.78	0.00	0.00	38,610.96	15,175,518.33
	subtotal	**44,033,629.60**	**1,500,000.00**	**1,181,715.66**	**1,166,336.50**	**101,793.62**	**5,288,214.96**	**8,745,468.09**	**1,000,000.00**	**0.00**	**143,735.23**	**43,178,899.78**
Commingled Global Fixed Investments												
1183	Colchester Global Investo	7,332,443.00	1,000,000.00	278,127.00	182,091.00	123,812.00	348,262.00	689,174.00	0.00	0.00	46,730.00	8,281,207.00
	PIMCO Emerging Local	12,957,384.77	2,500,000.00	694,198.36	0.00	0.00	1,393,392.67	3,072,300.92	0.00	0.00	125,549.49	14,347,125.39
	subtotal	**20,289,827.77**	**3,500,000.00**	**972,325.36**	**182,091.00**	**123,812.00**	**1,741,654.67**	**3,761,474.92**	**0.00**	**0.00**	**172,279.49**	**22,628,332.39**
Commingled Domestic Fixed Income Investments												
1181	Shenkman Credos Floatin	5,636,700.96	1,000,000.00	196,690.99	43,015.43	4,995.00	23,447.78	154,119.03	6,715,222.89	0.00	25,518.24	0.00
	Shenkman Floating Rate I	0.00	6,715,222.89	52,955.79	0.00	0.00	51,272.32	105,092.30	0.00	0.00	7,112.88	6,707,245.82
	Shenkman High Yield Fur	6,385,114.16	1,500,000.00	454,300.35	115,361.80	9,418.77	235,409.30	613,568.94	0.00	0.00	37,239.00	8,029,958.90
	Mellon Aggregate Bond In	11,668,948.73	4,000,000.00	94.03	0.00	0.00	908,351.54	150,537.30	0.00	0.00	0.00	16,426,857.00
	Penn Capital	4,648,242.16	0.00	220,384.21	124,008.07	106,270.57	231,098.99	128,071.05	4,895,347.42	0.00	94,044.39	0.00
	subtotal	**28,339,006.01**	**13,215,222.89**	**924,425.37**	**282,385.30**	**120,684.34**	**1,449,579.93**	**1,151,388.62**	**11,610,570.31**	**0.00**	**163,914.51**	**31,164,061.72**
TOTAL ALL FUNDS		**239,086,083.31**	**26,566,366.70**	**6,120,874.74**	**6,589,255.50**	**898,499.49**	**28,472,167.41**	**26,223,520.60**	**22,225,341.87**	**0.00**	**1,731,213.50**	**255,756,172.20**

* Lexington - Estimated 4th Quarter numbers were provided by Lexington to close out 2013. Finalized 4th Quarter 2013 was released in June 2014. Adjustment made in 1st Quarter 2014.

Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2014

Schedule 6

Summary of Investments Owned

Catagory of Investment	Market Value	Interest Due & Accrued	Paid Accrued Interest on Purchases in Current Year	Commissions Paid During Current Year	Unrealized Gains	Losses	Realized Gains	Losses	Investment Income Received During Year
1 1040- Cash	2,141,887.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,764.93
2 1100- Short Term Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 1180- Fixed Income Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4 1170- Equities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5a. 1101- Pooled Short Term Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5b. 1172- Pooled Domestic Equity Funds	38,787,162.60	0.00	0.00	0.00	7,770,266.15	3,798,283.69	2,310.18	0.00	0.00
5c. 1173- Pooled International Equity Funds	43,178,899.78	0.00	0.00	0.00	5,288,214.96	8,745,468.09	1,166,336.50	101,793.62	1,181,715.66
5d. 1174- Pooled Global Equity Funds	42,056,441.88	0.00	0.00	0.00	4,763,036.25	5,209,106.06	692,982.26	0.00	1,242,041.43
5e. 1181- Pooled Domestic Fixed Income Funds	31,164,061.72	0.00	0.00	0.00	1,449,579.93	1,151,388.62	282,385.30	120,684.34	924,425.37
5f. 1182- Pooled International Fixed Income Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5g. 1183- Pooled Global Fixed Income Funds	22,628,332.39	0.00	0.00	0.00	1,741,654.67	3,761,474.92	182,091.00	123,812.00	972,325.36
5h. 1193- Pooled Alternative Investment/Private Equity	28,224,768.91	0.00	0.00	0.00	3,154,045.93	2,504,439.99	2,874,568.17	14,953.96	209,805.57
5i. 1194- Pooled Real Estate Funds	22,708,751.91	0.00	0.00	0.00	2,927,789.86	439,961.59	743,969.36	537,255.57	1,221,025.05
5j. 1195- Pooled Domestic Balanced Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5k. 1196- Pooled International Balanced Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5l. 1197- Hedge Funds	27,007,753.01	0.00	0.00	0.00	1,377,579.66	613,397.64	644,612.73	0.00	369,536.30
5m 1198- PRIT Cash	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5n. 1199- PRIT Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	**257,898,059.39**	**0.00**	**0.00**	**0.00**	**28,472,167.41**	**26,223,520.60**	**6,589,255.50**	**898,499.49**	**6,127,639.67**

Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2014

Schedule 7

Summary of Investments Related Fees

	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Accrued Payable at Year End 2014	Total Paid or Accrued in 2014	*Payment Methond (N,C,W)
5304- Managmenet Fees							
RhumbLine Advisers SP500	3,449.00	3,375.00	3,536.00	3,633.00		13,993.00	C
RhumbLine Advisers SP400	1,331.00	1,337.00	1,375.00	1,379.00		5,422.00	C
RhumbLiine Advisers SP600	1,376.00	1,283.00	1,288.00	1,265.00		5,212.00	C
RBC Global Asset Management	34,106.37	32,710.15	32,132.52	31,431.68		130,380.72	C
Mellon Capital EB Daily Valued Global Alpha Expanded Fund	27,300.86	25,486.21	26,896.07	27,684.02		107,367.16	C
Mellon Capital EB Aggregate Bond Index Fund	1,470.61	1,465.53	1,512.36	1,672.06		6,120.56	C
GMO Global Asset Allocation Fund III	16,016.00	16,680.00	16,878.00	15,980.00		65,554.00	N
PIMCO All Asset Fund	38,129.22	37,529.65	36,941.79	35,163.28		147,763.94	N
PIMCO Emerging Local Bond Fund	28,288.52	30,312.37	32,613.02	34,335.58		125,549.49	N
PRIM Absolute Return	94,926.70	92,772.27	94,520.25	95,639.95		377,859.17	N
PRIM Core Real Estate	18,621.78	22,678.63	24,810.58	31,894.88		98,005.87	N
PRIM Emerging Markets	11,692.06	4,371.84	11,248.46	11,298.60		38,610.96	N
PRIM Private Equity Vintage Year 2005	3,512.06	3,006.29	2,850.99	2,651.80		12,021.14	N
PRIM Private Equity Vintage Year 2006	3,754.49	3,769.00	3,356.95	3,524.94		14,405.38	N
PRIM Private Equity Vintage Year 2007	7,877.32	8,075.55	5,691.70	6,957.46		28,602.03	N
PRIM Private Equity Vintage Year 2008	12,805.68	8,834.94	5,765.90	5,664.37		33,070.89	N
PRIM Private Equity Vintage Year 2009	4,679.06	4,172.84	4,581.50	3,905.42		17,338.82	N
PRIM Private Equity Vintage Year 2010	9,051.75	9,231.69	8,671.51	7,857.20		34,812.15	N
PRIM Private Equity Vintage Year 2011	13,449.71	9,179.64	8,038.76	11,235.82		41,903.93	N
PRIM Private Equity Vintage Year 2012	10,489.61	8,355.10	7,989.50	8,716.27		35,550.48	N
PRIM Private Equity Vintage Year 2013	1,918.44	4,320.42	3,182.13	8,459.82		17,880.81	N
PRIM Private Equity Vintage Year 2014	0.00	60.45	1,876.31	2,980.69		4,917.45	N
Intercontinental Real Estate Investment Fund III	7,998.00	8,524.00	7,490.00	6,674.00		30,686.00	N
Ascent Venture Partners IV	26,691.00	26,988.00	25,223.00	24,175.00		103,077.00	N
Ascent Venture Partners V	18,749.82	18,749.30	16,875.13	12,689.96		67,064.21	N
Lexington Capital Partners VII	7,201.66	8,220.43	13,725.54	(13,883.63)		15,264.00	N
Permal Private Equity Opportunities IV LP	13,989.00	12,413.00	6,634.00	8,168.00		41,204.00	N
Perella Weinberg Partners	15,267.00	12,107.00	13,414.00	14,605.00		55,393.00	N

Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2014

Schedule 7

Summary of Investments Related Fees

	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Accrued Payable at Year End 2014	Total Paid or Accrued in 2014	*Payment Methond (N,C,W)
Babson Capital Tower Square	4,774.00	43.00	2,463.00	1,630.00		8,910.00	N
Colchester Global Bond Fund	11,158.00	11,503.00	11,490.00	12,579.00		46,730.00	N
MFS Institutional International Equity Fund	25,956.23	26,779.77	26,803.30	25,584.97		105,124.27	N
Shenkman Credos Floating Rate Fund	7,957.00	8,101.10	8,105.99	1,354.15		25,518.24	N
Shenkman Floating Rate HI Income Fund	0.00	0.00	0.00	7,112.88		7,112.88	N
Shenkman Primus High Yield Fund	8,763.00	8,969.15	8,833.14	10,673.71		37,239.00	N
PENN Distiressed Fund	11,832.99	12,086.94	70,124.46	0.00		94,044.39	N
5304 Management Fees TOTAL	504,583.94	483,492.26	546,938.86	464,693.88		1,999,708.94	
5305 Custodial Fees							
N/A							
5305 Custodial Fees TOTAL							
5307 Investment Consultant Fees							
New England Pension Consultants	22,500.00	22,500.00	22,500.00	25,000.00		92,500.00	C
5307 Investment Consultant Fees TOTAL	22,500.00	22,500.00	22,500.00	25,000.00		92,500.00	
						2,092,208.94	

PERAC Information Disclosure

The most recent actuarial valuation of the System was prepared by Stone Consulting, Inc. as of January 1, 2014

The normal cost for employees on that date was:	$6,560,273	8.9% of payroll
The normal cost for the employer was:	$3,290,154	4.5% of payroll

The actuarial liability for active members was:	$202,305,138
The actuarial liability for retired members was (includes inactives):	$214,247,969
Total actuarial accrued liability:	$416,553,107
System assets as of that date (market value: $246,653,426):	$235,617,602
Unfunded actuarial accrued liability:	$180,935,505

The ratio of system's assets to total actuarial liability was:	57%

As of that date the total covered employee payroll was:	$73,422,208

The principal actuarial assumptions used in the valuation are as follows:

Investment Return:	7.875% per annum
Rate of Salary Increase:	Select and ultimate

SCHEDULE OF FUNDING PROGRESS (Dollars in $1,000's)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
1/1/2014	$235,618	$416,553	$180,935	57%	$73,422	246%
1/1/2012	$204,116	$367,511	$163,394	56%	$68,575	238%
1/1/2010	$179,861	$312,878	$133,017	57%	$68,276	195%
1/1/2007	$163,497	$257,885	$94,388	63%	$68,108	139%
1/1/2006	$149,892	$254,808	$104,916	59%	$66,220	158%

HAMPSHIRE COUNTY RETIREMENT SYSTEM

FUNDING SCHEDULE

Fiscal Year	Normal Cost	Fresh Start Unfunded Liability**	Fresh Start Funding Amortization of UAAL*	ERI liability	ERI amortization	Net 3(8)(c) Payments	Schedule Contribution	Adjusted for Semiannual Payments
2015	4,371,284	169,059,092	11,768,221	5,337,888	573,693	633,850	17,347,048	17,675,748
2016	4,485,073	185,536,021	12,591,996	4,925,229	573,693	967,191	18,617,953	18,970,735
2017	4,675,689	186,563,367	13,473,436	4,694,220	573,693	967,191	19,690,008	20,063,104
2018	4,874,405	186,720,763	14,416,577	4,445,018	573,693	967,191	20,831,866	21,226,598
2019	5,081,568	185,873,141	15,069,368	4,176,192	573,693	967,191	21,691,819	22,102,846
2020	5,297,534	184,254,570	15,672,143	3,886,196	573,693	967,191	22,510,561	22,937,101
2021	5,522,679	181,858,294	16,299,028	3,573,363	573,693	967,191	23,362,592	23,805,277
2022	5,757,393	178,597,058	16,950,989	3,235,894	573,693	967,191	24,249,267	24,708,753
2023	6,002,083	174,375,696	17,629,029	2,871,849	573,693	967,191	25,171,995	25,648,966
2024	6,257,171	169,090,467	18,334,190	2,479,136	573,693	967,191	26,132,245	26,627,411
2025	6,523,101	162,628,334	19,067,558	2,055,497	573,693	967,191	27,131,542	27,645,644
2026	6,800,333	154,866,187	19,830,260	1,598,496	573,693	967,191	28,171,477	28,705,283
2027	7,089,347	145,670,006	20,623,471	1,105,506	573,693	967,191	29,253,701	29,808,014
2028	7,390,644	134,893,950	21,448,409	573,693	573,693	967,191	30,379,937	30,955,591
2029	7,704,746	122,379,377	22,306,346	-	-	967,191	30,978,283	31,565,274
2030	8,032,198	107,953,783	23,198,600	-	-	967,191	32,197,988	32,808,091
2031	8,373,566	91,429,654	24,126,544	-	-	967,191	33,467,301	34,101,455
2032	8,729,443	72,603,230	25,091,605	-	-	967,191	34,788,239	35,447,423
2033	9,100,444	51,253,165	26,095,269	-	-	967,191	36,162,905	36,848,136
2034	9,487,213	27,139,080	27,139,080	-	-	967,191	37,593,484	38,305,823
2035	9,890,420	-	-	-	-	967,191	10,857,611	11,063,346

Amortization of Unfunded Liability as of July 1, 2015

Year	Type	Original Amort. Amount	Percentage Increasing	Original # of Years	Current Amort. Amount	Years Remaining
2005	ERI-2002	278,720	0.00%	24	278,720	13
2006	ERI-2003	294,973	0.00%	23	294,973	13
2016	Fresh Start	N/A	4.00%	19	N/A	19

<u>**Notes on Amortization of Unfunded Liability**</u>

Year is the year the amortization base was established. **Type** is the reason for the creation of the base. Examples are Gain/(Loss) or Fresh Start. **Original Amort. Amount** is the annual amortization amount when the base was established. Percentage Increasing is the percentage that the Original Amortization Amount increases per year. **Original # of Years** is the number of years over which the base is being amortized. **Current Amort. Amount** is the amortization payment amount for this year. **Years Remaining** is the number of years left to amortize the base.

***Fresh Start amortization is set to be 7% higher than the previous year for 3 years with 4% amortization increases thereafter for 16 years**
****Fresh Start unfunded liability is equal to the total unfunded actuarial liability minus the ERI liability**