

# CERF Update:

## Cindy Stein

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August 26, 2025



# CERF: Updates For Past Year

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- CERF's pension plan is a long-term investment strategy
- Diversified institutional investment strategies
  - Equities
  - Fixed Income
  - Real Assets
- CERF board, staff and investment consultant monitor asset allocation and manager performance





# CERF: Updates For Past Year

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- CERF Investment Balance as of 12/31/24: \$817,585,000 (up \$48M)
- Since inception, rate of return on investments: 8.66%
- CERF is currently 80% funded
- CERF is well positioned for continued growth into the future.



# CERF: Updates For Past Year

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- CERF had a negative investment return for 2022 – but beat its benchmark index
- 2023 was much improved with a positive investment return – gaining back some of the 2022 investment loss
- 2024: Positive year for CERF and the investment markets. CERF exceeded its assumed rate of return
- Keep in mind that CERF had positive double-digit investment returns for 2019, 2020, and 2021

# Investment Return

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- 1 year return as of December 31, 2024: 8.71%
- For the period ended December 31, 2024:
  - 3 Year Return: 2.96%
  - 5 Year Return: 7.78%
  - 10 Year Return: 7.64%
  - Since inception: 8.66% (August 28, 1994)



# Market Volatility – Spring 2025

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- Investment markets began experiencing increased volatility in March 2025
- Tariff announcement on April 2 resulted in a high degree of market volatility
- Wide swings – both up and down
- Period of uncertainty. Too early to draw any definitive conclusions
- The Board and staff are in communication with the Investment consultant and investment managers

# CERF Savings Plan - Empower

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- Review your account information
- Schedule a meeting with Empower retirement plan advisor Ben Harris to review your account and investments
- Empower staff are also available through the call center and online advice options
- Empower has prepared resources on market volatility. Visit the Empower Learning Center website [https://www.empower.com/learning\\_center/#/](https://www.empower.com/learning_center/#/)



# CERF: The Data

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- CERF employees vested after 8 years of continuous service.
- Full benefits paid at age 62.
- Employees can begin receiving CERF pension as early as 55 at a reduced amount.
- CERF currently has 12,735 active participants
  - 7,000 pension payments to retirees and surviving beneficiaries each month
  - Average pension payment is \$629



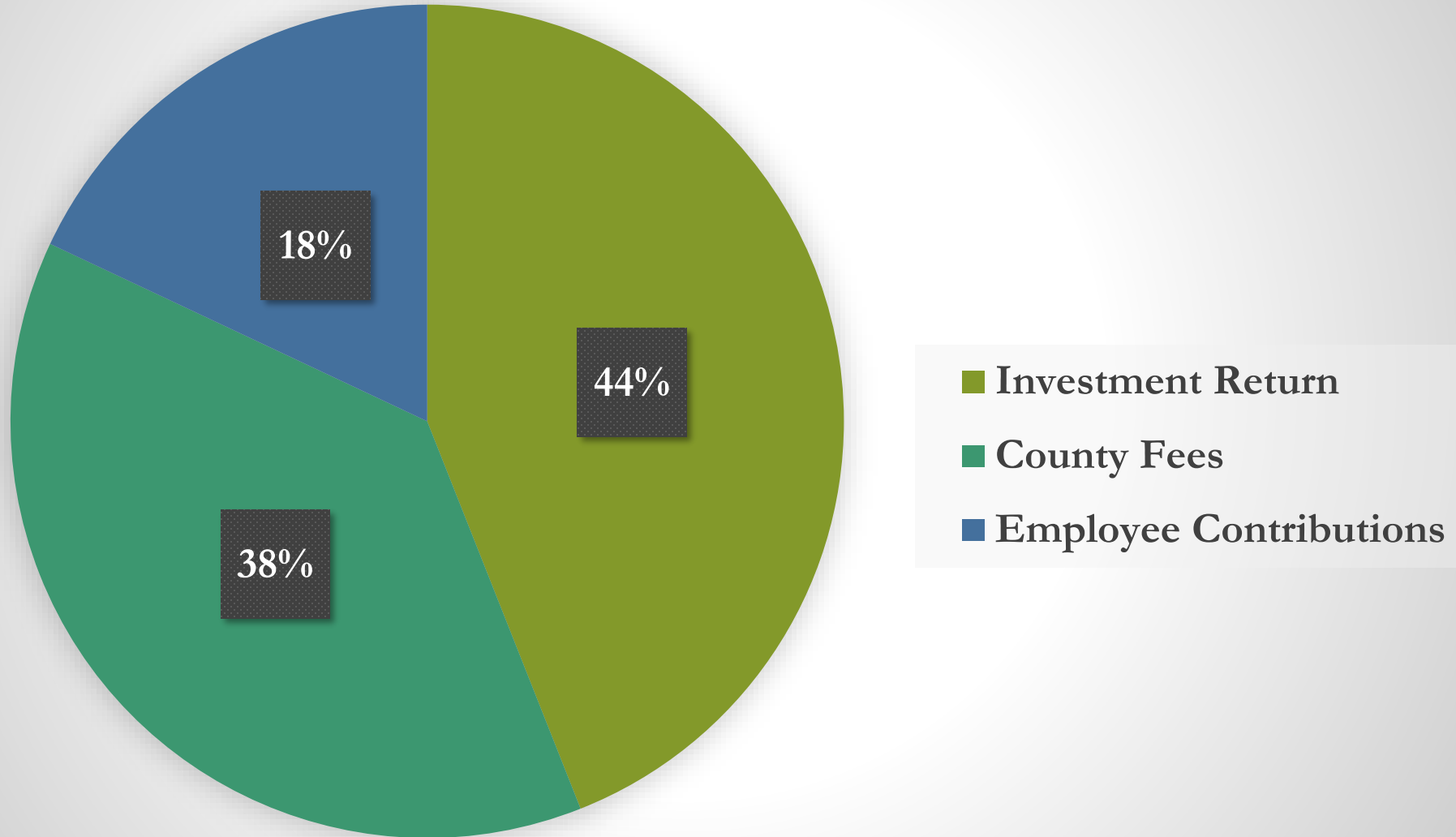


# CERF: The Data

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- 2024: CERF paid out approximately \$50.7 million in retirement benefits
  - This amount grows about 8% annually
- COLA is approved annually by CERF Board.
  - By law, COLA is set at the lesser of 1% or CPI.
- At March 2025 board meeting, COLA of 1% authorized beginning in July.

## CERF Funding Source







# CERF: Legislative Update

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- Legislators have filed a record number of bills in 2025.
- Recurring theme: Changes to property tax.
  - Multiple bills would reduce the rate of assessment of personal property & real property.
  - Result would reduce revenues and negatively impact CERF, counties, and political subdivisions.
  - Most legislation does not include a replacement source of revenue.



# CERF: Legislative Update

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- Recurring theme: Modify investment policy and fiduciary duty of pension plan boards.
  - Require plans to divest certain investments in China
  - Prohibit plans from investing in companies that do or don't do certain activities
- CERF would prefer to follow investment advice from investment consultants rather than be restricted by state law.



# CERF Savings Plan Matching Contribution

- CERF board sets the matching contribution annually
- March 2025: Board set match for contribution to the 457 plan
  - 50 cents for each dollar contributed up to first 4% of pay
  - This match is paid in March 2026 and is the same as 2023 and 2024.
- CERF's actuary recommended keeping match the same as 2023 and 2024
- State law caps match to 50 cents for each dollar contributed up to first 6% of pay
- This balances providing lifetime monthly pension with supporting one-time match contribution.



# Greene County by the Numbers

As of August 22, 2025 Payroll

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## CERF 457 Savings (pretax):

- 232 employees contributed a total of \$37,027.89 this pay period
- \$696,324.06 contributed year to date

## CERF 457 ROTH (post tax)

- 42 employees contributed a total of \$5,480.49 this pay period
- \$95,350.05 contributed year to date





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- CERF Monthly Asset Summary Performance Reports:
  - <https://www.mocerf.org/AssetPerformance.html>



# Questions