



**CAMBRIA COUNTY PENSION FUND**  
**FINANCIAL STATEMENT**  
**DECEMBER 31, 2013**



February 2014

Once again it is with pleasure that the Cambria County Retirement Board presents the following summarization of the Employees Retirement Fund for the year of 2013.

While we once again saw an increase in the number of Retirees and the monthly payroll paid to them, we also were able to achieve an increase in the total value of the fund through our 8 fund managers. There were 705 active employees contributing to the Fund as of December 31, 2013. The number of Retirees rose to 1005 as of December 31, 2013.

On January 1, 2013, the Fund had assets of \$163,704,052 in it and by year end, even though we had a greater number of Retirees, the total Assets had a market value of \$184,283,536.

Throughout the next few pages is a summary of the Fund as a whole. As you review this information remember that the Retirement Board is active and constantly on watch to ensure the Fund continues to be a safe, solid, and reliable source of Retirement Income to the over 1000 retirees of Cambria County. Also, by the Board's diligence and the professional group of Managers and Consultants, we are helping to keep the cost of the Fund low to the County Budget. The County contributed \$2,203,855 toward its part to the Fund, and also paid \$3,189,787 toward Retiree Health Care for those individuals who qualified.

After your review, should you have any questions, please direct them to the Controller's Office at (814) 472-1620 and we will be glad to assist you.

Thank You and Best Wishes,

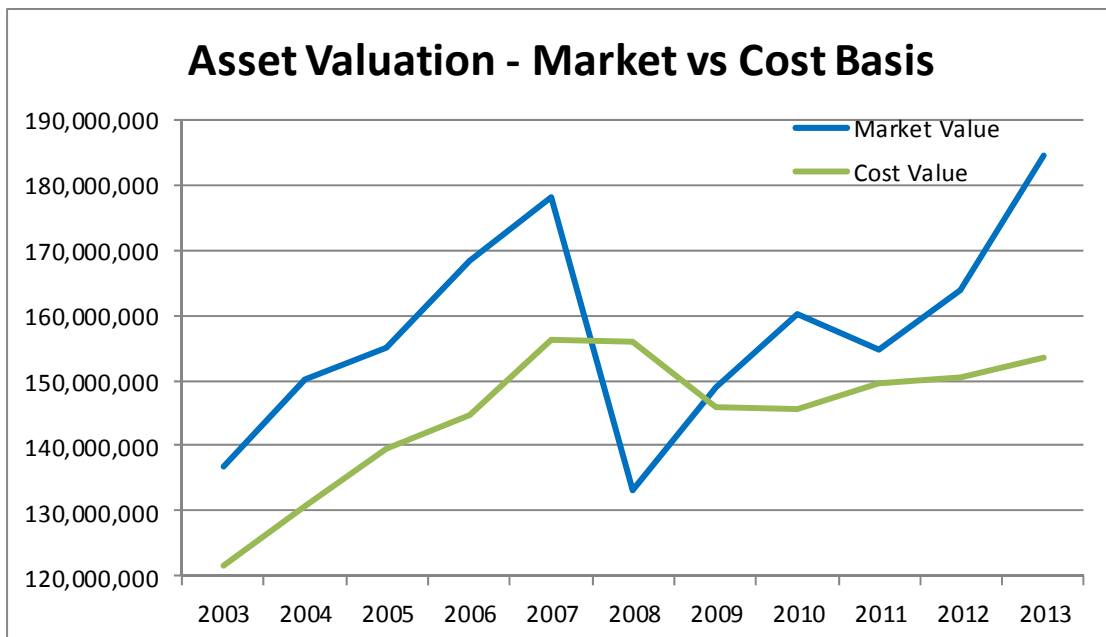
***Cambria County Retirement Board***



**CAMBRIA COUNTY**

**Statement of Plan Assets As Of December 31, 2013**

<u>Assets</u>	<u>Cost Value</u>	<u>Market Value</u>
Cash and Short Term Investments	\$ 1,353,573.74	\$ 1,353,573.74
Receivables	319,422.45	319,422.45
 Investments:		
U.S. Government Obligations	18,459,402.87	18,287,555.93
Domestic Corporate Bonds	19,719,208.56	19,742,361.47
Fixed Income Mutual Funds	16,531,544.63	16,709,829.28
Domestic Equities	29,911,793.32	39,049,970.49
International Equities	19,498,810.82	26,027,536.75
Domestic Mutual Funds	40,454,782.24	54,761,861.65
Real Estate	7,206,840.69	8,031,424.49
 Total Assets December 31, 2013	 \$ <u>153,455,379.32</u>	 \$ <u>184,283,536.25</u>



Dear Retiree,

2013 presented us with many new challenges. The fund started the year at \$163,704,052 and ended the year with a market value of \$184,283,536.

We continued to process former employees from Laurel Crest Manor to the retirement rolls as well as other County department employees. At years end there were still 60 former Laurel Crest employees that have not started their retirement. At the end of 2013, the Cambria County Retirement Fund had 1005 retirees. Throughout 2013 our Office processed 61 new individuals to retirement. The total payroll of the Cambria County Retirement fund including member contributions that were refunded, and death benefits paid out for 2013 was \$12,136,736. We have had a slight decrease in the administrative fees associated with the processing of the Fund, down \$5,952 to total \$85,507. The fees paid to the various managers and consultants increased by \$36,038 due to our significantly increased market value.

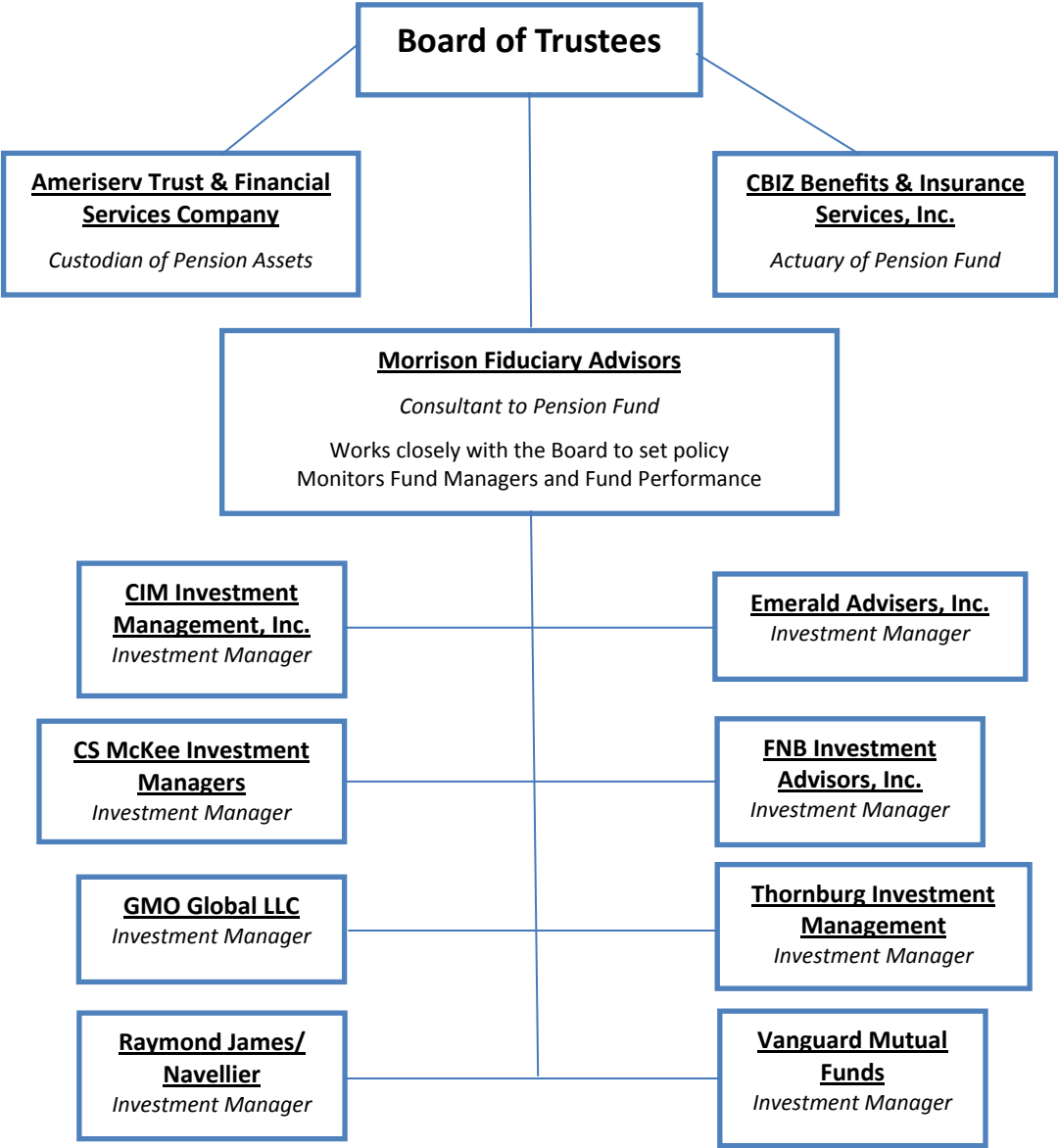
Even though we paid out an additional \$900,000 more in pension benefits to our retirees and their beneficiaries, the ending value of the fund on 12/31/2013 increased by over \$20.5 million.

As a result of all the efforts of our Board of Trustees, Investment Managers, Consultant, Custodian, and Actuary, the Cambria County Retirement Fund continues to be a sound reliable source of retirement income for former employees of Cambria County. I would like to acknowledge the efforts of Second Deputy Dana Descavish, who processes all of the payments and handles your daily inquiries, and Deputy Controller Kristine Segear, who reviews all transactions of the fund and is my backup to the overall operations of the Fund. They are great assets to me and the County as we provide this service to you.

Ed Cernic Jr.  
Retirement Fund Secretary



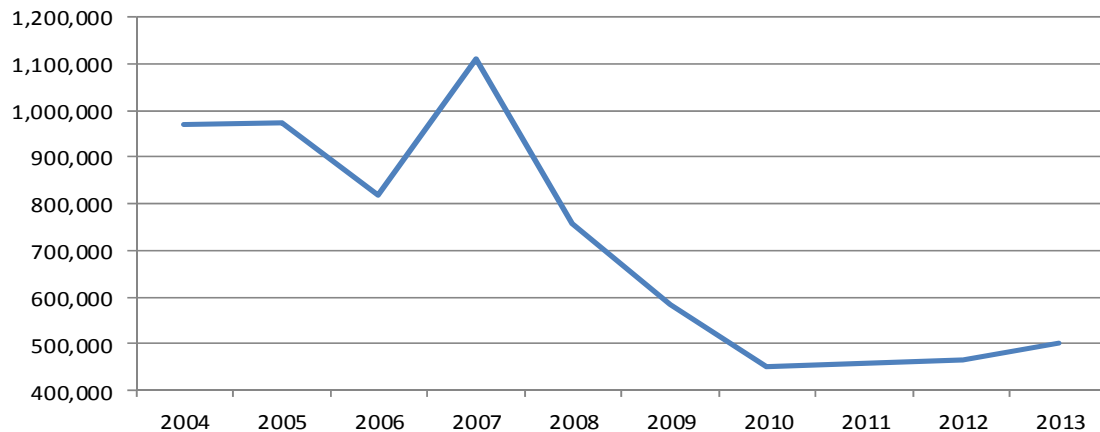
# Structure of the Plan Management



**CAMBRIA COUNTY RETIREMENT FUND  
COMPARISON OF MARKET VALUE BY FUND TO MANAGEMENT FEES**

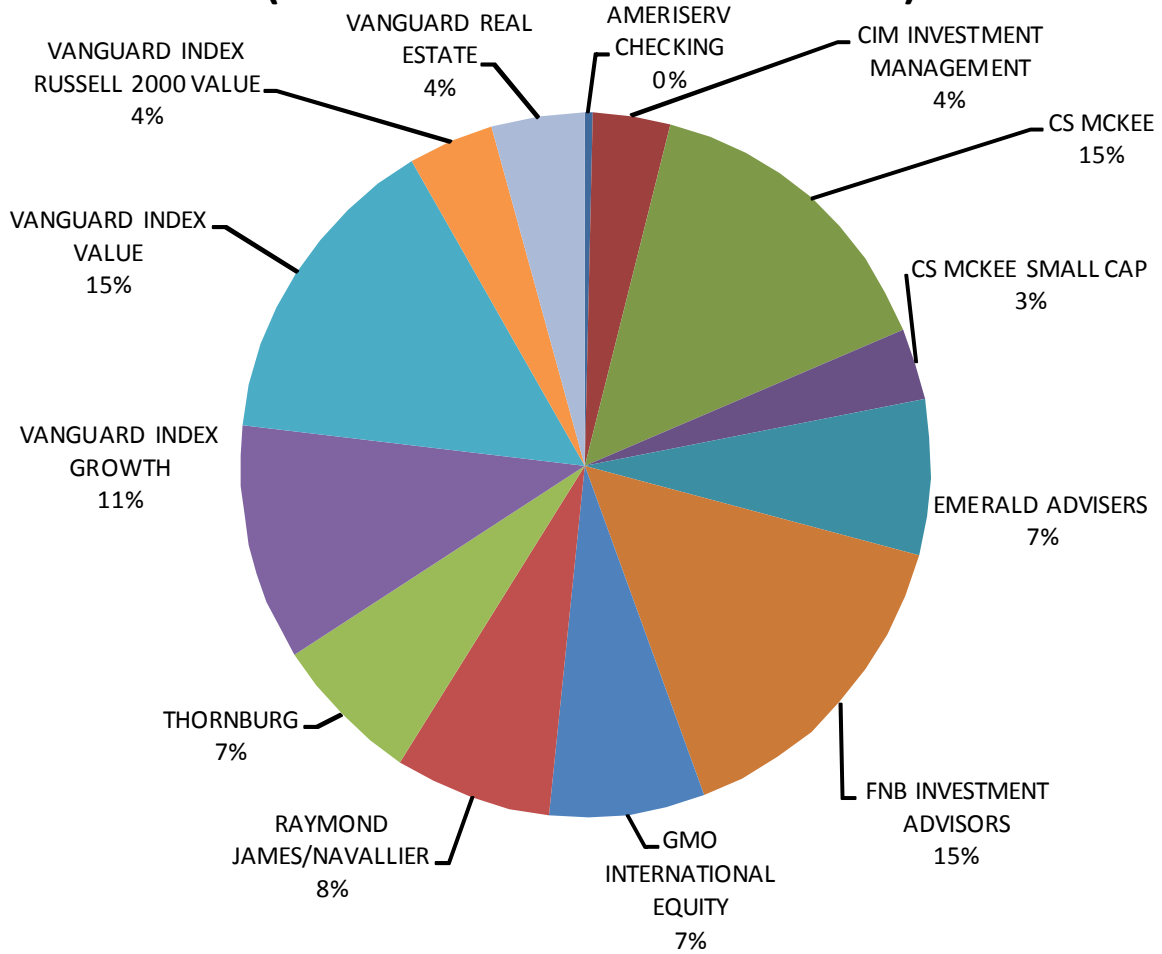
	<b>12/31/13 MARKET VALUE</b>	<b>ANNUAL FEES</b>	<b>APPROX. FEES ON MUTUAL FDS</b>	<b>TOTAL MGMT FEES</b>
AMERISERV CHECKING	573,638.15			
CIM	6,806,884.72	30,704.76		30,704.76
CS MCKEE	33,193,546.98	123,460.10		123,460.10
EMERALD ADVISERS	13,141,259.42	62,046.29		62,046.29
FNB INVESTMENT ADVISORS	28,078,462.53	40,241.90		40,241.90
GMO INTERNATIONAL EQUITY	13,363,702.79		98,891.40	98,891.40
RAYMOND JAMES/NAVELLIER	13,668,921.56	51,280.47		51,280.47
THORNBURG INTERNATIONAL	12,663,833.96		82,314.92	82,314.92
VALLEY FORGE	Sold 8/2013	28,569.04		28,569.04
VANGUARD - GROWTH	20,044,654.90		16,035.72	16,035.72
VANGUARD - VALUE	27,297,174.92		21,837.74	21,837.74
VANGUARD - VALUE RUSSELL 2000	7,420,031.83		11,872.05	11,872.05
VANGUARD REAL ESTATE	8,031,424.49		6,425.14	6,425.14
AMERISERV TRUST (CUSTODIAN)		73,160.65		73,160.65
CBIZ (ACTUARY)		23,040.00		23,040.00
MORRISON FIDUCIARY ADVISORS		67,486.82		67,486.82
	<b>184,283,536.25</b>	<b>499,990.03</b>	<b>237,376.98</b>	<b>737,367.01</b>

**Investment Management Fees Paid by Year \***



\* Chart does not include approximate Mutual Fund Fees

# CAMBRIA COUNTY RETIREMENT PLAN PORTFOLIO AS OF 12/31/13 (% OF PORTFOLIO BY MANAGER)



AMERISERV CHECKING	CIM INVESTMENT MANAGEMENT
CS MCKEE	CS MCKEE SMALL CAP
EMERALD ADVISERS	FNB INVESTMENT ADVISORS
GMO INTERNATIONAL EQUITY	RAYMOND JAMES/NAVALIER
THORNBURG	VANGUARD INDEX GROWTH
VANGUARD INDEX VALUE	VANGUARD INDEX RUSSELL 2000 VALUE
VANGUARD REAL ESTATE	

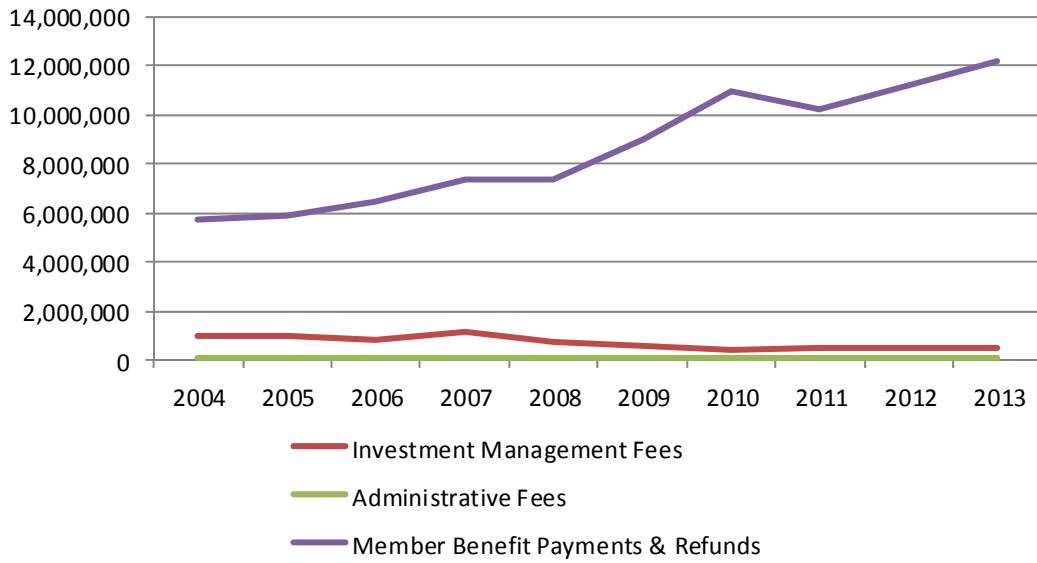
**CAMBRIA COUNTY**  
**Employees' Retirement Fund 2013 Financial Report**

**Statement of Changes in Plan Net Assets For The Year Ended December 31, 2013**

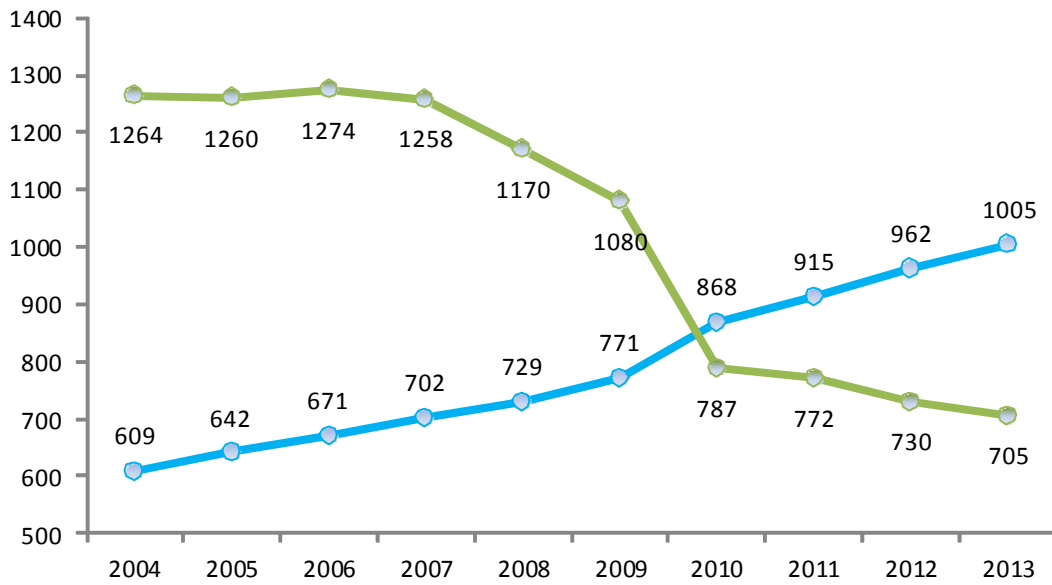
Total Assets (cost value) January 1, 2013	\$ <u>150,427,180.59</u>
<b>Additions/Income</b>	
Member Contributions (including member share of military or leave of absence buyback)	2,622,179.80
Member purchase of County share of military or leave of absence	21,816.58
County Contributions	2,203,855.00
Investment Income:	
Interest	727,804.47
Dividends	2,458,428.94
Realized Capital Gains	7,392,250.58
Net Accrued Interest/other	319,422.45
Miscellaneous	<u>0.00</u>
<b>Total Additions</b>	<b>+\$ <u>15,745,757.82</u></b>
<b><u>Deductions / Expenses</u></b>	
Member Contributions Refunded	420,400.59
Retirement allowances paid (includes C-O-L and accumulated deductions withdrawn under Option 4)	11,108,504.73
Death Benefits	607,830.46
Administrative Expenses	85,506.82
Investment expenses	499,890.03
Miscellaneous	0.00
Change in Accounts Payable	<u>(4,573.54)</u>
<b>Total Deductions</b>	<b>-\$ <u>12,717,559.09</u></b>
<b><u>Net Increase</u></b>	<b>\$ <u>3,028,198.73</u></b>
Total Assets (cost value) December 31, 2013	\$ <u>153,455,379.32</u>
Unrealized appreciation/depreciation	<u>30,828,156.93</u>
Total Assets (market value) December 31, 2013	\$ <u>184,283,536.25</u>



## Comparison of Annual Expenses



## Number of Retirees versus Employees at Year End



**CAMBRIA COUNTY RETIREMENT PLAN PORTFOLIO AS OF 12/31/13**

<b>COST</b>	<b>CASH EQUIVALENTS</b>	<b>GOVERNMENT &amp; AGENCIES</b>	<b>CORPORATE</b>	<b>MUTUAL FUNDS</b>	<b>EQUITIES</b>	<b>TOTAL</b>
AMERISERV CHECKING	573,638.15					573,638.15
CIM	139,919.26				4,812,487.27	4,952,406.53
CS MCKEE	47,407.15	9,119,486.37	17,830,793.96			26,997,687.48
CS MCKEE SMALL CAP	91,396.77				4,706,119.83	4,797,516.60
EMERALD ADVISERS INC	132,925.75				9,953,379.27	10,086,305.02
FNB INVESTMENT ADVISORS INC	94,991.95	9,339,916.50	1,888,414.60	16,531,544.63		27,854,867.68
GMO INTERNATIONAL EQUITY				10,621,308.72		10,621,308.72
RAYMOND JAMES/ NAVILLIER	271,575.92				10,439,806.95	10,711,382.87
THORNBURG INTER- NATIONAL EQUITY				8,877,502.10		8,877,502.10
VANGUARD INDEX- GROWTH				13,356,359.06		13,356,359.06
VANGUARD INDEX - VALUE				20,488,585.40		20,488,585.40
VANGUARD INDEX - VALUE RUSSELL 2000				6,609,837.78		6,609,837.78
VANGUARD REAL ESTATE				7,206,840.69		7,206,840.69

**778,216.80    18,459,402.87    19,719,208.56    83,691,978.38    29,911,793.32    152,560,599.93**

MARKET	CASH EQUIVALENTS	GOVERNMENT & AGENCIES	CORPORATE	MUTUAL FUNDS	EQUITIES	TOTAL
AMERISERV CHECKING	573,638.15					573,638.15
CIM	139,919.26				6,658,515.88	6,798,435.14
CS MCKEE	47,407.15	9,025,049.68	17,846,542.47			26,918,999.30
CS MCKEE SMALL CAP	91,396.77				5,995,067.00	6,086,463.77
EMERALD ADVISERS INC	132,925.75				13,006,694.55	13,139,620.30
FNB INVESTMENT ADVISORS INC	94,991.95	9,262,506.25	1,895,819.00	16,709,829.28		27,963,146.48
GMO INTERNATIONAL EQUITY				13,363,702.79		13,363,702.79
RAYMOND JAMES/NAVILLIER	271,575.92				13,389,693.06	13,661,268.98
THORNBURG INTERNATIONAL EQUITY				12,663,833.96		12,663,833.96
VANGUARD INDEX-GROWTH				20,044,654.90		20,044,654.90
VANGUARD INDEX - VALUE				27,297,174.92		27,297,174.92
VANGUARD INDEX - VALUE RUSSELL 2000				7,420,031.83		7,420,031.83
VANGUARD REAL ESTATE				8,031,424.49		8,031,424.49

**1,351,854.95    18,287,555.93    19,742,361.47    105,530,652.17    39,049,970.49    183,962,395.01**

ACCRUALS	INTEREST	DIVIDENDS	CASH	TOTAL MKT VAL
	269,657.35	49,765.10	1,718.79	* 184,283,536.25

## ***CAMBRIA COUNTY RETIREMENT BOARD MEMBERS***



Douglas R. Lengenfelder, Chairman  
President Commissioner



Mark J. Wissinger, Vice-Chairman  
County Commissioner



Thomas C. Chernisky, Trustee  
County Commissioner



Lisa M. Kozorosky, Trustee  
County Treasurer



Ed Cernic Jr., Secretary  
County Controller

Report prepared by the staff of the Cambria County Controller's Office and printed in-house. Please forward any suggestions or comments to Ed Cernic, Jr, Cambria County Controller, 200 South Center St, Ebensburg, PA 15931, by phone at (814) 472-1620, or by e-mail to [ddecavish@co.cambria.pa.us](mailto:ddecavish@co.cambria.pa.us)