

Annual Statement

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· **OF THE FINANCIAL CONDITION**
· **OF THE DUKES COUNTY RETIREMENT SYSTEM**
· **TO THE PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION**
· **FOR THE YEAR ENDED 12/31/2023**
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Annual Statement for the Year Ended December 31, 2023 of the conditions and Affairs of the Dukes County Retirement System.

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

Date of Certificate 03/01/1939

Effective Date 01/01/1940

ADMINISTRATION OFFICE

9 Airport Road, Suite 1
Street & Number

Vineyard Haven, MA 02568
City/Town, State and Zip Code

(508) 696-3846
Telephone Number

We, the undersigned, members of the Dukes County Retirement System certify under penalties of perjury, 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

Juliette Mulinare

(Name)

(Signature)

Appointed Member

Term Expires 12/31/2026

James Hagerty

(Name)

(Signature)

Elected Member

Term Expires 12/31/2025

Jo Ann Murphy

(Name)

(Signature)

Elected Member

Term Expires 12/31/2025

Tim McLean

(Name)

(Signature)

Member Appointed by Other Members

Term Expires 12/31/2026

Jonathan V. Snyder

(Name)

(Signature)

Investment Managers

Investment Managers list on next page

Investment Consultant

Dahab & Associates

423 So. Country Rd., Bay Shore, NY 11706

Custodian

Wilmington Trust Bank

240 Cabot St., Beverly, MA 01915

ANNUAL STATEMENT BALANCE TESTS

1. ASSET BALANCE

Assets Previous Year	210,614,626.98
Income Current Year	43,817,782.67
Disbursements Current Year	18,087,765.54
Assets Current Year	236,344,644.11

2. ASSET DIFFERENCE

Assets Current Year	236,344,644.11
Assets Previous Year	210,614,626.98
Difference	25,730,017.13

3. INCOME DIFFERENCE

Income Current Year	43,817,782.67
Disbursements Current Year	18,087,765.54
Difference	25,730,017.13

4. FUND CHANGE DIFFERENCE

Total Fund Change Credits Current Year	46,977,221.12
Total Fund Change Debits Current Year	-21,247,203.99
Difference	25,730,017.13

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

Annual Statement of the Dukes County Retirement System for the Year Ended December 31, 2023.

ASSETS & LIABILITIES

	2023	2022	2021
1. 1040 Cash	6,738,032.40	5,670,307.89	26,119,124.89
2. 1100 Short Term Investments	0.00	0.00	0.00
3. 1180 Fixed Income Securities	19,669,872.92	18,653,187.14	0.00
4. 1170 Equities	64,795,243.93	54,680,920.46	75,538,138.82
5. 1101 Pooled Short Term Funds	0.00	0.00	0.00
6. 1172 Pooled Domestic Equity Funds	21,796,923.09	18,173,538.47	21,315,692.32
7. 1173 Pooled International Equity Funds	10,884,940.21	9,271,444.08	11,192,699.76
8. 1174 Pooled Global Equity Funds	0.00	0.00	0.00
9. 1181 Pooled Domestic Fixed Income Funds	0.00	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	1,071,286.30	970,333.30	952,139.67
13. 1194 Pooled Real Estate Funds	20,429,555.53	21,790,251.85	20,365,010.36
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	0.00	0.00	0.00
18. 1199 PRIT Fund	90,098,007.72	81,099,161.63	91,575,043.70
19. 1550 Interest Due and Accrued	177,704.42	21,815.49	0.00
20. 1350 Prepaid Expenses	0.00	0.00	0.00
21. 1398 Accounts Receivable (A)	788,004.56	496,422.10	508,655.49
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)	(-104,926.97)	(-212,755.43)	(-163,094.30)
TOTAL	236,344,644.11	210,614,626.98	247,403,410.71
FUNDS			
1. 3293 Annuity Savings Fund	42,518,728.06	41,303,077.52	40,497,845.22
2. 3294 Annuity Reserve Fund	15,939,164.39	15,208,723.95	14,116,474.09
3. 3295 Military Service Fund	30,317.65	30,287.36	30,257.10
4. 3296 Pension Fund	-2,843,639.94	163,115.21	2,389,319.39
5. 3298 Expense Fund	0.00	0.00	0.00
6. 3297 Pension Reserve Fund	180,700,073.95	153,909,422.94	190,369,514.91
TOTAL ASSETS AT MARKET VALUE	236,344,644.11	210,614,626.98	247,403,410.71

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

Annual Statement of the Dukes County Retirement System for the Year Ended December 31, 2023.

	Balance Dec. 31 Prior year	Receipts	Interfund Transfers	Disbursements	Balance Dec.31 Current Year
Annuity Savings Fund	41,303,077.52	5,555,815.06	-3,159,438.45	-1,180,726.07	42,518,728.06
Annuity Reserve Fund	15,208,723.95	454,937.59	3,159,438.45	-2,883,935.60	15,939,164.39
Pension Fund	163,115.21	9,213,588.81	0.00	-12,220,343.96	-2,843,639.94
Military Service Fund	30,287.36	30.29	0.00	0.00	30,317.65
Expense Fund	0.00	1,802,759.91	0.00	-1,802,759.91	0.00
Pension Reserve Fund	153,909,422.94	26,790,651.01	0.00	0.00	180,700,073.95
Total All Funds	210,614,626.98	43,817,782.67	- 0 -	-18,087,765.54	236,344,644.11

List below all transfers:

Xfer from	Annuity Savings Fund	to	Annuity Reserve Fund	in the amt of	3,159,438.45	on acct of	2023 Retirements
	Control Acct						
Xfer from		to		in the amt of		on acct of	
Xfer from		to		in the amt of		on acct of	
Xfer from		to		in the amt of		on acct of	
Xfer from		to		in the amt of		on acct of	
Xfer from		to		in the amt of		on acct of	

Annual Statement of the Dukes County Retirement System for the Year Ended December 31, 2023.

RECEIPTS

	2023	2022	2021
1. Annuity Savings Fund:			
(a) 4891 Members' Deductions	5,132,571.56	4,697,252.37	4,464,986.33
(b) 4892 Transfers from Other Systems	256,715.40	86,694.93	215,949.46
(c) 4893 Member Make Up Payments and Redeposits	37,794.49	39,583.04	47,707.35
(d) 4900 Member Payments from Rollovers	12,155.63	4,128.87	53,762.44
(e) Investment Income Credited to Members' Accounts	116,577.98	70,385.30	73,760.45
Subtotal	5,555,815.06	4,898,044.51	4,856,166.03
2. Annuity Reserve Fund:			
(a) 4750 Recovery of Annuity from Reinstatement	0.00	0.00	0.00
(b) Investment Income Credited to Annuity Reserve Fund	454,937.59	437,746.72	407,416.69
Subtotal	454,937.59	437,746.72	407,416.69
3. Pension Fund:			
(a) 4898 3(8)(c) Reimbursements from Other Systems	436,116.82	298,628.63	300,298.69
(b) 4899 Received from Commonwealth for COLA & Survivor Bft	10,159.99	10,388.07	11,479.26
(c) 4894 Pension Fund Appropriation	8,767,312.00	8,376,456.00	7,895,088.00
(d) 4840 Workers Compensation Settlement	0.00	0.00	4,400.00
(e) 4751 Recovery of Pension from Reinstatement	0.00	0.00	0.00
(f) 4841 Recovery of 91A Overearnings	0.00	108,371.73	4,711.25
Subtotal	9,213,588.81	8,793,844.43	8,215,977.20
4. Military Service Fund:			
(a) 4890 Contributions Received from Municipality	0.00	0.00	0.00
(b) Investment Income Credited	30.29	30.26	30.23
Subtotal	30.29	30.26	30.23
5. Expense Fund:			
(a) 4896 Expense Fund Appropriation	0.00	0.00	0.00
(b) Investment Income Credited to Expense Fund	1,802,759.91	1,734,012.67	1,750,412.43
Subtotal	1,802,759.91	1,734,012.67	1,750,412.43
6. Pension Reserve Fund:			
(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	21,206.37	5,395.10	10,374.61
(d) 4825 Miscellaneous Income	1,129.20	38.57	0.00
(e) Excess Investment Income	26,768,315.44	-36,391,280.96	37,899,846.82
Subtotal	26,790,651.01	-36,385,847.29	37,910,221.43
TOTAL RECEIPTS	43,817,782.67	-20,522,168.70	53,140,224.01

Annual Statement of the Dukes County Retirement System for the Year Ended December 31, 2023.

DISBURSEMENTS

	2023	2022	2021
1. Annuity Savings Fund:			
(a) 5757 Refunds to Members	782,806.07	545,469.42	524,832.92
(b) 5756 Transfers to Other Systems	397,920.00	222,158.87	587,545.56
Subtotal	<u>1,180,726.07</u>	<u>767,628.29</u>	<u>1,112,378.48</u>
2. Annuity Reserve Fund:			
(a) 5750 Annuities Paid	2,823,077.86	2,643,618.25	2,348,074.06
(b) 5759 Option B Refunds	60,857.74	101,307.21	156,937.94
Subtotal	<u>2,883,935.60</u>	<u>2,744,925.46</u>	<u>2,505,012.00</u>
3. Pension Fund:			
(a) 5751 Pensions Paid	11,038,967.46	10,259,762.76	9,374,037.86
Regular Pension Payments	9,154,186.46	8,432,690.52	7,682,242.42
Survivorship Payments	338,498.72	290,025.97	269,428.86
Ordinary Disability Payments	78,407.94	85,470.24	91,890.00
Accidental Disability Payments	1,226,517.38	1,231,060.37	1,161,649.48
Accidental Death Payments	241,356.96	220,515.66	165,761.40
Section 101 Benefits	0.00	0.00	3,065.70
(b) 5755 3(8)(c) Reimbursements To Other Systems	931,329.16	619,861.69	81,481.17
(c) 5752 COLAs Paid	250,047.34	140,424.16	133,618.80
(d) 5753 Chapter 389 Beneficiary Increase Paid	0.00	0.00	0.00
Subtotal	<u>12,220,343.96</u>	<u>11,020,048.61</u>	<u>9,589,137.83</u>
4. Military Service Fund:			
(a) 4890 Return to Municipality for Members who Withdrew Funds	0.00	0.00	0.00
Subtotal	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
5. Expense Fund:			
(a) 5118 Board Member Stipend	22,500.00	22,500.00	22,025.00
(b) 5119 Salaries	296,798.24	235,664.31	211,978.35
(c) 5120 Benefits	63,035.93	43,501.62	39,790.69
(d) 5304 Management Fees	1,126,743.31	1,174,966.76	1,196,027.98
(e) 5305 Custodial Fees	55,559.32	54,892.63	59,564.84
(f) 5307 Investment Consultant Fees	52,916.67	36,666.67	54,162.19
(g) 5308 Legal Expenses	37,637.63	33,174.85	36,142.61
(h) 5309 Medical Expenses	0.00	0.00	0.00
(i) 5310 Fiduciary Insurance	7,170.00	7,065.00	6,999.00
(j) 5311 Service Contracts	35,160.00	33,660.00	32,210.00
(k) 5312 Rent Expense	8,124.36	9,416.00	0.00
(l) 5315 Professional Services	0.00	2,407.50	1,266.50
(m) 5316 Actuarial Services	7,300.00	31,000.00	13,500.00
(n) 5317 Accounting Services	38,000.00	38,000.00	38,000.00
(o) 5320 Education And Training	0.00	1,385.00	0.00
(p) 5589 Administrative Expenses	47,546.39	3,366.54	34,845.91
(q) 5599 Furniture and Equipment	2,941.00	2,580.00	1,730.86
(r) 5719 Travel	1,327.06	3,765.79	2,168.50
(s) 5829 Depreciation Expense: Building	0.00	0.00	0.00
Subtotal	<u>1,802,759.91</u>	<u>1,734,012.67</u>	<u>1,750,412.43</u>
TOTAL DISBURSEMENTS	<u>18,087,765.54</u>	<u>16,266,615.03</u>	<u>14,956,940.74</u>

Annual Statement of the Dukes County Retirement System for the Year Ended December 31, 2023.

INVESTMENT INCOME

Investment Income received from:	2023	2022	2021
(a) Cash (from Schedule 1)	204,939.72	84,146.18	860.13
(b) Short Term Investments (from Schedule 2)	0.00	0.00	570.43
(c) Fixed Income Securities (from Schedules 3A and 3C)	686,288.16	607,055.05	743,999.56
(d) Equities (from Schedules 4A and 4C)	542,123.54	358,367.52	458,347.74
(e) Pooled Funds (from Schedule 5)	3,459,850.72	3,317,225.12	2,895,155.66
(f) Commission Recapture and Securities Litigation	0.00	0.00	0.00
4821 TOTAL INVESTMENT INCOME	<u>4,893,202.14</u>	<u>4,366,793.87</u>	<u>4,098,933.52</u>
Plus:			
4884 Realized Gains (Profits)	4,211,063.18	1,780,489.43	11,787,798.60
4886 Unrealized Gains (Increase in Market Value)	35,920,919.08	17,166,962.51	31,396,833.83
1550 Interest Due & Accrued on Fixed Income Securities at End Of Current Year	177,704.42	21,815.49	0.00
Less:			
4823 Paid Accrued Interest on Fixed Income Securities	46,040.66	160,065.03	98,592.50
4885 Realized Losses	1,127,878.16	5,533,399.54	1,293,178.61
4887 Unrealized Losses (Decrease in Market Value)	14,864,573.87	51,791,652.20	5,642,548.94
1550 Interest Due and Accrued on Fixed Income Securities Prior Year	21,815.49	0.00	117,769.40
Additional Adjustments:			
4701 Carried Interest Expense	0.00	0.00	0.00
4702 Equalization Expense	0.00	0.00	0.00
4703 Miscellaneous Investment Expenses	-40.57	50.54	9.88
NET INVESTMENT INCOME	<u>29,142,621.21</u>	<u>-34,149,106.01</u>	<u>40,131,466.62</u>
Income required:			
Annuity Savings Fund (from Supplementary Schedule)	116,577.98	70,385.30	73,760.45
Annuity Reserve Fund	454,937.59	437,746.72	407,416.69
Expense Fund	1,802,759.91	1,734,012.67	1,750,412.43
Military Service Fund	30.29	30.26	30.23
TOTAL INCOME REQUIRED	<u>2,374,305.77</u>	<u>2,242,174.95</u>	<u>2,231,619.80</u>
Net Investment Income	29,142,621.21	-34,149,106.01	40,131,466.62
Less Income Required	2,374,305.77	2,242,174.95	2,231,619.80
EXCESS INCOME TO PENSION RESERVE FUND	<u>26,768,315.44</u>	<u>-36,391,280.96</u>	<u>37,899,846.82</u>

Annual Statement of the Dukes County Retirement System for the Year Ended December 31, 2023.

MEMBERSHIP FOR CURRENT YEAR

ACTIVE MEMBERS	Group 1	Group 2 & 4	TOTAL
Active Membership, Dec. 31st, Previous Year	567	107	674
Inactive Membership, Dec. 31st, Previous Year	291	20	311
Enrolled During Current Year	97	12	109
Transfers Between Groups	0	0	0
Reinstatements of Disabled Members	0	0	0
SUBTOTAL	97	12	109
Deduct:			
Death	1	0	1
Withdrawals	53	4	57
Retirements	24	3	27
SUBTOTAL	78	7	85
Active Membership, Dec. 31st, Current Year	570	112	682
Inactive Membership, Dec. 31st, Current Year	307	20	327

RETIRED MEMBERS, BENEFICIARIES & SURVIVORS

Retired, Beneficiary and Survivor Membership, Dec. 31st, Previous Year	347	71	418
Retirements During the Year			
Superannuation	23	3	26
Ordinary Disability	0	1	1
Accidental Disability	0	0	0
Termination Retirement Allowance	0	0	0
Beneficiary of Deceased Retiree	0	0	0
Survivor Benefits from Active Membership	1	0	1
SUBTOTAL	24	4	28
Deduct:			
Deaths of Retired Members	3	1	4
Termination of Survivor Benefits	0	0	0
Reinstatements of Disabled Pensions	0	0	0
SUBTOTAL	3	1	4
Retired Membership, Dec. 31st, Current Year			
Superannuation	324	47	371
Ordinary Disability	0	4	4
Accidental Disability	12	16	28
Termination	2	1	3
Beneficiaries from Accidental Deaths	1	4	5
Beneficiaries from Section 100	0	0	0
Beneficiaries from Section 101	0	0	0
Beneficiaries under Option C	17	1	18
Option (D) Survivor Allowance	12	1	13
Section 12B Survivor Allowance	0	0	0

Total Retired, Beneficiary and Survivor Membership, Dec. 31st, Current Year	368	74	442
TOTAL MEMBERSHIP			
Active, Inactive, Retired, Beneficiary and Survivor, Dec. 31st, Current Year	1,245	206	1,451

Annual Statement of the Dukes County Retirement System for the Year Ended December 31, 2023.

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	485,620.58	12/31/2023
4892 Transfers From Other Systems	0.00	
4893 Member Make Up Payments and Redeposits	4,248.38	12/31/2023
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)	297,809.00	12/31/2023
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)	0.00	
	0.00	
	0.00	
Misc Exp	326.60	12/31/2023
TOTAL RECEIVABLES	788,004.56	
Accounts Payable		
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	0.00	
5304 Management Fees	-77,172.74	12/31/2023
5305 Custodial Fees	-9,138.42	12/31/2023
5307 Investment Consultant Fees	-13,750.00	12/31/2023
5308 Legal Expenses	0.00	
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	-347.70	12/31/2023
5599 Furniture and Equipment	0.00	
5719 Travel	-188.64	12/31/2023
Investments Purchased But Not Paid For (list individually)		
Member deductions	-4,329.47	12/31/2023
	0.00	
	0.00	
	0.00	
TOTAL PAYABLES	-104,926.97	