

RETIREMENT NEWS

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS | JULY 2024

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State & County CASH BALANCE DIVIDEND

At the May 20, 2024, board meeting, the Public Employees Retirement Board (PERB) approved a dividend for eligible members of the State and County Cash Balance retirement plans.

Each year an actuarial study is conducted to ascertain the funded status of the Cash Balance plans. The 2024 actuarial reports for the plans were presented at the May 20, 2024, PERB meeting. These reports found both plans sufficiently funded to allow the PERB to grant a dividend. After reviewing the actuarial reports and discussion with the plan actuary, **the PERB voted to grant a 2.48% dividend for State and 1.20% for County Cash Balance members.**

The dividend will be based upon the member's Cash Balance account balance as of December 31, 2023. It will be credited to eligible Cash Balance member accounts by August 31st, or as soon as administratively possible. The amount of the dividend will be included in the "earnings" on your third quarter account statements.

All dividends must conform to the requirements stipulated in state statute and board policy. The plan must be 100% actuarially funded before and after the valuation date of the report. The actuarial reports are published on the [Publications page](#) for members who wish to review the content.

CHANGING PATHS

Upcoming Changes to the LifePath Fund Options

For members making investment choices for their Defined Contribution Plan, Voluntary Deferred Compensation Plan, and/or Patrol DROP account, it's important to review your options carefully.

WHAT'S HAPPENING?

Toward the end of this year, the LifePath 2025 Fund will wind down, and if you have assets in this fund, they will be moved into the LifePath Retirement Fund. This is what the fund is designed to do at its target date, regardless of whether the member is actually retiring in 2025.

WHAT IS THE LIFEPATH RETIREMENT FUND?

The LifePath Retirement Fund seeks to provide consistent spending in retirement. It's the most conservative LifePath (Target Date) fund and is designed to help preserve capital while still seeking growth for a retirement that lasts decades.

HOW DIFFERENT IS THE LIFEPATH RETIREMENT FUND FROM MY LIFEPATH 2025 FUND?

The LifePath 2025 Fund has been steadily shifting classes over the years, reducing its investment in stocks, and increasing its investment in bonds. When it reaches the target date, the assets are transferred into the LifePath Retirement Fund.

WHEN WILL THIS OCCUR AND WHAT DO I NEED TO DO?

Any account balances in the LifePath 2025 Fund will be transferred into the LifePath Retirement Fund after the close of business on October 4th, 2024. The process is automatic, so there is nothing members will need to do if they are comfortable with their assets moving to the LifePath Retirement Fund.

However, if you wish to transfer from the LifePath 2025 or LifePath Retirement Fund into a different fund offered, you can do this using your Ameritas Online Access. If you are not certain which funds are offered, you can review them in our [2024 Annual Investment Report](#). If you would like extra help to make these transfers or to allocate future contributions to a different fund, check out our "[Making Allocation Elections or Fund Transfers using the Ameritas Website](#)" video, on the Investment Info page of our website, NPER.S.NE.GOV.

ANYTHING ELSE TO WATCH FOR?

With the end of the LifePath 2025 Fund imminent, we are anticipating the advent of the new LifePath 2070 Fund happening soon! Watch your newsletters for the announcement of the new fund coming soon for all those aspiring to retire in 2070!

FRAUD CORNER

How We Protect You and How You can Protect Yourself

I don't answer calls from numbers I don't recognize, and you shouldn't either. If you have watched the news lately you know why people are simply refusing to answer the phone—people are being defrauded out of thousands of dollars daily, simply for picking up the wrong call. As an agency committed to protecting your money and your data, we want to do everything we possibly can to safeguard you. Sometimes this can mean having an uncomfortable conversation or asking for help. Fraud is rampant, with the demographic we serve being constantly targeted.

Fraud corner is a response to this. We talk about scams we are seeing in the hope that you will be able to protect yourself. We have added an Elder Financial Fraud presentation during our in-person seminars for our plans. This presentation showcases the most common scams and gives tips to avoid falling victim to them.

Is having to find a notary public to notarize an NPERS form convenient? No. However, that notary is a low-tech fraud deterrent. The notary is supposed to make sure that the person signing that form is YOU and verify your identity at the time.

We may be a little displeased that NPERS can't simply speak with our spouse over the phone regarding our personal account (without getting our permission)? That is a strict adherence to HIPPA regulations that keeps your account protected from people who may pretend to be you.

NPERS has a SPAM/Marketing page on our website that we update depending on the kinds of fraud being used to target our membership. [Check out what we are seeing.](#)

Yet another show of our commitment to this very important fiduciary duty we have to you will be implemented soon. Multifactor Authentication for NPERS online accounts! It will better protect your account information from malicious individuals who may want your personal information.

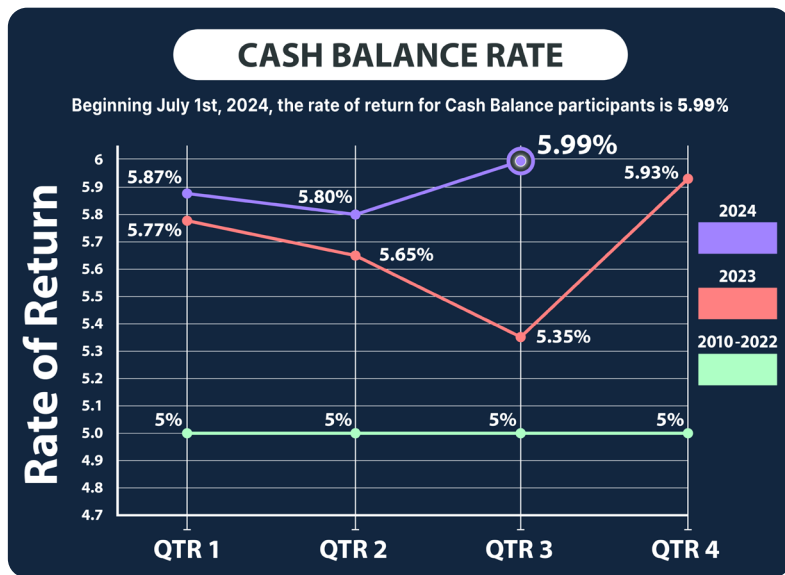
Remember if you ever receive a call or e-mail that states it's from NPERS and you don't think it is us, please hang up the phone and call the office to make sure! (402-471-2053) We expect you to do this. It is never an inconvenience for us to prove who we are and make you feel like every interaction you have with our office is a positive and safe experience.

Cash Balance Rate

For the quarter beginning July 1st, 2024, the rate of return for Cash Balance participants is 5.99%.

The rate of return for the Cash Balance plan is the federal mid-term rate plus 1.5% or a guaranteed rate of 5%, whichever is greater. This year and last year we have seen some of the highest rates of return for the cash balance plan! First quarter of 2024 was 5.87%. The second quarter rate was 5.80%. Now, the third quarter rate is 5.99%. This gives the Cash Balance plan a year average rate of return of 5.88%.

The current and historical Cash Balance rates of return are available via the ["Cash Balance Rates of Return & Dividends"](#) link on our website.



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