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## Minutes of the Oregon Retirement Savings Program Board Meeting of November 5, 2019

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Members Present:           Treasurer Tobias Read, Chair  
                                  Jeff Anderson  
                                  Kara Backus  
                                  Senator Lee Beyer  
                                  Edward Brewington  
                                  Representative Pam Marsh  
                                  Cory Streisinger

Members Absent:           Representative Pam Marsh

Network Staff:            David Bell, Deputy Director  
                                  Kaellen Hessel, Advocacy/Outreach Manager  
                                  Kasey Krifka, Engagement Director  
                                  Michael Parker, Executive Director  
                                  Missy Simpson, Executive Coordinator  
                                  Stephanie Swetland, Plan Specialist

Treasury Staff:            Dave Elott, Legal Counsel

Others Present:            Ted Bender, Ascensus  
                                  Ryan Fitzgerald, Sellwood Consulting  
                                  Matt Golden, Ascensus  
                                  Ryan Harvey, Sellwood Consulting  
                                  Carolyn Kohout, Home Healthcare Worker  
                                  Saleem Noorani, Small Business Owner  
                                  Nathan Pellatz, Sellwood Consulting  
                                  Kevin Raymond, Sellwood Consulting

The meeting was called to order at 1:01 p.m. by Treasurer Tobias Read, Chair.

### **Agenda Item 1 – Review and approval of the August 6, 2019 Board minutes (ACTION ITEM)**

**MOTION:** Board Member Jeff Anderson moved to approve the August 6, 2019 minutes, seconded by Board Member Edward Brewington. The minutes were approved by a 5/0 vote.

**Agenda Item 2 – RFP Contract for Audit Services (ACTION ITEM)**

Michael Parker, Executive Director, gave an update on the RFP for the contract for audit services. Staff is looking for the Board to approve staff to enter into contract negotiations with Landmark.

**MOTION:** Board Member Cory Streisinger moved that staff be authorized to enter into contract negotiations with Landmark, seconded by Board member Edward Brewington. The motion was approved by a 5/0 vote.

**Agenda Item 3 – Administrative Rules Hearing and Approval (ACTION ITEM)**

Michael Parker, Executive Director, presented the temporary administrative rules that were filed with the Secretary of State’s office, which will be in place for 180 days. The temporary rules will be presented again at the February Board meeting for review and approval by the Board. A copy of the rules is included as a part of the records for the Oregon Retirement Savings Program’s Board meeting.

**MOTION:** Board Member Jeff Anderson moved approval of the temporary rules, seconded by Ms. Backus. The temporary rules were approved by a 5/0 vote.

**Agenda Item 4 – Investment Policy Statement – Review Changes (ACTION ITEM)**

Ryan Harvey and Kevin Raymond presented the Investment Policy Statement which calls for a regular review every three years and changes that would require Board approval. A copy of the Investment Policy Statement is included as a part of the records for the Oregon Retirement Savings Program’s Board Meeting. The Board members gave recommendations and feedback on some of the changes they would like to see in the statement. Ms. Streisinger suggested that Sellwood circulate the revised draft to the Board in advance of the Board meeting in February. Mr. Parker noted the Board would not need to approve the document today. Sellwood would bring the document back to the Board in February for approval.

**Agenda Item 5 – Employer Testimony (INFORMATION ITEM)**

Saleem Noorani, a small business owner and one of the pilot employers for OregonSaves gave testimony on how the program has worked for his business and employees. One of the issues Mr. Noorani has had is being able to use QuickBooks, and making the process as simple as possible. In Mr. Noorani’s experience, that has not been the case. Small businesses that do not have a payroll provider have to manually add and delete their employees. The reporting is not as easy to navigate. There is no way to print a paper copy after adding the employees. There is a fair amount of turnover for small businesses, so this process is very time consuming. In talking with other small businesses, they have the same issues.

Mr. Parker mentioned to the Board this was the reason why staff recommended delaying the last wave, so this process can be improved.

**Agenda Item 6 – Executive Director’s Report (INFORMATION ITEM)**

Michael Parker, Executive Director, updated the Board on bills that have passed through legislation, and gave an update on the retirement industry. The compliance function will go into effect January 1. Staff will take additional steps to communicate with employers from waves one, two and three, inform them it is time to start facilitating the program, inform them where they are in the process, and help the employers finish the process to make sure they are compliant. The second piece of legislation is the checkbox on the Department of Revenue tax form, letting the state know if businesses offer a retirement plan. Regarding the Capital Preservation Fund, the Board gave staff the ability to reduce its administrative fee, if in fact the Capital Preservation net of fees fell negative. Staff would like Sellwood to research what else is out there and report back to the February meeting and give an update to the Board.

The California lawsuit has been fully briefed and is waiting for a judge to rule. Connecticut will be hiring their program manager in the next month, and there are several other states in various stages of legislation.

**Agenda Item 7 – Program Implementation and Administration (INFORMATION ITEM)**

**a. Implementation / program numbers**

David Bell, Deputy Director, presented the Program Manager Update, a new type of reporting for the Board. A copy of the Program Manager Update is included as a part of the records for the Oregon Retirement Savings Program’s Board meeting. OregonSaves has almost \$35 million in total assets, over 53,000 funded accounts, and 9,880 registered employers. Mr. Bell presented a one-pager which will be the dashboard for the Board, including monthly updates. Mr. Brewington mentioned because he does a lot of presentations on OregonSaves, would like to see the same reporting Joel Metlen provided the Board. Ms. Streisinger suggested staff give more than one page of reporting, and suggested what type of reporting she would like to see, including account averages by age of account, rate of account growth, and account balance of someone enrolled 1 year, 5 years, 10 years, etc.

**b. Outreach**

Mr. Bell gave an update on the outreach efforts for this year. The forecast for 2019 was to attend 275 outreach events. The actual outreach that was 401 events. For 2020 outreach, the focus will be on employers with a forecast of 385 events. Ted Bender, Ascensus Representative for OregonSaves, will report back to the Board on the outreach efforts. A copy of Mr. Bell’s presentation is included as a part of the records for the Oregon Retirement Savings Program’s Board meeting.

**c. Program Administration**

Matt Golden, Ascensus, shared updates on the client service experience, noting the number of calls for October was more than 6,000 calls. The volume of calls has been at

the highest peak due to the rollout of wave 5. The call center is operating across all three states, Oregon, California and Illinois. Ascensus received 1,000 emails in the month of October, responding within 24 hours. Mr. Golden presented the findings from their partnership with Duke, regarding the research on how to get savers to stay enrolled in the program depending on which version of communication was sent out. There were five different versions sent to employers. A copy of Mr. Golden's presentation is included as a part of the records for the Oregon Retirement Savings Program's Board meeting.

**Agenda Item 8 – Investment Performance Update (INFORMATION ITEM)**

Ryan Harvey and Kevin Raymond, Sellwood Consulting, gave their investment performance update, a copy of which is part of the records for this board meeting. Mr. Harvey presented a snapshot of 3<sup>rd</sup> quarter, noting market value is at \$31.3 million with two thirds of the assets in the Capital Preservation Fund. The 2015 Investment Fund will be retiring in March of 2020, and the same day, the 2065 Fund will launch. Sellwood will report more on the glidepath at the February Board meeting.

**PUBLIC COMMENT:**

Carolyn Kohout, Home Healthcare worker, SEIU 503 local member, informed the Board they would be joining in July 2020. Ms. Kohout brought questions from her local SEIU 503 members, for the Board to answer. Chair Read suggested Ms. Kohout give the questions to staff so they can answer them efficiently.

The meeting was adjourned at 3:36 p.m.