



Monroe County Pension Fund Financial Recap December 31, 2022



Simplifying Retirement

Monroe County
One Quaker Plaza
Stroudsburg, PA 18360
Phone: (570) 517-3120

September 2023

It is with pleasure that the Monroe County Retirement Board presents the following summarization of the Employees Retirement Fund for the year 2022.

In 2022 the Retirement Board kept the interest rate earned on employee contributions at 5.5% . There was an increase in Retirees and Beneficiaries receiving benefits, from 384 in 2021 to 400 in 2022; and there were 611 active employees contributing to the Fund as of December 31, 2022. On January 1, 2022 the Fund had assets of \$135,383,578.00.00 and by year end it had decreased to \$118,945,107.00.

Monroe County is required to make annual contributions to the retirement plan. This amount is based on calculations from the Actuary, Korn Ferry. The Actuarially Determined Contribution for 2022 was \$3,339,112.00.

At the end of 2022, the Controller's Office had processed 25 new individuals to retirement. The total payout from the Fund of retiree benefits, member contributions refunded and death benefits was \$6,733,984.11. Actuarial fees totaled \$29,865.00 and Management fees totaled \$597,298.00 for 2022.

The Retirement Board meets monthly and consists of: County Commissioners, Sharon Laverdure, Chairman, John Moyer, and John Christy, Treasurer Theresa Johnson and myself, Controller Marlo Merhige. I would like to recognize the work of Sue Cain, Retirement Administrator and Brenda Montgomery, Accountant for the Controller's Office.

Throughout the next few pages is a summary of the Fund as a whole. As you review this information, keep in mind that the Retirement Board is monitoring the Fund to ensure that it continues to be a safe, solid, and reliable source of income to the retirees of Monroe County. The Retirement Board and the Fund's Consultant/Manager, SEI Investments are working to keep the cost to the Fund low.

As a result of all the efforts of our Retirement Board, Investment Manager and Actuary, the Monroe County Retirement Fund continues to be a sound reliable source of income for former employees of Monroe County.

Should you have any questions regarding the information contained in this booklet or any other pension questions, please do not hesitate to contact me.

Marlo A. Merhige Controller/Retirement Fund Secretary



Structure of the Plan Management

Retirement Board

*County Commissioners, County Controller, and
County Treasurer*

Korn Ferry

Actuary of Pension Fund

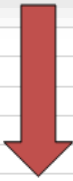
David Reichert

SEI Investment Services

Custodian & Investment Manager

Pat Blizzard, Consultant





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Monroe County Controller's Office

Investment Allocation

12/31/22

Investment Allocation Strategy - per Monroe-SEI 3/31/21 Investment Allocation Agreement

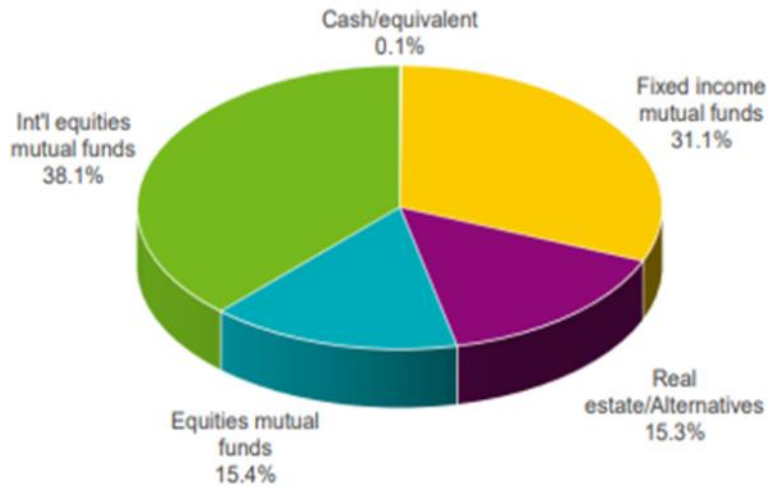
3/31/21 Agreement		Chg		2/22/20 Agreement		Fund Description		Mkt Value \$		Actual %		% Variance 03/31/21 Contract	
Total Money Market Funds				Total Money Market Funds									
0.0%				0.0%		Subtotal		0.00	0.00%	0.0%			
Cash & Money Market Fund				Cash & Money Market Fund									
0%		0%		0%		Daily income Gov't FUND CL F #36		0.00	0.00%	0.0%			
0.0%				0.0%				0.00	0.00%	0.0%			
Domestic Equity Mutual Funds				Domestic Equity Mutual Funds									
13%		-15%		28%		Inst'l Inv'ts Tr Lg Cp Indx Fd Class A (LCIAX)		14,884,270.64	12.90%	-0.1%			
3%		-1%		4%		Small Cap II Fund - A (SECAX)		0.00	0.00%	-3.0%			
16.0%				32.0%		Subtotal		14,884,270.64	12.90%	-3.1%			
International Equity Mutual Funds				International Equity Mutual Funds									
22%		-1%		23%		World Equity Ex-US Fd Class A #280 (WEUSX)		25,816,870.95	22.40%	0.4%			
14%		14%				Small Cap II Fund - A (SECAX) (CUSIP 783980642)		3,439,346.19	3.00%	-11.0%			
3%		0%		3%		SEI Emerging Mkts Equity Fd #97 ((SMQFX)		16,052,643.09	13.90%	10.9%			
39.0%				26.0%		Subtotal		45,308,860.23	39.30%	0.3%			
Total Equity Mutual Funds				Total Equity Mutual Funds									
55.0%				58.0%		Total E quity		60,193,130.87	52.20%	-2.8%			
Total Fixed Income Mutual Funds				Total Fixed Income Mutual Funds									
18%		5%		13%		Core Fixed Income Fd #285 (SCOAX)		20,741,743.97	18.00%	0.0%			
3%		-1%		4%		Inst'l Inv't Trust High Yld Bond Fd (SGYAX)		3,436,863.37	3.00%	0.0%			
4%		4%		0%		SIIT Ult Short Dur'n Bd Fd (SUSAX)		4,646,815.12	4.00%	0.0%			
3%		-1%		4%		Inst'l Inv't Trust Emer'g Mkts Debt Fd (SEDAx)		3,520,574.78	3.10%	0.1%			
4%		1%		3%		SIIT Real Retrun A (RRPAX)		4,626,711.33	4.00%	0.0%			
32.0%				29.0%		Total Fixed Income		36,972,708.57	32.10%	0.1%			
Total Other Assets				Total Other Assets									
5%		0%		5%		Core Property Collective Fund - 10/31/15- #17160CP		8,362,260.98	7.25%	2.3%			
4%		0%		4%		US CIT Private Equity (17160PE)CUSIP IMO789112		3,682,398.40	3.19%	-0.8%			
4%		0%		4%		SEI VISTA Coll Invest Trust (CUSIP IMO223369)		6,115,180.70	5.30%	1.3%			
13.0%				13.0%		Total Other Assets		18,159,840.08	15.75%	2.7%			
100.0%		0%		100.0%		Total All		115,325,679.52	100.05%	0.0%			



Monroe County Retirement Plan Investment Allocation

As of 12/31/2022

TOTAL ASSETS (MARKET VALUE 12-31-2022)



MONROE COUNTY EMPLOYEES' RETIREMENT SYSTEM

**CHANGES IN PLAN NET ASSETS
FOR THE CALENDAR YEAR 2022 AND 2021**

Additions

	<u>2022 Total</u>		<u>2021 Total</u>	
Contributions				
County	\$	3,339,112	\$	3,731,483
Plan Members	\$	2,267,241	\$	2,235,132
Miscellaneous	\$	87,383	\$	86,721
Total Contributions	\$	<u>5,693,736</u>	\$	<u>6,053,336</u>
Investment Income				
Realized Gain	\$	<u>3,741,803</u>		
Unrealized Loss	\$	<u>(21,129,542)</u>		
Net Loss in Fair Value	\$	(17,387,739)	\$	12,271,596
Dividends	\$	2,697,735	\$	2,647,842
Net Accrued Interest	\$	(40,639)	\$	(7,403)
Investment Income	\$	<u>(14,730,643)</u>	\$	<u>14,912,035</u>
Less Investment Expense	\$	627,163	\$	584,240
Net Investment Income	\$	<u>(15,357,806)</u>	\$	<u>14,327,795</u>

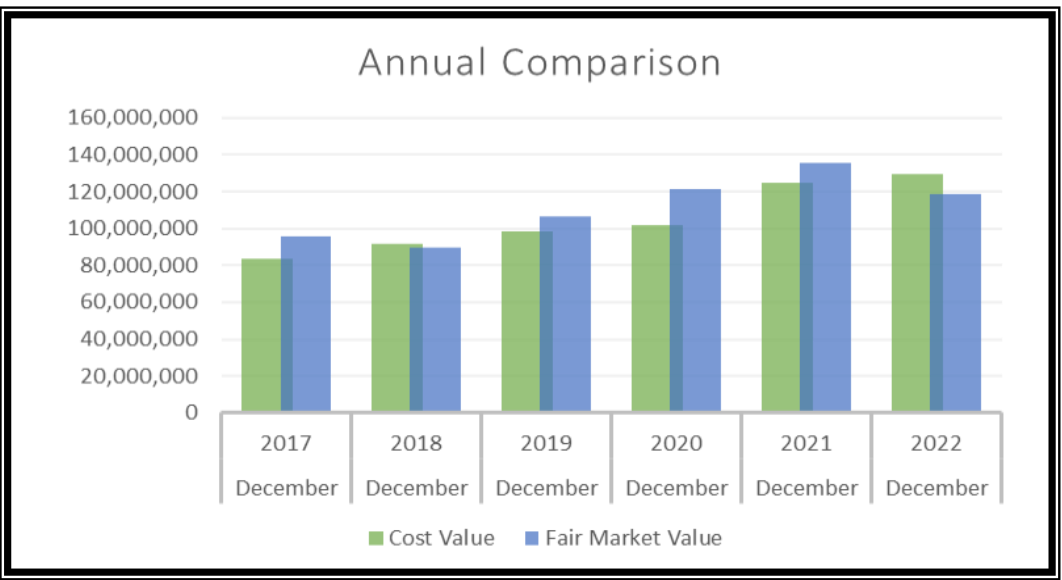
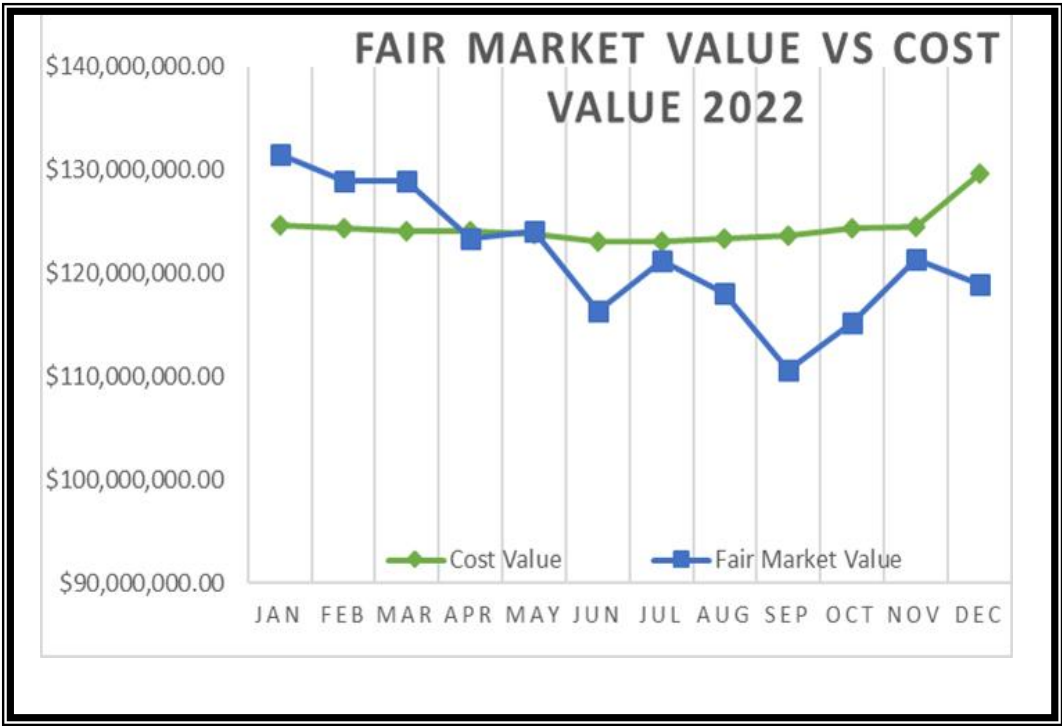
MONROE COUNTY EMPLOYEES' RETIREMENT SYSTEM

PLAN ASSETS AS OF DECEMBER 31, 2022 AND 2021

	<u>Assets</u>		<u>2021 Total</u>	
	<u>2022 Total</u>			
Cash and Short-Term Investments	\$	0	\$	1
Receivables	\$	104,068	\$	63,430
Investments, at fair market value				
Fixed income mutual funds	\$	36,972,709	\$	43,666,975
Real estate/Alternatives	\$	18,159,840	\$	15,636,783
Equities mutual funds	\$	18,323,617	\$	22,076,878
Int'l equities mutual funds	\$	45,384,873	\$	53,939,511
Total Investments	\$	<u>118,841,039</u>	\$	<u>135,320,147</u>
Total Assets	\$	<u>118,945,107</u>	\$	<u>135,383,578</u>
	Liabilities			
Refunds Payable and Other	\$	0	\$	0

Net Assets Held In Trust For Pension Benefits

\$	<u>118,945,107</u>	\$	<u>135,383,578</u>
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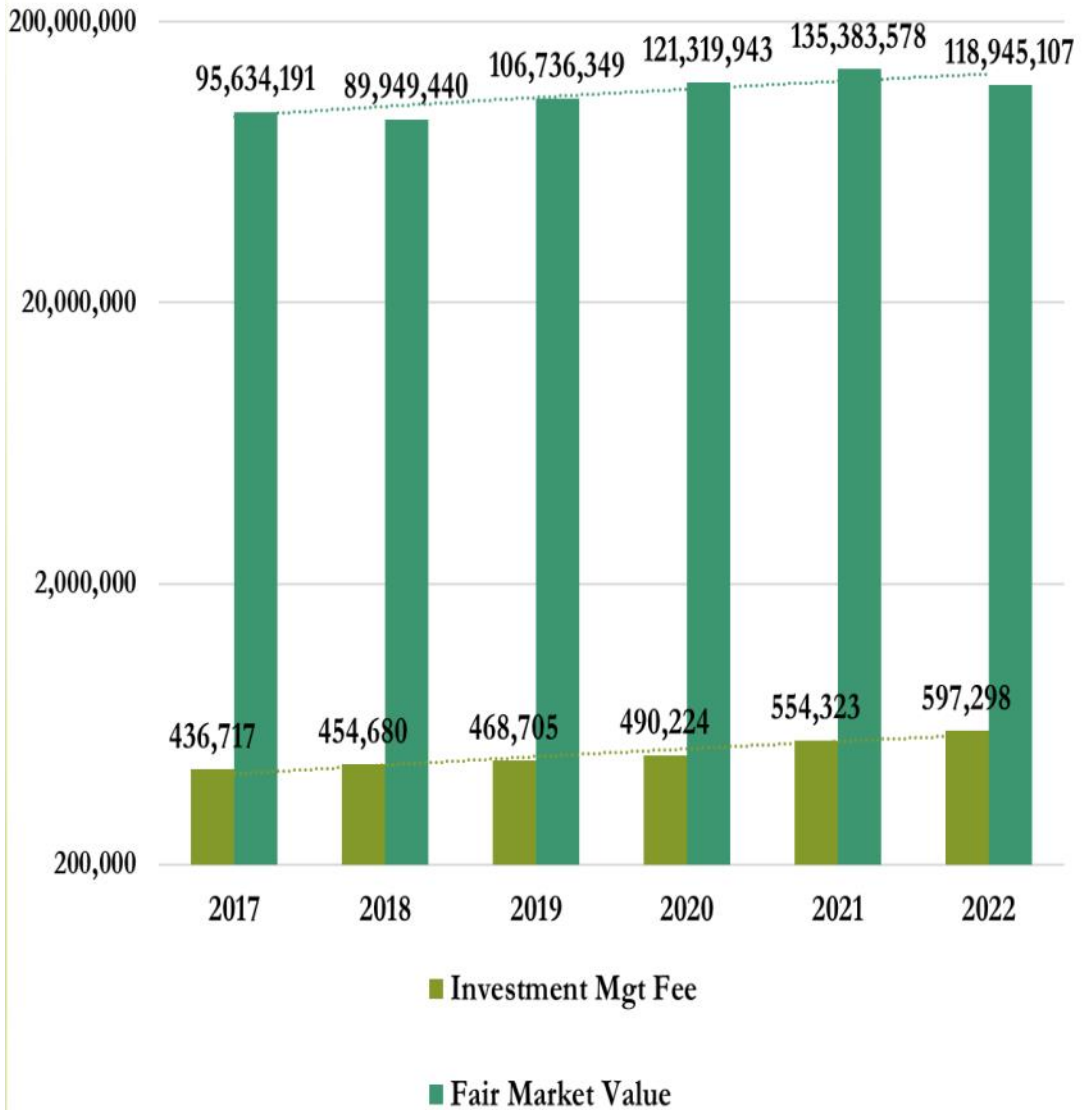


SEI Investments Management Corporation has been our Investment Manager and Custodian since May 2012. Their fees are calculated at an agreed upon percentages fee schedule (listed below) of the average market value of all assets in the account on the last trading day of each month in the calendar quarter. There is no fee for custody services provided by SEI. The SEI fee percentage schedule is as follows:

<u>Investment Management Services:</u>		
	<u>Market Value</u>	<u>Fees</u>
	First \$25 Million	0.59%
	Next \$25 Million	0.54%
	Next \$50 Million	0.49%
<u>Investment Management Services (SEI Collective Funds):</u>		
	<u>Fund Name</u>	<u>Fees</u>
	Core Property Fund	1.25%
	VISTA Collective Investment Trust	1.00%
<u>Investment Management Services (SEI Global Private Assets IV Fund):</u>		
	<u>Market Value</u>	<u>Fees</u>
	All Account Assets-GPA IV	1.15%



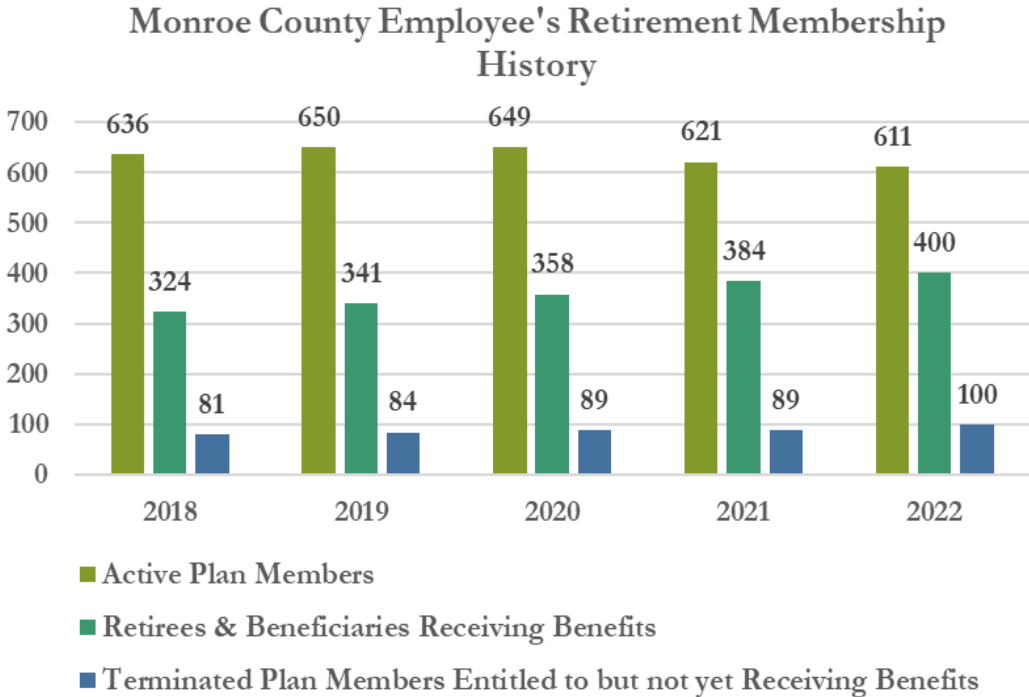
Comparison of Market Value to Management Fees



The following chart demonstrates how many active members versus retirees & beneficiaries receiving benefits versus terminated plan members entitled to but not yet receiving benefits (vested employees).

As of December 31, 2022 there were 1,111 plan members: 400 Retirees & Beneficiaries receiving benefits, 100 terminated vested plan members entitled to but not yet receiving benefits and 611 active plan members.

Active plan members are required to contribute 5% of their annual gross salary. The County is required to contribute at an actuarially determined rate. For 2022 the Certified Actuarially Determined Contribution was \$3,339,112.00. The plan members contribution was \$2,267,241.23.



2022

Monroe County Retirees

**Congratulations, we wish you the best and thank you
for your service and dedication**

Maureen Bacik

Jean Bomba

Candace Cocuzzo

Kenneth Cocuzzo

Libby Daily

Lawrence DeLisi

Carl DeSimone

Antoninette Grimm

Christine Keelan

Joeann Lance

Scott Lockley

Joanne Mahon

Laura Mennona

Steven Mennona

Lynda Messerschmidt

Guy Miller

Gary Mowery

Melanie Quinn

Priscilla Saurman

Barbara Scanlan

Diane Serfass

Deborah Slinger

Timothy Toolan

Sharon Ward

William Watkins

Monroe County Retirement Board Members



Commissioner John Christy, Chairman Sharon Laverdure,
Vice Chairman John Moyer



Marlo Merhige, Controller



Theresa Johnson, Treasurer

Report prepared by the staff of the Monroe County Controller's Office and printed in-house. Please forward any suggestions or comments to Marlo Merhige, Monroe County Controller, One Quaker Plaza, Stroudsburg, PA 18360 or by email at MMerhige@monroecountypa.gov