

# **CAMBRIA COUNTY**

## **RETIREMENT FUND**

### **FINANCIAL STATEMENT**



**December 31, 2021**

**23rd Annual Edition**

# Cambria County Retirement Board

May 2022

Once again we present our overview of the Cambria County Retirement Fund and its performance for 2021.

It has certainly been a trying time period since the beginning of the pandemic. However, the Fund has shown that the investment policies and procedures we have put in place have once again served us well. In 2021 our fund has reached the highest level of funding at \$263.8 million and the number of retirees increased to 1,135 at year end. To ensure the continued stability of the Fund, it was necessary for the County to adjust the County Contribution. In July 2021, the Board of Commissioners followed the recommendation by the Controller's Office which was confirmed by our Consultant, to increase the percentage of payroll contributed to the Fund from 11.5% to 12%. This adjustment will continue to keep our Fund as one of the top County Retirement Funds in Pennsylvania.

The Retirement Board continues to be diligent stewards over our managers by insisting on the best performance with minimum risk. The times continue to fluctuate and we need to make sure our managers are at their best in the handling of our funds. The next 12 to 18 months will present many challenges for us, but you can be assured that we will keep our Fund safe, solvent, and secure for the future.

Sincerely,

***Cambria County Retirement Board of Trustees***

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## ACTIVE PLAN MEMBERS

Check out all the Retirement Information available on the Cambria County Website under the Retirement Board tab at [www.cambriacountypa.gov](http://www.cambriacountypa.gov)

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### CAMBRIA COUNTY EMPLOYEE RETIREMENT PRESENTATION



frequently  
asked questions

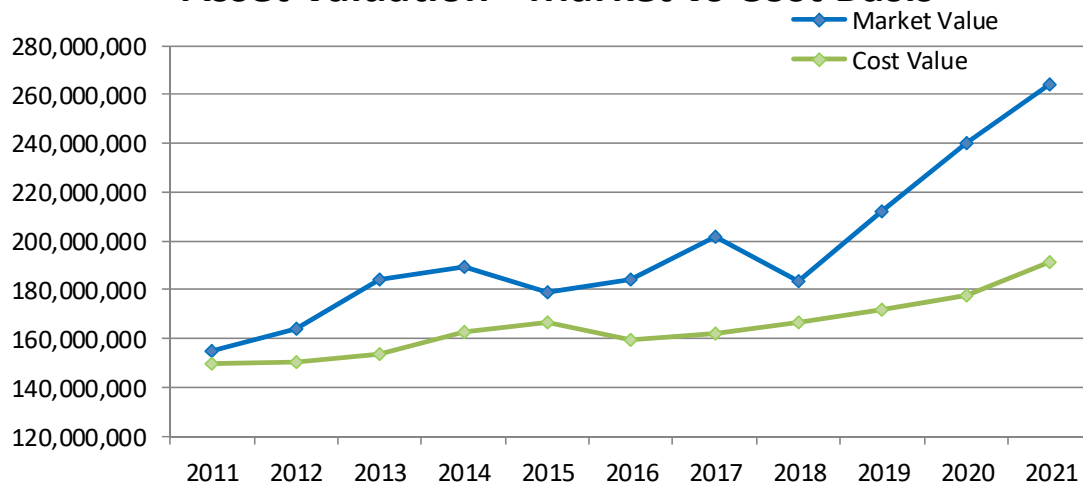


**CAMBRIA COUNTY**

**Statement of Plan Assets As Of December 31, 2021**

<u>Assets</u>	<u>Cost Value</u>	<u>Market Value</u>
Cash and Short Term Investments	\$ 2,984,573	\$ 2,984,573
Receivables	278,162	278,162
Investments:		
U.S. Government Obligations	25,435,453	25,439,527
Domestic Corporate Bonds	29,052,389	28,802,094
Certificates of Deposit	2,750,000	2,743,568
High Yield Fixed Income	12,126,092	12,559,408
Domestic Equities	26,032,709	41,144,064
International Equities	19,696,694	24,794,020
Domestic Mutual Funds	36,463,199	84,367,976
Fixed Income Mutual Funds	1,432,094	1,445,986
High Yield Limited Partnership	18,278,570	16,961,461
Limited Partnership Debt Fund	6,868,114	9,581,079
Core Real Estate	10,000,000	12,759,665
 Total Assets December 31, 2021	 \$ <u>191,398,049</u>	 \$ <u>263,861,583</u>

**Asset Valuation - Market vs Cost Basis**



Dear Cambria County Retirees:

Enclosed is the overview of the 2021 financial status and results of the Cambria County Retirement Fund prepared by the Controller's Office. In July 2021 the Commissioners' updated our County Contribution to the Fund from 11.5% of payroll to 12% of payroll. This is in keeping with our continued commitment to keep our Fund one of the top County Retirement Funds in Pennsylvania.

In 2021, the Fund's market value increased again. The Fund gained over \$23.9 million of market value to \$263.8 million on December 31, 2021. My 2<sup>nd</sup> Deputy Controller and Pension Benefits/Health Care Administrator, Dana Descavish, served a total of 1,135 retirees by year end.

We continue to work with the Cambria County Retirees Association and meet with them each year. Darcy Regala ([darcy.regala@comcast.net](mailto:darcy.regala@comcast.net)) continues to serve as Association President. If you are not a member you should consider joining and sharing in the valuable information provided by them.

This is the 23<sup>rd</sup> edition of this report. The status report of the Fund and the execution of this report for you could not happen without the diligent commitment of 1<sup>st</sup> Deputy Controller, Kristine Segear, and 2<sup>nd</sup> Deputy Controller, Dana Descavish. Their dedication to the operation of the Fund and benefits have made me proud to present this report to you.

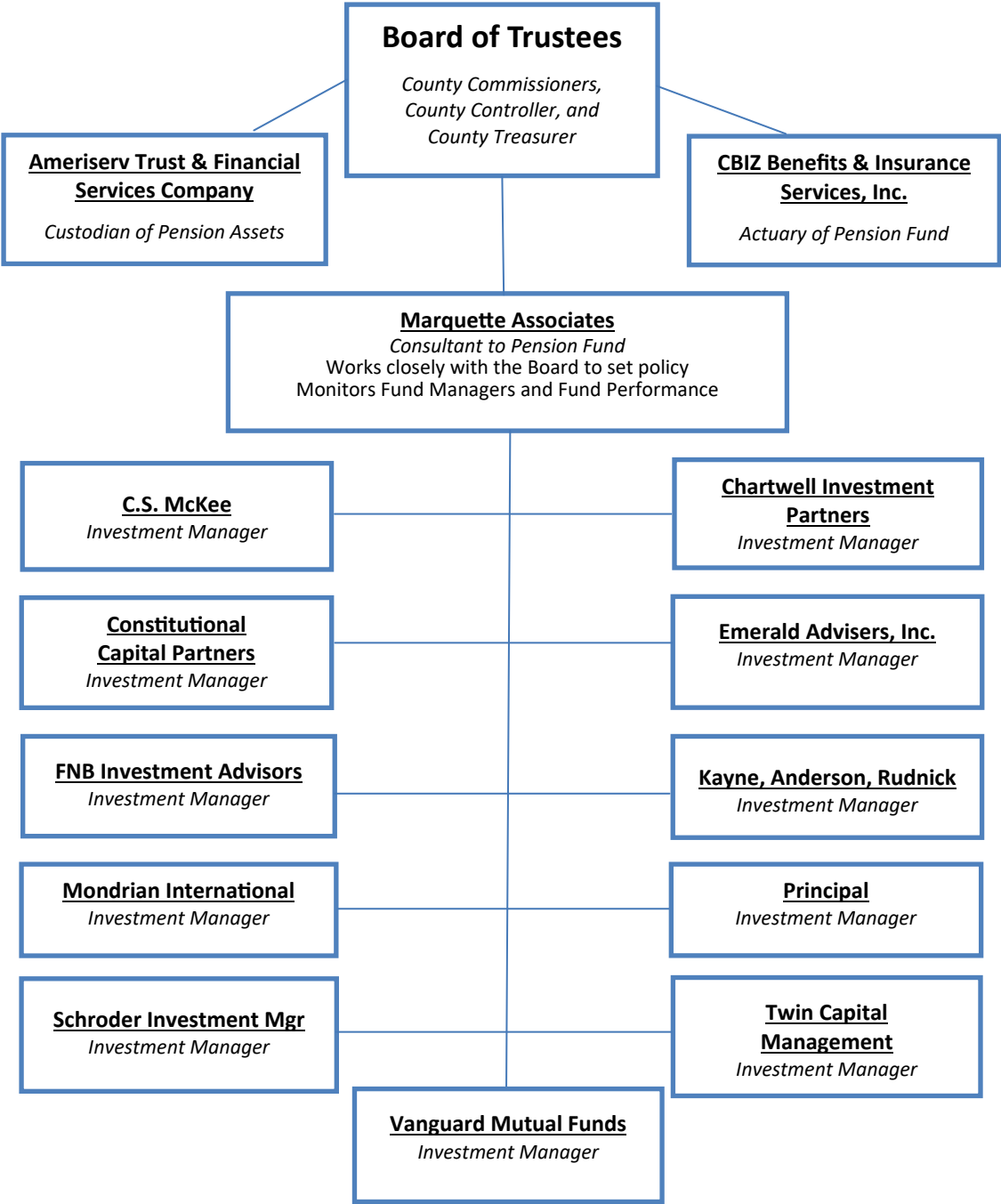
Yours Truly,  
**Ed Cernic, Jr.**  
Controller  
Retirement Board Secretary

**Kristine A. Segear, CPA**  
1st Deputy Controller &  
Senior Accounting Manager

**Dana Descavish**  
2nd Deputy Controller  
Pension Benefits Health Care  
Administrator



# Structure of the Plan Management

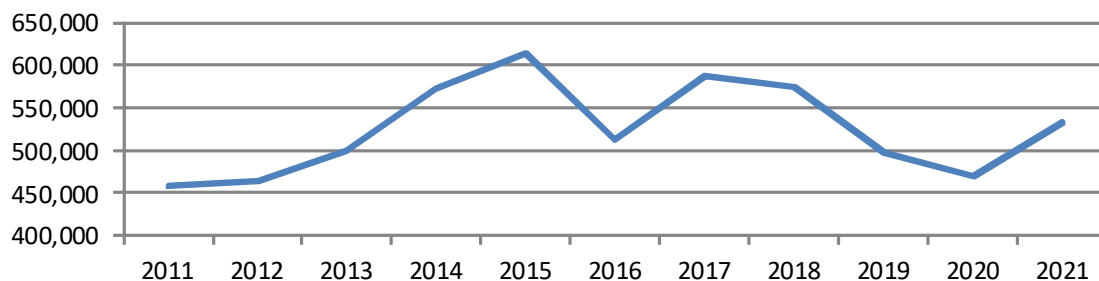


## CAMBRIA COUNTY RETIREMENT FUND

### COMPARISON OF MARKET VALUE BY FUND TO MANAGEMENT FEES

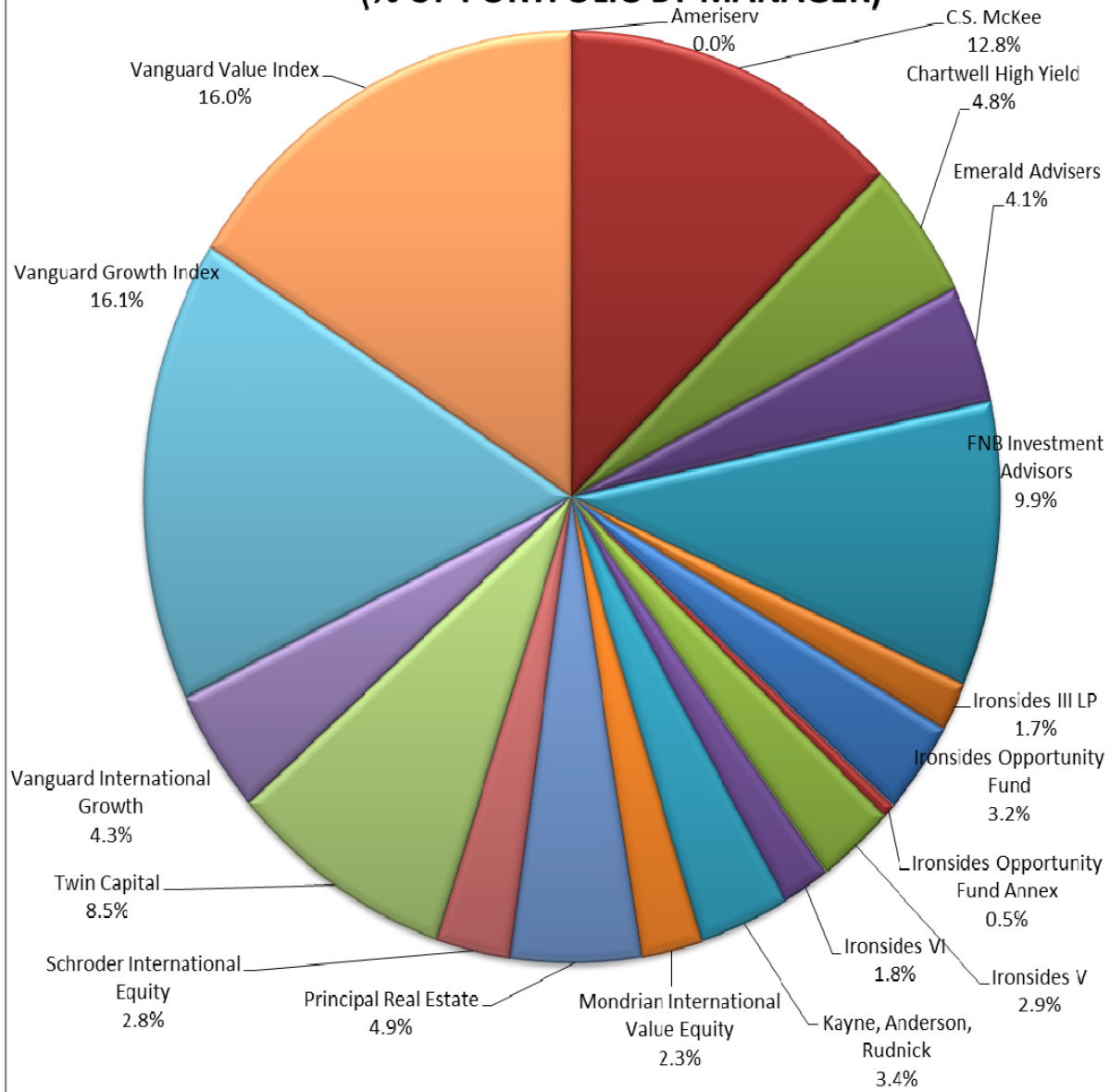
	12/31/2021 Market Value	Annual Fees	Approx. Fees on Mutual Funds	Total Fees
Ameriserv Checking	1,735,136			0
C.S. McKee	33,425,271	73,409		73,409
Chartwell High Yield	12,559,408		61,541	61,541
Emerald Advisers	10,785,483	72,731		72,731
FNB Investment Advisors	25,905,465	38,967		38,967
Ironsides III (Constitutional Capital)	4,519,395		45,194	45,194
Ironsides Opportunity Fund	8,300,371		62,253	62,253
Ironsides Opportunity Fund Annex	1,280,708		10,886	10,886
Ironsides V Fund	7,745,452		77,455	77,455
Ironsides VI Fund	4,696,614		46,966	46,966
Kayne, Anderson, Rudnick	8,801,530	85,350		85,350
Mondrian International Value Equity	6,158,630		94,422	94,422
Principal Real Estate	12,759,664		127,597	127,597
Schroder International Equity	7,287,129		121,977	121,977
Twin Capital	22,185,090	71,114		71,114
Vanguard International Growth	11,348,261		36,314	36,314
Vanguard Growth Index	42,323,589		16,929	16,929
Vanguard Value Index	42,044,387		16,818	16,818
Ameriserv Trust (Custodian)		80,590		80,590
CBIZ (Actuary)		23,040		23,040
Marquette Associates		87,500		87,500
	<b>263,861,583</b>	<b>532,701</b>	<b>718,352</b>	<b>1,251,053</b>

### Investment Management Fees Paid by Year \*



\* Chart does not include approximate Mutual Fund Fees

**CAMBRIA COUNTY RETIREMENT PLAN PORTFOLIO  
AS OF 12/31/2021  
(% OF PORTFOLIO BY MANAGER)**



**CAMBRIA COUNTY**  
**Employees' Retirement Fund 2021 Financial Report**  
**Statement of Changes in Plan Net Assets For The Year Ended December 31, 2021**

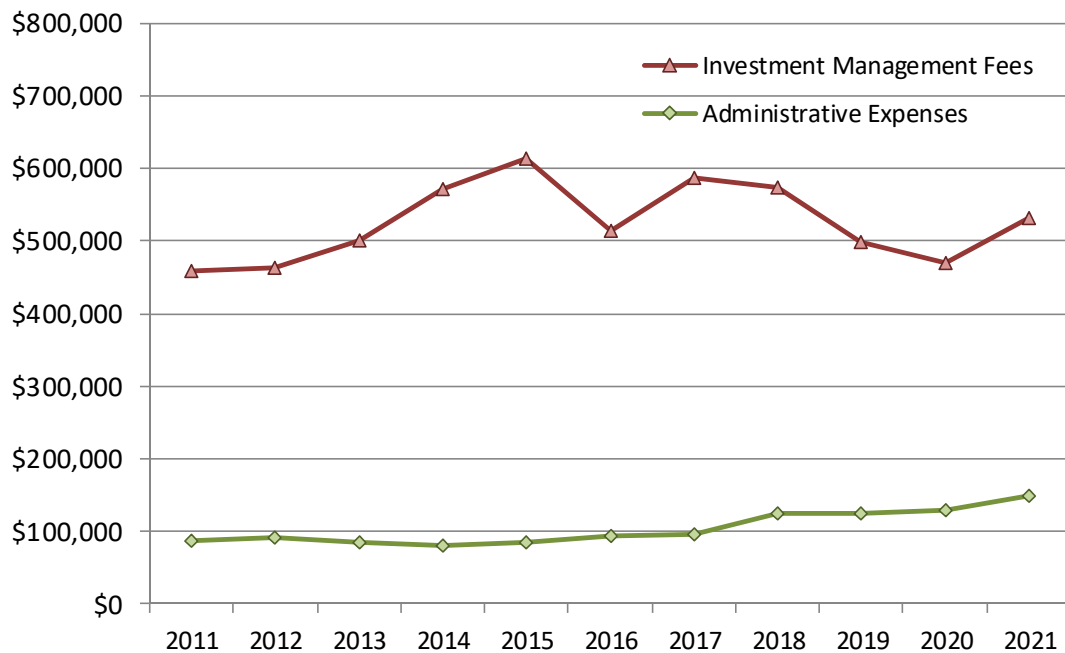
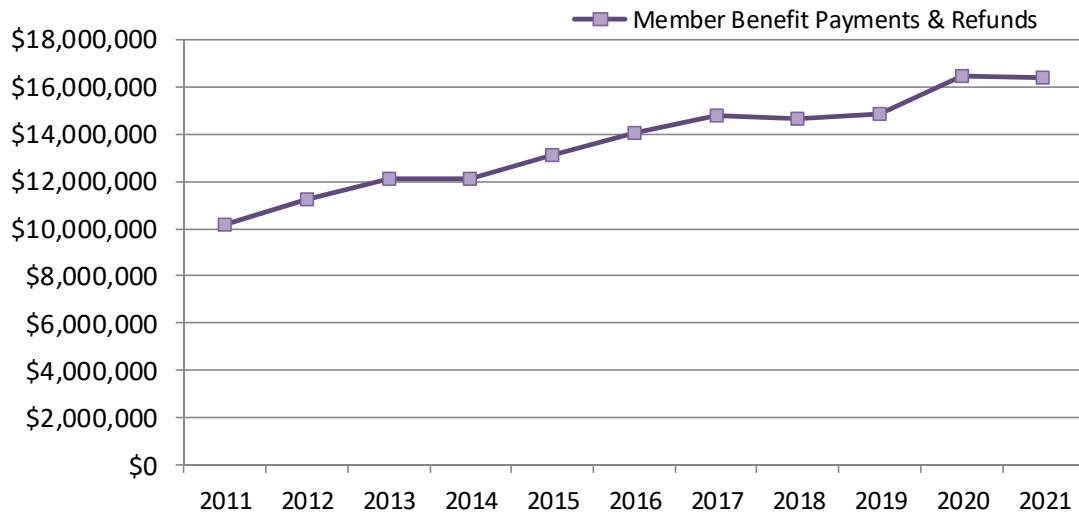
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Total Assets (cost value) January 1, 2021	\$ <u>177,922,560</u>
<b>Additions/Income</b>	
Member Contributions (including member share of military or leave of absence buyback)	3,158,378
Member purchase of County share of military or leave of absence	0
County Contributions	3,189,988
Investment Income:	
Interest	518,937
Dividends	2,280,114
Realized Capital Gains	21,155,712
Net Accrued Interest/other	278,162
Miscellaneous	<u>0</u>
<b>Total Additions</b>	<b>+\$ <u>30,581,291</u></b>
<b><u>Deductions / Expenses</u></b>	
Member Contributions Refunded	588,869
Retirement allowances paid (includes C-O-L and accumulated deductions withdrawn under Option 4)	15,773,574
Death Benefits	50,535
Administrative Expenses	149,028
Investment expenses	532,701 **
Miscellaneous	0
Change in Accounts Payable	<u>11,095</u>
<b>Total Deductions</b>	<b>-\$ <u>17,105,802</u></b>
<b><u>Net Increase</u></b>	<b>\$ <u>13,475,489</u></b>
Total Assets (cost value) December 31, 2021	\$ <u>191,398,049</u>
Unrealized appreciation/depreciation	<u>72,463,534</u>
Total Assets (market value) December 31, 2021	\$ <u>263,861,583</u>

**\*\* See Attached Schedule - Investment Expense Detail for a Breakdown of Investment Expense**

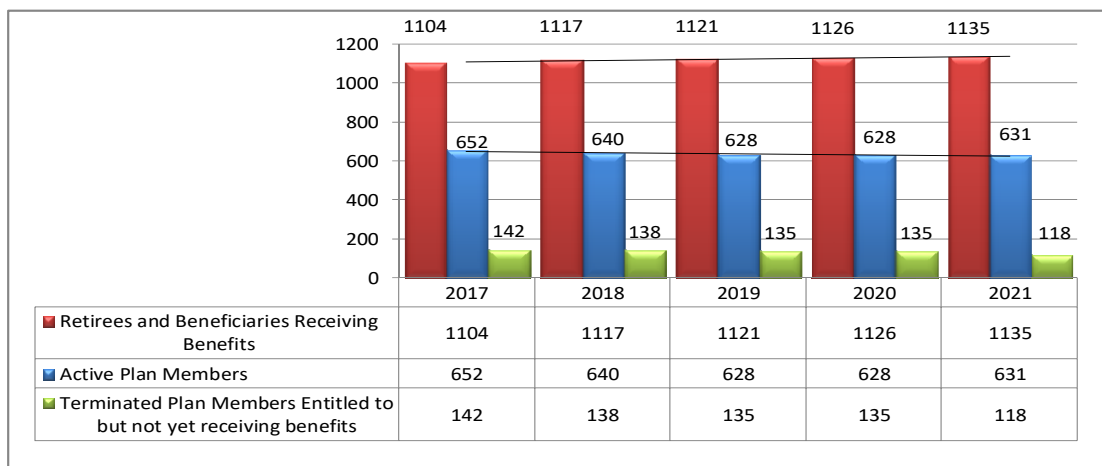


## Comparison of Annual Expenses

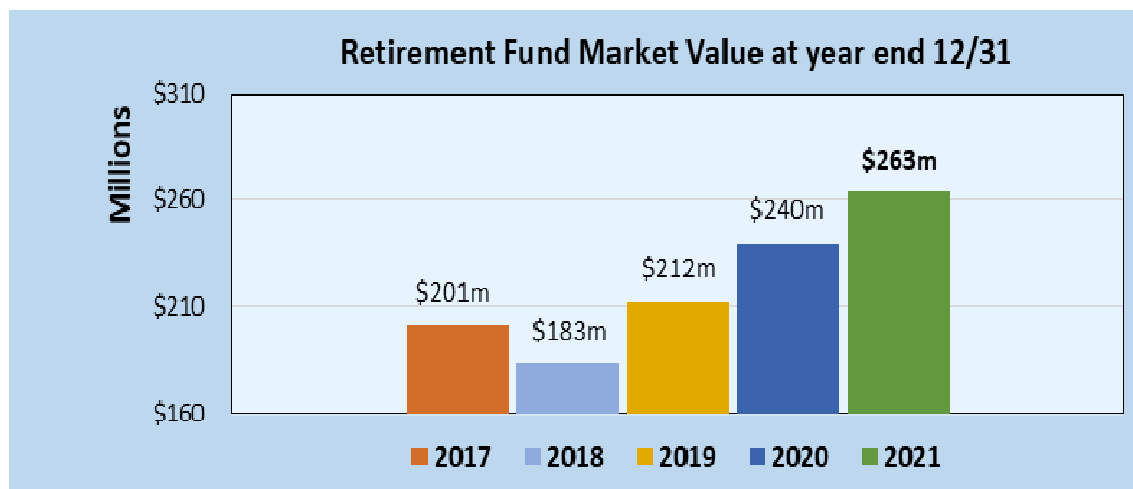


## ACTIVE PLAN MEMBERS vs. ACTIVE RETIREES & VESTED MEMBERS

This graph represents the Active Plan Members vs. the Active Retirees. Over the past five years, the number of retirees receiving benefits from the retirement plan has grown and is larger than the number of active plan members contributing to the retirement plan. As of December 31, 2021, there were a total of 1,843 plan members: 1,135 Retirees and Beneficiaries receiving benefits; 118 Terminated Plan Members entitled to but not yet receiving benefits; and 631 Active Plan Members.



The graph below represents the Retirement Fund Market Value at year end. As of December 31, 2021 the market value was **263,861,583**. This value is the highest since inception.



## 2021 CAMBRIA COUNTY RETIREES

Chris Alexander	Jennifer Hagens	Joseph Previte
Diane Baker	Susan Knisley	Thomas Reighard
Patricia Bowser	Louis Kopczyk	Robert Roland
Debra Burkey	Gerald Kowalczyk	Bonnie Sanford
Alice Christ	Gail Lawhead	Donald Shirk
Catherine Cicero	Mark Malcotti	Randy Sickles
Kelly Corcoran	Sandra Marchitelli	Janice Smith
Shirley Crowl	Robbin Melnyk	John Stigers
Donna Delozier	Deborah Myers	Dale Westrick
Lucinda Flora	Francis Moyer	Elizabeth Witkosky
Tamra Forgan	David Nolan	Susan Zepp
Mary Lou Giles	Shirley Olsick	
Catherine Gorba	JoAnne Ranck	

We **THANK YOU** for your service to the County!  
**Congratulations on your RETIREMENT!!!**



## 2021 CAMBRIA COUNTY RETIREMENT BOARD MEMBERS



Thomas C. Chernisky, Chairman  
President Commissioner



William "B.J." Smith, Vice-Chairman  
County Commissioner



Scott W. Hunt, 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 email to [ddescavish@co.cambria.pa.us](mailto:ddescavish@co.cambria.pa.us)