

**ANNUAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2017
OF THE CONDITIONS AND AFFAIRS OF
ATTLEBORO RETIREMENT SYSTEM**

**Organized under the Laws of the Commonwealth of Massachusetts to the
PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION**

Date of Certificate: 11/24/1936 Effective Date: / /

Administration Office

77 Park Street

Attleboro, MA 02703

Telephone Number(508) 223-2222

We, the undersigned, members of the Board of Retirement of ATTLEBORO RETIREMENT SYSTEM certify under the penalties of perjury, that we are the official board members of said retirement system, and that assets were the absolute property of said retirement systems, 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/her name.*

Ex-Officio Member
DEBORAH C. GOULD

(signature)
(signature)

Appointed Member

Term Expires 02/28/2020

JAMES M. CASTRO

(signature)
(signature)

Elected Member

Term Expires 12/31/2018

BRUCE R. TONDREAU

(signature)
(signature)

Elected Member

Term Expires 12/31/2019

*GARY S. SAGAR

(signature)
(signature)

Member Appointed by Other Members

Term Expires 02/06/2018

RICHARD V. BOUCHER

(signature)
(signature)

INVESTMENT MANAGERS

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

BOSTON ADVISORS, INC.
Name

ONE LIBERTY SQUARE, 10TH FLR., BOSTON, MA 02
Address

INVESCO
Name

101 FEDERAL ST. BOSTON, MA 02110
Address

DARUMA ASSET MGMT.
Name

1120 AVENUE OF THE AMERICAS 21ST. FLOOR NEW Y
Address

INVESTMENT CONSULTANT

DAHAB ASSOCIATES
Name

13 MAIN ST., SUITE 7B, FRANKLIN, MA 02038
Address

CUSTODIAN

PEOPLE'S UNITED BANK
Name

240 CABOT STREET, BEVERLY, MA 01915
Address

Frontier Capital Mgmt. Co. – 99 Summer St., Boston, MA 02110

BTG Pactual – 110 Oakwood Dr., Suite 480, Winston Salem, NC 27103

Hancock Timberland – 99 High St., 26th Flr., Boston, MA 02110-2320

Fidelity– 900 Salem St., Smithfield, RI 02917

PRIT – 84 State St., 2nd Flr., Boston, MA 02109

Wells Capital Management 200 Berkeley St., 24th Flr., Boston, MA 02116

Orleans Capital Management 830 West Causeway Approach, Suite 1200, Mandeville, LA 70471

Intercontinental 1270 Soldiers Field Road, Boston, MA 02135

RhumbLine 265 Franklin St. 21st Floor Boston, MA 02110-3326

State Street Global Advisors 1 Lincoln St. Boston, MA 02111

Copeland Capital Management, LLC 161 Washington St., Suite 1325, Conshohocken, PA 19428

**Annual Statement of the ATTLEBORO RETIREMENT SYSTEM
for the year ended December 31,2017
ANNUAL STATEMENT BALANCE TESTS**

1. ASSET BALANCE		
Assets Previous Year		129,995,986.86
Income Current Year		31,820,557.44
Disbursements Current Year		13,803,807.39
Assets Current Year		148,012,736.91
2. ASSET DIFFERENCE		
Assets Current Year		148,012,736.91
Assets Previous Year		129,995,986.86
Difference		18,016,750.05
3. INCOME DIFFERENCE		
Income Current Year		31,820,557.44
Disbursements Current Year		13,803,807.39
Difference		18,016,750.05
4. FUND CHANGE DIFFERENCE	- Add interfund transfer credits and debits respectively to Income and Disbursement activities.	
Total Fund Change Credits Current Year		38,012,671.54
Total Fund Chage Debits Current Year...		19,995,921.49
Difference		18,016,750.05

NOTE: THE SUMS OF TESTS 2,3, AND 4 SHOULD BE THE SAME.

**Annual Statement of the ATTLEBORO RETIREMENT SYSTEM for
the year ended December 31, 2017**

Assets and Liabilities

	<u>2017</u> <u>End Balance</u>	<u>2016</u> <u>End Balance</u>	<u>2015</u> <u>End Balance</u>
1040 - 1049 Cash	896,300.93	1,772,225.25	2,772,805.64
1100 - Short Term Investments	0.00	0.00	0.00
1180 - Fixed Income Sec (book value)	667.09	760.07	1,057.23
1101 - Pooled Short Term Funds	0.00	0.00	0.00
1170 - Equities	44,088,778.58	45,882,990.12	52,899,285.07
1172 - Pooled Domestic Equity Funds	27,550,908.79	18,167,741.85	7,094,801.98
1173 - Pooled International Equity Funds	23,587,877.86	17,456,069.69	16,662,520.19
1174 - Pooled Global Equity Funds	0.00	0.00	0.00
1181 - Pooled Domestic Fixed Income Funds	0.00	0.00	0.00
1182 - Pooled International Fixed Income Funds	0.00	0.00	0.00
1183 - Pooled Global Fixed Income Funds	28,930,441.67	25,610,308.21	26,197,721.83
1193 - Pooled Alternative Investments	0.00	0.00	0.00
1194 - Pooled Real Estate Funds	23,131,478.26	21,220,558.91	18,470,681.11
1195 - Pooled Domestic Balanced Funds	0.00	0.00	0.00
1196 - Pooled International Balanced Funds	0.00	0.00	0.00
1197 - Hedge Funds	0.00	0.00	0.00
1198 - PRIT Cash	0.00	0.00	0.00
1199 - PRIT Fund	0.00	0.00	0.00
1350 - Prepaid Expenses	0.00	0.00	0.00
1398 - Accounts Receivable (A)	100,324.53	176,376.24	68,825.07
1550 - Interest Due & Accrued Fixed Inc Sec Cur Yr	1,207.76	918.77	444.06
2020 - Accounts Payable (A)	-275,248.56	-291,962.25	-276,382.26
Total	148,012,736.91	129,995,986.86	123,891,759.92
Funds :			
3293 - Annuity Savings Fund	33,506,595.57	33,010,574.16	31,915,245.09
3294 - Annuity Reserve Fund	10,032,650.42	8,819,506.00	8,228,699.31
3295 - Special Military Service Cr Fnd	39,037.15	51,218.07	42,943.93
3296 - Pension Fund	0.00	0.00	0.00
3298 - Expense Fund	0.00	0.00	0.00
3297 - Pension Reserve Fund	104,434,453.77	88,114,688.63	83,704,871.59
Total Assets at Market Value	148,012,736.91	129,995,986.86	123,891,759.92

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

**Annual Statement of the ATTLEBORO RETIREMENT SYSTEM
for the year ended December 31, 2017**

	Balance December 31 <u>2016</u>	Receipts	Interfund Transfers	Disbursements	Balance December 31 <u>2017</u>
Annuity Savings Fund	33,010,574.16	3,630,557.11	-2,734,770.70	399,765.00	33,506,595.57
Annuity Reserve Fund	8,819,506.00	280,668.36	2,747,513.81	1,815,037.75	10,032,650.42
Special Military Service Cr Fnd	51,218.07	632.24	-12,813.16	0.00	39,037.15
Pension Fund	0.00	7,179,454.37	3,444,600.29	10,624,054.66	0.00
Expense Fund	0.00	964,949.98	0.00	964,949.98	0.00
Pension Reserve Fund	88,114,688.63	19,764,295.38	-3,444,530.24	0.00	104,434,453.77
TOTAL ALL FUNDS:	<u>129,995,986.86</u>	<u>31,820,557.44</u>	<u>0.00</u>	<u>13,803,807.39</u>	<u>148,012,736.91</u>

List Below all Transfers:

Transfer from 3297	Fund to the 3296	Fund in the Amount of	3,444,600.29	on account of	Bring negative Balance to zero
Transfer from	Fund to the	Fund in the Amount of		on account of	
Transfer from 3293	Fund to the 3297	Fund in the Amount of	70.05	on account of	Non-refundable interest
Transfer from 3295	Fund to the 3294	Fund in the Amount of	8,483.59	on account of	Military service Dawn Gemme
Transfer from 3295	Fund to the 3294	Fund in the Amount of	4,329.57	on account of	Military Service Walter Guertin
Transfer from 3294	Fund to the 3293	Fund in the Amount of	87,618.31	on account of	Brian Dubuc reinstatement
Transfer from 3294	Fund to the 3293	Fund in the Amount of	3.60	on account of	Too much transferred for Walter
Transfer from 3294	Fund to the 3293	Fund in the Amount of	0.20	on account of	too much transferred Sally Fisher
Transfer from	Fund to the	Fund in the Amount of		on account of	
Transfer from	Fund to the	Fund in the Amount of		on account of	
Transfer from	Fund to the	Fund in the Amount of		on account of	
Transfer from	Fund to the	Fund in the Amount of		on account of	
Transfer from	Fund to the	Fund in the Amount of		on account of	
Transfer from	Fund to the	Fund in the Amount of		on account of	
Transfer from	Fund to the	Fund in the Amount of		on account of	
Transfer from	Fund to the	Fund in the Amount of		on account of	

**Annual Statement of the ATTLEBORO RETIREMENT SYSTEM
for the year ended December 31, 2017**

RECEIPTS

	<u>2017</u>	<u>2016</u>	<u>2015</u>
1. Annuity Savings Fund :			
(a) 4891 - Members Deductions	3,312,552.40	3,200,659.85	3,035,331.22
(b) 4892 - Transfers From Other	264,199.27	351,003.26	60,843.51
(c) 4893 - Make Up and Redeposit Payments	2,588.92	2,439.03	4,806.99
(d) 4900 - Member Payments from Rollovers	9,597.40	28,771.65	15,014.54
(e) Investment Income Cr to Members A/C	41,619.12	39,415.63	38,089.95
Subtotal	3,630,557.11	3,622,289.42	3,154,086.21
2. Annuity Reserve Fund :			
(a) 4750 - Recovery of Annuity from Reinstatement	0.00	0.00	0.00
(b) Investment Income Cr to Annuity Res Fd	280,668.36	259,322.35	239,651.98
Subtotal	280,668.36	259,322.35	239,651.98
3. Pension Fund :			
(a) 4898 - 3(8) (c) Reimburse from Other Sys	138,935.18	111,240.64	108,547.82
(b) 4899 - Rec'd from State for COLA & Surviv	159,019.67	163,329.17	85,050.56
(c) 4894 - Pension Fund Appropriation	6,881,499.52	6,417,651.00	6,166,190.00
(d) 4840 - Workers' Compensation Settlements	0.00	3,000.00	0.00
(e) 4751 - Recovery of Pension from Reinstatement	0.00	0.00	0.00
(f) 4841 - Recovery of 91A Overearnings	0.00	22,864.39	0.00
Subtotal	7,179,454.37	6,718,085.20	6,359,788.38
4. Military Service Fund :			
(a) 4880 - Contributions Rec (for Military Serv)	0.00	0.00	0.00
(a) 4890 - Contributions Rec (for Military Serv)	581.03	8,231.19	0.00
(b) Invest Income Credited	51.21	42.95	42.91
Subtotal	632.24	8,274.14	42.91
5. Expense Fund :			
(a) 4896 - Expense Fund Appropriation	0.00	0.00	0.00
(b) Investment Income Cr to Expense Fund	964,949.98	936,494.56	918,831.69
Subtotal	964,949.98	936,494.56	918,831.69
6. Pension Reserve Fund :			
(a) 4897 - Federal Grant Reimbursement	4,602.14	2,560.52	-2,047.00
(b) 4895 - Pension Reserve Appropriation	0.00	0.00	0.00
(c) 4822 - Interest not Refunded:	197.28	69.79	73.17
(d) 4825 - Misc. Income	16.29	0.00	139.80
(e) Excess Investment Income	19,759,479.67	7,726,122.21	-1,590,743.38
Subtotal	19,764,295.38	7,728,752.52	-1,592,577.41
TOTAL RECEIPTS	31,820,557.44	19,273,218.19	9,079,823.76

**Annual Statement of the ATTLEBORO RETIREMENT SYSTEM
for the year ended December 31, 2017**

Disbursements

	<u>2017</u>	<u>2016</u>	<u>2015</u>
1. Annuity Savings Fund :			
(a) 5757 - Refunds To Members	286,152.27	277,020.35	181,939.53
(b) 5756 - Transfers To Other Systems :	113,612.73	106,060.58	187,311.63
Subtotal	399,765.00	383,080.93	369,251.16
2. Annuity Reserve Fund :			
(a) 5750 - Annuities Paid	1,798,576.78	1,629,095.00	1,470,449.79
(b) 5759 - Option B Refunds	16,460.97	183,300.08	12,785.16
Subtotal	1,815,037.75	1,812,395.08	1,483,234.95
3. Pension Fund :			
(a) 5751 - Pensions Paid	0.00	0.00	0.00
Regular Pension Payments	7,795,966.99	7,338,048.21	6,859,914.02
Survivorship Payments	314,566.06	282,480.92	270,405.50
Ordinary Disability Payments	54,035.28	52,910.28	51,830.28
Accidental Disability Payments	1,386,319.00	1,381,864.49	1,316,405.95
Accidental Death Payments	643,030.01	600,003.18	587,021.03
Section 101 Benefits	119,630.40	116,954.90	114,963.90
(b) 5755 - 3 (8) (c) Reimb To Other Sys	310,506.92	264,758.70	235,372.67
(c) 5752 - COLA's Paid	0.00	0.00	0.00
(d) 5753 - Chapter 389 Ben Increase Pd	0.00	0.00	0.00
Subtotal	10,624,054.66	10,037,020.68	9,435,913.35
4. Military Service Fund :			
(a) 4890 - Return to Municipality for Members who withdrew their fund	0.00	0.00	0.00
Subtotal	0.00	0.00	0.00
5. Expense Fund :			
(a) 5118 Board Member Stipend	15,000.00	15,000.00	15,000.00
(b) 5119 - Salaries	122,272.37	113,075.90	105,326.91
(c) 5304 - Management Fees	655,029.00	639,944.95	633,216.37
(d) 5305 - Custodial Fees	62,393.28	58,644.89	70,722.33
(e) 5307 - Investment Consultant Fees	47,863.00	42,953.41	37,829.74
(f) 5308 - Legal Expenses	27,362.39	25,149.78	21,632.41
(g) 5309 - Medical Expenses	0.00	0.00	0.00
(h) 5310 - Fiduciary Insurance	6,752.00	6,659.00	6,464.00
(i) 5311- Service Contracts	20,430.71	19,457.82	18,531.26
(j) 5312 - Rent Expense	0.00	0.00	0.00
(k) 5315 - Professional Services	0.00	0.00	0.00
(l) 5316 - Actuarial Services	0.00	10,925.00	0.00
(m) 5317 - Accounting Services	0.00	0.00	0.00
(n) 5320 - Education and Training	0.00	0.00	0.00
(o) 5589 - Administrative Expenses	6,055.71	3,243.24	5,476.86
(p) 5599 - Furniture and Equipment	0.00	0.00	3,557.78
(q) 5719 - Travel	1,791.52	1,440.57	1,074.03
(r) 5829 - Depreciation expense: Building	0.00	0.00	0.00
Subtotal	964,949.98	936,494.56	918,831.69
Total Disbursements:	13,803,807.39	13,168,991.25	12,207,231.15

**Annual Statement of the ATTLEBORO RETIREMENT SYSTEM
for the year ended December 31, 2017**

Investment Income

	<u>2017 End Balance</u>	<u>2016 End Balance</u>	<u>2015</u>
Investment Income Received From :			
(a) Cash (from schedules 1)	14,666.49	9,552.36	-1.76
(b) Short Term Investments (sch 2)	0.00	0.00	0.00
(c) Fixed Inc Sec (from sch 3A and 3C)	45.32	52.39	72.89
(d) Equities (from sch 4A and 4C)	604,972.05	715,717.78	775,771.82
(e) Pooled Funds (from Schedule 5)	1,068,788.11	1,108,353.16	674,419.00
(f) Commission Recapture	0.00	0.00	0.00
4821 - TOTAL INVESTMENT INCOME	1,688,471.97	1,833,675.69	1,450,261.95
Plus :			
4884 - Realized Gains	4,397,655.92	2,873,778.73	2,412,308.72
4886 - Unrealized Gains	18,439,031.96	15,188,118.63	11,015,211.31
1550 - Interest Due & Accrued Fixed Inc Sec Cur Yr	1,207.76	918.77	444.06
	22,837,895.64	18,062,816.13	13,427,964.09
Less :			
4823 - Pd Accrued Int - Fixed Inc Securities	0.00	0.00	0.00
4885 - Realized Losses	-2,210,298.02	-2,832,179.18	-2,879,464.24
4887 - Unrealized Losses	-1,268,382.48	-8,102,470.58	-12,392,881.70
1550 - Inc Due & Accrued Prior Year	-918.77	-444.06	-6.95
	-3,479,599.27	-10,935,093.82	-15,272,352.89
NET INVESTMENT INCOME	21,046,768.34	8,961,398.00	-394,126.85
Income Required :			
Annuity Savings Fund (Supp Schedule)	41,619.12	39,415.63	38,089.95
Annuity Reserve Fund	280,668.36	259,322.35	239,651.98
Expense Fund	964,949.98	936,494.56	918,831.69
Special Military Service Cr Fnd	51.21	42.95	42.91
	1,287,288.67	1,235,275.49	1,196,616.53
TOTAL INCOME REQUIRED	1,287,288.67	1,235,275.49	1,196,616.53
Net Investment Income	21,046,768.34	8,961,398.00	-394,126.85
Less : Income Required	-1,287,288.67	-1,235,275.49	-1,196,616.53
EXCESS INCOME TO THE PENSION RESERVE FUND	19,759,479.67	7,726,122.51	-1,590,743.38

Annual Statement of the Attleboro Retirement System for the Year Ended December 31, 2017

MEMBERSHIP FOR CURRENT YEAR

ACTIVE MEMBERS	Group 1	Group 2 & 4	TOTAL
Active Membership, Dec. 31st, Previous Year	488	163	651
Inactive Membership, Dec. 31st, Previous Year	174	1	175
Enrolled During Current Year	54	22	76
Transfers Between Groups			
Reinstatements of Disabled Members		1	1
SUBTOTAL	716	187	903
Deduct:			
Death			
Withdrawals	42	2	44
Retirements	20	11	31
SUBTOTAL	654	174	828
Active Membership, Dec. 31st, Current Year	480	173	653
Inactive Membership, Dec. 31st, Current Year	145	1	146

RETIRED MEMBERS, BENEFICIARIES & SURVIVORS

Retired, Beneficiary, and Survivor Membership, Dec. 31, previous year	259	161	420
Retirements During the Year:			
Superannuation	20	8	28
Ordinary Disability			
Accidental Disability		3	3
Termination Retirement Allowance			
Beneficiary of Deceased Retiree	3	3	6
Survivor Benefits from Active Membership			
SUBTOTAL	282	175	428
Deduct:			
Deaths of Retired Members	13	10	23
Terminations of Survivor Benefits	5		5
Reinstatements of Disabled Pensions		1	1
SUBTOTAL	264	164	428
Retired Membership, Dec. 31, current year			
Superannuation	230	108	338
Ordinary Disability	1	2	3
Accidental Disability	16	16	32
Termination			
Beneficiaries from Accidental Deaths		18	18
Beneficiaries from Section 100	3		3
Beneficiaries from Section 101	2	7	9
Beneficiaries under Option (C)	9	5	14
Option (D) Survivor Allowance	8	1	9
Section 12B Survivor Allowance	2		2
Total Retired, Beneficiary, and Survivor Membership, Dec. 31, Current Year	271	157	428
TOTAL MEMBERSHIP:			
Active, Inactive, Retired, Beneficiary, and Survivor, Dec. 31, Current Year	896	331	1227

Annual Statement of the ATTLEBORO RETIREMENT SYSTEM
for the year ended December 31, 2017
Interest Posted to the Annuity Reserve Fund

<u>Month</u>	<u>(Debits) Credits</u>	<u>Balance</u>	<u>Balance X .0025</u>
January 1st	-----	8819506.00	22048.76
January 31st	184801.64	9004307.64	22510.76
February 28 th	189442.27	9193749.91	22984.37
March 31st	-27007.08	9166742.83	22916.85
April 30 th	144359.50	9311102.33	23277.75
May 31st	103202.87	9414305.20	23535.76
June 30 th	132511.28	9546816.48	23867.04
July 31st	115299.63	9662116.11	24155.29
August 31st	20214.71	9682330.82	24205.82
September 30 th	-100242.53	9582088.29	23955.22
October 31st	-153756.45	9428331.84	23570.82
November 30th	27637.75	9455969.59	23639.92
			280668.36

**Annual Statement of the ATTLEBORO RETIREMENT SYSTEM
for the year ended December 31, 2017**

Schedule A

Detail of Accounts Receivable and Accounts Payable

Accounts Receivable

4891 - Members Deductions/ VETERANS & PAYROLL	78,104.49
4892 - Transfers From Other Systems	0.00
4893 - Member Make Up Payments and Redeposits	0.00
4900 - Member Payments from Rollovers	0.00
4898 - 3-(8)(c) Reimbursements From Other Systems	0.00
4899 - Received from Commonwealth for COLA and Survivor Bene	0.00
4884 - Profit on Sale of Investments	0.00
4894 - Pension Fund Appropriation - City	0.00
4894 - Pension Fund Appropriation - SHA	0.00
4880 - Contr Rec'd from municipality on a/c of mil serv	0.00
4897 -	0.00
4895 - Pension Reserve Appropriation	0.00

Investments Sold but funds not received (list individually)

4901 - OPEN DECEMBER RECEIVABLES 2017 SEE ATTACHED SHEET	22,220.04
4902 -	0.00
4903 -	0.00
4904 -	0.00
4905 -	0.00

Total Receivables 100,324.53

Accounts Payable

5757 - Refunds to Members	0.00
5756 - Transfers to Other Systems	0.00
5750 - Annuities Paid	0.00
5759 - Option B Refunds	0.00
5751 - Pensions Paid	0.00
5755 - 3(8)(c) Reimbursements To Other Systems	0.00
5752 - COLA's Paid	0.00
5753 - Chapter 389 Beneficiary Increase Paid	0.00
4885 - Loss on Sale of Investments	0.00
4890 - Return to Municipality For Members who withdrew funds	0.00
5118 - Board Member Stipend	0.00
5119 - Salaries	0.00
5304 - Management Fees as offset to Expense Fund	140,360.60
5305 - Custodial Fees as offset to Expense Fund	10,440.09
5307 - Consultant Fees	0.00
5308 - Legal Expenses	0.00
5309 - Medical Expenses	0.00
5310 - Fiduciary Insurance	0.00
5311 - Service Contracts	0.00
5312 - Rent Expense	0.00
5315 - Professional Services	0.00
5320 - Education and Training	0.00
5589 - Administrative Expenses	0.00
5599 - Furniture and Equipment	0.00
5719 - Travel Expense	0.00
5820 - Depreciation Expense Building	0.00

Investments Purchased but not paid for (list individually)

5901 - OPEN PAYABLES DECEMBER 2017 SEE ATTACHED SHEET	124,447.87
5902 -	0.00
5903 -	0.00
5904 -	0.00

Total Payables 275,248.56