

# County of Lancaster

PENNSYLVANIA



The Lancaster County Employees' Retirement System  
Financial Statement  
December 31, 2024  
Prepared by the Office of the Controller  
Lisa K. Colón, Controller



## Controller's Office

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**Controller**  
Lisa K. Colón

The following report presents a summarization of the Lancaster County Employees' Retirement System ("Fund") for the year of 2024. The Retirement Board continually monitors the Fund to ensure it is a solid and dependable source of income for the approximately 1,500 retirees of the County, and it will continue to be a reliable source of income when the nearly 1,700 active participants of the Fund decide to retire. Along with a professional group of Investment Managers, an Actuary, and a Consultant, the Retirement Board is constantly working to keep the cost of the Fund manageable for the County's budget. During 2024, the County contributed the required Actuarially Determined Contribution of \$5,412,015 to the Fund. Due to the diligence of the Retirement Board and the performance of the Fund, this is down from a contribution of over \$7 million made in 2013.

The markets had a good year during 2024, and as a result the Fund posted a market value rate of return of 9.92%. This resulted in an increase in the value of the Fund during 2024. The Fund increased over \$27.3 million during 2024 from \$370,621,366 at December 31, 2023 to \$397,963,288 at December 31, 2024. During 2024, there was a slight increase in the number of retirees and the total benefits paid to them from the Fund. The number of retirees increased by 11 during 2024 to 1,509. The total benefits paid only increased \$28,309 from \$23,161,323 during 2023 to \$23,189,632 during 2024.

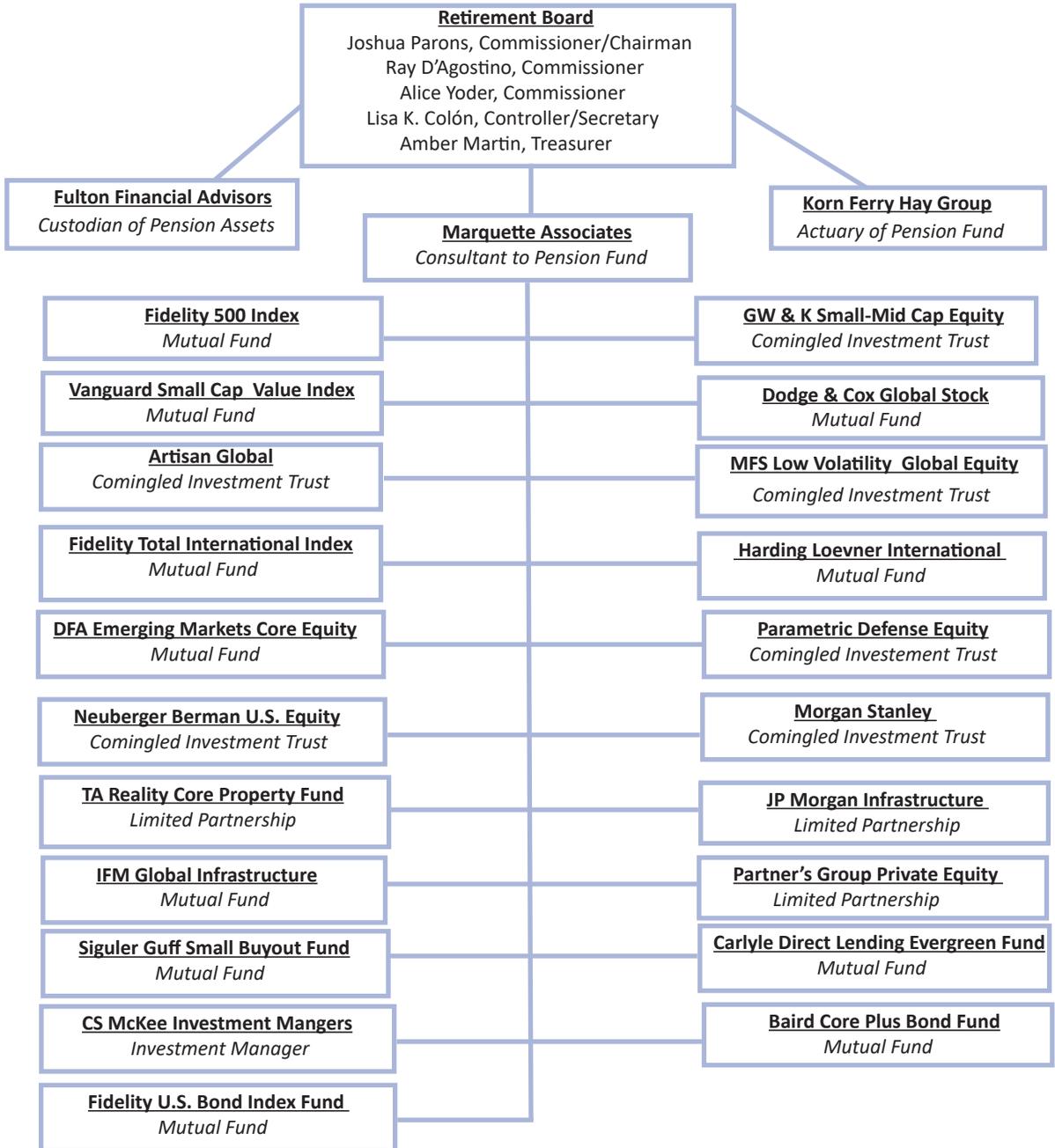
The Retirement Board, along with the Consultant, constantly reviews the asset allocation, performance, and expenses of the investments to ensure that we have a well-diversified Fund available for the benefit of Lancaster County retirees. During 2024 fees as a percent of the market value remained steady at a reasonable 0.50%. For 2024, the Retirement Board maintained the return assumption at 7.00%. The Board decided to take a more conservative approach when considering future market returns. Due to a slight decrease in the market from the previous year, the overall funded ratio of the Fund decreased from 94.1% at January 1, 2024 to 93.0% at January 1, 2025. The actuary for the Fund considers the Fund to be well funded and in good financial standing.

As a result of the devoted work of the Retirement Board, Consultants, Investment Managers, Actuary, and Custodian, the Lancaster County Employees' Retirement System continues to be a consistent source of income for the retirees of Lancaster County. I would like to acknowledge the dedicated efforts of my staff who process all the payments, handle your daily inquiries, and review all transactions of the Fund. Should you have any questions, please direct them to the Controller's Office at (717) 299-8262 and we will be glad to assist you.

Lisa K. Colón  
Retirement Fund Secretary

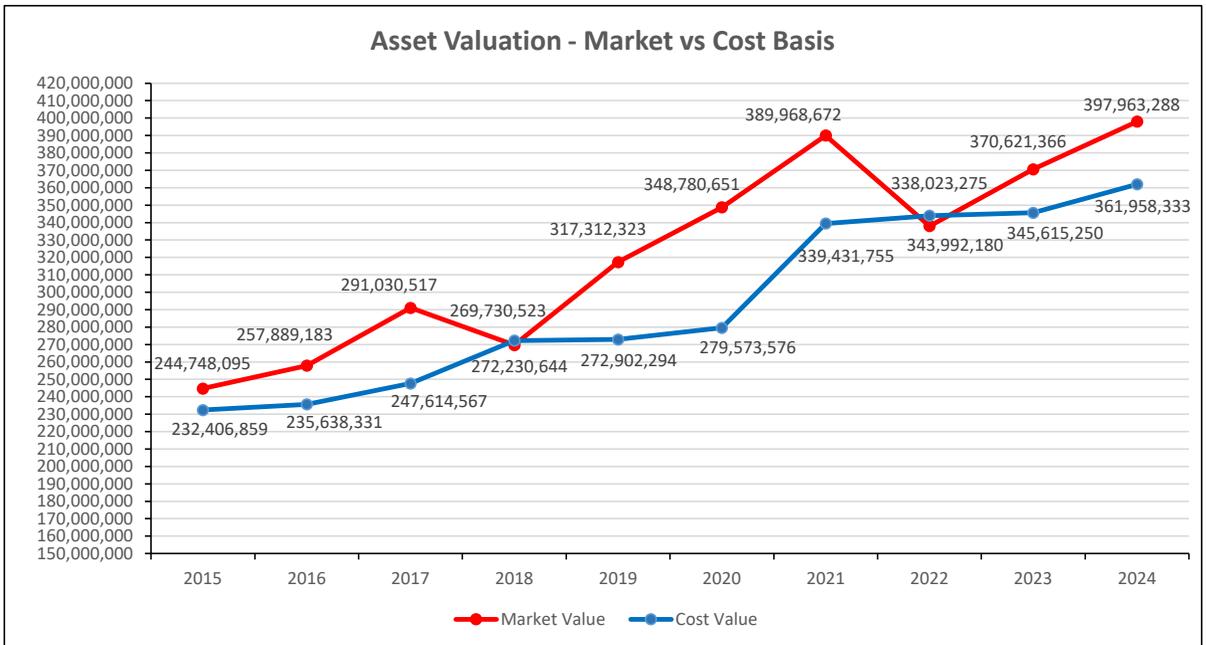


# The Lancaster County Employees' Retirement System Structure of the Plan Management



**The Lancaster County Employees' Retirement System  
Statement of Plan Assets as of December 31, 2024**

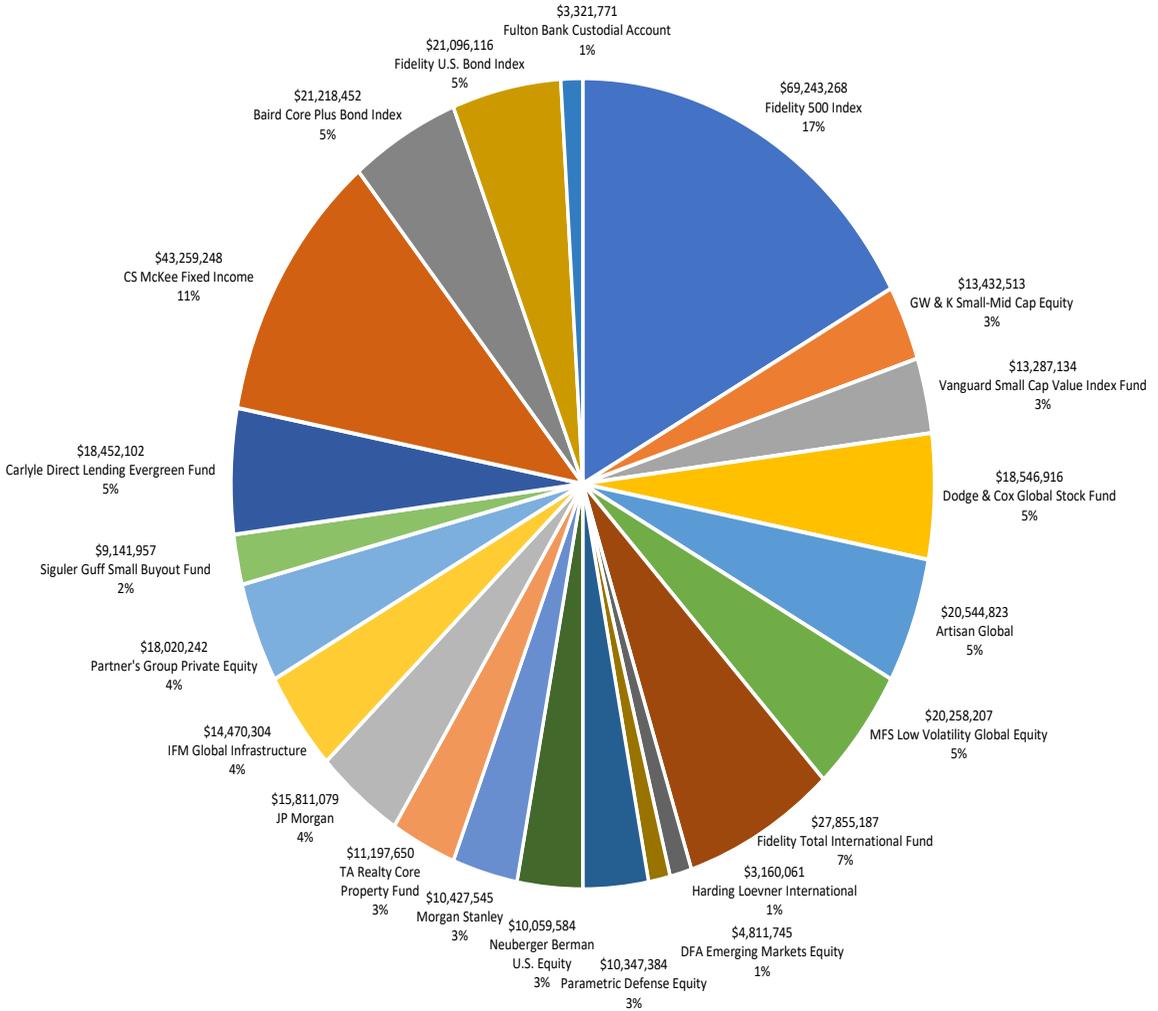
<u>Assets</u>	<u>Market Value</u>	<u>Cost Value</u>
Investments:		
Equity Mutual Funds	\$100,774,660	\$ 81,682,187
Global Mutual Funds	59,349,946	43,649,590
International Equities	32,702,544	32,180,003
Real Estate Funds	21,625,195	22,905,787
Fixed Income Mutual Funds	42,278,293	43,505,669
Corporate Bonds	9,973,626	10,228,881
Government Securities	28,102,322	28,881,418
Mortgage Obligations	1,945,207	1,974,898
Defensive Equity	20,406,968	19,988,767
Private Equity	18,020,242	15,064,046
Private Credit	27,594,059	27,422,289
Infrastructure	30,281,383	29,565,955
Money Market & Cash Equivalents	3,903,404	3,903,404
Receivables	<u>1,005,439</u>	<u>1,005,439</u>
<b>Net Assets Held for Pension Benefits at December 31, 2024</b>	<b><u>\$397,963,288</u></b>	<b><u>\$361,958,333</u></b>



# The Lancaster County Employees' Retirement System

## % of Portfolio by Manager

### As of 12/31/24



■ Fidelity 500 Index	■ GW & K Small-Mid Cap Equity	■ Vanguard Small Cap Value Index Fund
■ Dodge & Cox Global Stock Fund	■ Artisan Global	■ MFS Low Volatility Global Equity
■ Fidelity Total International Fund	■ Harding Loevner International	■ DFA Emerging Markets Equity
■ Parametric Defense Equity	■ Neuberger Berman U.S. Equity	■ Morgan Stanley
■ TA Realty Core Property Fund	■ JP Morgan	■ IFM Global Infrastructure
■ Partner's Group Private Equity	■ Siguler Guff Small Buyout Fund	■ Carlyle Direct Lending Evergreen Fund
■ CS McKee Fixed Income	■ Baird Core Plus Bond Fund	■ Fidelity U.S. Bond Index Fund
■ Fulton Bank Custodial Account		

Lancaster County Employees' Retirement System  
Estimated Management And Administrative Fees for 2024

	12/31/24 Market Value	Estimated Annual Fees
Fulton Bank Custodial Account	\$3,321,771	\$ -
Fidelity 500 Index	69,243,268	10,386
GW & K Small-Mid Cap Equity	13,432,513	87,311
Vanguard Small Cap Value Index	13,287,134	7,972
Dodge & Cox Global Stock Fund	18,546,916	114,991
Artisan Global	20,544,823	174,631
MFS Low Volatility Global Equity	20,258,207	66,852
Fidelity Total International	27,855,187	16,713
Harding Loevner International	3,160,061	35,393
DFA Emerging Markets Core Equity	4,811,745	18,766
Parametric Defense Equity	10,347,384	28,720
Neuberger Berman U.S. Equity	10,059,584	30,179
Morgan Stanley	10,427,545	87,591
TA Reality Core Property Fund	11,197,650	78,384
JP Morgan	15,811,079	123,326
IFM Gobal Infrastructure	14,470,304	111,421
Partner's Group Private Equity	18,020,242	239,637
Siguler Guff Small Buyout Fund	9,141,957	56,880
Carlyle Direct Lending Evergreen Fund	18,452,102	150,933
CS McKee Investment Managers	43,259,248	86,518
Baird Core Plus Bond Fund	21,218,452	63,655
Fidelity U.S. Bond Index Fund	21,096,116	5,281
Money Market Fund	-	5,834
Fulton Financial Advisors (Custodian)	-	39,599
Korn Ferry Haygroup (Actuary)	-	51,861
Marquette Associates (Consultant)	-	284,127
	<u>\$397,963,288</u>	<u>\$1,976,961</u>

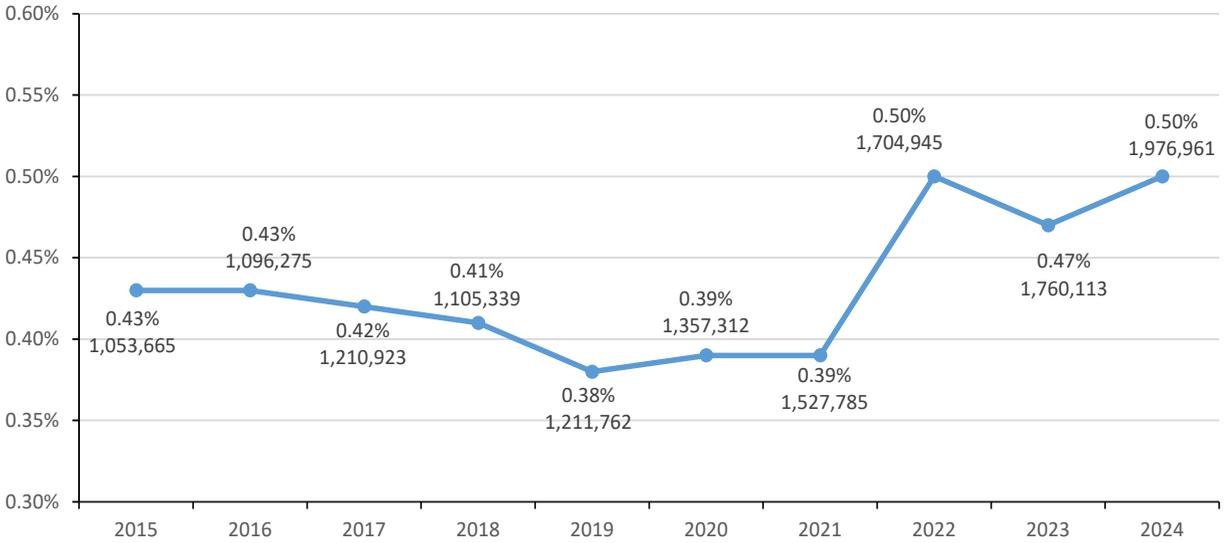
Percentage of Market Value 0.50%

**Schedule Of Lancaster County Contributions and Returns**

Year	Actuarially Determined Contribution*	County Contribution	Market Value Rate of Return
2024	\$5,412,015	\$5,412,015	9.92%
2023	5,159,368	5,159,368	12.89
2022	3,903,385	3,903,385	(10.58)
2021	5,142,723	5,142,723	14.79
2020	4,918,872	4,918,872	12.30
2019	5,048,537	5,048,537	20.61
2018	4,399,055	4,399,055	(4.70)
2017	4,424,334	4,424,334	15.62
2016	4,580,199	4,580,199	7.95
2015	5,228,813	5,228,813	(0.12)

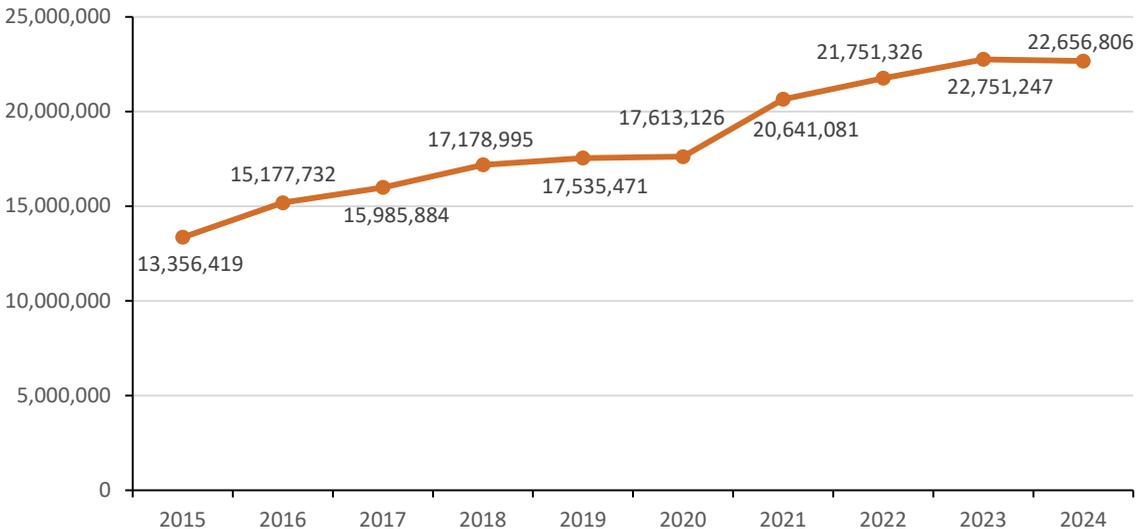
\*Prior to 2014, contribution was described as Annual Required Contribution (ARC).

## The Lancaster County Employees' Retirement System Estimated Management and Investment Fees



Note: The percentage shown is the estimated annual fees compared to that year's ending market value.

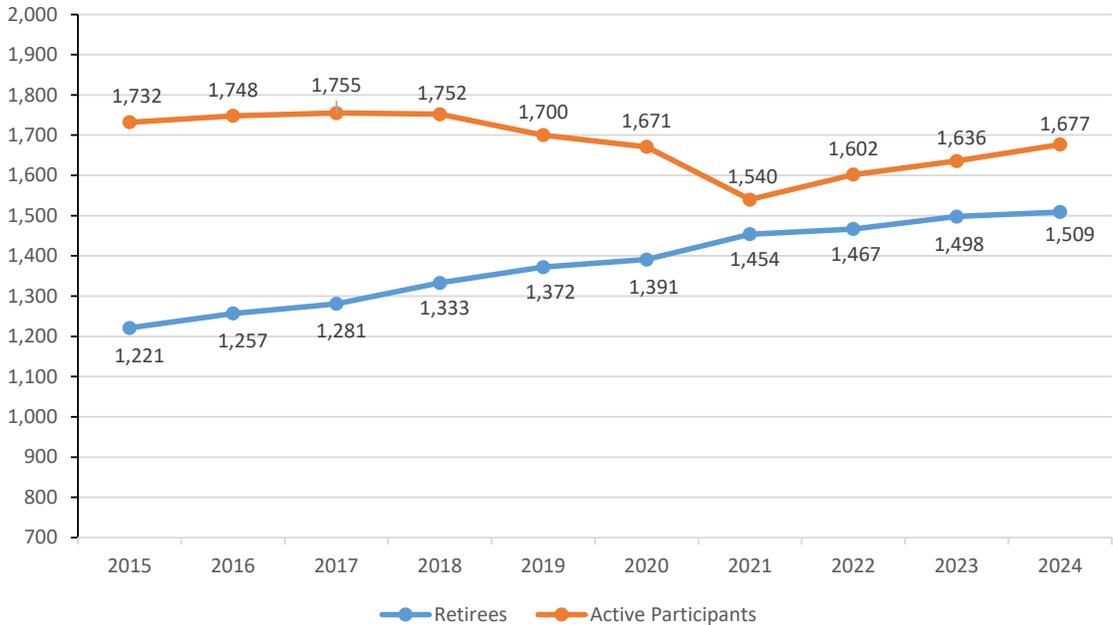
## Member Benefit Payments & Refunds



**The Lancaster County Employees' Retirement System  
Statement Of Change In Plan Net Assets For The Year Ended December 31, 2024**

<b>Total Assets (Cost Value) – January 1, 2024</b>	\$345,615,250
 <b><u>Additions</u></b>	
Member Contributions	\$8,693,791
Member Contributions Receivable	100,114
Member Purchase Of County Share	0
County Contribution	5,412,015
Net Investment Income:	
Interest/Dividends	19,811,304
Realized Capital Gain/(Loss)	5,505,769
Accrued Investment Income	<u>(10,447)</u>
Total Additions	\$39,512,546
 <b><u>Deductions</u></b>	
Member Contributions Refunded	\$1,586,826
Retirement Allowances Paid	21,031,342
Death Benefits	38,638
Administrative Expenses	62,386
Investment Expenses	428,185
Miscellaneous	<u>22,086</u>
Total Deductions	\$ <u>23,169,463</u>
 Total Increase/(Decrease)	 <u>16,343,083</u>
Total Assets (Cost Value) December 31, 2024	361,958,333
Unrealized Appreciation/(Depreciation)	<u>36,004,955</u>
Total Assets (Market Value) December 31, 2024	<u><u>\$397,963,288</u></u>

## The Lancaster County Employees' Retirement System Number of Retirees vs Active Participants at Year End



### Schedule Of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2016	250,584,482	278,638,967	28,054,485	89.9	81,355,686	34.5
1/1/2017	264,742,298	292,274,553	27,532,264	90.6	80,039,687	34.4
1/1/2018	281,656,365	308,081,325	26,424,960	91.4	82,059,110	32.2
1/1/2019	287,876,891	320,067,540	32,190,649	89.9	83,892,412	38.4
1/1/2020	300,818,281	341,362,445	40,544,164	88.1	83,386,323	48.6
1/1/2021	323,666,104	355,614,396	31,948,292	91.0	84,337,086	37.9
1/1/2022	351,193,373	371,171,231	19,977,858	94.6	81,800,905	24.4
1/1/2023	362,242,486	389,702,640	27,460,154	93.0	92,217,959	29.8
1/1/2024	381,445,220	405,537,405	24,092,185	94.1	99,808,810	24.1
1/1/2025	399,318,975	429,427,102	30,108,127	93.0	109,388,691	27.5

**Actuarial Assumptions:**

Investment Rate of Return - 7% for 2020-2025, 7.25% for 2018-2019, 7.35% for 2016-2017, 7.5% for 2015  
 Projected Salary Increases - 4% for 2018-2025, 3.75% from 2015-2017

**The Lancaster County Employees' Retirement System  
Portfolio As Of 12/31/24 At Market Value**

	Cash Equivalents	Government Securities	Corporate Bonds & CDs	Mutual Funds & Equities	Real Estate	Int'l Bonds	Total
Fulton Bank Custodial Account	\$3,321,771						\$3,321,771
Fidelity 500 Index				69,243,268			69,243,268
GW & K Small-Mid Cap Equity				13,432,513			13,432,513
Vanguard Small Cap Value Index				13,287,134			13,287,134
Dodge & Cox Global Stock Fund				18,546,916			18,546,916
Artisan Global				20,544,823			20,544,823
MFS Low Volatility Global Equity				20,258,207			20,258,207
Fidelity Total International Index Fund				27,855,187			27,855,187
Harding Loewner International				3,160,061			3,160,061
DFA Emerging Markets Core Equity				4,811,745			4,811,745
Parametric Defense Equity				10,347,384			10,347,384
Neuberger-Berman U.S. Equity				10,059,584	10,427,545		10,059,584
Morgan Stanley Prime Property Fund					11,197,650		11,197,650
TA Reality Core Property Fund							15,811,079
JP Morgan				15,811,079			15,811,079
IFM Global Infrastructure				14,470,304			14,470,304
Partner's Group Private Equity				18,020,242			18,020,242
Siguler Guff Small Buyout Fund				9,141,957			9,141,957
Carlyle Direct Lending Evergreen Fund				18,452,102			18,452,102
CS McKee Fixed Income	1,234,156	28,266,984	10,107,137		1,951,530	1,699,441	43,259,248
Baird Core Plus Bond Fund				21,218,452			21,218,452
Fidelity U.S. Bond Index Fund				21,096,116			21,096,116
<b>Total</b>	<b>\$4,555,927</b>	<b>\$28,266,984</b>	<b>\$10,107,137</b>	<b>\$329,757,074</b>	<b>\$23,576,725</b>	<b>\$1,699,441</b>	<b>\$397,963,288</b>

The Lancaster County Employees' Retirement System  
 Portfolio As Of 12/31/24 At Cost Value

	Cash Equivalents	Government Securities	Corporate Bonds & CDs	Mutual Funds & Equities	Real Estate	Int'l Bonds	Total
Fulton Bank Custodial Account	\$3,321,771						\$3,321,771
Fidelity 500 Index				51,318,426			51,318,426
GW & K Small-Mid Cap Equity				13,141,708			13,141,708
Vanguard Small Cap Value Index				12,298,920			12,298,920
Dodge & Cox Global Stock Fund				15,635,599			15,635,599
Artisan Global				11,711,649			11,711,649
MFS Low Volatility Global Equity				16,302,342			16,302,342
Fidelity Total International Index Fund				26,725,521			26,725,521
Harding Loevner International				3,713,584			3,713,584
DFA Emerging Markets Core Equity				4,923,133			4,923,133
Parametric Defense Equity				10,169,507			10,169,507
Neuberger Berman U.S. Equity				9,819,260	10,082,097		9,819,260
Morgan Stanley Prime Property Fund					12,823,690		10,082,097
TA Reality Core Property Fund							12,823,690
JP Morgan				15,447,019			15,447,019
IFM Global Infrastructure				14,118,935			14,118,935
Partner's Group Private Equity				15,064,047			15,064,047
Siguler Guff Small Buyout Fund				8,438,939			8,438,939
Carlyle Direct Lending Evergreen Fund				18,983,350			18,983,350
CS McKee Fixed Income	1,234,156	29,046,080	10,362,392		1,981,221	1,753,043	44,376,892
Baird Core Plus Bond Fund				21,828,656			21,828,656
Fidelity U.S. Bond Index Fund				21,713,288			21,713,288

**Total** \$4,555,927 \$29,046,080 \$10,362,392 \$291,353,883 \$24,887,008 \$1,753,043 \$361,958,333



**County of Lancaster Controller's Office**  
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