

TUESDAY, JANUARY 20, 2026

INVESTED FOR YOU

PRESENTED BY:

**OREGON
PERS**

PUBLIC EMPLOYEES RETIREMENT SYSTEM



**OREGON
STATE
TREASURY**

TODAY'S SPEAKERS



Elizabeth Steiner
Oregon State Treasurer



Kevin Olineck
PERS Director



Rex Kim
Oregon State Treasury
Chief Investment Officer

INVESTED FOR YOU

AGENDA

Event Reminders

Welcoming Remarks

Oregon State Treasurer Elizabeth Steiner, MD

Oregon State Treasury & Investments Program Overview

Oregon State Treasurer Elizabeth Steiner, MD

Managing OPERF

Rex Kim, Chief Investment Officer - Oregon State Treasury

PERS Overview & Updates

Kevin Olineck, Director - PERS

Moderated Q&A Session

Closing Remarks

INVESTED FOR YOU

EVENT REMINDERS

- Attendees Will Not Have Audio Or Video Capabilities
- ADA Accommodations Are Available
- Communication Tools Available to Attendees:
 - **Q&A tool:** Please Submit Any Questions For The Presenters
 - *Use the “Up-Vote” feature to vote up your favorite questions*



Welcoming Remarks



Elizabeth Steiner, MD
Oregon State Treasurer

A photograph of the Oregon State Treasury building, a modern structure with large glass windows and a flat roof. An American flag flies on a tall pole to the right. In the foreground, there are wide concrete steps leading up to the entrance. The entire image is overlaid with a semi-transparent dark blue filter.

Oregon State Treasury & Investments Program Overview

Elizabeth Steiner, MD
Oregon State Treasurer

OREGON STATE TREASURY



OREGON
STATE
TREASURY

Invested For Oregon, For The Long Term

How Treasury Serves Oregon



Sustainable Long-Term Investing



Manage State Bond Issuances



Safeguard and Return Unclaimed Property



Help Oregonians Achieve Financial Wellness



**Modernized Banking and
Cash Management Services**



OREGON
STATE
TREASURY

Invested For Oregon, For The Long Term

Treasury Investments Program Overview



Working Together To Achieve
Long Term, Sustainable Returns



Investing On Behalf Of Universities,
Agencies, And Members Of State
Retirement System



Fiduciaries First – Managing
The Investments That Fund
Your Retirement

Oregon
Investment
Council

Supporting Our Work:
Oregon Investment Council



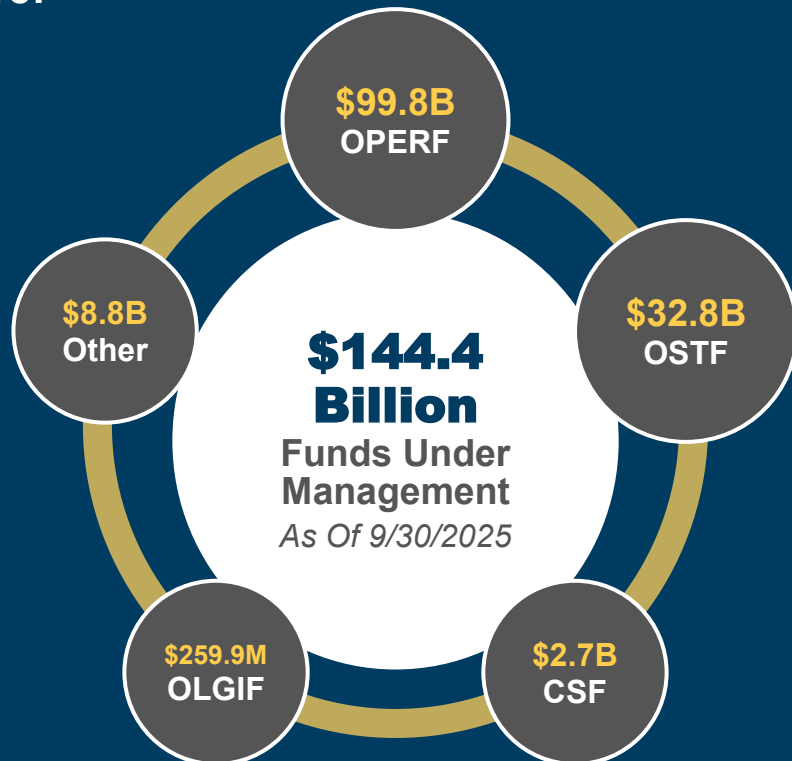


OREGON
STATE
TREASURY

Invested For Oregon, For The Long Term

Examples Of Funds Managed:

- Oregon Public Employees Retirement Fund (**OPERF**)
- Oregon Short Term Fund (**OSTF**)
- Common School Fund (**CSF**)
- Oregon Local Government Intermediate Fund (**OLGIF**)
- And More!



Did You Know?

Over the past 15 years,
nearly \$1 billion has been distributed from the
Common School Fund to
Oregon K-12 schools

Managing OPERF





OREGON
STATE
TREASURY

Invested For Oregon, For The Long Term

Treasury Manages OPERF To Perform In Various Market Conditions While Supporting Monthly Benefit Payments And Future Retirement Obligations.

Core Investment Fundamentals

- 1. Invest In Diverse Assets To Perform Across Different Market Conditions**
- 2. Manage Investment Risks On A Global Scale**
- 3. Operate In An Efficient And Cost-Effective Manner**



OREGON
STATE
TREASURY

Invested For Oregon, For The Long Term

What We Invest In

Example Of Asset Holdings



Public Equity (Stocks)

What It Is: Ownership In Publicly Traded Companies

Role Within OPERF: Earn Higher Returns Than Bonds And Provides Liquidity To Help Pay Pension Benefits



Real Assets

What It Is: Investments Tied To Physical, Tangible Assets

Role Within OPERF: Helps Protect Against Inflation And Adds Diversification



Private Equity

What It Is: Ownership In Companies Not Traded On Public Stock Markets

Role Within OPERF: Potential For Higher Returns Over Longer Time Period



Fixed Income (Bonds)

What It Is: Government-Backed Fixed Income Securities Such As U.S. Treasury Bonds

Role Within OPERF: Provides Stability And Liquidity, And Helps Balance Portfolio Risk

Asset Class Historical Returns

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*
Real Estate 13.3%	High Yield 17.1%	EM Equity 37.3%	Private Equity 12.4%	US Equity 31.5%	Private Equity 29.2%	Private Equity 42.0%	Commodities 16.1%	US Equity 26.3%	US Equity 25.0%	EM Equity 33.6%
Private Equity 10.3%	Private Equity 12.3%	EAFE Equity 25.0%	Real Estate 6.7%	EAFE Equity 22.0%	US Equity 18.4%	US Equity 28.7%	Real Estate 5.5%	EAFE Equity 18.2%	Hedge Funds 9.8%	EAFE Equity 31.2%
US Equity 1.4%	US Equity 12.0%	US Equity 21.8%	Cash 1.9%	Private Equity 18.6%	EM Equity 18.3%	Commodities 27.1%	Cash 1.5%	High Yield 13.4%	High Yield 8.2%	US Equity 17.9%
Bonds 0.5%	Commodities 11.8%	Private Equity 20.5%	Bonds 0.0%	EM Equity 18.4%	Hedge Funds 11.8%	Real Estate 17.7%	Hedge Funds -4.1%	EM Debt 11.9%	EM Equity 7.5%	EM Debt 16.8%
Cash 0.0%	EM Equity 11.2%	EM Debt 12.7%	TIPS -1.3%	High Yield 14.3%	TIPS 11.0%	EAFE Equity 11.3%	Private Equity -4.2%	EM Equity 9.8%	Private Equity 6.1%	Commodities 15.8%
EAFE Equity -0.8%	EM Debt 10.2%	Hedge Funds 8.6%	High Yield -2.1%	EM Debt 14.3%	EAFE Equity 7.8%	Hedge Funds 10.2%	High Yield -11.2%	Private Equity 9.3%	Commodities 5.4%	Hedge Funds 10.9%
Hedge Funds -1.1%	Real Estate 8.0%	High Yield 7.5%	US Equity -4.4%	Hedge Funds 10.4%	Bonds 7.5%	TIPS 6.0%	TIPS -11.8%%	Hedge Funds 8.1%	Cash 5.3%	High Yield 8.6%
TIPS -1.4%	Hedge Funds 5.4%	Real Estate 7.0%	Hedge Funds -4.7%	Bonds 8.7%	High Yield 7.1%	High Yield 5.3%	Bonds -13.0%	Bonds 5.5%	EAFE Equity 3.8%	Bonds 7.3%
High Yield -4.5%	TIPS 4.7%	Bonds 3.5%	EM Debt -5.2%	TIPS 8.4%	EM Debt 4.0%	Cash 0.0%	EAFE Equity -14.5%	Cash 5.0%	EM Debt 2.0%	TIPS 7.0%
EM Debt -7.1%	Bonds 2.6%	TIPS 3.0%	Commodities -11.2%	Commodities 7.7%	Real Estate 1.6%	Bonds -1.5%	EM Debt -14.8%	TIPS 3.9%	TIPS 1.8%	Cash 4.2%
EM Equity -14.9%	EAFE Equity 1.0%	Commodities 1.7%	EAFE Equity -13.8%	Real Estate 6.4%	Cash 0.7%	EM Equity -2.5%	US Equity -18.1%	Commodities -7.9%	Bonds 1.3%	Private Equity 3.9%
Commodities -24.7%	Cash 0.3%	Cash 0.9%	EM Equity -14.6%	Cash 2.3%	Commodities -3.1%	EM Debt -5.3%	EM Equity -20.1%	Real Estate -7.9%	Real Estate 0.4%	Real Estate 3.7%

*Data for Hedge Funds and Private Equity are year-to-date through 11/30/2025 and 06/30/2025, respectively.

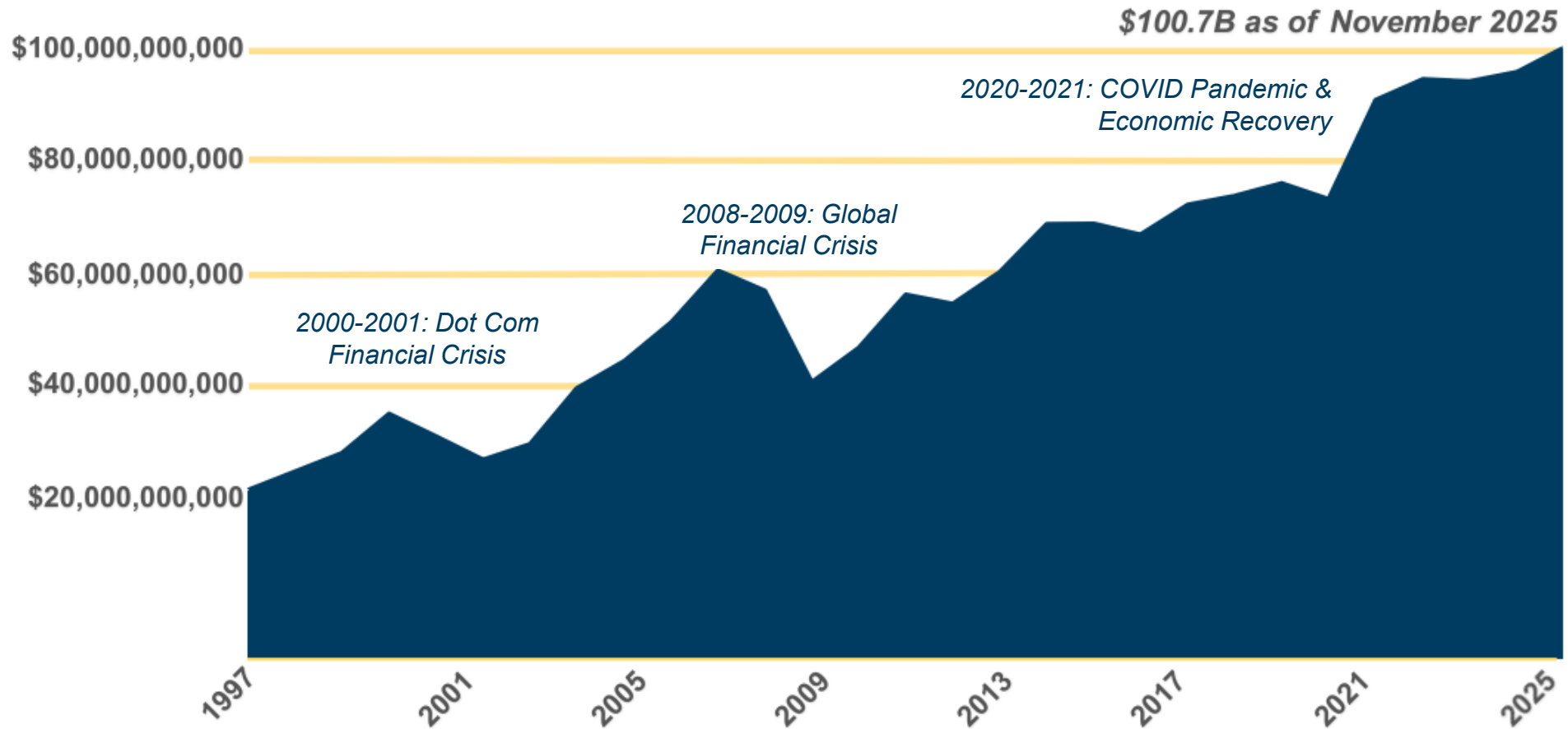


OREGON
STATE
TREASURY

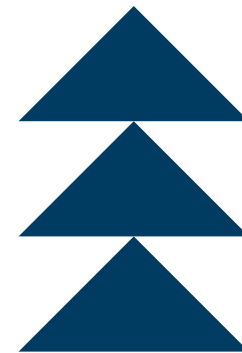
INVESTMENT SERVICES

A Generation Of Building Value

Growth of Assets From 1997 to 2025



Performance Snapshot





OREGON
STATE
TREASURY

INVESTMENT SERVICES

2025 OPERF Snapshot

+9.7%

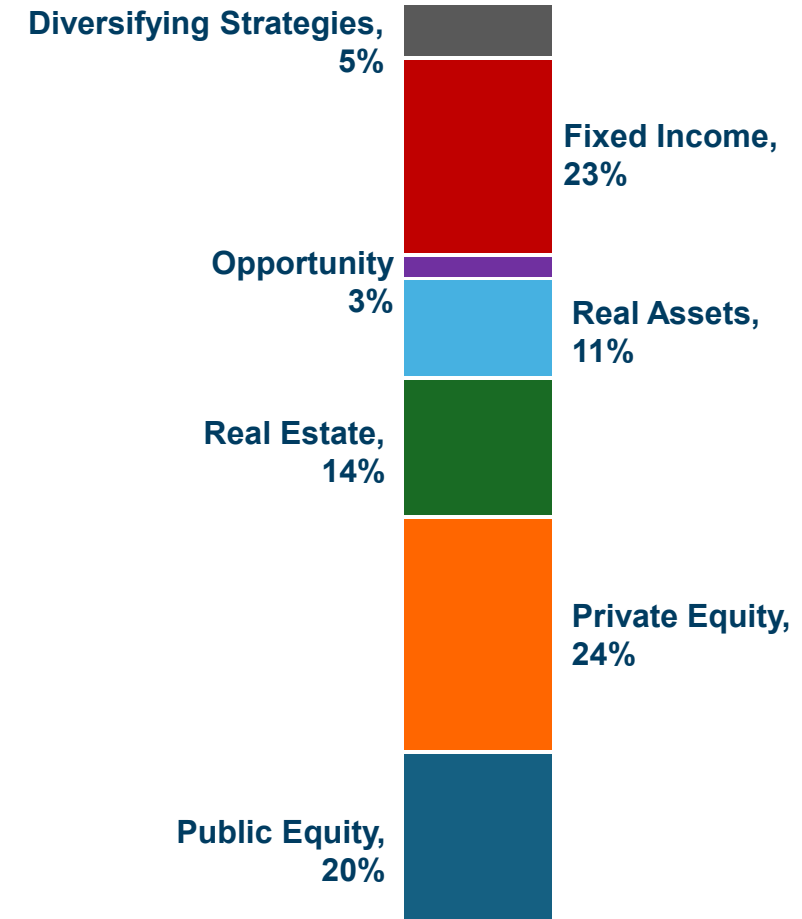
2025 OPERF Performance

+8.2%

10-Year Annualized OPERF Performance

OPERF Asset Allocations

As of 11/30/2025





OREGON
STATE
TREASURY

INVESTMENT SERVICES

Performance Vs PERS Assumed Rate

OPERF Investment Performance Consistently Meets Or Exceeds The Assumed Rate



	1-Year	5-Year	10-Year
OPERF	9.7%	7.7%	8.2%
Assumed Rate	6.9%	7%	7.3%

Performance data as of 12/31/2025

**Did
You
Know?**

**Treasury's Active Management Of The Retirement Fund
Delivered Nearly \$3.8 Billion In Cumulative Added Value
Over The Past Five Years***

**Per An Analysis Completed By CEM Benchmarking And Presented At The October 22, 2025, Oregon Investment Council Meeting*



OREGON
STATE
TREASURY

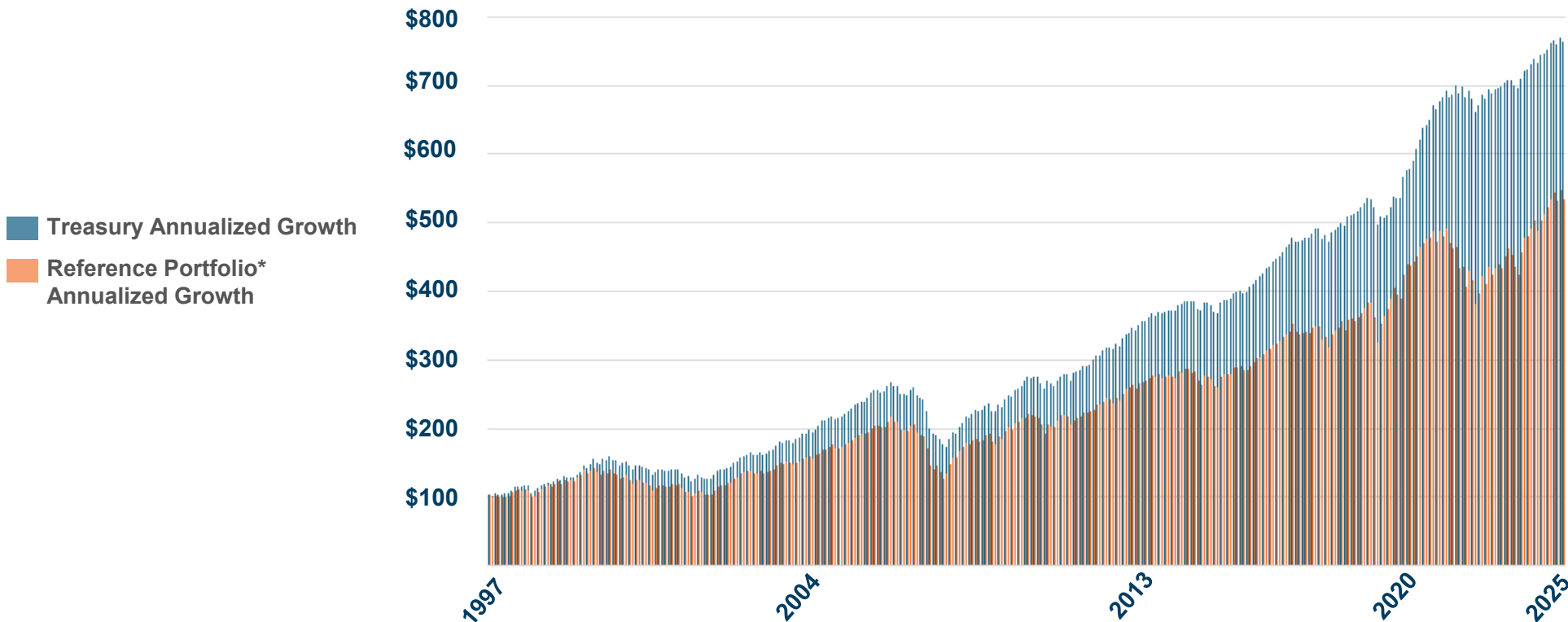
Invested For Oregon, For The Long Term

Managing Oregon Public Employees' Retirement Funds

INVESTING FOR THE LONG TERM



Growth Of \$100 Since 1997 If Invested By Treasury Or In A Reference Portfolio*



*Reference Portfolio =
70% Stocks And 30% Bonds

Next Presenter

Kevin Olineck,
Director – Oregon Public Employees Retirement System



OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



PERS Employer and Partner Presentation

Kevin Olineck
January 20, 2026

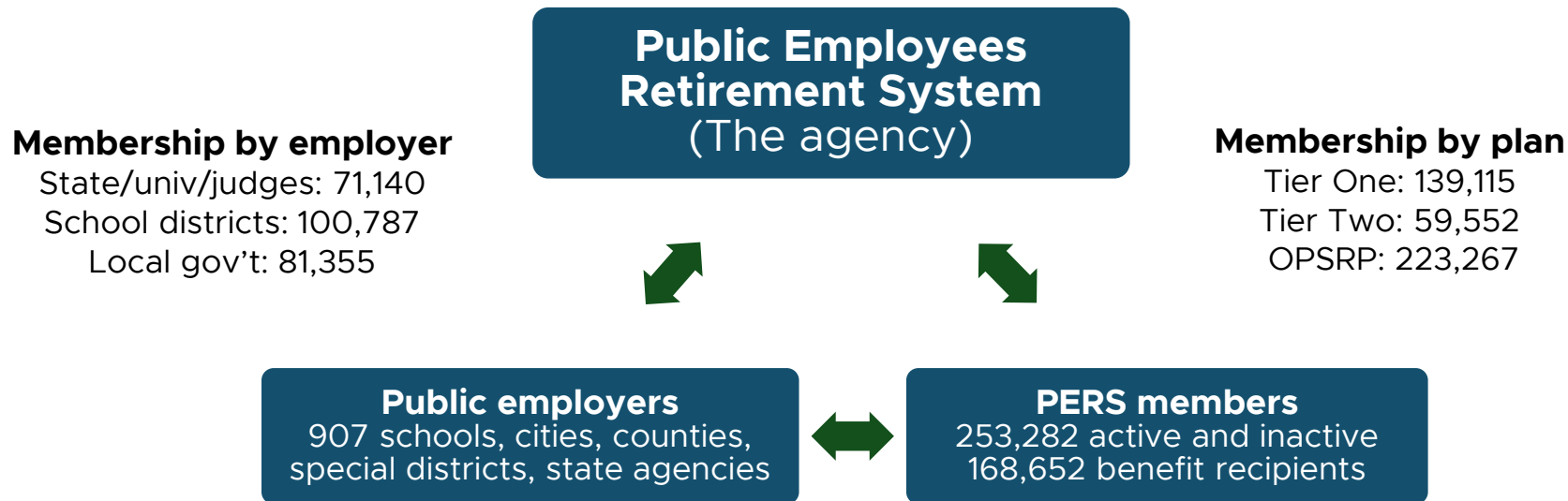


PERS overview and partnerships

(as of June 30, 2025)

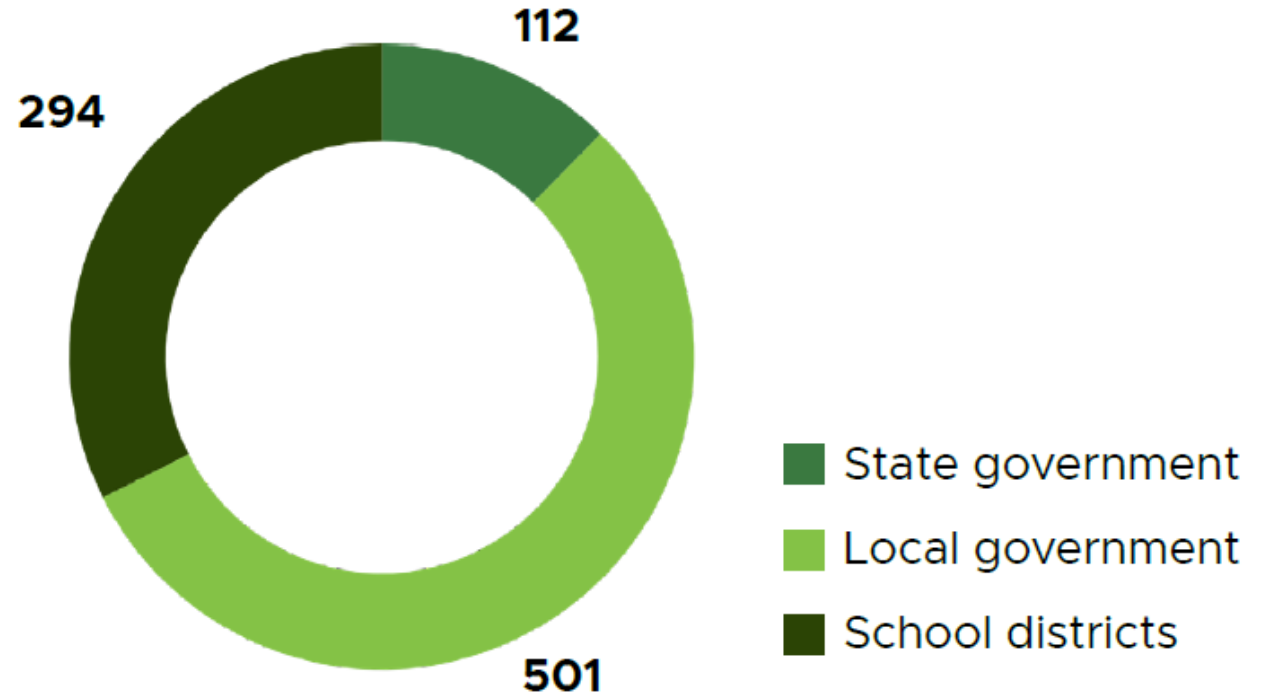
The Oregon Legislative Assembly is the “Plan Sponsor” for the Oregon Public Employees Retirement System. The Legislature determines the benefit structure for participating public employees. Those benefits have been modified over time, generally with benefit enhancements through 1995, but then reducing benefits since, including the creation of the Tier Two program for employees starting in 1996 and then the Oregon Public Service Retirement Plan (OPSRP) for employees that started on or after August 28, 2003.

The Legislature established PERS, the agency, to administer the retirement system in partnership with more than 900 public employers, including school districts, special districts, cities, counties, community colleges, universities, and state agencies. PERS collects records and maintains relationships with approximately 422,000 current and former public employees or their beneficiaries.

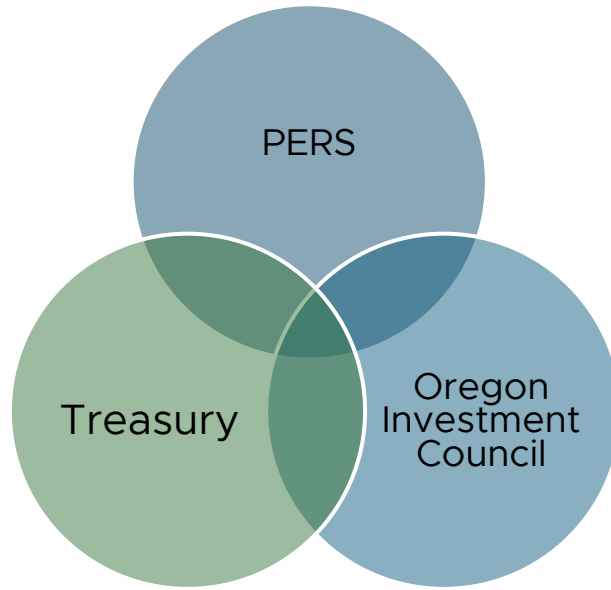


PERS-participating employers

As of June 30, 2025, there are 907 PERS-participating employers, including state agencies, universities, community colleges, school districts, cities, counties, and other local government units.



Interdependencies with other entities



- For Tier One, Tier Two, OPSRP, and the Individual Account Program (IAP), PERS is responsible for maintaining an adequate balance of funds for estimated benefit payments and administrative costs, while being able to maximize amounts invested. PERS provides Treasury with cash flow forecasts, which include an estimated investment buy and sell on each month. Treasury is responsible for managing PERS investments according to policies established by Oregon Investment Council (OIC).
- Similarly, for the Oregon Savings Growth Plan (OSGP), the PERS Board provides oversight of the administration, and OIC is responsible for the oversight of the investment program.

The PERS funding equation

At the end of each calendar year, the PERS actuaries calculate the system's funded status using the following basic equation:

$$B = C + E$$

$$\text{BENEFITS} = \text{CONTRIBUTIONS} + \text{EARNINGS}$$

Present value of
earned benefits

Design set by:
Oregon Legislature

Employer and member funds to
pay pension benefits

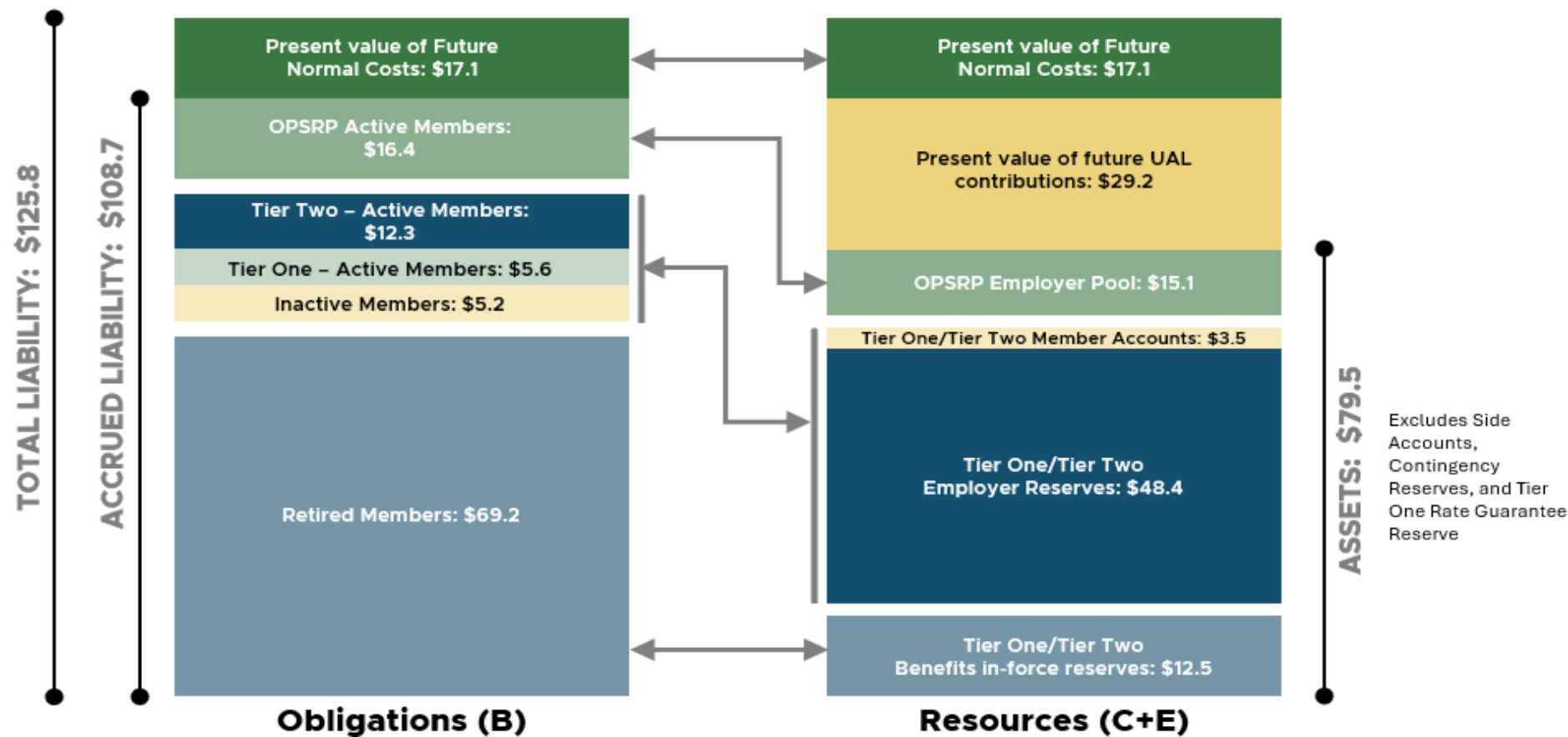
Set by:
PERS Board

Future returns on
invested funds

Every two years, the PERS Board adjusts contributions so that, over time, those contributions will be sufficient to fund the benefits earned, if earnings follow assumptions.

The PERS funding equation

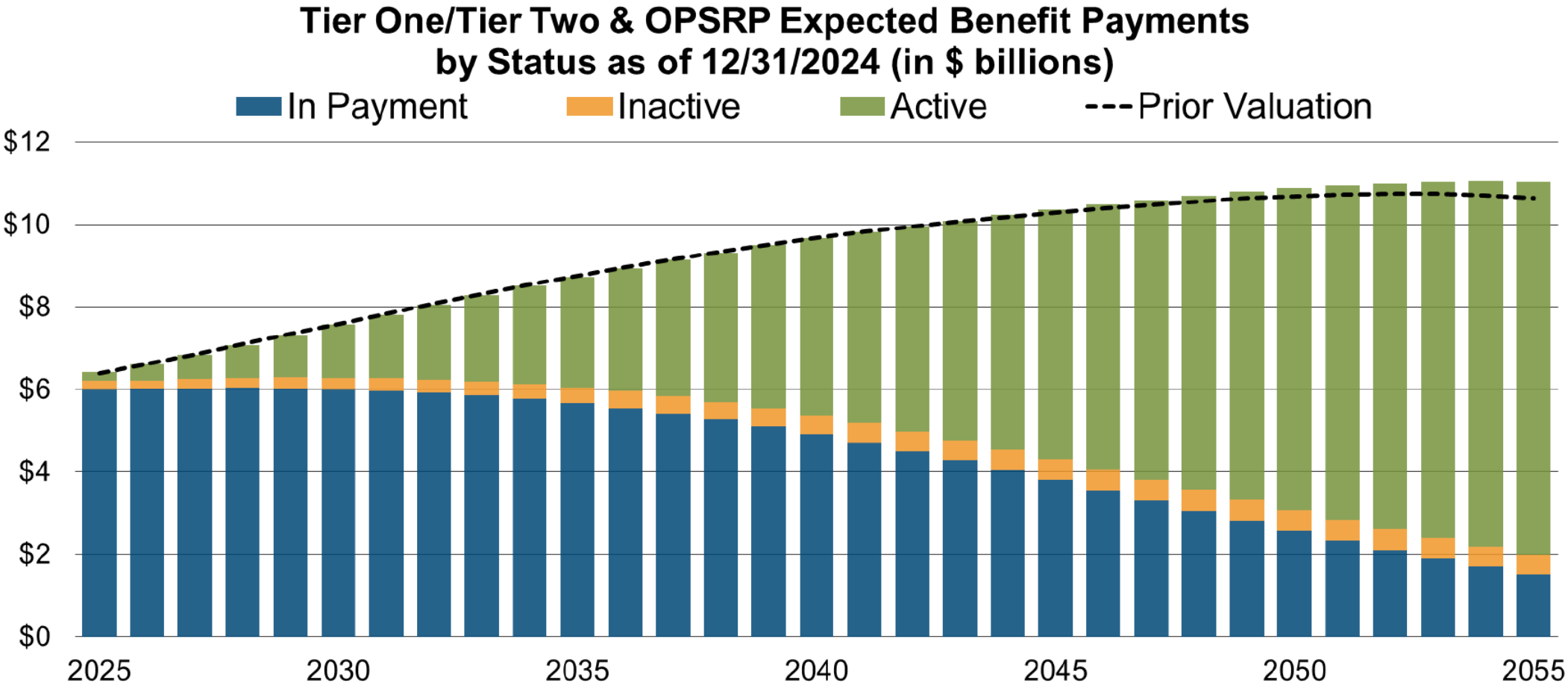
Problem: the (B) and (C+E) Don't Align



Dollars shown in billions. May not add to 100% due to rounding.

As of 12/31/2024

Projected benefit payments

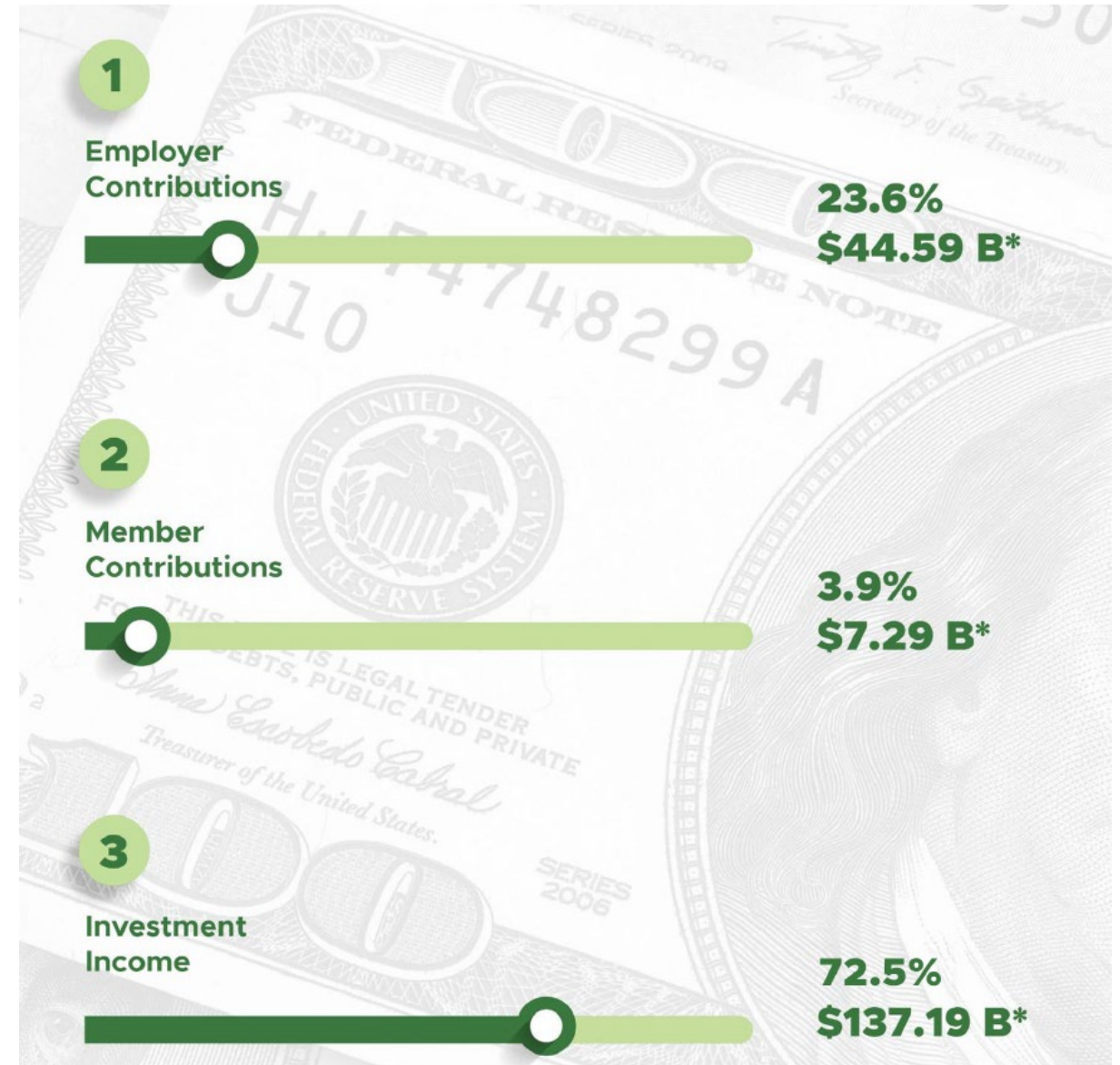


How is PERS funded?

Money for PERS retirement comes from three sources.

B* = Billion

Information from the 2025 edition of [PERS by the Numbers](#) and PERS Annual Comprehensive Financial Reports from 1970–2024.



Valuation process and timeline

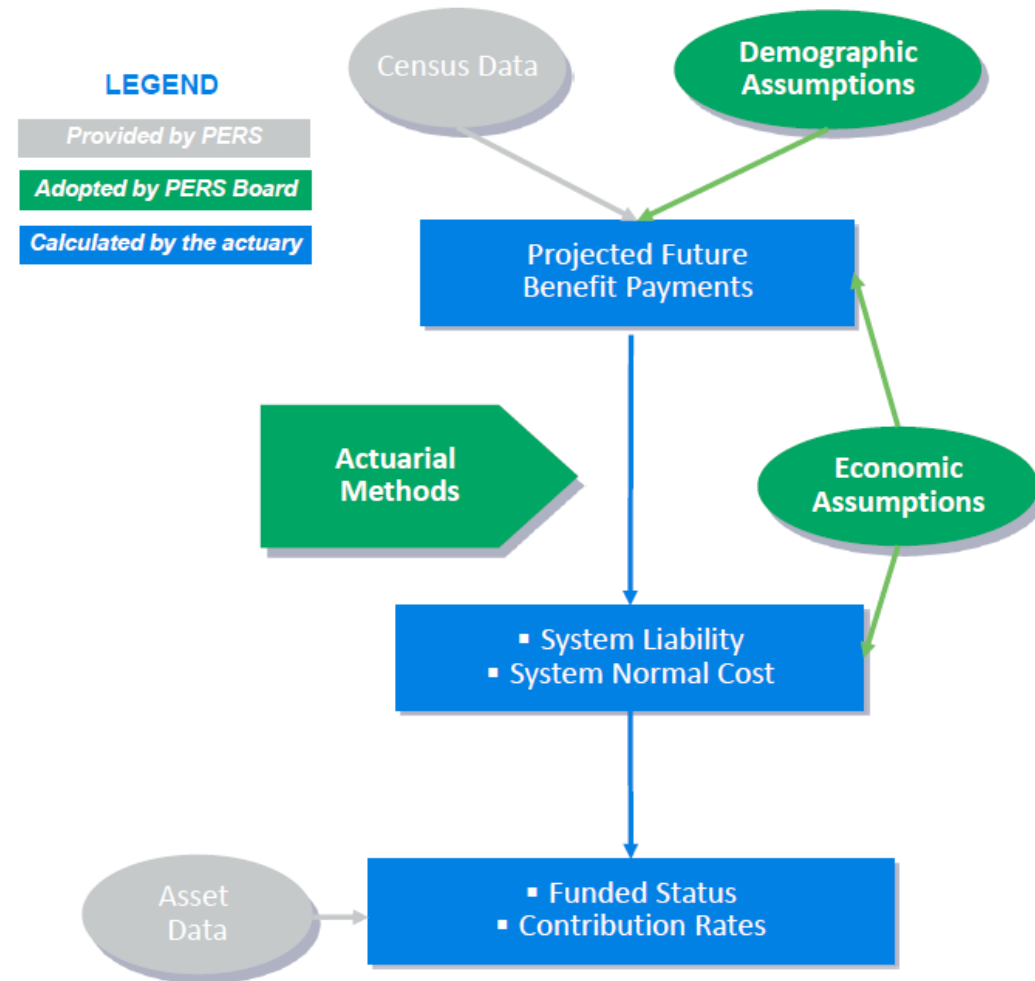
- Actuarial valuations are conducted annually.
 - Alternate between “rate-setting” and “advisory” valuations.
 - This valuation as of 12/31/2024 is advisory.
- Board adopts contribution rates developed in rate-setting valuations, and those rates go into effect 18 months after the valuation date.

Rate-Setting Valuation Date	Employer Contribution Rates
12/31/2021 →	July 2023 – June 2025
12/31/2023 →	July 2025 – June 2027
12/31/2025 →	July 2027 – June 2029

Valuation process and timeline

Two-Year Rate-Setting Cycle

- July 2025: Assumptions & methods adopted by Board in consultation with the actuary
- September 2025: System-wide 12/31/24 actuarial valuation results**
- December 2025: Advisory 2027-2029 employer-specific contribution rates
- July 2026: System-wide 12/31/25 actuarial valuation results
- September 2026: Disclosure & adoption of employer-specific **2027-2029 contribution rates**

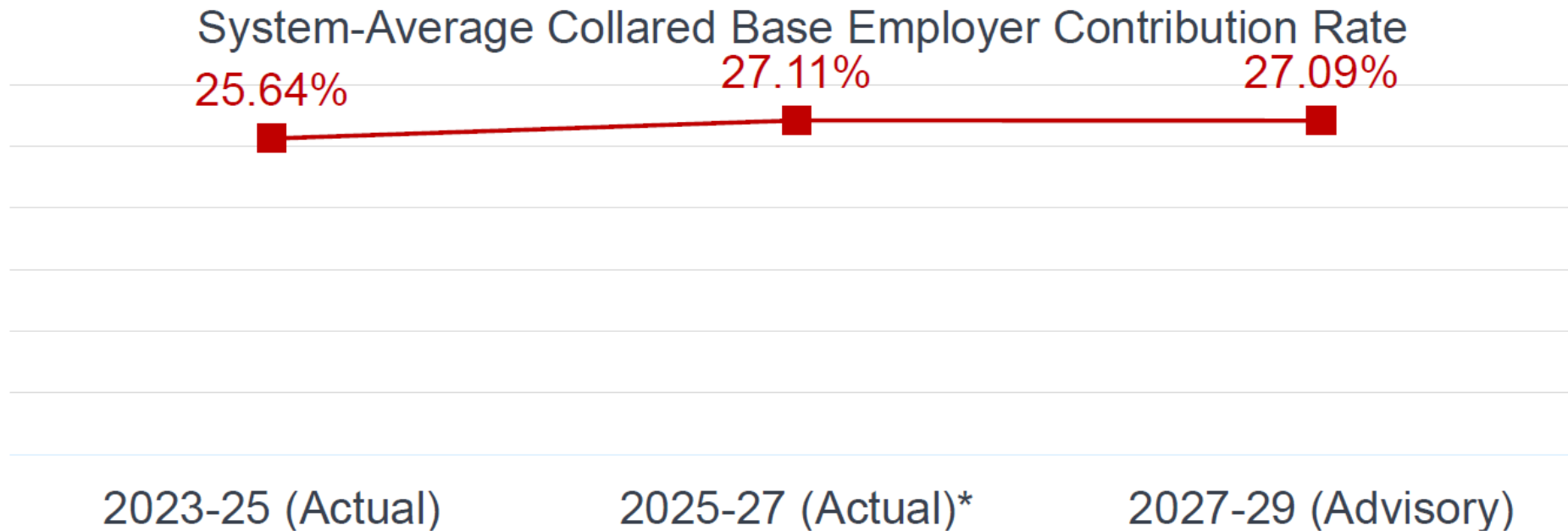


Information provided by PERS' actuary, Milliman, Inc.

Advisory contribution rates for 2027-29

Executive Summary – Collared Base Employer Contribution Rates

- Advisory collared base employer contribution rates for 2027-29 are flat
 - Collared base rates are paid by employer contributions and/or employer side account transfers
 - Rate collar policy projected to keep Tier One/Two UAL Rates level from 2025-27 to 2027-29

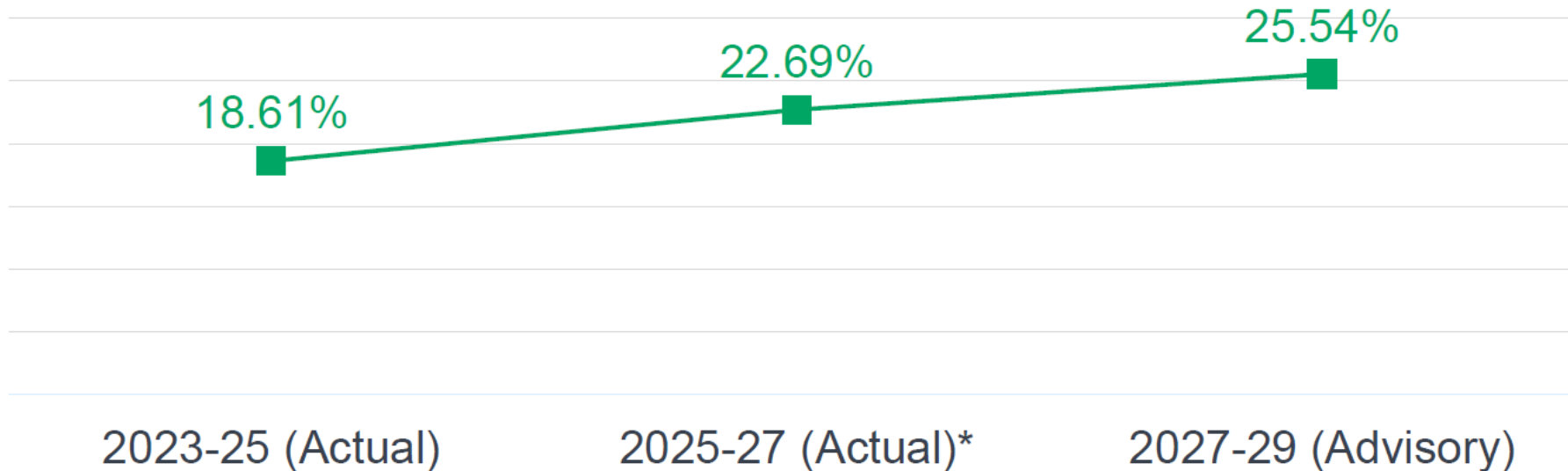


Advisory contribution rates for 2025-27

Executive Summary – Collared Net Employer Contribution Rates

- Advisory collared net employer contribution rates for 2027-29 increased materially
 - Collared net rates are paid solely by employer contributions
 - Increases due to projected 2027 exhaustion of many employer side accounts

System-Average Collared Net Employer Contribution Rate

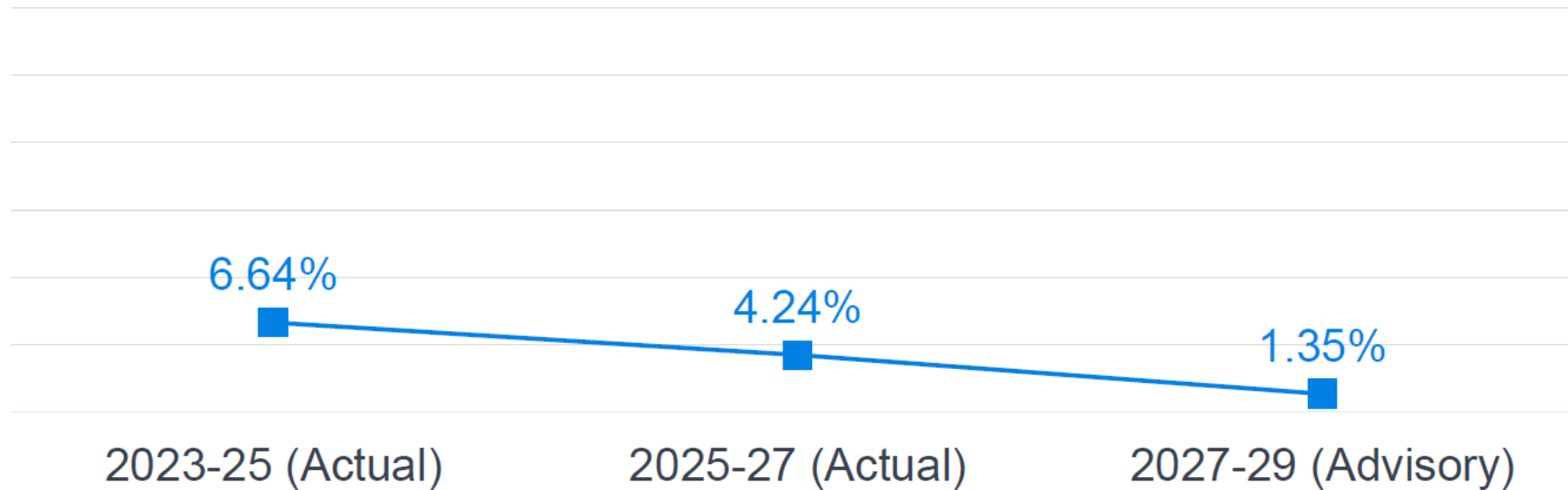


Impact of diminishing side accounts

Executive Summary – Average Side Account Rate Offset

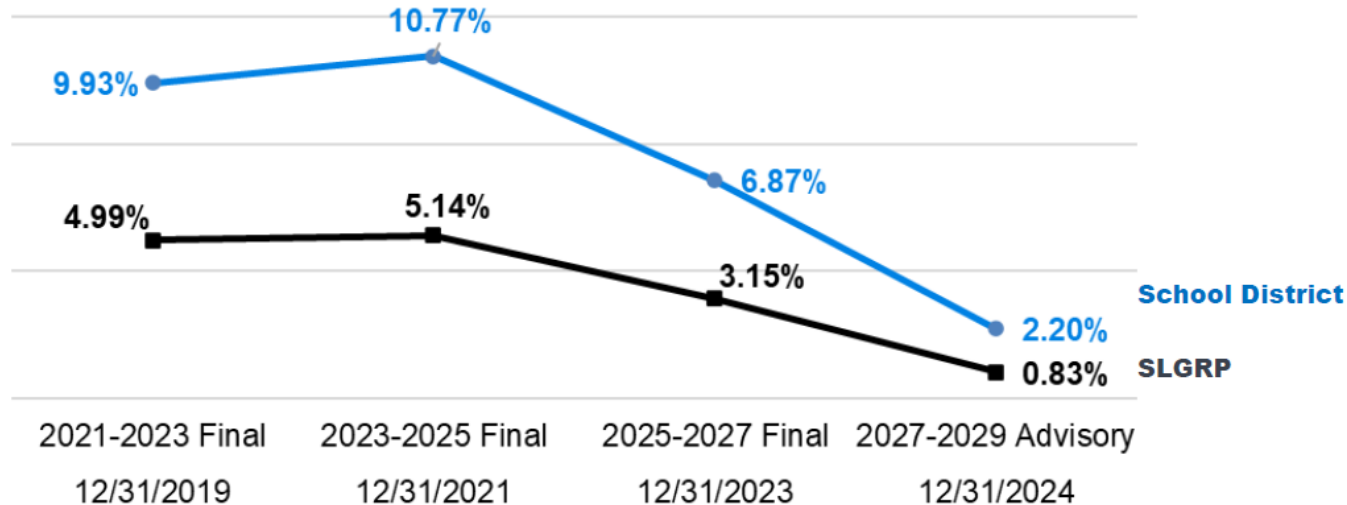
- Funds for many employer side accounts are projected to be exhausted in 2027
 - Employers without side accounts are unaffected by this dynamic
 - The size and level of side account offset varies significantly by employer

System-Average Side Account Rate Offset



Impact of diminishing side accounts

Changes in Average Side Account Offset



- Average side account offset decreased since the last rate-setting valuation, due to:
 - Scheduled expiration of many side account balances at 12/31/2027; these balances will not provide a rate offset in the 2027-29 biennium
 - Lower than assumed investment returns during 2024
 - Higher than assumed payroll growth, which accelerates the spend-down of the side account balance using the offset rate currently in effect

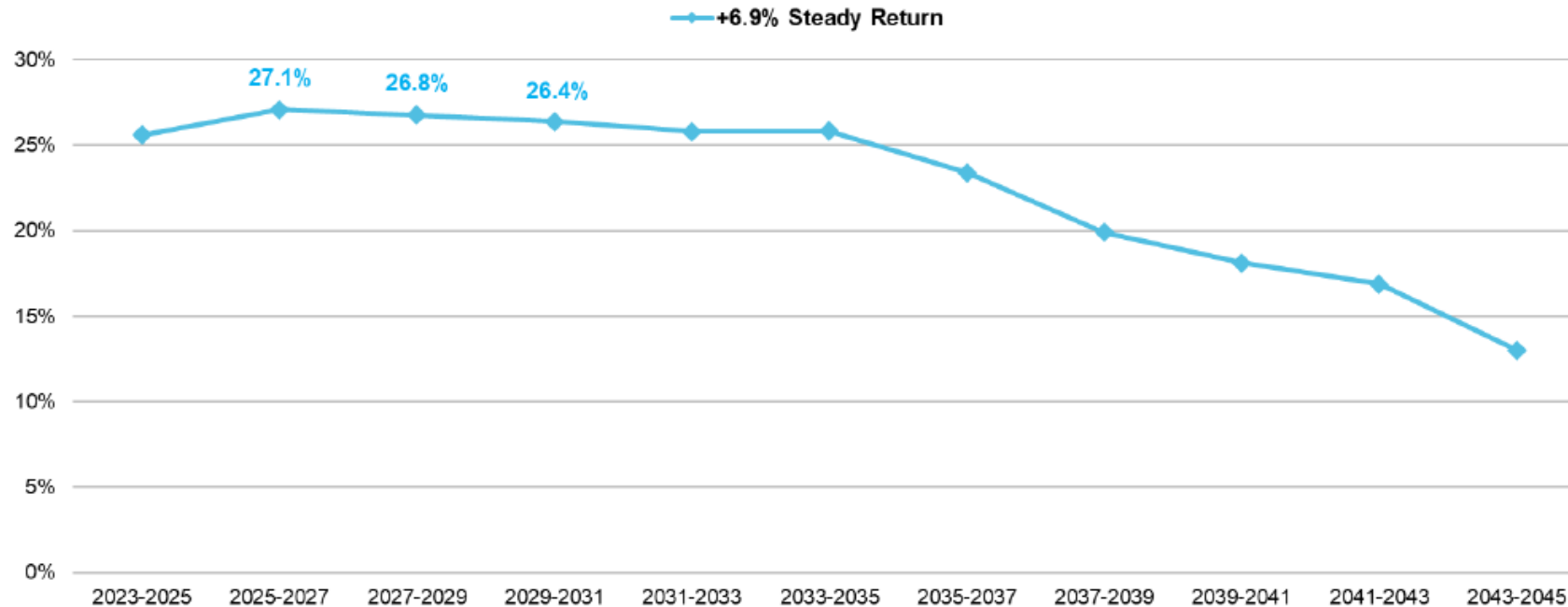
2027-29 rate-increase projections

(2024 valuation data)

(\$ millions)	Projected 2025-27 Payroll*	(A) Projected 2025-27 Contribution	Projected 2027-29 Payroll*	(B) Projected 2027-29 Total Contribution	(B) - (A) Projected Contribution Increase
State Agencies	\$10,820	\$2,610	\$11,570	\$3,200	\$600
School Districts	\$10,980	\$2,330	\$11,740	\$3,020	\$690
All Others	\$12,680	\$3,150	\$13,550	\$3,450	\$290
Total	\$34,480	\$8,090	\$36,860	\$9,670	\$1,580

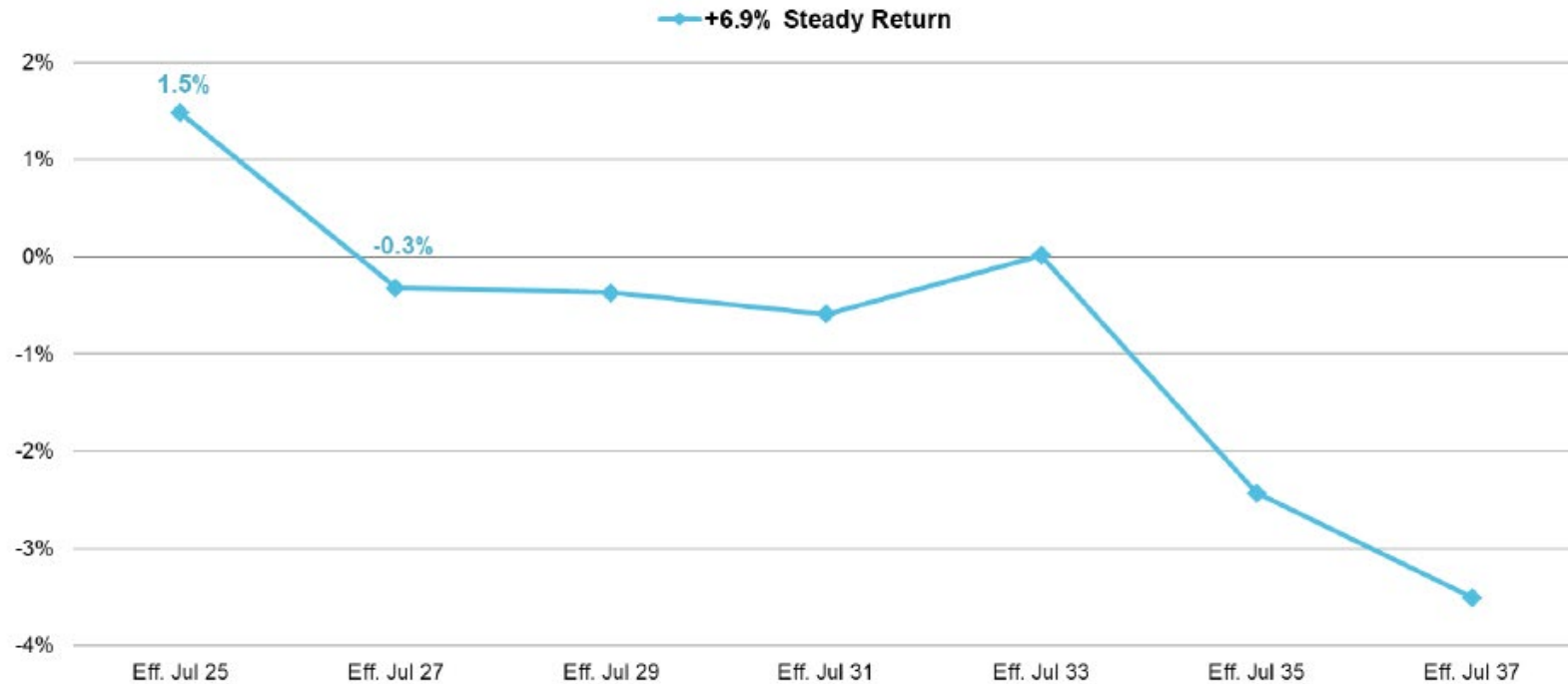
* Assumes total payroll grows at 3.40% annually based on the 12/31/2024 active member census. The collared net rate applied to this payroll reflects the projected change over time in payroll composition as new OPSRP members are hired to replace retiring Tier One/Tier Two members.

Employer collared base pension rates (System average)



- System average employer collared base pension rates in 2027-29 are projected to be similar to 2025-27 rates
- Blue line: rates decrease as new OPSRP members replace exiting Tier One / Tier Two members
- Final 2027-29 rates will be based on asset returns through December 31, 2025
- Material rate decreases begin when funded status nears 90%

Biennial change in collared base rate (System average)

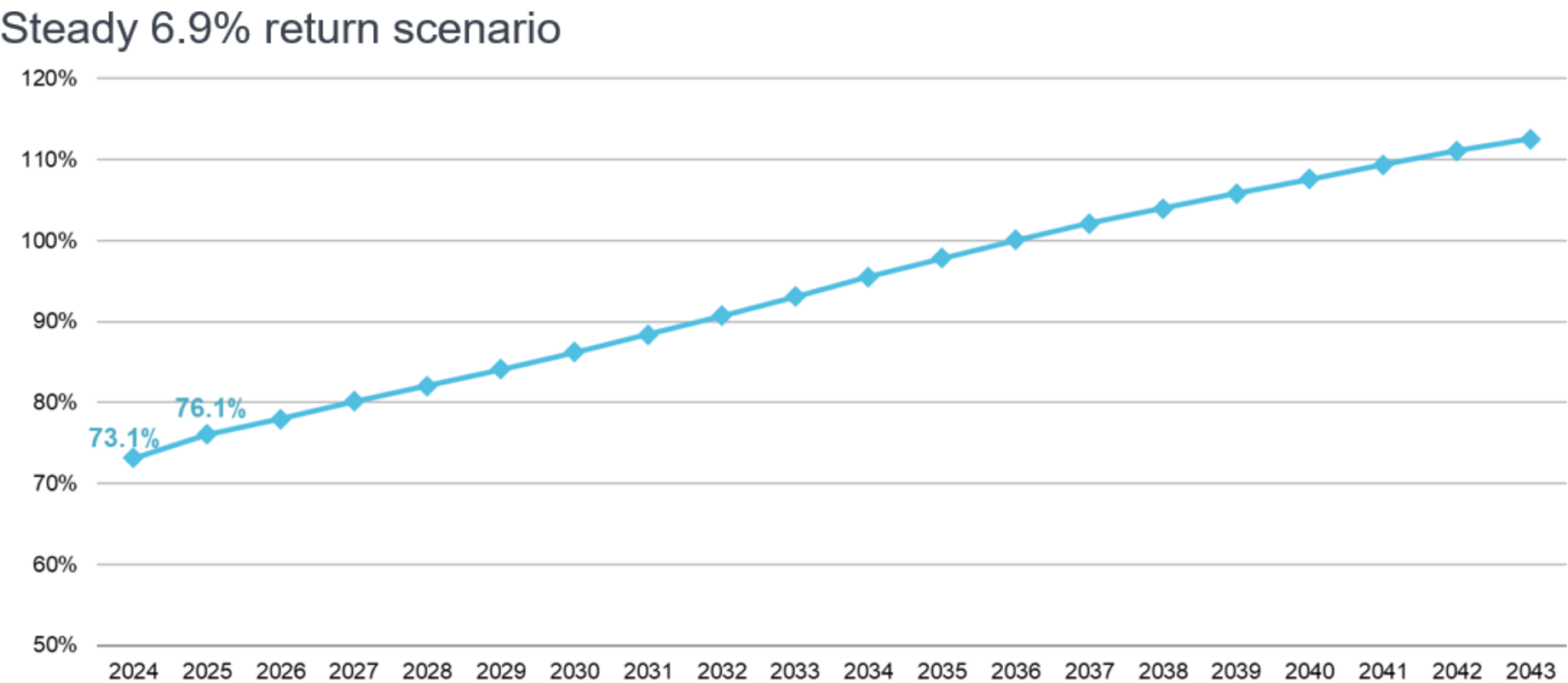


Analysis is on a system-wide level and does not reflect SB 849 reduction of 1.68% to 2025-27 School District Pool contribution rates

At 6.9% steady return, the average employer collared base rate:

- Decreases modestly through July 2031 due to OPSRP members replacing Tier One/Tier Two; in July 2033 member contribution projected to switch off
- Drops 3%-4% in July 2037 once Tier One/Tier Two funded status exceeds 90%, allowing a decrease in collared UAL rates

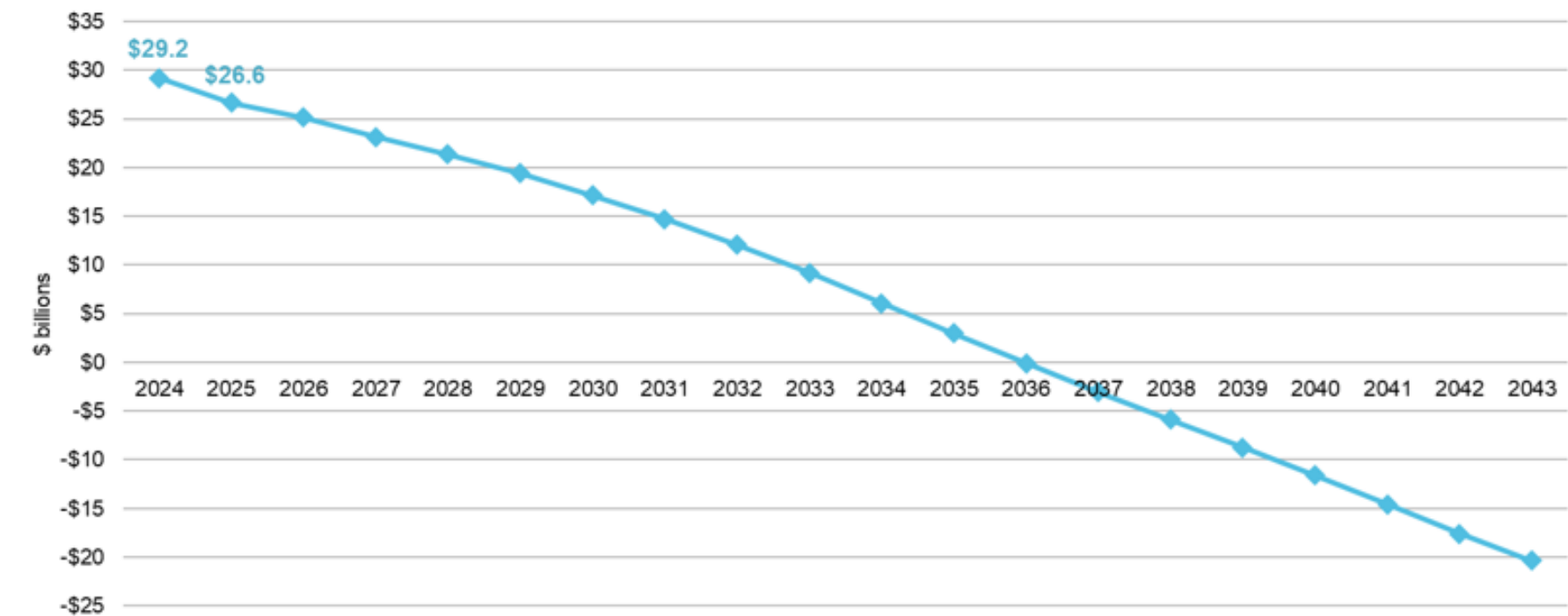
System funding level and status



- 2025 funded status increases due to estimated year-end 2025 investment returns and contributions
- In steady +6.9% return scenario, funded status projected to reach 100% in 2036

System funding level and status

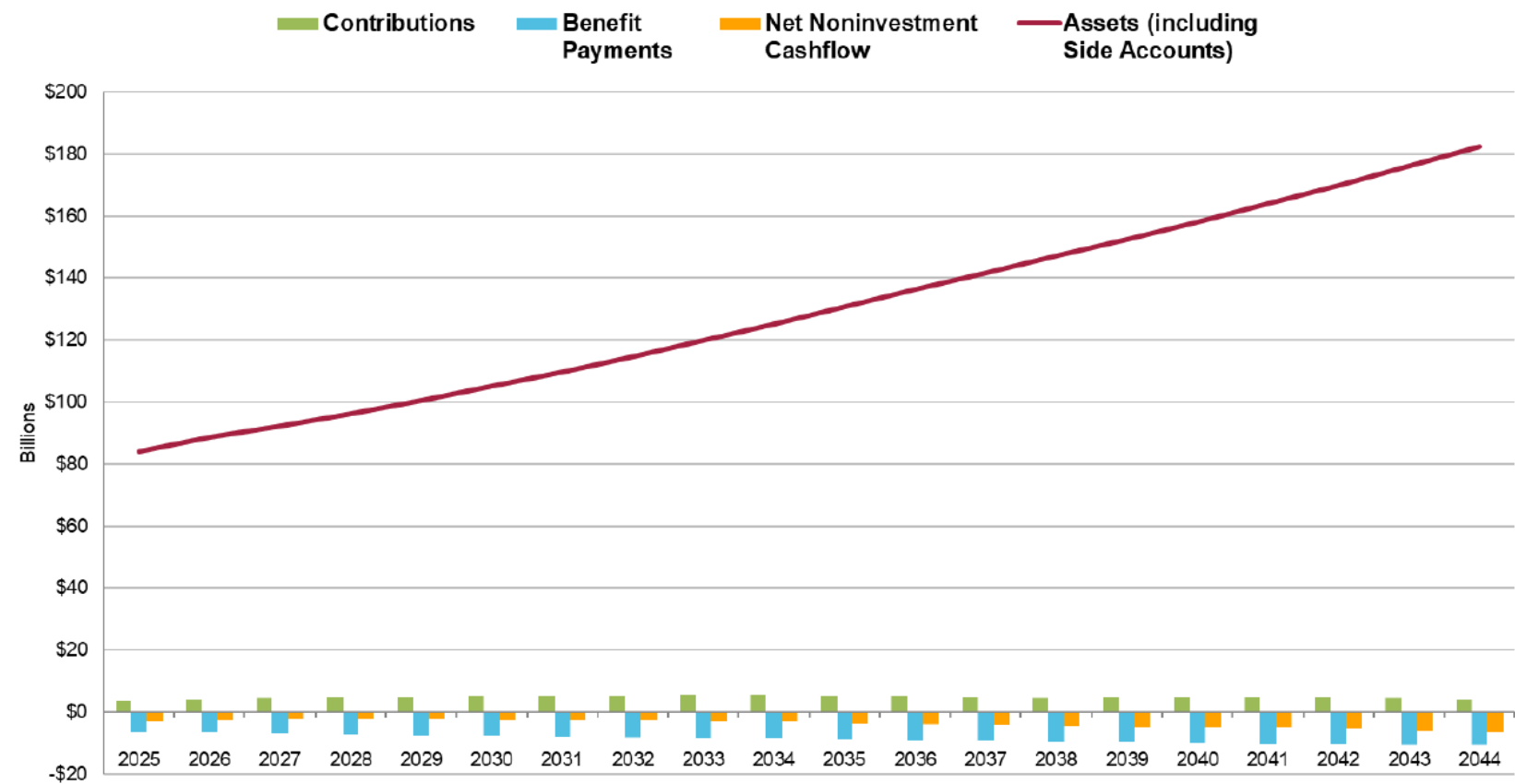
UAL (Unfunded Actuarial Liability) Excluding Side Accounts
Steady 6.9% return scenario



- 2025 UAL decreases due to estimated year-end 2025 investment returns and contributions
- At steady +6.9% return, UAL declines steadily, reaching \$0 at year-end 2036

System funding level and status

Cash Flow and Asset Balance at +6.90% Actual Return in All Future Years



Additional resources

Agency 2025–2027 Governor’s Recommended Budget

<https://www.oregon.gov/pers/Documents/Financials/Budgets/25-27-Budget.pdf>

Milliman December 31, 2024, System Valuation

Annual actuarial report of the system assets and liabilities
[12312024-Actuarial-Valuation.pdf](#)

PERS Annual Comprehensive Financial Report (ACFR) – Fiscal Year End June 30, 2025

Report of all funds over which the PERS Board exercises authority
[Annual Comprehensive Financial Report \(ACFR\)](#)

PERS by the Numbers – Updated December 2025

Summary of information about system demographics, benefits, funding, revenue, and history
[PERS-by-the-Numbers.pdf](#)

2025 Popular Annual Financial Report

Summary is designed to give members, employers, and the public a concise overview of Oregon PERS’ financial health.
https://www.oregon.gov/pers/Documents/Financials/PAFR/PERS_PAFR_25.pdf

PERS Economic Impact Study 2025

Summary of the economic impact of PERS pension payments on the Oregon economy
[Economic-Impact-Study.pdf](#)

PERS Agency Strategic Plan 2023–2028

Agency-established priorities and plan to achieve the core mission
<https://www.oregon.gov/pers/Documents/Strategic-Plan.pdf>

PERS agency website

PERS website
<https://www.oregon.gov/pers/Pages/index.aspx>

OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



Thank you.



INVESTED FOR YOU

CLOSING REMARKS

- PLEASE FILL OUT POST WEBINAR SURVEY
- PRESENTER SLIDES AND SESSION RECORDING AVAILABLE SOON
- KEEP AN EYE OUT FOR SUMMER WEBINAR

THANK YOU FOR JOINING US!



OREGON
STATE
TREASURY

