



Commonwealth of Massachusetts  
Public Employee Retirement Administration Commission

# Annual Statement 2018





## **Public Employee Retirement Administration Commission Members**

**Philip Y. Brown**  
*Chairman*

**The Honorable Suzanne Bump**  
*Auditor of the Commonwealth  
Vice Chairman*

**Kathleen M. Fallon**  
*Practice Area Director, Public Consulting Group*

**Kate Fitzpatrick**  
*Town Manager, Town of Needham*

**James M. Machado**  
*Sergeant, Fall River Police Department*

**Robert B. McCarthy**  
*President Emeritus of the Professional  
Firefighters of Massachusetts*

**Jennifer F. Sullivan**  
*Assistant Secretary for Capital, Finance,  
Administration & Finance*

**John W. Parsons, Esq.**  
*Executive Director*



## **Audit Unit Staff**

**Caryn Shea**, Chief Auditor | **Scott Henderson**, Deputy Chief Auditor  
**Walter Kloc**, Auditor | **George Nsia**, Auditor | **Carol Poladian**, Auditor  
**Elaine Pursley**, Auditor | **Richard Wrona**, Auditor | **Junior Yanga**, Auditor

You may leave messages for any member of PERAC's Audit Staff at telephone extension 929 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](http://www.mass.gov/perac)

**Annual Statement for the Year Ended December 31, 2018 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 November 16, 1936

Effective Date July 1, 1937

**ADMINISTRATIVE OFFICE**

99 Industrial Drive, Suite 2  
Street & Number

Northampton, MA 01060  
City/Town, State and Zip Code

(413) 584-9100  
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: December 31, 2020

Patrick E. Brock  
(Signature)

**Appointed Member**

Jane E. Wolfe  
(Name Typed)

Term Expires December 31, 2020

Jane E. Wolfe  
(Signature)

**Elected Member**

Edward R. Montleon  
(Name Typed)

Term Expires December 31, 2020

Edward R. Montleon  
(Signature)

**Elected Member**

Joseph A. Wilhelm, III  
(Name Typed)

Term Expires December 31, 2019

Joseph A. Wilhelm, III  
(Signature)

**Member Appointed by Other Members**

Joyce Karpinski  
(Name Typed)

Term Expires December 16, 2020

Joyce Karpinski  
(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, 2018  
OF THE CONDITIONS AND AFFAIRS OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM

**INVESTMENT MANAGERS**

|                                   |                 |
|-----------------------------------|-----------------|
| BARINGS 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      |
| LEXINGTON PARTNERS                | NEW YORK, NY    |
| PERELLA WEINBERG PARTNERS         | NEW YORK, NY    |
| GLOUSTON CAPITAL PARTNERS, LLC    | BOSTON, MA      |
| PORTFOLIO ADVISERS                | DARIEN, CT      |

Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2018

**ANNUAL STATEMENT BALANCE TESTS**

**1 ASSET BALANCE**

|                            |                       |
|----------------------------|-----------------------|
| Assets Previous Year       | <u>318,127,580.25</u> |
| Income Current Year        | <u>25,399,550.73</u>  |
| Disbursements Current Year | <u>34,500,969.52</u>  |
| Assets Current Year        | <u>309,026,161.46</u> |

**2 ASSET DIFFERENCE**

|                      |                       |
|----------------------|-----------------------|
| Assets Current Year  | <u>309,026,161.46</u> |
| Assets Previous Year | <u>318,127,580.25</u> |
| Difference           | <u>(9,101,418.79)</u> |

**3 INCOME DIFFERENCE**

|                            |                       |
|----------------------------|-----------------------|
| Income Current Year        | <u>25,399,550.73</u>  |
| Disbursements Current Year | <u>34,500,969.52</u>  |
| Difference                 | <u>(9,101,418.79)</u> |

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

|  |                       |
|--|-----------------------|
| Total Fund Change Credits Current Year | <u>30,921,901.28</u>  |
| Total Fund Change Debits Current Year  | <u>40,023,320.07</u>  |
| Difference                             | <u>(9,101,418.79)</u> |

**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, 2018

**ASSETS & LIABILITIES**

|              |   | <u>2018</u>                  | <u>2017</u>                  | <u>2016</u>                  |
|--------------|---|------------------------------|------------------------------|------------------------------|
| <b>1040</b>  | Cash  | 8,021,407.10                 | 8,213,745.64                 | 2,934,087.30                 |
| <b>1100</b>  | Individually Owned Short Term Investments     | 0.00                         | 0.00                         | 0.00                         |
| <b>1180</b>  | Fixed Income Securities (Market Value)        | 0.00                         | 0.00                         | 0.00                         |
| <b>1170</b>  | Equities                                      | 0.00                         | 0.00                         | 0.00                         |
| <b>1101</b>  | Pooled Short Term Funds                       | 0.00                         | 0.00                         | 0.00                         |
| <b>1172</b>  | Pooled Domestic Equity Funds                  | 54,517,915.63                | 60,890,908.41                | 51,111,657.87                |
| <b>1173</b>  | Pooled International Equity Funds             | 74,876,797.65                | 87,217,585.62                | 60,355,422.28                |
| <b>1174</b>  | Pooled Global Equity Funds                    | 0.00                         | 0.00                         | 18,450,199.91                |
| <b>1181</b>  | Pooled Domestic Fixed Income Funds            | 61,179,319.64                | 59,610,647.71                | 42,195,783.17                |
| <b>1182</b>  | Pooled International Fixed Income Funds       | 0.00                         | 0.00                         | 0.00                         |
| <b>1183</b>  | Pooled Global Fixed Income Funds              | 27,745,694.00                | 27,610,015.00                | 24,423,002.00                |
| <b>1193</b>  | Pooled Alternative Investments/Private Equity | 34,004,505.83                | 31,017,750.24                | 30,289,997.38                |
| <b>1194</b>  | Pooled Real Estate Funds                      | 47,917,632.45                | 42,776,535.71                | 32,250,646.26                |
| <b>1195</b>  | Pooled Domestic Balanced Funds                | 0.00                         | 0.00                         | 0.00                         |
| <b>1196</b>  | Pooled International Balanced Funds           | 0.00                         | 0.00                         | 0.00                         |
| <b>1197</b>  | Hedge Funds                                   | 0.00                         | 0.00                         | 12,686,364.20                |
| <b>1198</b>  | PRIT Cash Fund                                | 0.00                         | 0.00                         | 0.00                         |
| <b>1199</b>  | PRIT Core Fund                                | 0.00                         | 0.00                         | 0.00                         |
| <b>1350</b>  | Prepaid Expenses                              | 0.00                         | 0.00                         | 0.00                         |
| <b>1550</b>  | Interest Due & Accrued                        | 0.00                         | 0.00                         | 0.00                         |
| <b>1398</b>  | Accounts Receivable (A)                       | 763,485.32                   | 791,665.12                   | 688,513.08                   |
| <b>2020</b>  | Accounts Payable (A)                          | (596.16)                     | (1,273.20)                   | (450.40)                     |
| <b>TOTAL</b> |   | <b><u>309,026,161.46</u></b> | <b><u>318,127,580.25</u></b> | <b><u>275,385,223.05</u></b> |

**FUNDS**

|                                     |                               | <u>2018</u>                  | <u>2017</u>                  | <u>2016</u>                  |
|-------------------------------------|-------------------------------|------------------------------|------------------------------|------------------------------|
| <b>3293</b>                         | Annuity Savings Fund          | 82,835,708.68                | 80,393,312.57                | 78,241,775.13                |
| <b>3294</b>                         | Annuity Reserve Fund          | 25,586,246.28                | 24,481,103.25                | 23,782,058.73                |
| <b>3295</b>                         | Special Military Service Fund | 63,685.38                    | 57,377.51                    | 58,575.24                    |
| <b>3296</b>                         | Pension Fund                  | 14,762,810.77                | 17,671,994.97                | 18,329,057.66                |
| <b>3298</b>                         | Expense Fund                  | 0.00                         | 0.00                         | 0.00                         |
| <b>3297</b>                         | Pension Reserve Fund          | 185,777,710.35               | 195,523,791.95               | 154,973,756.29               |
| <b>TOTAL ASSETS AT MARKET VALUE</b> |                               | <b><u>309,026,161.46</u></b> | <b><u>318,127,580.25</u></b> | <b><u>275,385,223.05</u></b> |

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

**Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2018**

|                                      | <b>Balance December 31<br/>Prior Year</b> | <b>Receipts</b>             | <b>Interfund<br/>Transfers</b> | <b>Disbursements</b>        | <b>Balance December 31<br/>Current Year</b> |
|--------------------------------------|---|-----------------------------|--------------------------------|-----------------------------|---|
| <b>Annuity Savings Fund</b>          | <u>80,393,312.57</u>                      | <u>9,438,692.04</u>         | <u>(5,522,350.55)</u>          | <u>1,473,945.38</u>         | <u>82,835,708.68</u>                        |
| <b>Annuity Reserve Fund</b>          | <u>24,481,103.25</u>                      | <u>735,519.96</u>           | <u>5,418,379.83</u>            | <u>5,048,756.76</u>         | <u>25,586,246.28</u>                        |
| <b>Pension Fund</b>                  | <u>17,671,994.97</u>                      | <u>22,259,400.50</u>        | <u>0.00</u>                    | <u>25,168,584.70</u>        | <u>14,762,810.77</u>                        |
| <b>Special Military Service Fund</b> | <u>57,377.51</u>                          | <u>6,307.87</u>             | <u>0.00</u>                    | <u>0.00</u>                 | <u>63,685.38</u>                            |
| <b>Expense Fund</b>                  | <u>0.00</u>                               | <u>2,809,682.68</u>         |                                | <u>2,809,682.68</u>         | <u>0.00</u>                                 |
| <b>Pension Reserve Fund</b>          | <u>195,523,791.95</u>                     | <u>(9,850,052.32)</u>       | <u>103,970.72</u>              | <u>0.00</u>                 | <u>185,777,710.35</u>                       |
| <b>TOTAL ALL FUNDS</b>               | <u><b>318,127,580.25</b></u>              | <u><b>25,399,550.73</b></u> | <u><b>0.00</b></u>             | <u><b>34,500,969.52</b></u> | <u><b>309,026,161.46</b></u>                |

**List below all transfers:**

**Transfer from Annuity Savings Fund to the Annuity Reserve Fund in the amount of \$ 5,418,379.83 on account of Current Year Retirements**

**Transfer from Annuity Savings Fund to the Pension Reserve Fund in the amount of \$ 63.29 on account of Adjustment for Prior Year Retirements**

**Transfer from Annuity Savings Fund to the Pension Reserve Fund in the amount of \$ 111,325.86 on account of 10 Year Inactives**

**Transfer from Pension Reserve Fund to Annuity Savings Fund in the amount of \$ 7,418.43 on account of Reinstatements**

Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2018

**Receipts**

|   | <u>2018</u>           | <u>2017</u>          | <u>2016</u>          |
|---|-----------------------|----------------------|----------------------|
| <b>1 Annuity Savings Fund:</b>                                  |                       |                      |                      |
| (a) 4891 Member Deductions                                      | 7,952,216.85          | 7,662,133.92         | 7,409,682.30         |
| (b) 4892 Transfers from Other Systems                           | 1,217,045.49          | 746,525.07           | 514,455.94           |
| (c) 4893  |                       |                      |                      |
| Member Make-Up Payments & Redeposits                            | 62,949.13             | 66,800.55            | 32,197.02            |
| (d) 4900 Member Payments from Rollovers                         | 81,733.42             | 63,128.13            | 5,025.55             |
| (e) Investment Income Credited to Members Accounts              | 124,747.15            | 145,536.70           | 134,775.83           |
| <b>Subtotal</b>   | <b>9,438,692.04</b>   | <b>8,684,124.37</b>  | <b>8,096,136.64</b>  |
| <b>2 Annuity Reserve Fund:</b>                                  |                       |                      |                      |
| (a) 4750 Recovery of Annuity from Reinstatement                 | 0.00                  | 0.00                 | 0.00                 |
| (b) Investment Income Credited to Annuity Reserve Fund          | 735,519.96            | 698,918.70           | 676,141.18           |
| <b>Subtotal</b>   | <b>735,519.96</b>     | <b>698,918.70</b>    | <b>676,141.18</b>    |
| <b>3 Pension Fund:</b>  |                       |                      |                      |
| (a) 4898 3(8)(c) Reimbursements From Other Systems              | 953,138.81            | 871,654.50           | 754,342.56           |
| (b) 4899 Rec'd from Commonwealth for COLA and Survivor Benefits | 254,394.21            | 92,026.67            | 291,359.13           |
| (c) 4894 Pension Fund Appropriation                             | 21,046,704.00         | 21,331,218.00        | 19,693,436.00        |
| (d) 4840 Workers' Compensation Settlements                      | 0.00                  | 21,000.00            | 18,000.00            |
| (e) 4751 Recovery of Pension from Reinstatement                 | 0.00                  | 0.00                 | 0.00                 |
| (f) 4841 Recovery of 91A Overearnings                           | 5,163.48              | 11,291.56            | 21,953.38            |
| <b>Subtotal</b>   | <b>22,259,400.50</b>  | <b>22,327,190.73</b> | <b>20,779,091.07</b> |
| <b>4 Military Service Fund</b>                                  |                       |                      |                      |
| (a) 4890 Contribution Received (For Military Service)           | 6,247.42              | 0.00                 | 0.00                 |
| (b) Investment Income Credited                                  | 60.45                 | 57.33                | 58.51                |
| <b>Subtotal</b>   | <b>6,307.87</b>       | <b>57.33</b>         | <b>58.51</b>         |
| <b>5 Expense Fund</b>   |                       |                      |                      |
| (a) Investment Income Credited to Expense Fund                  | 2,809,682.68          | 2,699,022.28         | 2,601,381.02         |
| <b>Subtotal</b>   | <b>2,809,682.68</b>   | <b>2,699,022.28</b>  | <b>2,601,381.02</b>  |
| <b>6 Pension Reserve Fund:</b>                                  |                       |                      |                      |
| (a) 4897 Federal Grant Reimbursement                            | 0.00                  | 0.00                 | 0.00                 |
| (b) 4895 Pension Reserve Appropriation                          | 1,551,289.00          | 0.00                 | 0.00                 |
| (c) 4822 Interest Not Refunded                                  | 16,300.03             | 31,444.04            | 22,283.60            |
| (d) 4825 Miscellaneous Income                                   | 1,329.00              | 49.65                | 960.56               |
| (e) Excess Investment Income                                    | (11,418,970.35)       | 41,508,580.14        | 17,407,231.83        |
| <b>Subtotal</b>   | <b>(9,850,052.32)</b> | <b>41,540,073.83</b> | <b>17,430,475.99</b> |
| <b>TOTAL RECEIPTS</b>   | <b>25,399,550.73</b>  | <b>75,949,387.24</b> | <b>49,583,284.41</b> |



Annual Statement of the Hampshire County Retirement System for Year Ended December 31, 2018

**Disbursements**

|  | 2018                 | 2017                 | 2016                 |
|--|----------------------|----------------------|----------------------|
| <b>1 Annuity Savings Fund:</b>                                       |                      |                      |                      |
| (a) 5757 Refunds to Members  | 538,578.23           | 911,880.80           | 741,839.56           |
| (b) 5756 Transfer to Other Systems                                   | 935,367.15           | 849,144.65           | 1,045,323.74         |
| <b>Subtotal</b>  | <b>1,473,945.38</b>  | <b>1,761,025.45</b>  | <b>1,787,163.30</b>  |
| <b>2 Annuity Reserve Fund:</b>                                       |                      |                      |                      |
| (a) 5750 Annuities Paid  | 4,968,039.43         | 4,511,964.74         | 4,193,177.24         |
| (b) 5759 Option B Refunds  | 80,717.33            | 264,019.15           | 72,138.31            |
| <b>Subtotal</b>  | <b>5,048,756.76</b>  | <b>4,775,983.89</b>  | <b>4,265,315.55</b>  |
| <b>3 Pension Fund:</b>   |                      |                      |                      |
| (a) 5751 Pensions Paid   |                      |                      |                      |
| Regular Pension Payments   | 19,209,872.37        | 17,969,910.41        | 17,000,368.80        |
| Survivorship Payments  | 1,034,338.86         | 1,020,317.34         | 1,002,225.54         |
| Ordinary Disability Payments   | 95,775.98            | 108,941.04           | 106,189.50           |
| Accidental Disability Payments                                       | 2,452,203.73         | 2,321,058.10         | 2,288,859.50         |
| Accidental Death Payments  | 243,254.96           | 259,615.49           | 162,749.33           |
| Section 101 Benefits   | 165,178.80           | 160,550.64           | 147,748.63           |
| (b) 5755 3(8)(c) Reimbursements To Other Systems                     | 1,967,960.00         | 2,130,605.40         | 1,741,892.11         |
| (c) 5752 COLA's Paid   | 0.00                 | 0.00                 | 0.00                 |
| (d) 5753 Chapter 389 Beneficiary Increase paid                       | 0.00                 | 0.00                 | 0.00                 |
| <b>Subtotal</b>  | <b>25,168,584.70</b> | <b>23,970,998.42</b> | <b>22,450,033.41</b> |
| <b>4 Military Service Fund</b>                                       |                      |                      |                      |
| (a) 4880 Return to Municipality for Members who withdrew their funds | 0.00                 | 0.00                 | 0.00                 |
| <b>Subtotal</b>  | <b>0.00</b>          | <b>0.00</b>          | <b>0.00</b>          |
| <b>5 Expense Fund</b>  |                      |                      |                      |
| (a) 5118 Board Member Stipend  | 71,682.96            | 72,807.96            | 72,807.96            |
| (b) 5119 Staff Salaries  | 375,843.65           | 474,257.64           | 458,011.13           |
| (c) 5120 Benefits  | 112,303.16           | 0.00                 | 0.00                 |
| (d) 5304 Management Fees   | 1,834,319.70         | 1,780,705.14         | 1,704,553.79         |
| (e) 5305 Custodial Fees  | 0.00                 | 0.00                 | 0.00                 |
| (f) 5307 Investment Consultant Fees                                  | 105,000.00           | 101,250.00           | 100,000.00           |
| (g) 5308 Legal Expenses  | 1,669.95             | 2,106.87             | 8,869.41             |
| (h) 5309 Medical Expenses  | 50.00                | 236.20               | 0.00                 |
| (i) 5310 Fiduciary Insurance   | 26,024.00            | 25,457.00            | 25,098.00            |
| (j) 5311 Service Contracts   | 51,277.07            | 40,056.80            | 33,286.33            |
| (k) 5312 Rent Expense  | 44,034.24            | 41,802.44            | 39,716.36            |
| (l) 5315 Professional Services                                       | 37,830.00            | 18,320.00            | 30,360.00            |
| (m) 5316 Actuarial Services  | 14,650.00            | 6,500.00             | 23,150.00            |
| (n) 5317 Accounting Services   | 6,815.00             | 5,085.00             | 9,920.00             |
| (o) 5320 Education and Training                                      | 6,490.00             | 5,625.00             | 7,875.00             |
| (p) 5589 Administrative Expenses                                     | 103,782.17           | 99,533.08            | 65,922.87            |
| (q) 5599 Furniture & Equipment                                       | 420.00               | 8,365.71             | 455.88               |
| (r) 5719 Travel Expense  | 17,490.78            | 16,913.44            | 21,354.29            |
| (s) 5829 Depreciation Expense: Building                              | 0.00                 | 0.00                 | 0.00                 |
| <b>Subtotal</b>  | <b>2,809,682.68</b>  | <b>2,699,022.28</b>  | <b>2,601,381.02</b>  |
| <b>TOTAL DISBURSEMENTS</b>   | <b>34,500,969.52</b> | <b>33,207,030.04</b> | <b>31,103,893.28</b> |

Annual Statement of the Hampshire County Retirement System for Year Ended December 31, 2018

**INVESTMENT INCOME**

|   | <b><u>2018</u></b>            | <b><u>2017</u></b>            | <b><u>2016</u></b>            |
|---|-------------------------------|-------------------------------|-------------------------------|
| <b>Investment Income received from:</b>               |                               |                               |                               |
| (a) Cash (from schedule 1)                            | 74,755.37                     | 31,602.32                     | 8,591.55                      |
| (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)                    | 9,896,157.02                  | 8,707,435.31                  | 7,158,796.65                  |
| (f) Commission Recapture & Securities Litigation      | 0.00                          | 0.00                          | 0.00                          |
| <b>4821 TOTAL INVESTMENT INCOME</b>                   | <b><u>9,970,912.39</u></b>    | <b><u>8,739,037.63</u></b>    | <b><u>7,167,388.20</u></b>    |
| <b>Plus:</b>  |                               |                               |                               |
| 4884 Realized Gains (Profits)                         | 14,905,857.15                 | 18,973,451.90                 | 10,675,017.20                 |
| 4886 Unrealized Gains (Increase in Market Value)      | 28,771,996.99                 | 36,675,608.73                 | 32,315,872.98                 |
| 1550 Interest/Dividends Due and Accrued-Current Year  | 0.00                          | 0.00                          | 0.00                          |
|   | <b><u>43,677,854.14</u></b>   | <b><u>55,649,060.63</u></b>   | <b><u>42,990,890.18</u></b>   |
| <b>Less:</b>  |                               |                               |                               |
| 4823 Paid Accrued Interest on Fixed Income Securities | 0.00                          | 0.00                          | 0.00                          |
| 4885 Realized Losses                                  | (2,737,201.34)                | (2,973,510.35)                | (2,861,186.94)                |
| 4887 Unrealized Losses (Decrease in Market Value)     | (58,373,734.02)               | (16,362,472.76)               | (26,477,503.07)               |
| 1550 Interest/Dividends Due and Accrued-Prior Year    | 0.00                          | 0.00                          | 0.00                          |
|   | <b><u>(61,110,935.36)</u></b> | <b><u>(19,335,983.11)</u></b> | <b><u>(29,338,690.01)</u></b> |
| <b>Additional Adjustments:</b>                        |                               |                               |                               |
| 4701 Carried Interest Expense                         | (114,561.00)                  | 0.00                          | 0.00                          |
| 4702 Equalization Expense                             | 0.00                          | 0.00                          | 0.00                          |
| 4703 Miscellaneous Investment Expense                 | (172,230.28)                  | 0.00                          | 0.00                          |
|   | <b><u>(286,791.28)</u></b>    | <b><u>0.00</u></b>            | <b><u>0.00</u></b>            |
| <b>NET INVESTMENT INCOME</b>                          | <b><u>(7,748,960.11)</u></b>  | <b><u>45,052,115.15</u></b>   | <b><u>20,819,588.37</u></b>   |
| <b>Income Required:</b>                               |                               |                               |                               |
| Annuity Savings Fund (from supplementary schedule)    | 124,747.15                    | 145,536.70                    | 134,775.83                    |
| Annuity Reserve Fund                                  | 735,519.96                    | 698,918.70                    | 676,141.18                    |
| Expense Fund  | 2,809,682.68                  | 2,699,022.28                  | 2,601,381.02                  |
| Special Military Service Credit Fund                  | 60.45                         | 57.33                         | 58.51                         |
| <b>TOTAL INCOME REQUIRED</b>                          | <b><u>3,670,010.24</u></b>    | <b><u>3,543,535.01</u></b>    | <b><u>3,412,356.54</u></b>    |
| Net Investment Income                                 | (7,748,960.11)                | 45,052,115.15                 | 20,819,588.37                 |
| Less: Income Required                                 | (3,670,010.24)                | (3,543,535.01)                | (3,412,356.54)                |
| <b>EXCESS INCOME TO PENSION RESERVE FUND</b>          | <b><u>(11,418,970.35)</u></b> | <b><u>41,508,580.14</u></b>   | <b><u>17,407,231.83</u></b>   |

Annual Statement of the Hampshire County Ret. Board for the Year Ended December 31, 2018.

**MEMBERSHIP FOR CURRENT YEAR**

**ACTIVE MEMBERS**

|   | <b>Group 1</b> | <b>Group 2 &amp; 4</b> | <b>TOTAL</b> |
|---|----------------|------------------------|--------------|
| Active Membership, Dec. 31st, Previous Year   | 1,593          | 369                    | 1,962        |
| Inactive Membership, Dec. 31st, Previous Year | 495            | 129                    | 624          |
| Enrolled During Current Year                  | 272            | 23                     | 295          |
| Transfers Between Groups                      | 0              | 0                      | 0            |
| Reinstatements of Disabled Members            | 0              | 0                      | 0            |
| <b>SUBTOTAL</b>                               | <b>272</b>     | <b>23</b>              | <b>295</b>   |
| Deduct:                                       |                |                        |              |
| Death   | 1              | 0                      | 1            |
| Withdrawals                                   | 106            | 17                     | 123          |
| Retirements                                   | 74             | 4                      | 78           |
| <b>SUBTOTAL</b>                               | <b>181</b>     | <b>21</b>              | <b>202</b>   |
| Active Membership, Dec. 31st, Current Year    | 1,634          | 374                    | 2,008        |
| Inactive Membership, Dec. 31st, Current Year  | 545            | 126                    | 671          |

**RETIRED MEMBERS, BENEFICIARIES & SURVIVORS**

|  |           |          |           |
|--|-----------|----------|-----------|
| Retired, Beneficiary and Survivor Membership, Dec. 31st, Previous Year | 1,061     | 221      | 1,282     |
| Retirements During the Year  |           |          |           |
| Superannuation   | 71        | 2        | 73        |
| Ordinary Disability  | 0         | 0        | 0         |
| Accidental Disability  | 0         | 2        | 2         |
| Termination Retirement Allowance                                       | 0         | 0        | 0         |
| Beneficiary of Deceased Retiree  | 0         | 0        | 0         |
| Survivor Benefits from Active Membership                               | 3         | 0        | 3         |
| <b>SUBTOTAL</b>  | <b>74</b> | <b>4</b> | <b>78</b> |
| Deduct:  |           |          |           |
| Deaths of Retired Members  | 36        | 4        | 40        |
| Termination of Survivor Benefits                                       | 9         | 3        | 12        |
| Reinstatements of Disabled Pensions                                    | 0         | 0        | 0         |
| <b>SUBTOTAL</b>  | <b>45</b> | <b>7</b> | <b>52</b> |
| Retired Membership, Dec. 31st, Current Year                            |           |          |           |
| Superannuation   | 927       | 146      | 1,073     |
| Ordinary Disability  | 8         | 0        | 8         |
| Accidental Disability  | 31        | 44       | 75        |
| Termination  | 15        | 0        | 15        |
| Beneficiaries from Accidental Deaths                                   | 1         | 6        | 7         |
| Beneficiaries from Section 100   | 0         | 0        | 0         |
| Beneficiaries from Section 101   | 6         | 6        | 12        |
| Beneficiaries under Option C   | 34        | 7        | 41        |
| Option (D) Survivor Allowance  | 68        | 8        | 76        |
| Section 12B Survivor Allowance   | 0         | 1        | 1         |

|   |              |            |              |
|---|--------------|------------|--------------|
| <b>Total Retired, Beneficiary and Survivor Membership, Dec. 31st, Current Year</b>  | <b>1,090</b> | <b>218</b> | <b>1,308</b> |
| <b>TOTAL MEMBERSHIP</b>   |              |            |              |
| <b>Active, Inactive, Retired, Beneficiary and Survivor, Dec. 31st, Current Year</b> | <b>3,269</b> | <b>718</b> | <b>3,987</b> |

Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2018

Schedule A

Detail of Accounts Receivable and Accounts Payable

Original  
Date

Accounts Receivable

|  |            |       |
|--|------------|-------|
| 4891 Members Deductions  | 622,155.82 | 12/18 |
| 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  | 131,383.00 | 12/18 |
| 4895 Pension Reserve Fund Appropriation                                  | 9,946.50   | 12/18 |
| 4890 Contributions Received from municipality on a/c of military service | -          |       |
| 4897 Federal Grant Reimbursement   | -          |       |
| 4895 Pension Reserve Appropriation                                       | -          |       |
| 5750 Annuities Paid  | -          |       |
| 5751 Pension Paid  | -          |       |
| Investment sold but funds not received (list individually)               | -          |       |

**TOTAL RECEIVABLES** \$ **763,485.32**

Accounts Payable

|  |                  |       |
|--|------------------|-------|
| 5757 Refunds to Members  |                  |       |
| 5756 Transfers to Other Systems                                  |                  |       |
| 5750 Annuities Paid  | 75.83            | 12/18 |
| 5759 Option B Refunds  |                  |       |
| 5751 Pensions Paid   | 497.38           | 12/18 |
| 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  |                  |       |
| 5120 Benefits  | 22.95            | 12/18 |
| 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: Building                              |                  |       |
| 4891 Member Deductions (overpaid)                                |                  |       |
| 4825 Miscellaneous Income (checks ret to cash then reissued)     |                  |       |
| Investments Purchased but no paid for (listed individually)      | -                |       |
|  | -                |       |
|  | -                |       |
| <b>TOTAL PAYABLES</b>  | \$ <b>596.16</b> |       |

## Accounting Close Interest - 2018

**Beginning Balance 3294:** 24,481,103.25    **Beginning Bal 3294 x.0025:** 61,202.76

|                             |                                 |                                |                                  |
|-----------------------------|---------------------------------|--------------------------------|----------------------------------|
| 3294 Jan Adj: 39,435.50     | 5750 Jan Cash Disb: -390,631.22 | 5759 Jan Cash Disb: 0.00       | Jan Monthly Total: 24,129,907.53 |
| 3294 Feb Adj: 959,817.96    | 5750 Feb Cash Disb: -409,747.91 | 5759 Feb Cash Disb: -65,653.22 | Feb Monthly Total: 24,614,324.36 |
| 3294 Mar Adj: 299,695.57    | 5750 Mar Cash Disb: -403,172.39 | 5759 Mar Cash Disb: 0.00       | Mar Monthly Total: 24,510,847.54 |
| 3294 Apr Adj: 160.66        | 5750 Apr Cash Disb: -399,254.68 | 5759 Apr Cash Disb: -2,073.87  | Apr Monthly Total: 24,109,679.65 |
| 3294 May Adj: 563,259.68    | 5750 May Cash Disb: -408,106.85 | 5759 May Cash Disb: 0.00       | May Monthly Total: 24,264,832.48 |
| 3294 Jun Adj: 315,369.46    | 5750 Jun Cash Disb: -408,164.95 | 5759 Jun Cash Disb: 0.00       | Jun Monthly Total: 24,172,036.99 |
| 3294 Jul Adj: 261,901.69    | 5750 Jul Cash Disb: -408,503.08 | 5759 Jul Cash Disb: 0.00       | Jul Monthly Total: 24,025,435.60 |
| 3294 Aug Adj: 957,903.15    | 5750 Aug Cash Disb: -421,546.08 | 5759 Aug Cash Disb: -12,990.24 | Aug Monthly Total: 24,548,802.43 |
| 3294 Sep Adj: 900,481.12    | 5750 Sep Cash Disb: -432,217.89 | 5759 Sep Cash Disb: 0.00       | Sep Monthly Total: 25,017,065.66 |
| 3294 Oct Adj: 635,665.61    | 5750 Oct Cash Disb: -430,099.19 | 5759 Oct Cash Disb: 0.00       | Oct Monthly Total: 25,222,632.08 |
| 3294 Nov Adj: 316,746.62    | 5750 Nov Cash Disb: -428,060.51 | 5759 Nov Cash Disb: 0.00       | Nov Monthly Total: 25,111,318.19 |
| 3294 Dec Adj: -4,880,813.95 | 5750 Dec Cash Disb: -428,534.68 | 5759 Dec Cash Disb: 0.00       | Dec Monthly Total: 19,801,969.56 |

Jan Mthly Total x .0025: 60,324.77  
Feb Mthly Total x .0025: 61,535.81  
Mar Mthly Total x .0025: 61,277.12  
Apr Mthly Total x .0025: 60,274.20  
May Mthly Total x .0025: 60,662.08  
Jun Mthly Total x .0025: 60,430.09  
Jul Mthly Total x .0025: 60,063.59  
Aug Mthly Total x .0025: 61,372.01  
Sep Mthly Total x .0025: 62,542.66  
Oct Mthly Total x .0025: 63,056.58  
Nov Mthly Total x .0025: 62,778.30

Total x .0025 No Dec: 735,519.96  
Mth Total + x .0025: 20,537,489.52  
ASF 3293 Interest: 124,747.15  
MSF 3295 Interest: 60.45  
EXPF 3298 Interest: 2,697,379.52  
PRF Interest: -11,418,970.35

## ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE 1  
CASH ACCOUNT ACTIVITY DURING YEAR

| <u>DESCRIPTION</u>             | <u>BOOK VALUE<br/>AT END OF<br/>PREVIOUS YEAR</u> | <u>TOTAL DEPOSITS<br/>THIS YEAR</u> | <u>INCOME REINVESTED/<br/>REDEPOSITED INTO<br/>ACCOUNT</u> | <u>WITHDRAWALS<br/>DURING YEAR</u> | <u>TOTAL BOOK VALUE<br/>DEC 31ST THIS YEAR</u> | <u>CASH INCOME PAID<br/>SYSTEM NOT REINVESTED<br/>OR REDEPOSITED</u> | <u>INTEREST DUE<br/>AND ACCRUED<br/>DECEMBER 31ST</u> |
|--------------------------------|---|-------------------------------------|--|------------------------------------|--|--|---|
| TD BANK - MONEY MARKET         | 8,161,796.03                                      | 40,616,837.20                       | 0.00   | 40,805,384.28                      | 7,973,248.95                                   | 0.00   | 0.00  |
| TD BANK - OPERATING ACCOUNT    | 34,611.84   | 9,480,070.29                        | 74,142.44  | 9,559,072.55                       | 29,752.02                                      | 0.00   | 0.00  |
| TD BANK - PAYROLL ACCOUNT      | 17,337.77   | 23,346,411.31                       | 0.00   | 23,349,813.77                      | 13,935.31                                      | 0.00   | 0.00  |
| PRIM Private Equity            |   |                                     |  |                                    |  | 612.93   | 0.00  |
| Adjustment to Cash (Operating) |   |                                     |  |                                    | 4,470.82                                       |  |   |
| <br>SCHEDULE TOTALS            | <br>8,213,745.64                                  | <br>73,443,318.80                   | <br>74,142.44  | <br>73,714,270.60                  | <br>8,021,407.10                               | <br>612.93   | <br>0.00  |

NOTE: The adjustment to cash is for the 1/2/2019 Direct Deposit staff payroll credited on 12/31/2018 by Quickbooks due to the holiday on 1/1/2019.



## ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2018

**SCHEDULE 2B**  
**SHORT TERM SECURITIES PURCHASED DURING YEAR**

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>RATE</u> | <u>MATURITY DATE</u> | <u>PAR VALUE</u> | <u>TRADE DATE</u> | <u>NAME OF BROKER</u> | <u>COMM</u> | <u>ACCRUED INT PAID</u> | <u>COST INCLUDING COMMISSION BUT EXCLUDING INT</u> |
|-------------|--------------|-----------------------------|-------------|----------------------|------------------|-------------------|-----------------------|-------------|-------------------------|--|
| NONE        |              |                             |             |                      |                  |                   |                       |             |                         |  |



## MATURITY

[illegible]



## ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE 3B  
FIXED INCOME SECURITIES PURCHASED DURING YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>RATE</u> | <u>MATURITY</u><br><u>DATE</u> | <u>PAR VALUE</u> | <u>TRADE</u><br><u>DATE</u> | <u>NAME OF BROKER</u> | <u>COMM</u> | <u>ACCRUED</u><br><u>INT PAID</u> | <u>COST INCLUDING</u><br><u>COMMISSION BUT</u><br><u>EXCLUDING INT</u> |
|-------------|--------------|-----------------------------|-------------|--------------------------------|------------------|-----------------------------|-----------------------|-------------|-----------------------------------|--|
|-------------|--------------|-----------------------------|-------------|--------------------------------|------------------|-----------------------------|-----------------------|-------------|-----------------------------------|--|

[illegible]

## ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE 4A  
EQUITIES OWNED AT END OF YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>SHARES</u> | <u>PRICE<br/>PER SHARE</u> | <u>MARKET VALUE<br/>AT END OF YEAR</u> | <u>CHANGE IN<br/>MARKET VALUE<br/>INCR/DECR</u> | <u>DIVIDENDS<br/>RECEIVED<br/>DURING YEAR</u> |
|-------------|--------------|-----------------------------|---------------|----------------------------|--|---|---|
|             |              | NONE                        |               |                            |  |   |   |

## ANNUAL STATEMENT OF THE HAMPSHIRE COUNTY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE 4B  
EQUITIES PURCHASED DURING YEAR

| <u>FUND</u> | <u>CUSIP</u> | <u>SECURITY DESCRIPTION</u> | <u>SHARES</u> | <u>TRADE</u><br><u>DATE</u> | <u>NAME OF BROKER</u> | <u>COMM</u> | <u>COST</u><br><u>INCLUDING</u><br><u>COMMISSION</u> |
|-------------|--------------|-----------------------------|---------------|-----------------------------|-----------------------|-------------|--|
|             |              | NONE                        |               |                             |                       |             |  |



## Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2018

## Schedule 5

## Schedule of Pooled Funds

| Perac<br>Ledger                             | (A)<br>Market Value at<br>End of Previous<br>Year | (B)<br>Total Purchases<br>this year <u>at cost</u> | (C)<br>Reinvested<br>Investment Income | (D)<br>Realized Gain | (E)<br>Realized Loss | (F)<br>Unrealized Gain | (G)<br>Unrealized Loss | (H)<br>Total<br>Sales/Redemptions<br>this Year - Amount<br>Received | (I)<br>Cash<br>Dividends/Distributions to<br>System this Year | (J)<br>Investment<br>Fees/Expenses<br>From Schedule 7 | (K)<br>=A+B+C+D-E+F-G-H-I-J<br>Market Value at End of<br>Year |
|---|---|--|--|----------------------|----------------------|------------------------|------------------------|---|---|---|---|
| <b>Pooled Domestic Equity</b>               |   |  |  |                      |                      |                        |                        |   |   |   |   |
| 1172 RhumbLine S&P500                       | 39,003,223.19                                     | 0.00   | 795,799.09                             | 2,488,822.48         | 0.00                 | 5,960,829.34           | 10,947,097.13          | 0.00  | 0.00  | 9,088.45  | 37,292,488.52   |
| RhumbLine S&P400                            | 10,778,909.97                                     | 0.00   | 170,083.83                             | 1,014,505.55         | 0.00                 | 1,241,280.61           | 3,493,492.66           | 1,000,000.00  | 0.00  | 1,772.32  | 8,709,514.98  |
| RhumbLine S&P600                            | 11,108,775.25                                     | 0.00   | 158,877.72                             | 903,949.92           | 18,013.92            | 1,920,229.64           | 3,551,498.97           | 2,000,000.00  | 0.00  | 6,407.51  | 8,515,912.13  |
| <b>subtotal</b>                             | <b>60,890,908.41</b>                              | <b>0.00</b>  | <b>1,124,760.64</b>                    | <b>4,407,277.95</b>  | <b>18,013.92</b>     | <b>9,122,339.59</b>    | <b>17,992,088.76</b>   | <b>3,000,000.00</b>   | <b>0.00</b>   | <b>17,268.28</b>                                      | <b>54,517,915.63</b>  |
| <b>Pooled Alternative Investments</b>       |   |  |  |                      |                      |                        |                        |   |   |   |   |
| 1193 Ascent Partners III                    | 106,516.84  | 0.00   | 1,379.44                               | 0.00                 | 0.00                 | 0.00                   | 12,438.15              | 0.00  | 0.00  | 0.00  | 95,458.13   |
| Ascent Partners IV                          | 290,193.74  | 0.00   | 2,953.00                               | 0.00                 | 0.00                 | 1,909.00               | 244,028.00             | 0.00  | 0.00  | 847.00  | 50,180.74   |
| Ascent Partners V                           | 2,829,744.00                                      | 120,000.00   | 35,159.98                              | 0.00                 | 17,587.35            | 40,363.08              | 96,488.16              | 237,966.09  | 0.00  | 83,364.41   | 2,589,861.05  |
| PRIM Alternative Inv '05                    | 325,590.85  | 0.00   | 2,750.59                               | 81,175.24            | 45,119.41            | 52,811.19              | 82,146.23              | 114,567.79  | 0.00  | 1,338.67  | 219,155.77  |
| PRIM Alternative Inv '06                    | 634,390.43  | 0.00   | 5,948.82                               | 121,314.89           | 0.00                 | 12,227.01              | 91,813.10              | 241,727.53  | 0.00  | 3,082.48  | 437,258.04  |
| PRIM Alternative Inv '07                    | 1,351,711.98                                      | 0.00   | 12,657.88                              | 262,460.95           | 0.00                 | 98,911.75              | 221,337.91             | 459,246.45  | 0.00  | 7,095.85  | 1,038,062.35  |
| PRIM Alternative Inv '08                    | 2,068,331.00                                      | 0.00   | 29,536.50                              | 300,378.08           | 0.00                 | 184,266.72             | 180,406.11             | 545,476.19  | 0.00  | 11,653.48   | 1,844,976.52  |
| PRIM Alternative Inv '09                    | 751,269.96  | 0.00   | 19,321.25                              | 241,025.51           | 0.00                 | 75,883.74              | 154,964.62             | 319,398.23  | 0.00  | 10,999.61   | 602,118.00  |
| PRIM Alternative Inv '10                    | 2,245,857.70                                      | 0.00   | 54,879.59                              | 307,505.29           | 0.00                 | 352,856.73             | 160,831.45             | 630,135.13  | 0.00  | 22,097.53   | 2,148,035.20  |
| PRIM Alternative Inv '11                    | 2,468,597.29                                      | 24,948.47  | 40,833.91                              | 444,352.16           | 0.00                 | 475,841.99             | 323,921.77             | 600,365.80  | 0.00  | 27,948.72   | 2,502,337.53  |
| PRIM Alternative Inv '12                    | 1,987,090.86                                      | 152,654.80   | 31,151.39                              | 268,307.20           | 0.75                 | 310,594.08             | 248,337.14             | 197,417.66  | 0.00  | 31,089.34   | 2,272,953.44  |
| PRIM Alternative Inv '13                    | 1,641,814.01                                      | 245,030.60   | 54,154.91                              | 194,390.55           | 31.46                | 322,954.28             | 217,694.15             | 233,954.36  | 0.00  | 28,249.37   | 1,978,415.01  |
| PRIM Alternative Inv '14                    | 1,818,806.73                                      | 227,090.41   | 60,020.96                              | 334,337.49           | 0.00                 | 550,399.11             | 242,360.59             | 324,157.54  | 0.00  | 42,714.94   | 2,381,421.63  |
| PRIM Alternative Inv '15                    | 1,500,437.87                                      | 422,815.20   | 60,001.92                              | 109,284.75           | 0.00                 | 588,971.27             | 120,164.39             | 14,271.29   | 0.00  | 46,145.19   | 2,500,930.14  |
| PRIM Alternative Inv '16                    | 586,870.39  | 876,775.18   | 48,295.50                              | 17,819.35            | 0.00                 | 151,967.75             | 49,353.10              | 8,469.44  | 0.00  | 48,030.84   | 1,575,874.79  |
| PRIM Alternative Inv '17                    | 216,011.34  | 929,849.56   | 87,312.46                              | 49.59                | 0.00                 | 75,274.15              | 75,406.86              | 14,603.05   | 0.00  | 74,843.67   | 1,143,643.52  |
| PRIM Alternative Inv '18                    | 0.00  | 712,666.82   | 10,753.27                              | 0.00                 | 0.00                 | 3,733.26               | 19,602.14              | 0.00  | 0.00  | 11,801.05   | 695,750.16  |
| Lexington Capital                           | 740,071.00  | 0.00   | 102.00                                 | 109,176.00           | 0.00                 | 33,212.00              | 71,567.00              | 187,673.00  | 0.00  | 9,994.00  | 613,327.00  |
| Portfolio Advisors                          | 1,432,846.00                                      | 581,344.00   | 2,154.00                               | 421,140.00           | 0.00                 | 119,778.00             | 123,244.00             | 247,464.00  | 0.00  | 75,839.00   | 2,110,715.00  |
| Glouster Private Equity IV                  | 724,230.62  | 0.00   | 0.00                                   | 255,178.00           | 0.00                 | 27,367.00              | 174,399.00             | 230,000.00  | 0.00  | 32,587.00   | 569,789.62  |
| Glouster Private Equity V                   | 1,572,514.00                                      | 647,500.00   | 1,081.00                               | 206,004.00           | 0.00                 | 276,552.00             | 0.00                   | 707,000.00  | 0.00  | 93,094.00   | 1,903,557.00  |
| Peretta Weinberg                            | 2,888,285.42                                      | 0.00   | 0.00                                   | 269,991.00           | 0.00                 | 69,496.00              | 238,446.00             | 440,806.47  | 0.00  | 77,544.00   | 2,470,975.95  |
| Barings Tower Square                        | 2,836,568.21                                      | 542,274.94   | 283,999.00                             | 57,865.00            | 63,622.00            | 72,181.00              | 133,035.00             | 1,224,749.91  | 0.00  | 111,772.00  | 2,259,709.24  |
| <b>subtotal</b>                             | <b>31,017,750.24</b>                              | <b>5,482,949.98</b>                                | <b>844,447.37</b>                      | <b>4,001,755.05</b>  | <b>126,360.97</b>    | <b>3,897,531.11</b>    | <b>3,281,984.87</b>    | <b>6,979,449.93</b>   | <b>0.00</b>   | <b>852,132.15</b>                                     | <b>34,004,505.83</b>  |
| <b>Commingled Real Estate (Limited F</b>    |   |  |  |                      |                      |                        |                        |   |   |   |   |
| 1194 Intercontinental R.E.                  | 0.00  | 0.00   | (166.00)                               | 0.00                 | 0.00                 | 2,080.26               | 0.00                   | 1,914.26  | 0.00  | 0.00  | 0.00  |
| PRIM Core RE Fund                           | 42,776,535.71                                     | 3,000,000.00                                       | 2,004,865.42                           | 842,272.43           | 226,211.78           | 2,136,826.27           | 2,390,083.50           | 0.00  | 0.00  | 226,572.10  | 47,917,632.45   |
| <b>subtotal</b>                             | <b>42,776,535.71</b>                              | <b>3,000,000.00</b>                                | <b>2,004,699.42</b>                    | <b>842,272.43</b>    | <b>226,211.78</b>    | <b>2,138,906.53</b>    | <b>2,390,083.50</b>    | <b>1,914.26</b>   | <b>0.00</b>   | <b>226,572.10</b>                                     | <b>47,917,632.45</b>  |
| <b>Commingled International Investments</b> |   |  |  |                      |                      |                        |                        |   |   |   |   |
| 1173 RBC Global Asset Mgmt                  | 28,275,518.77                                     | 0.00   | 833,308.51                             | 1,095,366.53         | 51,075.63            | 2,392,343.76           | 7,761,015.89           | 1,000,000.00  | 0.00  | 18,484.84   | 23,765,961.21   |
| MFS Institutional International             | 28,125,365.14                                     | 0.00   | 365,430.90                             | 37,459.98            | 0.00                 | 3,143,339.09           | 6,347,986.60           | 0.00  | 0.00  | 197,089.72  | 25,126,518.79   |
| PRIM Emerging Markets                       | 30,816,701.71                                     | 0.00   | 754,277.18                             | 3,248,502.99         | 524,438.75           | 3,125,165.70           | 11,276,589.60          | 0.00  | 0.00  | 159,301.58  | 25,984,317.65   |
| <b>subtotal</b>                             | <b>87,217,585.62</b>                              | <b>0.00</b>  | <b>1,953,016.59</b>                    | <b>4,381,329.50</b>  | <b>575,514.38</b>    | <b>8,660,848.55</b>    | <b>25,385,592.09</b>   | <b>1,000,000.00</b>   | <b>0.00</b>   | <b>374,876.14</b>                                     | <b>74,876,797.65</b>  |



Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2018

Schedule 5

Schedule of Pooled Funds

|   | (A)  | (B)   | (C)                             | (D)                  | (E)                 | (F)                  | (G)                  | (H)  | (I)  | (J)  | (K)  |
|---|--|---|---------------------------------|----------------------|---------------------|----------------------|----------------------|--|--|--|--|
| Perac<br>Ledger                                     | Market Value at<br>End of Previous<br>Year | Total Purchases<br>this year <u>at cost</u> | Reinvested<br>Investment Income | Realized Gain        | Realized Loss       | Unrealized Gain      | Unrealized Loss      | Total<br>Sales/Redemptions<br>this Year - Amount<br>Received | Cash<br>Dividends/Distributions to<br>System this Year | Investment<br>Fees/Expenses<br>From Schedule 7 | =A+B+C+D-E+F-G-H-I-J<br>Market Value at End of<br>Year |
| <b>Commingled Global Fixed Investments</b>          |  |   |                                 |                      |                     |                      |                      |  |  |  |  |
| 1183 Colchester Global Bond                         | 8,712,432.00                               | 0.00  | 259,453.00                      | 125,019.00           | 357,168.00          | 697,065.00           | 765,495.00           | 0.00   | 0.00   | 52,044.00                                      | 8,619,262.00   |
| Colchester Local Market Det                         | 18,897,583.00                              | 1,000,000.00                                | 1,354,363.00                    | 803,570.00           | 1,144,219.00        | 2,390,122.00         | 4,034,459.00         | 0.00   | 0.00   | 140,528.00                                     | 19,126,432.00  |
| <b>subtotal</b>                                     | <b>27,610,015.00</b>                       | <b>1,000,000.00</b>                         | <b>1,613,816.00</b>             | <b>928,589.00</b>    | <b>1,501,387.00</b> | <b>3,087,187.00</b>  | <b>4,799,954.00</b>  | <b>0.00</b>  | <b>0.00</b>  | <b>192,572.00</b>                              | <b>27,745,694.00</b>                                   |
| <b>Commingled Domestic Fixed Income Investments</b> |  |   |                                 |                      |                     |                      |                      |  |  |  |  |
| 1181 Sherkman Floating Rate Fu                      | 15,272,688.97                              | 0.00  | 751,017.54                      | 0.00                 | 0.00                | 287,102.24           | 879,387.23           | 0.00   | 0.00   | 77,972.99                                      | 15,353,448.53  |
| Sherkman High Yield Fund                            | 12,835,840.68                              | 0.00  | 780,210.20                      | 24,213.79            | 91,074.18           | 168,824.19           | 1,045,307.47         | 0.00   | 0.00   | 69,641.83                                      | 12,603,065.38  |
| PRIM Core Fixed Income                              | 31,502,118.06                              | 2,000,000.00                                | 824,189.26                      | 320,419.43           | 198,639.11          | 1,409,257.78         | 2,599,336.10         | 0.00   | 0.00   | 35,203.59                                      | 33,222,805.73  |
| <b>subtotal</b>                                     | <b>59,610,647.71</b>                       | <b>2,000,000.00</b>                         | <b>2,355,417.00</b>             | <b>344,633.22</b>    | <b>289,713.29</b>   | <b>1,865,184.21</b>  | <b>4,524,030.80</b>  | <b>0.00</b>  | <b>0.00</b>  | <b>182,818.41</b>                              | <b>61,179,319.84</b>                                   |
| <b>TOTAL ALL FUNDS</b>                              | <b>309,123,442.69</b>                      | <b>11,482,949.98</b>                        | <b>9,896,157.02</b>             | <b>14,905,857.15</b> | <b>2,737,201.34</b> | <b>28,771,996.99</b> | <b>58,373,734.02</b> | <b>10,981,364.19</b>   | <b>0.00</b>  | <b>1,848,239.08</b>                            | <b>300,241,865.20</b>                                  |

\* Lexington - Estimated 4th Quarter numbers were provided by Lexington to close out 2017. Finalized 4th Quarter 2017 was released in July 2018. Adjustment made in 2018.  
 Glouster IV - Estimated 4th Quarter numbers were provided by Glouster to close out 2017. Finalized 4th Quarter 2017 was released in May 2018. Adjustment made in 2018.  
 Glouster V - Estimated 4th Quarter numbers were provided by Glouster to close out 2017. Finalized 4th Quarter 2017 was released in May 2018. Adjustment made in 2018.

**Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2018**

**Schedule 6**

**Summary of Investments Owned**

| Category of Investment                                 | Market Value          | Interest Due &<br>Accrued | Paid Accrued<br>Interest on<br>Purchases in<br>Current Year | Commissions<br>Paid During<br>Current Year | Unrealized<br>Gains  | Losses               | Realized<br>Gains    | Losses              | Investment<br>Income<br>Received During<br>Year |
|--|-----------------------|---------------------------|---|--|----------------------|----------------------|----------------------|---------------------|---|
|  |                       |                           |   |  |                      |                      |                      |                     |   |
| 1 1040- Cash   | 8,021,407.10          | 0.00                      | 0.00  | 0.00                                       | 0.00                 | 0.00                 | 0.00                 | 0.00                | 74,755.37                                       |
| 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                 | 54,517,915.63         | 0.00                      | 0.00  | 0.00                                       | 9,122,339.59         | 17,992,088.76        | 4,407,277.95         | 18,013.92           | 1,124,760.64                                    |
| 5c. 1173- Pooled International Equity Funds            | 74,876,797.65         | 0.00                      | 0.00  | 0.00                                       | 8,660,848.55         | 25,385,592.09        | 4,381,329.50         | 575,514.38          | 1,953,016.59                                    |
| 5d. 1174- Pooled Global Equity Funds                   | 0.00                  | 0.00                      | 0.00  | 0.00                                       | 0.00                 | 0.00                 | 0.00                 | 0.00                | 0.00  |
| 5e. 1181- Pooled Domestic Fixed Income Funds           | 61,179,319.64         | 0.00                      | 0.00  | 0.00                                       | 1,865,184.21         | 4,524,030.80         | 344,633.22           | 289,713.29          | 2,355,417.00                                    |
| 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             | 27,745,694.00         | 0.00                      | 0.00  | 0.00                                       | 3,087,187.00         | 4,799,954.00         | 928,589.00           | 1,501,387.00        | 1,613,816.00                                    |
| 5h. 1193- Pooled Alternative Investment/Private Equity | 34,004,505.83         | 0.00                      | 0.00  | 0.00                                       | 3,897,531.11         | 3,281,984.87         | 4,001,755.05         | 126,360.97          | 844,447.37                                      |
| 5i. 1194- Pooled Real Estate Funds                     | 47,917,632.45         | 0.00                      | 0.00  | 0.00                                       | 2,138,906.53         | 2,390,083.50         | 842,272.43           | 226,211.78          | 2,004,699.42                                    |
| 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                                  | 0.00                  | 0.00                      | 0.00  | 0.00                                       | 0.00                 | 0.00                 | 0.00                 | 0.00                | 0.00  |
| 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  |
| <b>TOTAL</b>   | <b>308,263,272.30</b> | <b>0.00</b>               | <b>0.00</b>   | <b>0.00</b>                                | <b>28,771,996.99</b> | <b>58,373,734.02</b> | <b>14,905,857.15</b> | <b>2,737,201.34</b> | <b>9,970,912.39</b>                             |

## Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2018

## Schedule 7

## Summary of Investments Related Fees

|  | Q1 2018           | Q2 2018           | Q3 2018           | Q4 2018           | Accrued Payable<br>at Year End 2018 | Total Paid or<br>Accrued in 2018 | Market Value as of<br>12/31/18 | *Payment<br>Method<br>(N,C,W) | #4701 Carried<br>Interest Exp. | #4702<br>Equalization<br>Expense | #4703 Misc<br>Investment<br>Expense |
|--|-------------------|-------------------|-------------------|-------------------|-------------------------------------|----------------------------------|--------------------------------|-------------------------------|--------------------------------|----------------------------------|-------------------------------------|
| <b>5304- Management Fees</b>                     |                   |                   |                   |                   |                                     |                                  |                                |                               |                                |                                  |                                     |
| RhumbLine Advisers SP500                         | 4,633.00          | 4,794.00          | 4,775.00          | 5,080.00          | 0.00                                | 19,282.00                        | 37,292,488.52                  | C                             | 0.00                           | 0.00                             | 9,088.45                            |
| RhumbLine Advisers SP400                         | 1,285.00          | 1,298.00          | 1,204.00          | 1,254.00          | 0.00                                | 5,041.00                         | 8,709,514.98                   | C                             | 0.00                           | 0.00                             | 1,772.32                            |
| RhumbLine Advisers SP600                         | 1,332.00          | 1,343.00          | 1,304.00          | 1,320.00          | 0.00                                | 5,299.00                         | 8,515,912.13                   | C                             | 0.00                           | 0.00                             | 6,407.51                            |
| RBC Global Asset Management                      | 61,212.50         | 63,092.68         | 60,250.40         | 60,694.32         | 0.00                                | 245,249.90                       | 23,765,961.21                  | C                             | 0.00                           | 0.00                             | 18,484.84                           |
| PRIM Core Real Estate                            | 53,348.49         | 52,182.02         | 59,619.49         | 61,424.10         | 0.00                                | 226,572.10                       | 47,917,632.45                  | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Emerging Markets                            | 56,499.89         | 25,039.27         | 47,322.74         | 30,439.68         | 0.00                                | 159,301.58                       | 25,984,317.65                  | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Core Fixed Income                           | 7,461.65          | 8,611.88          | 9,097.33          | 10,032.73         | 0.00                                | 35,203.59                        | 33,222,805.73                  | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2005            | 391.93            | 381.21            | 257.44            | 308.09            | 0.00                                | 1,338.67                         | 219,155.77                     | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2006            | 726.45            | 1,031.29          | 629.02            | 695.72            | 0.00                                | 3,082.48                         | 437,258.04                     | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2007            | 2,624.88          | 2,275.30          | 673.45            | 1,522.22          | 0.00                                | 7,095.85                         | 1,038,062.35                   | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2008            | 3,164.92          | 3,236.21          | 2,351.36          | 2,900.99          | 0.00                                | 11,653.48                        | 1,844,976.52                   | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2009            | 2,848.37          | 2,750.63          | 2,793.03          | 2,607.58          | 0.00                                | 10,999.61                        | 602,118.00                     | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2010            | 7,305.12          | 5,494.27          | 5,070.52          | 4,227.62          | 0.00                                | 22,097.53                        | 2,148,035.20                   | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2011            | 7,452.65          | 7,766.94          | 7,498.61          | 5,230.52          | 0.00                                | 27,948.72                        | 2,502,337.53                   | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2012            | 8,597.65          | 7,945.36          | 6,959.48          | 7,586.85          | 0.00                                | 31,089.34                        | 2,272,953.44                   | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2013            | 6,170.54          | 7,078.72          | 7,377.34          | 7,622.77          | 0.00                                | 28,249.37                        | 1,978,415.01                   | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2014            | 13,365.10         | 10,443.34         | 9,739.46          | 9,167.04          | 0.00                                | 42,714.94                        | 2,381,421.63                   | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2015            | 10,464.01         | 12,531.24         | 10,868.58         | 12,281.36         | 0.00                                | 46,145.19                        | 2,500,930.14                   | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2016            | 11,656.80         | 12,420.05         | 12,117.90         | 11,836.09         | 0.00                                | 48,030.84                        | 1,575,874.79                   | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2017            | 7,873.24          | 20,297.07         | 21,739.06         | 24,934.30         | 0.00                                | 74,843.67                        | 1,143,643.52                   | N                             | 0.00                           | 0.00                             | 0.00                                |
| PRIM Private Equity Vintage Year 2018            | 0.00              | 121.86            | 4,169.89          | 7,509.30          | 0.00                                | 11,801.05                        | 695,750.16                     | N                             | 0.00                           | 0.00                             | 0.00                                |
| Intercontinental Real Estate Investment Fund III | 0.00              | 0.00              | 0.00              | 0.00              | 0.00                                | 0.00                             | 0.00                           | N                             | 0.00                           | 0.00                             | 0.00                                |
| Ascent Venture Partners III                      | 0.00              | 0.00              | 0.00              | 0.00              | 0.00                                | 0.00                             | 95,458.13                      | N                             | 0.00                           | 0.00                             | 0.00                                |
| Ascent Venture Partners IV                       | 3,735.00          | 3,507.00          | 2,490.00          | (9,233.00)        | 0.00                                | 499.00                           | 50,180.74                      | N                             | 0.00                           | 0.00                             | 348.00                              |
| Ascent Venture Partners V                        | 12,301.53         | 12,302.00         | 9,157.00          | 11,250.00         | 0.00                                | 45,010.53                        | 2,589,861.05                   | N                             | 0.00                           | 0.00                             | 38,353.88                           |
| Lexington Capital Partners VII                   | 1,826.00          | 2,103.00          | 1,857.00          | 1,829.00          | 0.00                                | 7,615.00                         | 613,327.00                     | N                             | 0.00                           | 0.00                             | 2,379.00                            |
| Portfolio Advisers                               | 8,681.00          | 9,470.00          | 10,282.00         | 10,256.00         | 0.00                                | 38,689.00                        | 2,110,715.00                   | N                             | 0.00                           | 0.00                             | 37,150.00                           |
| Glouster Private Equity Opportunities IV LP      | 4,947.00          | 4,947.00          | 4,947.00          | 4,947.00          | 0.00                                | 19,788.00                        | 569,789.62                     | N                             | 8,351.00                       | 0.00                             | 4,448.00                            |
| Glouster Private Equity Opportunities V LP       | 10,938.00         | 10,938.00         | 10,938.00         | 10,936.00         | 0.00                                | 43,750.00                        | 1,903,557.00                   | N                             | 43,393.00                      | 0.00                             | 5,951.00                            |
| Perella Weinberg Partners                        | 10,656.00         | 10,825.00         | 10,417.00         | 10,097.00         | 0.00                                | 41,995.00                        | 2,470,975.95                   | N                             | 0.00                           | 0.00                             | 35,549.00                           |
| Barings Tower Square                             | 11,234.00         | 11,234.00         | 9,741.00          | 9,741.00          | 0.00                                | 41,950.00                        | 2,259,709.24                   | N                             | 62,817.00                      | 0.00                             | 7,005.00                            |
| Colchester Global Bond Fund                      | 13,227.00         | 13,053.00         | 12,965.00         | 12,799.00         | 0.00                                | 52,044.00                        | 8,619,262.00                   | N                             | 0.00                           | 0.00                             | 0.00                                |
| Colchester Local Markets Debt Fund               | 36,596.00         | 35,021.00         | 33,531.00         | 35,380.00         | 0.00                                | 140,528.00                       | 19,126,432.00                  | N                             | 0.00                           | 0.00                             | 0.00                                |
| MFS Institutional International Equity Fund      | 50,368.61         | 49,643.11         | 50,211.74         | 46,866.26         | 0.00                                | 197,089.72                       | 25,126,518.79                  | N                             | 0.00                           | 0.00                             | 0.00                                |
| Shenkman Floating Rate HI Income Fund            | 18,981.69         | 19,345.25         | 19,815.23         | 19,830.82         | 0.00                                | 77,972.99                        | 15,353,448.53                  | N                             | 0.00                           | 0.00                             | 0.00                                |
| Shenkman Primus High Yield Fund                  | 16,026.29         | 16,015.80         | 16,308.71         | 15,997.75         | 0.00                                | 64,348.55                        | 12,603,065.38                  | N                             | 0.00                           | 0.00                             | 5,293.28                            |
| <b>5304 Management Fees TOTAL</b>                | <b>467,930.31</b> | <b>448,538.50</b> | <b>468,478.78</b> | <b>449,372.11</b> | <b>0.00</b>                         | <b>1,834,319.70</b>              | <b>300,241,865.20</b>          |                               | <b>114,561.00</b>              | <b>0.00</b>                      | <b>172,230.28</b>                   |
| <b>5305 Custodial Fees</b>                       |                   |                   |                   |                   |                                     |                                  |                                |                               |                                |                                  |                                     |
| N/A  | 0.00              | 0.00              | 0.00              | 0.00              | 0.00                                | 0.00                             | n/a                            |                               |                                |                                  |                                     |

**Annual Statement of the Hampshire County Retirement System for the Year Ended December 31, 2018**

**Schedule 7**

**Summary of Investments Related Fees**

|   | Q1 2018    | Q2 2018    | Q3 2018    | Q4 2018    | Accrued Payable<br>at Year End 2018 | Total Paid or<br>Accrued in 2018 | Market Value as of<br>12/31/18 | *Payment<br>Method<br>(N,C,W) | #4701 Carried<br>Interest Exp. | #4702<br>Equalization<br>Expense | #4703 Misc<br>Investment<br>Expense |
|---|------------|------------|------------|------------|-------------------------------------|----------------------------------|--------------------------------|-------------------------------|--------------------------------|----------------------------------|-------------------------------------|
| <b>5305 Custodial Fees TOTAL</b>                  |            |            |            |            |                                     |                                  |                                |                               |                                |                                  |                                     |
| <b>5307 Investment Consultant Fees</b>            |            |            |            |            |                                     |                                  |                                |                               |                                |                                  |                                     |
| New England Pension Consultants                   | 26,250.00  | 26,250.00  | 26,250.00  | 26,250.00  | 0.00                                | 105,000.00                       | n/a                            | C                             |                                |                                  |                                     |
| <b>5307 Investment Consultant Fees TOTAL</b>      | 26,250.00  | 26,250.00  | 26,250.00  | 26,250.00  |                                     | 105,000.00                       |                                |                               |                                |                                  |                                     |
| <b>Total Investment Related Fees and Expenses</b> | 494,180.31 | 474,788.50 | 494,728.78 | 475,622.11 | 0.00                                | 1,939,319.70                     | 300,241,865.20                 |                               | 114,561.00                     | 0.00                             | 172,230.28                          |

## SECTION 4 - REQUIRED DISCLOSURES

### Exhibit 4.2 - PERAC Disclosure Information

The most recent actuarial valuation of the System was prepared by KMS Actuaries, LLC as of January 1, 2018.

|   |             |                 |
|---|-------------|-----------------|
| The normal cost for employees on that date was: | \$7,610,223 | 9.0% of payroll |
| The normal cost for the employer was:           | \$6,161,191 | 7.3% of payroll |

|   |               |
|---|---------------|
| The actuarial liability for active members was:               | \$225,096,192 |
| The actuarial liability for retired and inactive members was: | 278,872,370   |
| Total actuarial liability:                                    | \$503,968,562 |
| System assets as of that date:                                | \$309,998,130 |
| Unfunded actuarial accrued liability:                         | \$193,970,432 |

|  |       |
|--|-------|
| The ratio of System assets to total actuarial accrued liability was: | 61.5% |
|--|-------|

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

|                          |   |
|--------------------------|---|
| Investment Return:       | 7.45%   |
| Rate of Salary Increase: | Based on service, 6% graded down to 4.25% for Group 1 |
|                          | Based on service, 7% graded down to 4.75% for Group 4 |

## SECTION 3 - CHAPTER 32 OF M.G.L. APPROPRIATIONS

**Exhibit 3.2 - 30-Year Forecast of Annual Appropriations**

| Fiscal Year Ending | Employer Normal Cost | Amortization Payment of UAL | Amortization Payment of ERI 2002 | Amortization Payment of ERI 2003 | Net 3(8)(c) Transfers | Total Employer Cost | Single Payment on July 1 | Unfunded Actuarial Accrued Liability |
|--------------------|----------------------|-----------------------------|----------------------------------|----------------------------------|-----------------------|---------------------|--------------------------|--------------------------------------|
| 2019               | \$5,450,627          | \$15,813,722                | \$274,015                        | \$289,993                        | \$1,170,088           | \$22,998,445        | \$22,590,057             | \$193,970,432                        |
| 2020               | 6,777,593            | 16,122,775                  | 274,014                          | 289,993                          | 1,258,951             | 24,723,326          | 24,287,083               | 191,743,946                          |
| 2021               | 7,065,642            | 17,688,977                  | 274,014                          | 289,993                          | 1,258,951             | 26,577,577          | 26,108,616               | 189,036,878                          |
| 2022               | 7,365,932            | 18,975,636                  | 274,014                          | 289,993                          | 1,258,951             | 28,164,526          | 27,667,563               | 184,533,286                          |
| 2023               | 7,678,983            | 19,734,661                  | 274,014                          | 289,992                          | 1,258,951             | 29,236,601          | 28,720,721               | 178,383,983                          |
| 2024               | 8,005,340            | 20,524,048                  | 274,015                          | 289,993                          | 1,258,951             | 30,352,347          | 29,816,780               | 171,003,651                          |
| 2025               | 8,345,567            | 21,345,009                  | 274,014                          | 289,993                          | 1,258,951             | 31,513,534          | 30,957,478               | 162,269,656                          |
| 2026               | 8,700,253            | 22,198,809                  | 274,014                          | 289,992                          | 1,258,951             | 32,722,019          | 32,144,639               | 152,049,003                          |
| 2027               | 9,070,014            | 23,086,762                  | 274,014                          | 289,992                          | 1,258,951             | 33,979,733          | 33,380,161               | 140,197,495                          |
| 2028               | 9,455,489            | 24,010,233                  | 274,015                          | 289,993                          | 1,258,951             | 35,288,681          | 34,666,013               | 126,558,857                          |
| 2029               | 9,857,347            | 24,970,641                  | -                                | -                                | 1,258,951             | 36,086,939          | 35,450,185               | 110,963,776                          |
| 2030               | 10,276,285           | 25,969,467                  | -                                | -                                | 1,258,951             | 37,504,703          | 36,842,933               | 93,803,212                           |
| 2031               | 10,713,027           | 27,008,247                  | -                                | -                                | 1,258,951             | 38,980,225          | 38,292,419               | 74,347,091                           |
| 2032               | 11,168,331           | 28,088,576                  | -                                | -                                | 1,258,951             | 40,515,858          | 39,800,956               | 52,383,709                           |
| 2033               | 11,642,985           | 29,212,118                  | -                                | -                                | 1,258,951             | 42,114,054          | 41,370,952               | 27,683,966                           |
| 2034               | 12,137,813           | -                           | -                                | -                                | 1,258,951             | 13,396,764          | 13,160,378               | -                                    |
| 2035               | 12,653,670           | -                           | -                                | -                                | 1,258,951             | 13,912,621          | 13,667,133               | -                                    |
| 2036               | 13,191,451           | -                           | -                                | -                                | 1,258,951             | 14,450,402          | 14,195,425               | -                                    |
| 2037               | 13,752,088           | -                           | -                                | -                                | 1,258,951             | 15,011,039          | 14,746,169               | -                                    |
| 2038               | 14,336,553           | -                           | -                                | -                                | 1,258,951             | 15,595,504          | 15,320,322               | -                                    |
| 2039               | 14,945,856           | -                           | -                                | -                                | 1,258,951             | 16,204,807          | 15,918,873               | -                                    |
| 2040               | 15,581,055           | -                           | -                                | -                                | 1,258,951             | 16,840,006          | 16,542,864               | -                                    |
| 2041               | 16,243,250           | -                           | -                                | -                                | 1,258,951             | 17,502,201          | 17,193,375               | -                                    |
| 2042               | 16,933,589           | -                           | -                                | -                                | 1,258,951             | 18,192,540          | 17,871,533               | -                                    |
| 2043               | 17,653,266           | -                           | -                                | -                                | 1,258,951             | 18,912,217          | 18,578,511               | -                                    |
| 2044               | 18,403,530           | -                           | -                                | -                                | 1,258,951             | 19,662,481          | 19,315,537               | -                                    |
| 2045               | 19,185,680           | -                           | -                                | -                                | 1,258,951             | 20,444,631          | 20,083,886               | -                                    |
| 2046               | 20,001,071           | -                           | -                                | -                                | 1,258,951             | 21,260,022          | 20,884,889               | -                                    |
| 2047               | 20,851,115           | -                           | -                                | -                                | 1,258,951             | 22,110,066          | 21,719,934               | -                                    |
| 2048               | 21,737,288           | -                           | -                                | -                                | 1,258,951             | 22,996,239          | 22,590,471               | -                                    |

Hampshire County Retirement System  
Actuarial Valuation as of January 1, 2018