

# **Annual Statement**

**· OF THE FINANCIAL CONDITION  
· OF THE ANDOVER RETIREMENT BOARD  
· TO THE PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION  
· FOR THE YEAR ENDED 12/31/2017  
·**

## Accounting Close Interest - 2017

02/20/2018 04:24:27

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User: ElenaKothman

Beginning Balance 3294: 12,084,321.94 Beginning Bal 3294 x.0025: 30,210.80

3294 Jan Adj: 164,032.20	5750 Jan Cash Disb: -187,831.09	5759 Jan Cash Disb: -12,686.64	Jan Monthly Total: 12,047,836.41
3294 Feb Adj: 0.00	5750 Feb Cash Disb: -188,534.09	5759 Feb Cash Disb: 0.00	Feb Monthly Total: 11,859,302.32
3294 Mar Adj: 15,917.53	5750 Mar Cash Disb: -188,473.64	5759 Mar Cash Disb: 0.00	Mar Monthly Total: 11,686,746.21
3294 Apr Adj: 271,549.39	5750 Apr Cash Disb: -189,269.65	5759 Apr Cash Disb: 0.00	Apr Monthly Total: 11,769,025.95
3294 May Adj: 293,869.55	5750 May Cash Disb: -192,231.71	5759 May Cash Disb: 0.00	May Monthly Total: 11,870,663.79
3294 Jun Adj: 328,470.19	5750 Jun Cash Disb: -192,920.87	5759 Jun Cash Disb: 0.00	Jun Monthly Total: 12,006,213.11
3294 Jul Adj: 336,918.42	5750 Jul Cash Disb: -195,858.02	5759 Jul Cash Disb: 0.00	Jul Monthly Total: 12,147,273.51
3294 Aug Adj: 19,250.66	5750 Aug Cash Disb: -197,614.43	5759 Aug Cash Disb: 0.00	Aug Monthly Total: 11,968,909.74
3294 Sep Adj: 665,124.08	5750 Sep Cash Disb: -199,095.79	5759 Sep Cash Disb: 0.00	Sep Monthly Total: 12,434,938.03
3294 Oct Adj: 533,541.72	5750 Oct Cash Disb: -203,873.55	5759 Oct Cash Disb: 0.00	Oct Monthly Total: 12,764,606.20
3294 Nov Adj: 163,294.00	5750 Nov Cash Disb: -204,683.12	5759 Nov Cash Disb: 0.00	Nov Monthly Total: 12,723,217.08
3294 Dec Adj: -2,007,658.03	5750 Dec Cash Disb: -205,355.84	5759 Dec Cash Disb: 0.00	Dec Monthly Total: 10,510,203.21
Jan Mthly Total x .0025: 30,119.59			
Feb Mthly Total x .0025: 29,648.26			
Mar Mthly Total x .0025: 29,216.87			
Apr Mthly Total x .0025: 29,422.56			
May Mthly Total x .0025: 29,676.66			
Jun Mthly Total x .0025: 30,015.53			
Jul Mthly Total x .0025: 30,368.18			
Aug Mthly Total x .0025: 29,922.27			
Sep Mthly Total x .0025: 31,087.35			
Oct Mthly Total x .0025: 31,911.52			
Nov Mthly Total x .0025: 31,808.04			
Total x .0025 No Dec: 363,407.64			
Mth Total + x .0025: 10,873,610.85			
ASF 3293 Interest: 45,476.13			
MSF 3295 Interest: 10.80			
EXPF 3298 Interest: 899,401.24			
PRF Interest: 20,502,615.87			

Annual Statement for the Year Ended December 31, 2017 of the conditions and Affairs of the Andover Retirement Board.

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

Date of Certificate 07/01/1937

Effective Date 07/01/1937

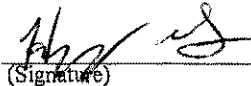
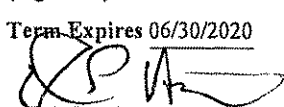
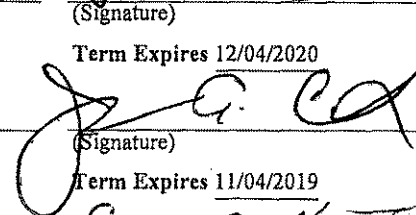
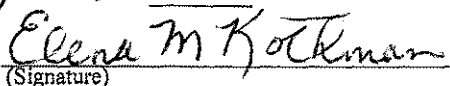
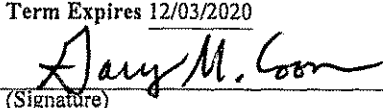
ADMINISTRATION OFFICE

Town Offices, 36 Bartlet Street  
Street & Number

Andover, MA 01810  
City/Town, State and Zip Code

(978) 623-8540  
Telephone Number

We, the undersigned, members of the Andover Retirement Board certify under penalties of perjury, that that we are the official board members of said retirement system, and that on the thirty-first date of December last, all of the herein-described assets were the absolute property of said retirement system, free and clear from any liens or claims thereon, except as stated, and the following statements, with the schedules and explanations therein contained, annexed, or referred to, are a full and correct exhibit of all of the assets, liabilities, income and disbursements, changes in fund balances, and the conditions and affairs of said retirement system on the said thirty-first date of December last, and for the year ended on that date, according to the best of our information, knowledge, and belief respectively.

Board Of Retirement	Ex-Officio Member	
	Hayley S. Green	
	(Name)	(Signature)
	Appointed Member	Term Expires 06/30/2020
	Thomas P. Hartwell	
	(Name)	(Signature)
	Elected Member	Term Expires 12/04/2020
	James A. Cuticchia (Chairman)	
	(Name)	(Signature)
	Elected Member	Term Expires 11/04/2019
	Elena M. Kothman	
	(Name)	(Signature)
	Member Appointed by Other Members	Term Expires 12/03/2020
	Gary M. Coon	
	(Name)	(Signature)
Investment Managers	PRIM	84 State Street, Suite 250 Boston, MA 02109
Investment Consultant	Dahab Associates, Inc	31 Hayward St, Ste C-3, Franklin, MA 02038
Custodian	No Custodian	No Custodian

**ANNUAL STATEMENT BALANCE TESTS**

**1. ASSET BALANCE**

Assets Previous Year	123,558,211.85
Income Current Year	35,775,589.04
Disbursements Current Year	15,562,039.77
Assets Current Year	143,771,761.12

**2. ASSET DIFFERENCE**

Assets Current Year	143,771,761.12
Assets Previous Year	123,558,211.85
Difference	20,213,549.27

**3. INCOME DIFFERENCE**

Income Current Year	35,775,589.04
Disbursements Current Year	15,562,039.77
Difference	20,213,549.27

**4. FUND CHANGE DIFFERENCE**

Total Fund Change Credits Current Year	40,716,583.65
Total Fund Change Debits Current Year	-20,503,034.38
Difference	20,213,549.27

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

**Annual Statement of the Andover Retirement Board for the Year Ended December 31, 2017.**

**ASSETS & LIABILITIES**

	<b>2017</b>	<b>2016</b>	<b>2015</b>
1. 1040 Cash	692,337.69	801,965.54	610,831.93
2. 1100 Short Term Investments	0.00	0.00	0.00
3. 1180 Fixed Income Securities	0.00	0.00	0.00
4. 1170 Equities	0.00	0.00	0.00
5. 1101 Pooled Short Term Funds	0.00	0.00	0.00
6. 1172 Pooled Domestic Equity Funds	41,259,855.41	0.00	0.00
7. 1173 Pooled International Equity Funds	7,423,426.60	0.00	0.00
8. 1174 Pooled Global Equity Funds	0.00	0.00	0.00
9. 1181 Pooled Domestic Fixed Income Funds	12,595,357.85	0.00	0.00
10. 1182 Pooled International Fixed Income Funds	0.00	0.00	0.00
11. 1183 Pooled Global Fixed Income Funds	0.00	0.00	0.00
12. 1193 Pooled Alternative Investments	0.00	0.00	0.00
13. 1194 Pooled Real Estate Funds	11,339,481.59	0.00	0.00
14. 1195 Pooled Domestic Balanced Funds	0.00	0.00	0.00
15. 1196 Pooled International Balanced Funds	0.00	0.00	0.00
16. 1197 Hedge Funds	0.00	0.00	0.00
17. 1198 PRIT Cash	351,062.29	350,640.66	500,240.84
18. 1199 PRIT Fund	70,115,178.87	122,409,914.40	114,449,116.52
19. 1550 Interest Due and Accrued	0.00	0.00	0.00
20. 1350 Prepaid Expenses	0.00	1,450.00	1,450.00
21. 1398 Accounts Receivable (A)	5,168.94	3,897.24	98,723.53
22. 1910 Land	0.00	0.00	0.00
23. 1920 Buildings	0.00	0.00	0.00
24. 1929 Accumulated Depreciation – Buildings	0.00	0.00	0.00
25. 2020 Accounts Payable (A)	(-10,108.12)	(-9,655.99)	(-8,107.64)
<b>TOTAL</b>	<b>143,771,761.12</b>	<b>123,558,211.85</b>	<b>115,652,255.18</b>
<b>FUNDS</b>			
1. 3293 Annuity Savings Fund	41,886,893.43	41,552,729.12	40,059,979.04
2. 3294 Annuity Reserve Fund	13,232,039.29	12,084,321.94	11,496,564.95
3. 3295 Military Service Fund	31,774.23	10,802.74	10,791.95
4. 3296 Pension Fund	0.00	0.00	0.00
5. 3298 Expense Fund	0.00	0.00	0.00
6. 3297 Pension Reserve Fund	88,621,054.17	69,910,358.05	64,084,919.24
<b>TOTAL ASSETS AT MARKET VALUE</b>	<b>143,771,761.12</b>	<b>123,558,211.85</b>	<b>115,652,255.18</b>

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

Annual Statement of the Andover Retirement Board for the Year Ended December 31, 2017.

	Balance Dec. 31 Prior year	Receipts	Interfund Transfers	Disbursements	Balance Dec.31 Current Year
Annuity Savings Fund	41,552,729.12	4,009,835.49	-3,147,233.04	-528,438.14	41,886,893.43
Annuity Reserve Fund	12,084,321.94	363,407.64	3,142,738.15	-2,358,428.44	13,232,039.29
Pension Fund	0.00	9,977,515.49	1,798,256.46	-11,775,771.95	0.00
Military Service Fund	10,802.74	20,971.49	0.00	0.00	31,774.23
Expense Fund	0.00	899,401.24	0.00	-899,401.24	0.00
Pension Reserve Fund	69,910,358.05	20,504,457.69	-1,793,761.57	0.00	88,621,054.17
<b>Total All Funds</b>	<b>123,558,211.85</b>	<b>35,775,589.04</b>	<b>- 0 -</b>	<b>-15,562,039.77</b>	<b>143,771,761.12</b>

List below all transfers:

Xfer from	Pension Reserve Fund	to	Pension Fund Control	in the amt of	3,147,233.04	on acct of	Retirements
	Control Acct		Account				
Xfer from	Annuity Reserve Fund	to	Annuity Savings Fund	in the amt of	106.42	on acct of	error in interest transfer 2016
	Control Acct		Control Acct				Bucuzzo
Xfer from	Annuity Savings Fund	to	Pension Reserve Fund	in the amt of	4,400.67	on acct of	Inactive accounts 10+ years
	Control Acct		Control Acct				
Xfer from	Pension Reserve Fund	to	Pension Fund Control	in the amt of	1,798,256.46	on acct of	Retirement benefits
	Control Acct		Account				
Xfer from	Annuity Savings Fund	to	Pension Reserve Fund	in the amt of	94.22	on acct of	Interest forfeited after
	Control Acct		Control Acct				retirement
Xfer from		to		in the amt of		on acct of	

**Annual Statement of the Andover Retirement Board for the Year Ended December 31, 2017.**

**RECEIPTS**

	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>1. Annuity Savings Fund:</b>			
(a) 4891 Members' Deductions	3,776,001.67	3,714,800.20	3,575,209.14
(b) 4892 Transfers from Other Systems	112,929.08	545,291.08	465,389.72
(c) 4893 Member Make Up Payments and Redeposits	43,237.24	25,376.07	26,782.38
(d) 4900 Member Payments from Rollovers	32,191.37	45,106.25	57,023.98
(e) Investment Income Credited to Members' Accounts	45,476.13	53,730.58	52,110.00
<b>Subtotal</b>	<b>4,009,835.49</b>	<b>4,384,304.18</b>	<b>4,176,515.22</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	363,407.64	347,758.59	338,178.21
<b>Subtotal</b>	<b>363,407.64</b>	<b>347,758.59</b>	<b>338,178.21</b>
<b>3. Pension Fund:</b>			
(a) 4898 3(8)(c) Reimbursements from Other Systems	439,849.38	404,349.38	362,387.20
(b) 4899 Received from Commonwealth for COLA & Survivor Bft	34,550.11	71,053.74	74,941.80
(c) 4894 Pension Fund Appropriation	9,496,516.00	8,665,124.00	8,007,778.00
(d) 4840 Workers Compensation Settlement	6,600.00	0.00	6,000.00
(e) 4751 Recovery of Pension from Reinstatement	0.00	0.00	0.00
(f) 4841 Recovery of 91A Overearnings	0.00	0.00	0.00
<b>Subtotal</b>	<b>9,977,515.49</b>	<b>9,140,527.12</b>	<b>8,451,107.00</b>
<b>4. Military Service Fund:</b>			
(a) 4890 Contributions Received from Municipality	20,960.69	0.00	0.00
(b) Investment Income Credited	10.80	10.79	12.29
<b>Subtotal</b>	<b>20,971.49</b>	<b>10.79</b>	<b>12.29</b>
<b>5. Expense Fund:</b>			
(a) 4896 Expense Fund Appropriation	0.00	0.00	0.00
(b) Investment Income Credited to Expense Fund	899,401.24	934,996.64	844,856.67
<b>Subtotal</b>	<b>899,401.24</b>	<b>934,996.64</b>	<b>844,856.67</b>
<b>6. Pension Reserve Fund:</b>			
(a) 4897 Federal Grant Reimbursement	0.00	0.00	0.00
(b) 4895 Pension Reserve Appropriation	0.00	0.00	0.00
(c) 4822 Interest Not Refunded	1,571.33	4,195.68	9,669.79
(d) 4825 Miscellaneous Income	270.49	258.36	1,955.38
(e) Excess Investment Income	20,502,615.87	7,659,854.34	335,720.64
<b>Subtotal</b>	<b>20,504,457.69</b>	<b>7,664,308.38</b>	<b>347,345.81</b>
<b>TOTAL RECEIPTS</b>	<b>35,775,589.04</b>	<b>22,471,905.70</b>	<b>14,158,015.20</b>

Annual Statement of the Andover Retirement Board for the Year Ended December 31, 2017.

**DISBURSEMENTS**

	2017	2016	2015
<b>1. Annuity Savings Fund:</b>			
(a) 5757 Refunds to Members	277,752.05	183,189.15	147,794.86
(b) 5756 Transfers to Other Systems	250,686.09	208,014.14	187,533.42
<b>Subtotal</b>	<b>528,438.14</b>	<b>391,203.29</b>	<b>335,328.28</b>
<b>2. Annuity Reserve Fund:</b>			
(a) 5750 Annuities Paid	2,345,741.80	2,161,727.32	1,997,897.14
(b) 5759 Option B Refunds	12,686.64	62,004.61	31,403.60
<b>Subtotal</b>	<b>2,358,428.44</b>	<b>2,223,731.93</b>	<b>2,029,300.74</b>
<b>3. Pension Fund:</b>			
(a) 5751 Pensions Paid	11,289,979.56	10,665,337.03	10,104,207.72
Regular Pension Payments	9,240,379.71	8,615,297.11	8,071,492.66
Survivorship Payments	565,241.65	549,413.47	469,642.24
Ordinary Disability Payments	66,759.18	58,592.46	57,576.90
Accidental Disability Payments	1,305,395.18	1,337,459.45	1,403,867.08
Accidental Death Payments	103,068.84	102,348.84	101,628.84
Section 101 Benefits	9,135.00	2,225.70	0.00
(b) 5755 3(8)(c) Reimbursements To Other Systems	485,792.39	350,680.14	377,836.13
(c) 5752 COLAs Paid	0.00	0.00	0.00
(d) 5753 Chapter 389 Beneficiary Increase Paid	0.00	0.00	0.00
<b>Subtotal</b>	<b>11,775,771.95</b>	<b>11,016,017.17</b>	<b>10,482,043.85</b>
<b>4. Military Service Fund:</b>			
(a) 4890 Return to Municipality for Members who Withdrew 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	6,000.00	5,957.00	6,000.00
(b) 5119 Salaries	153,543.89	154,463.55	142,576.72
(c) 5304 Management Fees	602,104.13	630,153.24	582,855.25
(d) 5305 Custodial Fees	0.00	0.00	0.00
(e) 5307 Investment Consultant Fees	30,000.00	18,777.62	0.00
(f) 5308 Legal Expenses	29,407.00	20,101.00	21,134.11
(g) 5309 Medical Expenses	165.69	0.00	0.00
(h) 5310 Fiduciary Insurance	7,380.00	7,278.00	7,063.00
(i) 5311 Service Contracts	32,548.79	25,330.00	33,225.00
(j) 5312 Rent Expense	0.00	0.00	0.00
(k) 5315 Professional Services	3,000.00	22,250.00	5,000.00
(l) 5316 Actuarial Services	6,000.00	14,500.00	5,240.00
(k) 5317 Accounting Services	0.00	0.00	0.00
(n) 5320 Education And Training	250.00	800.00	0.00
(o) 5589 Administrative Expenses	27,186.33	30,069.89	37,081.63
(p) 5599 Furniture and Equipment	987.37	2,195.20	1,392.27
(q) 5719 Travel	828.04	3,121.14	3,288.69
(r) 5829 Depreciation Expense: Building	0.00	0.00	0.00
<b>Subtotal</b>	<b>899,401.24</b>	<b>934,996.64</b>	<b>844,856.67</b>
<b>TOTAL DISBURSEMENTS</b>	<b>15,562,039.77</b>	<b>14,565,949.03</b>	<b>13,691,529.54</b>



**Annual Statement of the Andover Retirement Board for the Year Ended December 31, 2017.**

**INVESTMENT INCOME**

Investment Income received from:	2017	2016	2015
(a) Cash (from Schedule 1)	0.00	0.00	0.00
(b) Short Term Investments (from Schedule 2)	0.00	0.00	0.00
(c) Fixed Income Securities (from Schedules 3A and 3C)	0.00	0.00	0.00
(d) Equities (from Schedules 4A and 4C)	0.00	0.00	0.00
(e) Pooled Funds (from Schedule 5)	3,702,662.61	3,365,354.03	2,965,688.15
(f) Commission Recapture	0.00	0.00	0.00
<b>4821 TOTAL INVESTMENT INCOME</b>	<b>3,702,662.61</b>	<b>3,365,354.03</b>	<b>2,965,688.15</b>
<b>Plus:</b>			
4884 Realized Gains (Profits)	5,594,911.39	3,322,366.43	4,163,202.51
4886 Unrealized Gains (Increase in Market Value)	13,308,935.08	10,083,392.97	5,980,109.85
1550 Interest Due & Accrued on Fixed Income Securities at End Of Current Year	0.00	0.00	0.00
<b>Less:</b>			
4823 Paid Accrued Interest on Fixed Income Securities	0.00	0.00	0.00
4885 Realized Losses	200,721.34	65,126.03	52,046.97
4887 Unrealized Losses (Decrease in Market Value)	594,876.06	7,709,636.46	11,486,075.73
1550 Interest Due and Accrued on Fixed Income Securities Prior Year	0.00	0.00	0.00
<b>NET INVESTMENT INCOME</b>	<b>21,810,911.68</b>	<b>8,996,350.94</b>	<b>1,570,877.81</b>
<b>Income required:</b>			
Annuity Savings Fund (from Supplementary Schedule)	45,476.13	53,730.58	52,110.00
Annuity Reserve Fund	363,407.64	347,758.59	338,178.21
Expense Fund	899,401.24	934,996.64	844,856.67
Military Service Fund	10.80	10.79	12.29
<b>TOTAL INCOME REQUIRED</b>	<b>1,308,295.81</b>	<b>1,336,496.60</b>	<b>1,235,157.17</b>
Net Investment Income	21,810,911.68	8,996,350.94	1,570,877.81
Less Income Required	1,308,295.81	1,336,496.60	1,235,157.17
<b>EXCESS INCOME TO PENSION RESERVE FUND</b>	<b>20,502,615.87</b>	<b>7,659,854.34</b>	<b>335,720.64</b>

Annual Statement of the Andover Retirement Board 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	588	138	726
Inactive Membership, Dec. 31st, Previous Year	114	6	120
Enrolled During Current Year	76	6	82
Transfers Between Groups	0	0	0
Reinstatements of Disabled Members	0	0	0
<b>SUBTOTAL</b>	76	6	82
Deduct:			
Death	0	0	0
Withdrawals	35	2	37
Retirements	27	7	34
<b>SUBTOTAL</b>	62	9	71
Active Membership, Dec. 31st, Current Year	597	134	731
Inactive Membership, Dec. 31st, Current Year	119	7	126

**RETIRED MEMBERS, BENEFICIARIES & SURVIVORS**

Retired, Beneficiary and Survivor Membership, Dec. 31st, Previous Year	332	105	437
Retirements During the Year			
Superannuation	28	8	36
Ordinary Disability	1	0	1
Accidental Disability	1	0	1
Termination Retirement Allowance	0	0	0
Beneficiary of Deceased Retiree	2	1	3
Survivor Benefits from Active Membership	0	0	0
<b>SUBTOTAL</b>	32	9	41
Deduct:			
Deaths of Retired Members	8	1	9
Termination of Survivor Benefits	2	1	3
Reinstatements of Disabled Pensions	0	0	0
<b>SUBTOTAL</b>	10	2	12
Retired Membership, Dec. 31st, Current Year			
Superannuation	297	84	381
Ordinary Disability	4	0	4
Accidental Disability	18	16	34
Termination	0	0	0
Beneficiaries from Accidental Deaths	2	0	2
Beneficiaries from Section 100	0	0	0
Beneficiaries from Section 101	0	1	1
Beneficiaries under Option C	16	7	23
Option (D) Survivor Allowance	17	4	21
Section 12B Survivor Allowance	0	0	0

<b>Total Retired, Beneficiary and Survivor Membership, Dec. 31st, Current Year</b>	<b>354</b>	<b>112</b>	<b>466</b>
<b>TOTAL MEMBERSHIP</b>			
Active, Inactive, Retired, Beneficiary and Survivor, Dec. 31st, Current Year	1,070	253	1,323

Annual Statement of the Andover Retirement Board for the Year Ended December 31, 2017.

Schedule A: Detail of Accounts Receivable and Accounts Payable

Accounts Receivable	Amount	Original Date
4751 Recovery of Pension from Reinstatement	0.00	
4840 Workers Compensation Settlements	0.00	
4841 Recovery of 91A Overearnings	0.00	
4891 Members Deductions	4,655.68	12/31/2017
4892 Transfers From Other Systems	6.17	12/31/2017
4893 Member Make Up Payments and Redeposits	57.70	12/31/2017
4900 Member Payments from Rollovers	0.00	
4898 3(8)(c) Reimbursements from Other Systems	0.00	
4899 Received from Commonwealth for COLA and Survivor Benefits	0.00	
4884 Realized Gain on Sale of Investments	0.00	
4894 Pension Fund Appropriation (Current Fiscal Year)	0.00	
4894 Pension Fund Appropriation (Previous Fiscal Year)	0.00	
4890 Contributions Received from Municipality on Account of Military Service	0.00	
4897 Federal Grant Reimbursement	0.00	
4895 Pension Reserve Appropriation	0.00	
Investments Sold But Funds Not Received (list individually)		
Pension overpayment reimbursement	449.39	12/31/2017
	0.00	
	0.00	
	0.00	
<b>TOTAL RECEIVABLES</b>	<b>5,168.94</b>	
<b>Accounts Payable</b>		
5316 Actuarial Services	0.00	
5317 Accounting Services	0.00	
5320 Education and Training	0.00	
5757 Refunds to Members	0.00	
5756 Transfers to Other Systems	0.00	
5750 Annuities Paid	0.00	
5759 Option B Refund	0.00	
5751 Pensions Paid	0.00	
5755 3(8)(c) Reimbursements to Other Systems	0.00	
5752 COLAs Paid	0.00	
5753 Chapter 389 Beneficiary Increase Paid	0.00	
4885 Realized Loss on Sale of Investments	0.00	
4890 Return to Municipality for Members Who Withdrew Their Funds	0.00	
5118 Board Members' Stipend	0.00	
5119 Salaries	-150.00	12/31/2017
5304 Management Fees	0.00	
5305 Custodial Fees	0.00	
5307 Investment Consultant Fees	-7,500.00	12/31/2017
5308 Legal Expenses	-2,136.00	12/31/2017
5309 Medical Expenses	0.00	
5310 Fiduciary Insurance	0.00	
5311 Service Contracts	0.00	
5312 Rent Expense	0.00	
5315 Professional Services Expense	0.00	
5589 Administrative Expenses	-322.12	12/31/2017
5599 Furniture and Equipment	0.00	
5719 Travel	0.00	
Investments Purchased But Not Paid For (list individually)		
	0.00	
	0.00	
	0.00	
	0.00	
<b>TOTAL PAYABLES</b>	<b>-10,108.12</b>	

**ANNUAL STATEMENT OF THE ANDOVER CONTRIBUTORY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2017**

**SCHEDULE 1**

**CASH ACCOUNT ACTIVITY DURING YEAR**

FUND	CUSIP	SECURITY DESCRIPTION	BOOK VALUE AT END OF PREVIOUS YEAR	TOTAL DEPOSITS/WITHDRAWALS THIS YEAR	BOOK VALUE AT END OF YEAR	INCOME RECEIVED THIS YEAR	INCOME DUE AND ACCRUED AT YEAR END
1040		BANK OF AMERICA	801,965.54	(109,627.85)	692,337.69	0.00	0.00

ANNUAL STATEMENT OF THE ANDOVER CONTRIBUTORY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2017

SCHEDULE 2A

SHORT TERM SECURITIES OWNED AT END OF YEAR

<u>FUND</u>	<u>CUSIP</u>	<u>SECURITY DESCRIPTION</u>	<u>MATURITY</u>		<u>PAR VALUE</u>	<u>PRICE</u>	<u>MARKET VALUE AT END OF YEAR</u>	<u>CHANGE IN</u>	<u>INTEREST</u>	<u>INTEREST DUE AND ACCRUED AT YEAR END</u>
			<u>RATE</u>	<u>DATE</u>				<u>MARKET VALUE</u>	<u>RECEIVED</u>	
								<u>INCR/DECR</u>	<u>DURING YEAR</u>	

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## ANNUAL STATEMENT OF THE ANDOVER CONTRIBUTORY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2017

## SCHEDULE 2B

## SHORT TERM SECURITIES PURCHASED DURING YEAR

<u>FUND</u>	<u>CUSIP</u>	<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u> <u>DATE</u>	<u>PAR VALUE</u>	<u>TRADE</u> <u>DATE</u>	<u>NAME OF BROKER</u>	<u>COMM</u>	<u>ACCRUED</u> <u>INT PAID</u>	<u>COST INCLUDING</u> <u>COMMISSION BUT</u> <u>EXCLUDING INT</u>
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## ANNUAL STATEMENT OF THE ANDOVER CONTRIBUTORY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2017

## SCHEDULE 2C

## SHORT TERM SECURITIES SOLD 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>PROCEEDS FROM SALE</u>	<u>BOOK VALUE</u>	<u>PROFIT/LOSS ON SALE</u>	<u>INTEREST RECEIVED DURING YEAR</u>
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## ANNUAL STATEMENT OF THE ANDOVER CONTRIBUTORY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2017

## SCHEDULE 3A

## FIXED INCOME SECURITIES OWNED AT END OF YEAR

<u>FUND</u>	<u>CUSIP</u>	<u>SECURITY DESCRIPTION</u>	<u>MATURITY</u>		<u>PAR VALUE</u>	<u>PRICE</u>	<u>MARKET VALUE AT END OF YEAR</u>	<u>CHANGE IN</u>	<u>INTEREST</u>	<u>INTEREST DUE</u>
			<u>RATE</u>	<u>DATE</u>				<u>MARKET VALUE</u>	<u>RECEIVED</u>	<u>AND ACCRUED</u>
								<u>INCR/DECR</u>	<u>DURING YEAR</u>	<u>AT YEAR END</u>

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## ANNUAL STATEMENT OF THE ANDOVER CONTRIBUTORY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2017

## SCHEDULE 3B

## FIXED INCOME SECURITIES PURCHASED DURING YEAR

<u>FUND</u>	<u>CUSIP</u>	<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u> <u>DATE</u>	<u>PAR VALUE</u>	<u>TRADE</u> <u>DATE</u>	<u>NAME OF BROKER</u>	<u>COMM</u>	<u>ACCRUED</u> <u>INT PAID</u>	<u>COST INCLUDING</u> <u>COMMISSION BUT</u> <u>EXCLUDING INT</u>
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## ANNUAL STATEMENT OF THE ANDOVER CONTRIBUTORY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2017

## SCHEDULE 3C

## FIXED INCOME SECURITIES SOLD DURING YEAR

<u>FUND</u>	<u>CUSIP</u>	<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u> <u>DATE</u>	<u>PAR VALUE</u>	<u>TRADE</u> <u>DATE</u>	<u>NAME OF BROKER</u>	<u>COMM</u>	<u>PROCEEDS</u> <u>FROM SALE</u>	<u>BOOK</u> <u>VALUE</u>	<u>PROFIT/LOSS</u> <u>ON SALE</u>	<u>INTEREST</u> <u>RECEIVED</u> <u>DURING YEAR</u>
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## ANNUAL STATEMENT OF THE ANDOVER CONTRIBUTORY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2017

**SCHEDULE 4A**  
EQUITIES OWNED AT END OF YEAR

<u>FUND</u>	<u>CUSIP</u>	<u>SECURITY DESCRIPTION</u>	<u>SHARES</u>	<u>PRICE PER SHARE</u>	<u>MARKET VALUE AT END OF YEAR</u>	<u>CHANGE IN MARKET VALUE INCR/DECR</u>	<u>DIVIDENDS RECEIVED DURING YEAR</u>
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**ANNUAL STATEMENT OF THE ANDOVER CONTRIBUTORY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2017**

**SCHEDULE 4B**  
EQUITIES PURCHASED DURING YEAR

<u>FUND</u>	<u>CUSIP</u>	<u>SECURITY DESCRIPTION</u>	<u>SHARES</u>	TRADE <u>DATE</u>	<u>NAME OF BROKER</u>	<u>COMM</u>	COST INCLUDING <u>COMMISSION</u>
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ANNUAL STATEMENT OF THE ANDOVER CONTRIBUTORY RETIREMENT SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2017

**SCHEDULE 4C**  
EQUITIES SOLD DURING YEAR

<u>FUND</u>	<u>CUSIP</u>	<u>SECURITY DESCRIPTION</u>	<u>SHARES</u>	<u>TRADE DATE</u>	<u>NAME OF BROKER</u>	<u>COMM</u>	<u>PROCEEDS FROM SALE</u>	<u>BOOK VALUE</u>	<u>PROFIT/LOSS ON SALE</u>	<u>DIVIDENDS RECEIVED DURING YEAR</u>
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**Annual Statement of the Andover Retirement System for the Year Ended December 31, 2017**

**Schedule No. 5**

**Schedule of Pooled Funds**

PERAC Ledger Number	Description	Market Value at End of Previous Year	Total Purchases This Year at Cost	Reinvested Investment Income	Realized Gain	Realized Loss	Unrealized Gain	Unrealized Loss	Total Sales/ Redemptions this Year - Amount Received	Cash Dividends/ Distributions to System this Year	Fees Paid	Market Value at End of Year
1199	PRIT Core Fund	122,409,914.40	0.00	2,887,537.19	4,867,237.12	0.00	9,349,114.91	0.00	(68,871,230.26)	0.00	(527,394.49)	70,115,178.87
1198	PRIT Cash	350,640.66	8,000,000.00	12,191.37					(8,885,000.00)	873,230.26		351,062.29
1181-0001	PRIT Core Fixed Income	0.00	5,490,000.00	51,509.21	26,399.71	(12,583.68)	141,608.41	(82,418.82)	0.00	0.00	(2,314.65)	5,612,200.18
1194	PRIT Core Real Estate	0.00	10,980,000.00	239,848.05	44,029.66	(176,919.80)	316,342.28	(35,982.94)	0.00	0.00	(27,835.66)	11,339,481.59
1172	PRIT Domestic Equity	0.00	37,800,000.00	314,506.86	445,578.35	0.00	3,088,919.85	(371,212.43)	0.00	0.00	(17,937.22)	41,259,855.41
1173-0001	PRIT Emerging Markets	0.00	4,118,000.00	32,923.02	165,843.00	0.00	233,669.42	(60,405.10)	0.00	0.00	(7,038.56)	4,482,991.78
1173-0002	PRIT International Equity	0.00	2,745,000.00	23,570.98	39,568.72	0.00	140,569.91	(5,548.03)	0.00	0.00	(2,726.76)	2,940,434.82
1181-0002	PRIT Value Added Fixed Income	0.00	6,865,000.00	140,575.93	6,254.83	(11,217.86)	38,710.30	(39,308.74)	0.00	0.00	(16,856.79)	6,983,157.67
Total:		122,760,555.06	75,998,000.00	3,702,662.61	5,594,911.39	(200,721.34)	13,308,935.08	(594,876.06)	(77,756,230.26)	873,230.26	(602,104.13)	143,084,362.61

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

## Schedule No. 6

### Summary of Investments Owned

Category of Investment			Current Market Value	Interest Due and Accrued as of Dec 31, 2017	Paid Accrued Interest on Purchases in Current Year	Commissions Paid During Current Year	Unrealized Gains	Unrealized Losses	Realized Gains	Realized Losses	Investment Income Received During Year
1.	1040	Cash	692,337.69								0.00
2.	1100	Short Term Investments	0.00								
3.	1180	Fixed Income Securities	0.00								
4.	1170	Equities	0.00								
5a.	1101	Pooled Short Term Funds	0.00								
5b.	1172	Pooled Domestic Equity Funds	41,259,855.41				3,088,919.85	(371,212.43)	445,578.35	0.00	314,506.86
5c.	1173	Pooled International Equity Funds	7,423,426.60				374,239.33	(65,953.13)	205,411.72	0.00	56,494.00
5d.	1174	Pooled Global Equity Funds	0.00								
5e.	1181	Pooled Domestic Fixed Income Funds	12,595,357.85				180,318.71	(121,727.56)	32,654.54	(23,801.54)	192,085.14
5f.	1182	Pooled International Fixed Income Funds	0.00								
5g.	1183	Pooled Global Fixed Income Funds	0.00								
5h.	1193	Pooled Alternative Investments	0.00								
5i.	1194	Pooled Real Estate Funds	11,339,481.59				316,342.28	(35,982.94)	44,029.66	(176,919.80)	239,848.05
5j.	1195	Pooled Domestic Balanced Funds	0.00								
5k.	1196	Pooled International Balanced Funds	0.00								
5l.	1198	PRIT Cash	351,062.29								12,191.37
5m.	1199	PRIT Core Fund	70,115,178.87				9,349,114.91	0.00	4,867,237.12	0.00	5,044,113.95
<b>TOTAL</b>			<b>143,776,700.30</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13,308,935.08</b>	<b>(594,876.06)</b>	<b>5,594,911.39</b>	<b>(200,721.34)</b>	<b>5,859,239.37</b>

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

## Schedule No. 7

### Summary of Investment Related Fees

Manager/Vendor-All managers/Vendors must be listed						Accrued Payable at Year end 2017	Total Paid or Accrued in 2017	*Payment Method (N,C,W)	
PRIT			Q 1 2017	Q 2 2017	Q 3 2017	Q 4 2017			
	5304	Management Fees	161,863.30	183,373.46	131,500.57	125,366.80	0.00	602,104.13	N
	5304	Management Fees TOTAL	161,863.30	183,373.46	131,500.57	125,366.80	0.00	602,104.13	N
	5305	Custodial Fees	NONE						
	5305	Custodial Fees TOTAL							
							Total		
Dahab			Q 1 2017	Q 2 2017	Q 3 2017	Q 4 2017			
	5307	Investment Consultant Fees	7,500.00	7,500.00	7,500.00	7,500.00		30,000.00	C
	5307	Investment Consultant Fees TOTAL	7,500.00	7,500.00	7,500.00	7,500.00		30,000.00	

Note: 5304 Management Fees from Disbursements Page 5, 4(c), 5305 Custodial Fees from Disbursements Page 5, 4(d),  
5307 Investment Consultant Fees from Disbursements Page 5, 4(e)

\*N=Net/C=Check/W=Wire