

Oregon Retirement Savings Program Board Book

November 19, 2024

THE OREGON RETIREMENT SAVINGS BOARD



Oregon Retirement Savings Board Agenda
Tuesday, November 19, 2024
1:00pm – 4:00pm
TEAMS: [November Attendee](#) Link
Location: 16290 SW Upper Boones Ferry Road
Tigard, Oregon

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations should be made at least 48 hours before the meeting to: Missy Simpson at retirementsavings@ost.state.or.us or 503-373-1903.

There will be an opportunity for public comment before the end of the meeting.

2025 Board Meeting Dates:

February 18, 2025	1:00-4:00	Tigard Office
May 20, 2025	1:00-4:00	Tigard Office
<i>August 19, 2025</i>	<i>1:00-4:00</i>	<i>Salem Office</i>
November 18, 2025	<i>10-11:30am</i>	Tigard Office (Board Meeting)
	<i>11:30-1:00pm</i>	<i>Tigard Office (Joint Fiduciary Training w/ OR 529 Savings Board)</i>

CALL TO ORDER	Treasurer Read, Chair	1:00 pm
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ACTION ITEMS

Approval of August 20, 2024 Board Minutes	Treasurer Read, Chair	1:00-1:05 pm
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FOR INFORMATION

Executive Director’s Report	Ryan Mann, Executive Director	1:05-1:15 pm
Review Draft Audit Reports	Greg Walker/Pattie Davidson, Landmark	1:15-1:25 pm

Quarterly Data Report/Investment Performance Report	Ryan Fitzgerald, Sellwood Investment Partners	1:25-1:45 pm
Program Administration	Matt Golden, Vestwell	1:45-2:05 pm

PUBLIC COMMENT:

Submit written public comments to retirementsavings@ost.state.or.us

Next Board Meeting; February 18, 2025

<u>FIDUCIARY TRAINING:</u>	Kay Ceserani, Hannah Schriner, Mika Malone Meketa Investment Group	2:15-4:00 pm
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Adjournment 4:00 pm

The Board may discuss and consider other matters relating to the Board, its mission, and business operations and may take action on any such matters.

**Minutes of the
Oregon Retirement Savings Program
Board Meeting of August 20, 2024**

- Members Present:

Jeff Anderson
Joyce DeMonnin
Maria Gonzalez
Senator Anderson
Treasurer Tobias Read, Chair
- Network Staff:

Ashley Daigle, Strategy and Program Director
Kasey Krifka, Marketing and Communications Director
Caitlen Laue, Operations Director
Ryan Mann, Executive Director
Renzo Meza, Outreach Manager
Missy Simpson, Program Coordinator
James Sinks, Financial Education Program Manager
John Valley, Policy and Outreach Director
- Others Present:

Ryan Fitzgerald, Sellwood Consulting
Matt Golden, Vestwell
Jeff Gudman
Carolynn Kohout
Doug Magnolia, Vestwell
Kim Olson, The Pew Charitable Trusts
Kevin Raymond, Sellwood Consulting
Richard Schwarz

The meeting was called to order at 1:03 pm by Treasurer Read, Chair.

Agenda Item 1 – Review and approval of the May 14, 2024, Board Minutes (ACTION ITEM)

MOTION: Board Member Senator Anderson moved to approve the May 14, 2024, minutes, seconded by Board Member Maria Gonzalez. The minutes were approved by a 5/0 vote.

Agenda Item 2 – Board Member Report (INFORMATION ITEM)
No updates.

Agenda Item 3 – Executive Director’s Report (INFORMATION ITEM)
Ryan Mann, Executive Director, gave an update on the past year and where we are on the networks budget, account growth, asset growth and how that was accomplished. Mr. Mann shared that as of

July 1, 2024, there are 29, 131 employers registered in OregonSaves, with a savings of \$289,794,615. A copy of the Executive Director’s Report is part of the records for this Board meeting.

Agenda Item 4 – National & State Landscape Update (INFORMATION ITEM)

Kim Olson, The Pew Charitable Trusts, gave an overview of the current landscape for automated savings programs and spoke about future policy considerations. A copy of Ms. Olson’s PowerPoint presentation is part of the records for this Board meeting.

Agenda Item 5 – Quarterly Data Report (INFORMATION ITEM)

Ryan Fitzgerald, Sellwood Consulting, gave an update on the quarterly data report. The number of newly funded accounts were 3,830 and the average balance was up \$106 since last quarter. A copy of the Quarterly Data Report is part of the records for this Board meeting.

Agenda Item 6 – Program Administration (INFORMATION ITEM)

Matt Golden, Vestwell, gave an update on the program administration that included a detailed update on Wave 2024, enhancements made to the OregonSaves.com website, Q4 Payroll integrations, and State Auto IRA National updates. A copy of the Program Administration Update is part of the records for this Board meeting.

Agenda Item 7 – Investment Performance Report (INFORMATION ITEM)

Kevin Raymond, Sellwood Consulting, reported on the US market, and Ryan Fitzgerald gave an update on the Investment Performance Report. A copy of the Investment Performance Report is part of the Network’s records for this Board meeting.

PUBLIC COMMENT:

There was public comment from Carolynn Kohout and Richard Schwarz. A copy of their comments is part of the records for this Board meeting.

The meeting was adjourned at 3:01pm.

**Public Comments from
The Oregon Retirement Savings Program
Board meeting of August 20, 2024:**

Public comments from Carolynn Kohout:

There was a mention regarding federal money coming from in terms of the savers match at federal level, if it's to come back to individual savers, where has the money come from originally to come back to savers when all the shenanigans of the legislation get unraveled and made straight so that money actually comes to us? We need to change the employer question for the Oregon employers to detail how many employees in a firm are not participating in the company retirement plan. Why hasn't that question been asked? The quarterly report, we need to report for Oregon accounts, not just national accounts. It's nice to know that they are doing whatever they are doing, but we need to know what is going on here. Thank you to those who had presentations and had very legible numbers.

Public comments from Richard Schwarz, Retired Director from AFT Oregon and served as Vice Chair of the Retirement Savings Task Force:

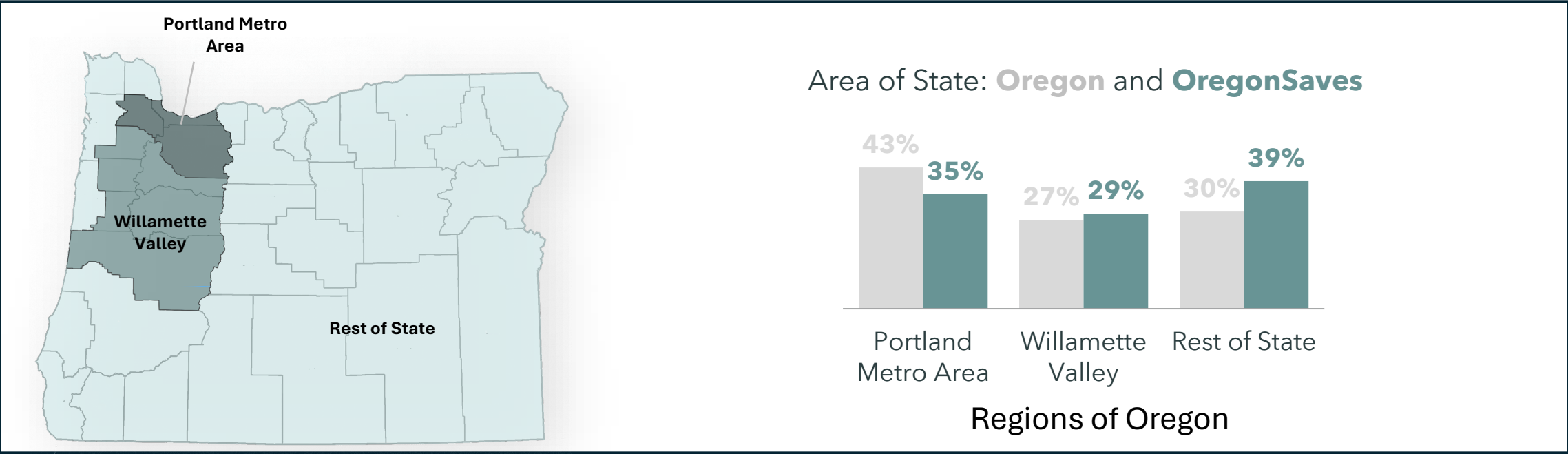
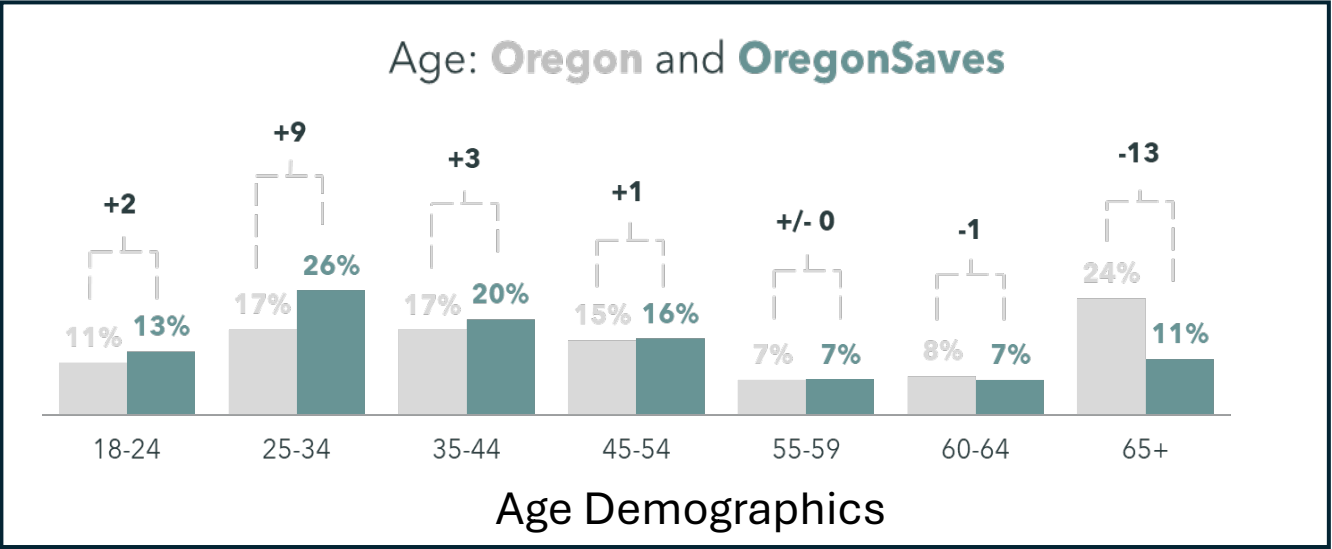
Richard Schwarz mentioned that after the plan was enacted by the legislature, he participated in the plan design/program design work groups and administrative rules advisory committee to help get this program off the ground. Mr. Schwarz had an abiding interest at the time in the concept of covering all employees of employers who did not have access to a retirement savings plan where they worked. Mr. Schwarz made several appearances at early board meetings to continue to argue or insist that it was being misinterpreted. Understanding what the statute says about which employers are covered by the plan, there was an interpretation that, and somebody mentioned earlier, about checking the box that you are exempt if you have a plan but there is no further description and there hasn't been any progress over the years to further refine that to ask the question, what about the numbers of those employees that those employers excluded by terms of plan or, in case of Oregon government workers, excluded by statute such as PERS definition of inclusions of what employees? This was triggered by HB 3033 in the last legislative session which attempted to modify the excluded employees from PERS or the other state retirement programs to modify the exemptions to the extent that a person employed as graduate employees, research or administrative assistants as graduate employees of the higher education institutions could be included, in other words, be excluded from the exclusion and therefore, would be able to participate in the plan. That bill language was sent to committee but died with the legislature but it renewed Mr. Schwarz interest in the scope of the Oregon Retirement Savings Plan specifically because he was tasked with a 6am conference call meeting with a Connecticut work group that was studying it expressing astonishment when Mr. Schwarz said their goal was to cover everybody. Clearly, this is not covering everybody. In some early email exchanges, then Executive Director, Lisa Massena and Mr. Schwarz kicked around numbers and I went to the census data on current employees' statistics and there was a wide range of the numbers of employees, 70,000 to 260,000. They settled roughly after some research on her department with her staff that probably excluding the numbers recovered by PERS reports, we

were in the range of about 70,000 public employees that were not eligible given the way the definition under the statute of 178.210b, the way that was interpreted in excluding those employees it particularly excluded as well the employees of private employers if the employer had a plan regardless of the scope or reach of the plan to its employees, it excluded government employees and our union members. As of today, there are 3,500 graduate teaching assistants represented by AFT which is a considerable number and in the target age group if the target age group was a motivated factor under the Oregon Retirement Savings Plan, which was to get people in the game as fast and as early as possible. When they are young, and they are working regardless of what their income was but help them get engaged with retirement savings for the long term. As a personal experience, Mr. Schwarz started with \$25 a month in a mutual fund and was a poor choice when he found out there was an 8% hold on it, he reconfigured it to a different fund. The point was, if you are starting in your 20's and you have the miracle of compound interest as Einstein highlighted in one of his comments, you will have savings despite the ups and downs of the market that will serve you best in the long term. The only thing he would have to add is renewing my earlier testimony in the early days of this board, that he would think this board given today's comments in recognition that there are employees be included that there be some efforts whether it is under the rules, modifying the employer ruling to say not just that we have a plan, but we have a plan covering n employees and this number are excluded so some day they can begin to be developed or modifying 178.210b and to insert that unless the employer offers a qualified retirement plan as an exemption except for those employees that are excluded by the terms of the plan or by law, which would be able to capture, for example, the public employees who might be excluded by PERS and the states otherwise public employer retirement programs. Mr. Schwarz appreciates the opportunity to speak to the Board.



Oregonians we're serving

April 2024 Account Holders and 2022 US Census
American Community Survey Estimates





**Oregon Retirement Savings Program
(A Program Facilitated by the Office of the State Treasurer of Oregon)**

**Basic Financial Statements
and
Management’s Discussion and Analysis
June 30, 2024**

(With Independent Auditor’s Report Thereon)

Preliminary
November 8, 2024



Oregon Retirement Savings Program
(A Program Facilitated by the Office of the State Treasurer of Oregon)

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Preliminary Draft
November 8, 2024



INDEPENDENT AUDITOR’S REPORT

Members of the Oregon Retirement Savings Board
Vestwell State Savings, LLC
Oregon Retirement Savings Program

Opinion

We have audited the accompanying Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position of the **Oregon Retirement Savings Program**, also known as **OregonSaves** (the Program), as of and for the year ended June 30, 2024, and the related Notes to the Financial Statements, which collectively comprise the Program’s Basic Financial Statements.

In our opinion, the Basic Financial Statements present fairly, in all material respects, the fiduciary net position of the Program as of June 30, 2024, and the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Basic Financial Statements* section of our report. We are required to be independent of the Program and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter - Other

As disclosed in Note 1, the Program is facilitated by the Office of the State Treasurer of Oregon (the Treasurer). These Basic Financial Statements present only the activities and balances attributable to the Program and do not purport to, and do not, present fairly the fiduciary net position or changes in fiduciary net position of the Treasurer or any other funds or programs administered by the Treasurer. Our opinion is not modified with respect to this matter.

Emphasis of Matter - Contributions

The Oregon Revised Statutes 178.200 to 178.245 (the Statutes) require employers that do not offer a qualified retirement plan (as defined in the Statutes) to provide eligible employees the opportunity to save for retirement through payroll deductions to an account established under the Program. We did not perform any procedures to determine that every employer required by the Statutes to offer the Program to employees is actually doing so. Additionally, we did not perform any audit procedures to obtain an understanding of the design and implementation of internal control over payroll processing, the calculation of employee contributions or the remittance of employee contributions at the participating employers. We did not test employer payroll records to determine that employee contributions were accurately calculated based on

Members of the Oregon Retirement Savings Board
Vestwell State Savings, LLC
Oregon Retirement Savings Program

Emphasis of Matter – Contributions (*Continued*)

participating employee contribution elections, that amounts remitted to the Program Administrator were complete and accurate or that all eligible employees who had not opted out were participating.

Responsibilities of Management for the Basic Financial Statements

Management is responsible for the preparation and fair presentation of the Basic Financial Statements in accordance with U.S. GAAP, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the Basic Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Basic Financial Statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Program's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Basic Financial Statements

Our objectives are to obtain reasonable assurance about whether the Basic Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the basic financial statements.

In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Basic Financial Statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Basic Financial Statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Program's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Basic Financial Statements.

Members of the Oregon Retirement Savings Board
Vestwell State Savings, LLC
Oregon Retirement Savings Program

Auditor’s Responsibilities for the Audit of the Basic Financial Statements *(Continued)*

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Program’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

U.S. GAAP requires that Management’s Discussion and Analysis on pages 7 through 10 be presented to supplement the Program’s Basic Financial Statements. Such information is the responsibility of management and, although not a part of the Basic Financial Statements, is required by the Governmental Accounting Standards Board as it is considered to be an essential part of financial reporting for placing the Basic Financial Statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the Basic Financial Statements and other knowledge we obtained during our audit of the Basic Financial Statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Little Rock, Arkansas
DATE, 2024

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Preliminary Draft
November 8, 2024

Management’s Discussion and Analysis
(Unaudited)

Preliminary Draft
November 8, 2024

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Preliminary Draft
November 8, 2024



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Management’s Discussion and Analysis
(Unaudited)
June 30, 2024

As Program Administrator of the Oregon Retirement Savings Program, also known as OregonSaves (the Program), established by the Oregon Retirement Savings Board (the Board), Vestwell State Savings, LLC (Vestwell) offers this discussion and analysis of the Program’s financial performance for the year ended June 30, 2024, with comparative information for the year ended June 30, 2023. Readers should consider the information presented in this section in conjunction with the Program’s financial statements and notes thereto (collectively, the “Basic Financial Statements”), along with the *OregonSaves Program Description*.

This report consists of two parts: 1) Management’s Discussion and Analysis (this section) and 2) the Basic Financial Statements. Management’s Discussion and Analysis includes selected financial data and an overview of the Program’s financial status and changes therein as of and for the periods presented. The Basic Financial Statements consist of a Statement of Fiduciary Net Position, a Statement of Changes in Fiduciary Net Position and Notes to Financial Statements that further explain and provide more detailed information about amounts presented in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

Financial Highlights

The Program offers a range of investment options designed to meet the risk tolerances and investment objectives of Program participants. The following table summarizes returns posted by each investment option offered to Program participants during the years ended June 30, 2024 and 2023:

Investment Option	June 30, 2024	June 30, 2023
OregonSaves Target Retirement Option	4.92%	5.18%
OregonSaves Target Retirement Option 2020	5.59%	5.85%
OregonSaves Target Retirement Option 2025	7.56%	7.83%
OregonSaves Target Retirement Option 2030	9.75%	10.02%
OregonSaves Target Retirement Option 2035	11.00%	11.27%
OregonSaves Target Retirement Option 2040	11.85%	12.13%
OregonSaves Target Retirement Option 2045	12.64%	12.92%
OregonSaves Target Retirement Option 2050	13.40%	13.68%
OregonSaves Target Retirement Option 2055	13.47%	13.76%
OregonSaves Target Retirement Option 2060	13.44%	13.72%
OregonSaves Target Retirement Option 2065	13.40%	13.68%
OregonSaves Target Retirement Option 2070	13.41%	13.68%
OregonSaves S&P 500 Index Option	19.21%	19.51%
OregonSaves Money Market Option	3.73%	3.99%



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Management’s Discussion and Analysis
(Unaudited)
June 30, 2024

Financial Highlights (Continued)

The Program’s fiduciary net position increased from \$207.8 million at June 30, 2023 to \$289.3 million at June 30, 2024, an increase of \$81.5 million, or 39.2%, from June 30, 2023 to June 30, 2024.

During the years ended June 30, 2024, and 2023, contributions exceeded distributions by \$53.4 million and \$45.1 million, respectively.

During the year ended June 30, 2024, the Program earned \$31.0 million in net investment income, resulting from a \$22.2 million net increase in the fair value of investments and \$8.8 million in dividends and capital gain distributions. During the year ended June 30, 2023, the Program earned \$19.5 million in net investment income, resulting from a \$11.3 million net increase in the fair value of investments and \$8.2 million in dividends and capital gain distributions.

Administrative fees incurred during the years ended June 30, 2024 and 2023 totaled \$966.9 thousand and \$454.7 thousand, respectively. These fees are calculated on the average net position in each investment option and are paid to the Board and Vestwell for performing administrative, marketing and other services with respect to the Program.

Account fees are paid directly by participants and include a Quarterly Account Fee and certain other transaction fees. Account fees incurred by participants during both the years ended June 30, 2024 and 2023 totaled \$1.9 million. The Quarterly Account Fees are paid to the Board and Vestwell, while any transaction fees are paid to Vestwell.

Overview of the Basic Financial Statements

The Program’s Basic Financial Statements are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) prescribed by the Governmental Accounting Standards Board (GASB), as applicable to fiduciary fund types. Accordingly, the Program’s Basic Financial Statements are prepared using the economic resources measurement focus and accrual basis of accounting.

The Statement of Fiduciary Net Position presents information on the Program’s assets and liabilities, with the difference between the two reported as fiduciary net position. The Statement of Changes in Fiduciary Net Position presents information showing how the Program’s fiduciary net position changed during the periods presented. Changes in fiduciary net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, assets, liabilities, revenues and expenses are reported in these statements for some items that will result in cash flows in future fiscal years.



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Management’s Discussion and Analysis
(Unaudited)
June 30, 2024

Overview of the Basic Financial Statements (Continued)

Participants are able to direct investment of their contributions into one or more investment options, each of which is invested in a single mutual fund. Those mutual funds are reported at fair value, and all investment transactions are reported on a trade-date basis. Changes in the reported fair value of mutual funds resulting from realized and unrealized gains and losses are reported as “net increase (decrease) in the fair value of investments.” Dividends and capital gain distributions are reported on the ex-dividend date. Contributions are recognized when received, provided enrollment in the Program has been successfully completed, and distributions are recognized when the withdrawal request has been received and approved for payment. Account fees are accrued quarterly, and administrative fees are accrued daily.

Financial Analysis

Fiduciary Net Position

The following are condensed Statements of Fiduciary Net Position as of June 30, 2024 and 2023 :

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Total assets	\$ 290,900,666	\$ 208,441,441
Total liabilities	<u>1,569,257</u>	<u>652,938</u>
Fiduciary net position	<u>\$ 289,331,409</u>	<u>\$ 207,788,503</u>

Fiduciary net position represents cumulative contributions since the Program’s inception, increased (decreased) by net investment income (losses), and decreased by distributions, account fees and administrative fees.

Investments comprise over 99% of the Program’s total assets. Other assets include receivables from securities sold and contributions that have been received by Vestwell from participants, but not yet been invested in the underlying mutual funds. Liabilities include payables for securities purchased, payables for distributions, accrued account fees and accrued administrative fees.



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Management’s Discussion and Analysis
(Unaudited)
June 30, 2024

Financial Analysis (Continued)

Changes in Fiduciary Net Position

The following are condensed Statements of Changes in Fiduciary Net Position for the years ended June 30, 2024 and 2023 :

	Year Ended June 30, 2024	Year Ended June 30, 2023
Contributions	\$ 99,259,634	\$ 80,971,029
Net investment income	31,016,978	19,478,973
Distributions	(45,889,273)	(35,841,089)
Administrative fees	(966,885)	(454,680)
Account fees	(1,877,548)	(1,903,889)
Net increase	81,542,906	62,250,344
Fiduciary net position, beginning of year	207,788,503	145,538,159
Fiduciary net position, end of year	<u>\$ 289,331,409</u>	<u>\$ 207,788,503</u>

Basic Financial Statements

Preliminary Draft
November 8, 2024



(A Program Facilitated by the Office of the State Treasurer of Oregon)

**Statement of Fiduciary Net Position
June 30, 2024**

ASSETS

Investments	\$ 289,910,413
Receivable from Vestwell	990,253
Total Assets	<u>290,900,666</u>

LIABILITIES

Payables for securities purchased	912,452
Distributions payable	70,506
Accrued administrative fees	93,915
Accrued account fees	492,384
Total Liabilities	<u>1,569,257</u>

FIDUCIARY NET POSITION

\$ 289,331,409

**Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2024**

ADDITIONS

Contributions:	
Employer initiated	\$ 91,809,935
Employee initiated	7,449,699
Total contributions	<u>99,259,634</u>
Investment income:	
Dividends and capital gain distributions	8,841,861
Net increase in the fair value of investments	22,175,117
Net investment income	31,016,978
Total Additions	<u>130,276,612</u>

DEDUCTIONS

Distributions	45,889,273
Administrative fees	966,885
Account fees	1,877,548
Total Deductions	<u>48,733,706</u>

NET INCREASE

81,542,906

FIDUCIARY NET POSITION, BEGINNING OF YEAR

207,788,503

FIDUCIARY NET POSITION, END OF YEAR

\$ 289,331,409

See accompanying notes to financial statements.



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Notes to Financial Statements
June 30, 2024

NOTE 1: ORGANIZATION AND NATURE OF OPERATIONS

The following provides a brief description of the Oregon Retirement Savings Program, also known as OregonSaves (the Program). For more information and disclosures about the Program, refer to the *OregonSaves Program Description* available at saver.oregonsaves.com or call 1-844-661-6777.

(a) General

The Program was developed and established by the Oregon Retirement Savings Board (the Board) as mandated under Oregon Revised Statutes 178.200 to 178.245, as amended, to allow eligible individuals to contribute to a retirement savings account. The Board, established in the Office of the State Treasurer of Oregon (the Treasurer), is responsible for the establishment, implementation and maintenance of the Program. The Board intends that the Program be operated in a manner consistent with applicable guidance provided by the U.S. Department of Labor relating to payroll deduction individual retirement account (IRA) programs that are not pension plans under Title I of the Employee Retirement Income Security Act (ERISA).

Each eligible employer in the state of Oregon must offer employees the opportunity to participate in the Program unless the employer offers a qualified retirement plan, including but not limited to a plan qualified under section 401(a), section 401(k), section 403(a), section 403(b), section 408(k), section 408(p) or section 457(b) of the Internal Revenue Code. The Program provides for automatic enrollment of employees, and employees are allowed to opt out of the Program. Employee accounts in the Program are structured as Roth IRAs, which provide tax-free withdrawals of contributions and qualified distributions of earnings. The participant has the option of establishing their account as a Traditional IRA, or if their account has been established as a Roth IRA, the participant can direct the Program to establish a Traditional IRA for all subsequent contributions to their account. Unlike a Roth IRA, contributions to a Traditional IRA may be tax-deductible, but withdrawals of deductible contributions and investment earnings are taxed. In addition to participating in the Program through an eligible employer, any individual who is eligible to contribute to a Roth IRA or a Traditional IRA is able to participate in the Program. Employers make no matching or other contributions to participating employee accounts.

The state of Oregon (the State) and employers that facilitate the Program have no proprietary interest in contributions to or earnings on amounts contributed to accounts established under the Program. The Board acts as a fiduciary with respect to the investments offered by the Program.

The State established a trust to hold assets of the Program, ensuring that such assets can only be used for the benefit of participants and cannot be used by the State to finance its operations.

These Basic Financial Statements are intended to present only the fiduciary net position and changes therein of the Program and do not purport to, and do not, present the fiduciary net position or changes therein of any other funds or programs administered by the Treasurer or the Board.



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Notes to Financial Statements
June 30, 2024

NOTE 1: ORGANIZATION AND NATURE OF OPERATIONS (Continued)

(a) General (Continued)

The Program offers a range of investment options, designed to meet risk tolerances, time horizons and investment objectives of participants. Each investment option invests in a single underlying mutual fund. Participants purchase units of the investment options, not shares of the underlying mutual fund. These units are municipal fund securities.

(b) Program Administrator

Vestwell State Savings, LLC (Vestwell) serves as Program Administrator and is responsible for day-to-day Program operations, including recordkeeping and administrative services. Vestwell and the Board have entered into a contract (the Program Management Agreement) that specifies the services that Vestwell and its subcontractors, including The Bank of New York Mellon Corporation (BNY Mellon) and its affiliates, are to provide to the Program.

(c) IRA Custodian

The Bank of New York Mellon Investment Servicing Trust Company serves as the IRA Custodian responsible for establishing the employer accounts, processing participant instructions as directed, issuing account statements, and fulfilling IRS reporting requirements, non-discretionary trustee duties and other responsibilities under Section 408(a) and other applicable provisions of the Internal Revenue Code.

(d) Municipal Securities Custodian

BNY Mellon is the Program's custodian of the municipal fund securities (i.e., the units issued to participants) and is responsible for maintaining custody of the assets that are contributed to each investment option.

(e) Investment Manager

SSGA Funds Management, Inc. (State Street) manages the underlying mutual funds that compose each investment option.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

In accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to fiduciary fund types prescribed by the Governmental Accounting Standards Board (GASB), the Program's Basic Financial Statements are prepared using the flow of economic resources measurement focus and accrual basis of accounting. U.S. GAAP requires the use of estimates made by management and the evaluation of subsequent events. Actual results may differ from those estimates.



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Notes to Financial Statements
June 30, 2024

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Investment Valuation

Accounting standards categorize fair value measurements according to a hierarchy based on valuation inputs that are used to measure fair value. Level 1 inputs are quoted prices for identical assets in active markets that can be accessed at the measurement date. Level 2 inputs are inputs other than quoted prices that are observable for an asset, either directly or indirectly. Level 3 inputs are unobservable and may include subjective assumptions in determining the fair value of investments.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Mutual funds are reported at fair value, based on the net asset value per share as of the close of the New York Stock Exchange (NYSE), and are thus categorized in Level 1 of the fair value hierarchy.

(c) Investment Transactions

Investment transactions are accounted for as of the trade date for financial reporting purposes. Dividend income and capital gain distributions from mutual funds are recorded on the ex-dividend date. Net realized and unrealized gains (losses) are included in "net increase (decrease) in the fair value of investments."

(d) Contributions

Each employer deducts contributions from payroll based on each participating employee's current contribution elections, which can be either the standard election or alternate election, and transfers those payroll deductions to Vestwell. Amounts deducted are required to be transmitted to Vestwell as soon as administratively possible, not to exceed seven business days from the date of deduction. In addition, the Program is open to all individuals who are eligible to participate under federal rules governing both Roth IRAs and Traditional IRAs. Contributions received by Vestwell in good order prior to the close of the NYSE are credited to participant accounts and recorded as increases in fiduciary net position on the same business day.



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Notes to Financial Statements
June 30, 2024

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Contributions (Continued)

Participants are able to choose the investment options(s) into which their contributions will be invested during the account opening process. For those who participate in the Program through eligible employers, if an employee has not opted out of the Program or has not chosen an alternate election, he or she will be enrolled using the following standard elections:

- The initial rate of contribution to the Program is 5% of compensation.
- Contributions are automatically increased at the rate of 1% of compensation, occurring on January 1 of each year, until the total rate of contribution has reached 10%.
- Contributions will be invested in the OregonSaves Capital Preservation Fund until the initial sweep date (generally, a period of 30 days from the initial contribution date).
- On the applicable initial sweep date, units of the OregonSaves Capital Preservation Fund will be exchanged for units of equal value, along with all contributions received on or after the initial sweep date, in the OregonSaves Target Retirement Option with a target date that is closest to the participant's year of retirement (assuming a retirement age of 65).

Employees who do not want to enroll using the standard election of 5% may change their contribution elections, subject to a minimum of 1% and a maximum of 100%, up to federal annual contribution limits. Individuals who participate directly in the Program (i.e., not through an employer) may also choose an auto escalation feature, which provides for the automatic increase of contribution dollars by varying amounts depending on the amount of current contributions.

Additionally, participating employees who do not want to use the standard election investment options and individuals contributing directly to the Program must choose the investment option(s) into which their contributions will be invested. Although participants can select the investment options in which their contributions are invested, they cannot direct the selection of the mutual funds that compose each investment option.

Contributions are invested in one or more of the following investment strategies, depending upon participant elections:

OregonSaves Money Market Option is an investment option that seeks to help investors preserve the value of their savings by investing in underlying funds that invest in money market securities.



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Notes to Financial Statements
June 30, 2024

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Contributions (Continued)

OregonSaves Target Retirement Options are investment options that correspond with the year closest to when the participant will be 65 or plans to retire. Each OregonSaves Target Retirement Option has a specific “target date” (e.g., 2035, 2045, 2055) and invests in an underlying fund that invests in a mix of stock and bond funds. Each underlying fund seeks growth for younger investors and becomes more conservative over time in order to help its investors preserve savings as the underlying funds near their target dates.

OregonSaves S&P 500 Index Option is an investment option that seeks to match the return of large companies in the U.S. stock market by investing in companies included in the S&P500® Index.

OregonSaves Capital Preservation Fund is not a stand-alone investment option, but an administrative vehicle that seeks to help investors preserve the value of their savings by investing in underlying funds that invest in a money market fund or in other money market securities for the period of initial contribution until the initial sweep date, as explained on the previous page, unless the participant makes an alternate investment election before the initial sweep date. Earnings during the period prior to the initial sweep date in which contributions from participants are invested are applied to payment of the earnings-based fee to the Board (see Note 4), and participants do not receive earnings on contributions in this investment option.

(e) Distributions

Participants may request distributions from their accounts online, by phone or by mail. Distributions are recorded as deductions from fiduciary net position on the date the request is received if such request is found to be in good order and is received prior to the close of the NYSE.

(f) Exchanges

Transfers of funds between investment options due to participants changing their investment elections are referred to as “exchanges.” The amounts of contributions and distributions reported on the Statement of Changes in Fiduciary Net Position do not include exchanges, as these types of transactions have no impact on the overall financial position of the Program.

(g) Unit Valuation

Unit values for each investment option are determined at the close of business of the NYSE. The unit value of each investment option is calculated by dividing the investment option’s assets minus its liabilities by the number of outstanding units of such investment option. There are no distributions of dividends, capital gain distributions or net investment income or losses directly to participants. Dividends, capital gain distributions and net investment income (losses) resulting from the mutual funds in which the Program’s assets are invested are reflected as increases (decreases) in the unit value.



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Notes to Financial Statements
June 30, 2024

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Income Taxes

The Program is exempt from federal and state income tax.

(i) Indemnification

Under the Program’s organizational documents, neither the Board, the Treasurer, the State, Vestwell nor any other person or entity indemnifies any participant against losses or other claims arising from official or unofficial acts, negligent or otherwise, of members of the Board or employees of the Treasurer, the State or Vestwell in their performance of duties relevant to Program operations. Additionally, in the normal course of business, the Board, the Treasurer, the State and Vestwell enter into contracts related to the operation and administration of the Program that contain a variety of indemnification clauses. The maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Board, the Treasurer, the State and Vestwell that have not yet occurred. However, neither the Board, the Treasurer, the State nor Vestwell has had prior claims or losses pursuant to these contracts, and management of the Program expects the risk of loss to be remote.

NOTE 3: INVESTMENTS

(a) Investments by Type

At June 30, 2024, the Program’s investments include the following:

Underlying Fund	Fair Value
State Street Target Retirement Fund	\$ 8,607,534
State Street Target Retirement Fund 2020	8,422,473
State Street Target Retirement Fund 2025	20,704,783
State Street Target Retirement Fund 2030	28,286,609
State Street Target Retirement Fund 2035	29,587,346
State Street Target Retirement Fund 2040	27,954,167
State Street Target Retirement Fund 2045	29,352,458
State Street Target Retirement Fund 2050	29,790,722
State Street Target Retirement Fund 2055	31,624,194
State Street Target Retirement Fund 2060	28,443,642
State Street Target Retirement Fund 2065	17,937,575
State Street Equity 500 Index Fund	9,218,124
State Street Institutional Liquid Reserves Fund	19,980,786
Total Investments	<u>\$ 289,910,413</u>



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Notes to Financial Statements
June 30, 2024

NOTE 3: INVESTMENTS (Continued)

(b) Investment Risk

The mutual funds in which the Program invests include various types of investment securities in their asset holdings, such as corporate debt and equity securities, obligations of the U.S. government and government agencies and international equity securities. These securities are exposed to interest rate, market and credit risk, and it is at least reasonably possible that changes in their fair values could occur in the near term, materially affecting participant balances and the amounts reported in the Program's Basic Financial Statements.

U.S. GAAP requires that certain disclosures be made related to the Program's investment policy and its exposure to credit risk, interest rate risk and foreign currency risk, which are included in the paragraphs that follow.

Investment Policy

The Board has adopted an investment policy statement that sets forth investment objectives and performance monitoring requirements applicable to the Program. The overarching objective is to provide participants with a range of easy-to-understand investment options, allowing for diverse levels of risk tolerance, return expectations and time horizons. The policy requires analysis of investment managers and funds to assess performance and to determine adherence to investment policy guidelines. There are no provisions of the policy that specifically address credit risk, interest rate risk, concentrations of credit risk or foreign currency risk.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Program will not be able to recover the value of an investment that is in the possession of an outside party. Mutual funds are not subject to custodial credit risk because ownership is not evidenced by a transferable financial instrument.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Mutual funds that invest primarily in bonds and other fixed income securities indirectly expose the Program to credit risk. None of the mutual funds in which the Program invests are rated as to credit quality by a nationally recognized statistical rating organization, except for the State Street Institutional Liquid Reserves Fund, which is rated AAAM (Standard & Poor's) and AAAMmf (Fitch) at June 30, 2024.



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Notes to Financial Statements
June 30, 2024

NOTE 3: INVESTMENTS (Continued)

(b) Investment Risk (Continued)

Interest Rate Risk

Interest rate risk represents the risk that changes in interest rates will adversely affect the fair value of an investment. The State Street Target Retirement Funds and the State Street Institutional Liquid Reserves Fund may indirectly expose the Program to interest rate risk due to their underlying holdings. The State Street Target Retirement Funds consist of varying allocations of equity and debt securities, with increasingly greater allocations to debt securities occurring as the target retirement date approaches. The State Street Institutional Liquid Reserves Fund invests solely in bonds and other fixed income securities.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Program does not have any direct investment in foreign currency or foreign securities; however, certain investment options invest in mutual funds that are exposed to foreign currency risk.

NOTE 4: ANNUALIZED ASSET-BASED FEES, ACCOUNT FEES AND OTHER EXPENSES

(a) Annualized Asset-Based Fees

Each investment option is subject to asset-based fees. These fees reduce the return participants earn on their contributions to the Program. A description of the asset-based fees are as follows:

Program Administration Fees

Each investment option (excluding the OregonSaves Capital Preservation Fund, which is not subject to a Program Administration Fee) pays a Program Administration Fee to the Board and Vestwell to support the costs of administering the Program. The annualized Program Administration Fee is 40 basis points (0.40%). These fees are calculated based on the average daily net position in each investment option, accrued daily, paid quarterly and reduce the unit value of each investment option.

The OregonSaves Capital Preservation Fund is managed to maintain a yield of 0%. Any earnings on the assets in this investment option are paid directly to the Board as an earnings-based fee, and neither the earnings nor the earnings-based fee are reflected in the Statement of Changes in Fiduciary Net Position.

Underlying Fund Fee

Each mutual fund is subject to underlying fund fees, which include investment advisory fees, administrative fees and other expenses of each underlying mutual fund in which Program assets are invested. The underlying fund fee is paid out of the assets of the mutual fund, reducing the amount of income available for distribution to the Program, and is not paid from Program assets. As such, these fees are not reported on the Statement of Changes in Fiduciary Net Position.



(A Program Facilitated by the Office of the State Treasurer of Oregon)

Notes to Financial Statements
June 30, 2024

NOTE 4: ANNUALIZED ASSET-BASED FEES, ACCOUNT FEES AND OTHER EXPENSES (Continued)

(b) Account Fees

Account fees paid directly by participants include the Quarterly Account Fee and certain other transaction fees. Excluding those accounts invested in the OregonSaves Capital Preservation Fund which are not assessed a Quarterly Account Fee, the annualized Quarterly Account Fee is \$16 per account, with Vestwell receiving \$14 and the Board receiving \$2. Other fees may be imposed on the participant for such transactions as rollovers from a Program account to another IRA or for distributions requested to be paid by check (waived for the first check in each calendar year). Fees may also be assessed to those participants who request quarterly account statements in paper form. These transaction fees are paid to Vestwell.

(c) Other Administrative Expenses

The Treasurer and the Board incur certain costs in providing administrative oversight with respect to the Program. These costs are not paid directly from the Program’s assets, and they are not reflected in expenses in the Program’s Basic Financial Statements.

Preliminary Draft
November 8, 2024

Program Data Report

OREGONSAVES PROGRAM

SEPTEMBER 30, 2024

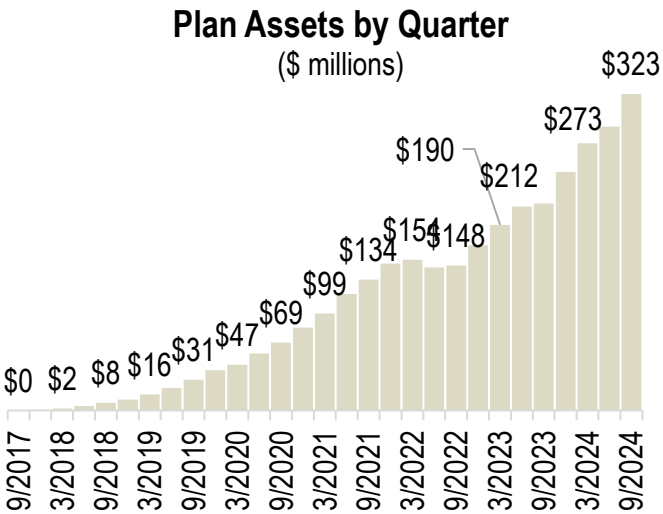
Quarterly Dashboard

As of September 30, 2024

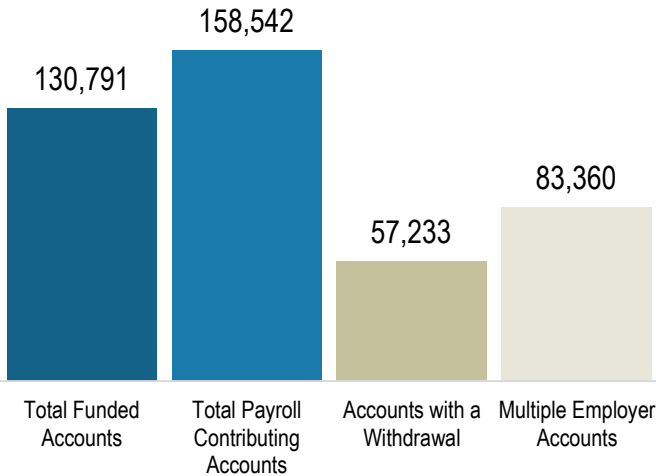
Program	Current	Jun 2024	Change
Total Assets	\$323,422,013	\$289,794,615	\$33,627,399
Total Contributions	\$420,016,881	\$393,027,592	\$26,989,290
Total Withdrawals	-\$147,875,480	-\$136,046,217	-\$11,829,263
Monthly Contributions (Past 30 Days)	\$8,500,302	\$7,293,856	\$1,206,446
Monthly Withdrawals (Past 30 Days)	-\$3,615,086	-\$3,837,375	\$222,289

Saver	Current	Jun 2024	Change
Total Funded Accounts	130,791	127,717	3,074
Total Payroll Contributing Accounts	158,542	152,632	5,910
Accounts with a Withdrawal	57,233	54,784	2,449
Multiple Employer Accounts	83,360	78,524	4,836
Max Contribution Accounts	126	N/A	N/A
Self-Enrolled Funded Accounts	1,200	1,211	-11
Average Monthly Contribution Amount	\$188	\$173	\$16
Median Monthly Contribution Amount	\$145	\$132	\$14
Average Savings Rate (Funded Accounts)	6.7%	6.8%	-0.1%
Average Funded Account Balance	\$2,473	\$2,269	\$204

Employer	Current	Jun 2024	Change
Total Registered	31,433	29,131	2,302
Total Added Employee Data	30,935	28,391	2,544
Actively Submitting Payroll (Past 90 Days)	8,017	7,531	486
Total Exempted Employers	44,994	42,497	2,497



Saver Accounts - September 2024



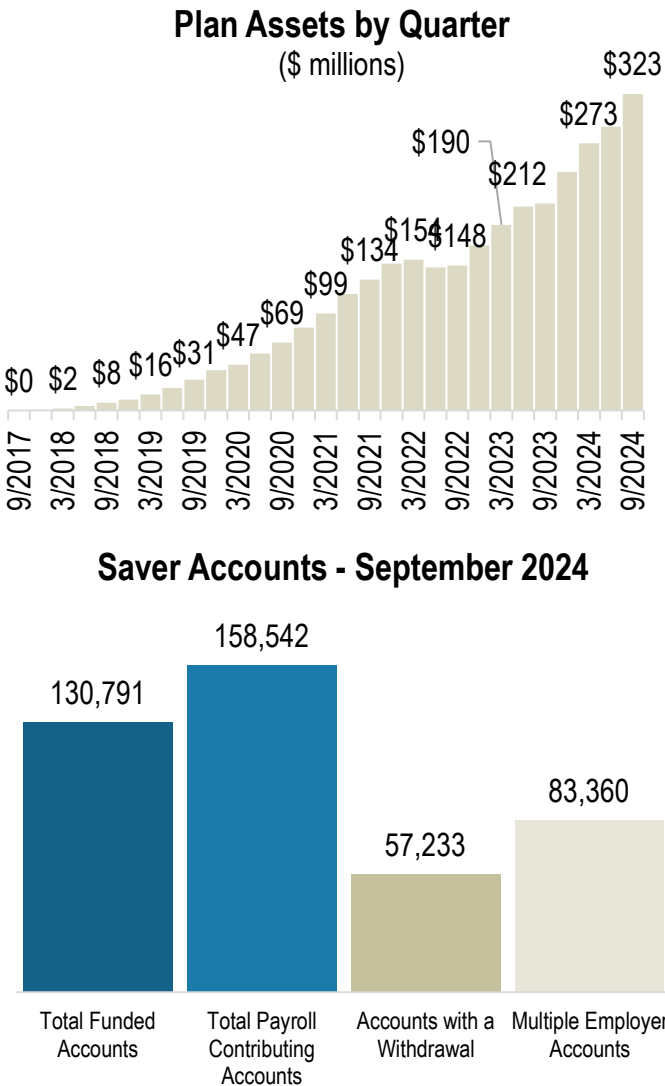
Average contributions are based on accounts with a contribution during the last 30 days.

Sources: Vestwell, Ascensus, Sellwood Investment Partners

Program	Current	Sep 2023	Change
Total Assets	\$323,422,013	\$211,520,601	\$111,901,412
Total Contributions	\$420,016,881	\$315,946,627	\$104,070,254
Total Withdrawals	-\$147,875,480	-\$100,879,517	-\$46,995,963
Monthly Contributions (Past 30 Days)	\$8,500,302	\$7,183,604	\$1,316,699
Monthly Withdrawals (Past 30 Days)	-\$3,615,086	-\$3,113,180	-\$501,906

Saver	Current	Sep 2023	Change
Total Funded Accounts	130,791	122,183	8,608
Total Payroll Contributing Accounts	158,542	136,254	22,288
Accounts with a Withdrawal	57,233	44,914	12,319
Multiple Employer Accounts	83,360	69,034	14,326
Max Contribution Accounts	126	218	-92
Self-Enrolled Funded Accounts	1,200	470	730
Average Monthly Contribution Amount	\$188	\$170	\$19
Median Monthly Contribution Amount	\$145	\$128	\$17
Average Savings Rate (Funded Accounts)	6.7%	6.4%	0.3%
Average Funded Account Balance	\$2,473	\$1,731	\$742

Employer	Current	Sep 2023	Change
Total Registered	31,433	27,349	4,084
Total Added Employee Data	30,935	26,226	4,709
Actively Submitting Payroll (Past 90 Days)	8,017	7,021	996
Total Exempted Employers	44,994	40,862	4,132



Average contributions are based on accounts with a contribution during the last 30 days.
Sources: Vestwell, Ascensus, Sellwood Investment Partners

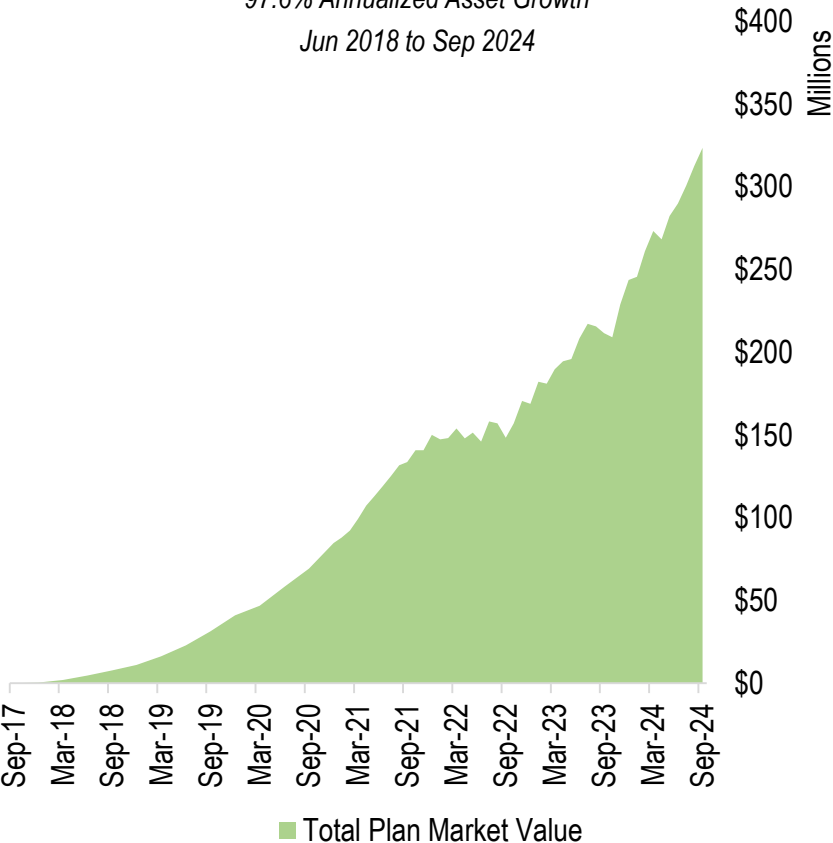
Quarterly Summary Statistics

As of September 30, 2024

Total Assets	Funded Accounts	Avg Funded Account Balance	Quarterly Net New Fund Accs	Quarterly Contributions	Quarterly Redemptions	Quarterly Net Flows
\$323,422,013	130,791	\$2,473	3,074	\$26,989,290	-\$11,829,263	\$15,160,027

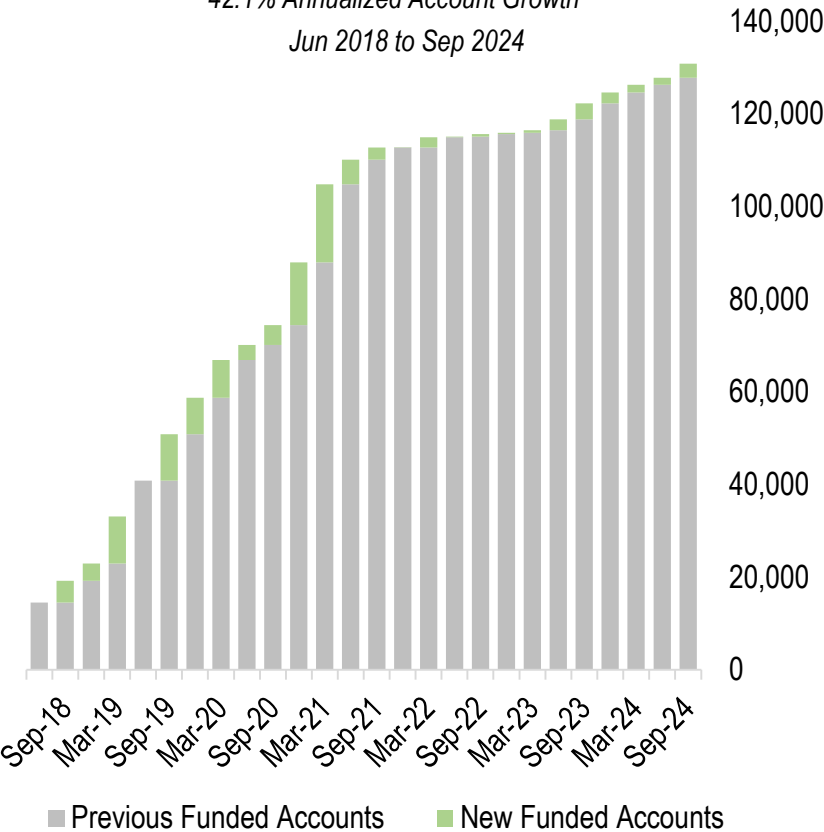
Plan Market Value History

97.6% Annualized Asset Growth
Jun 2018 to Sep 2024



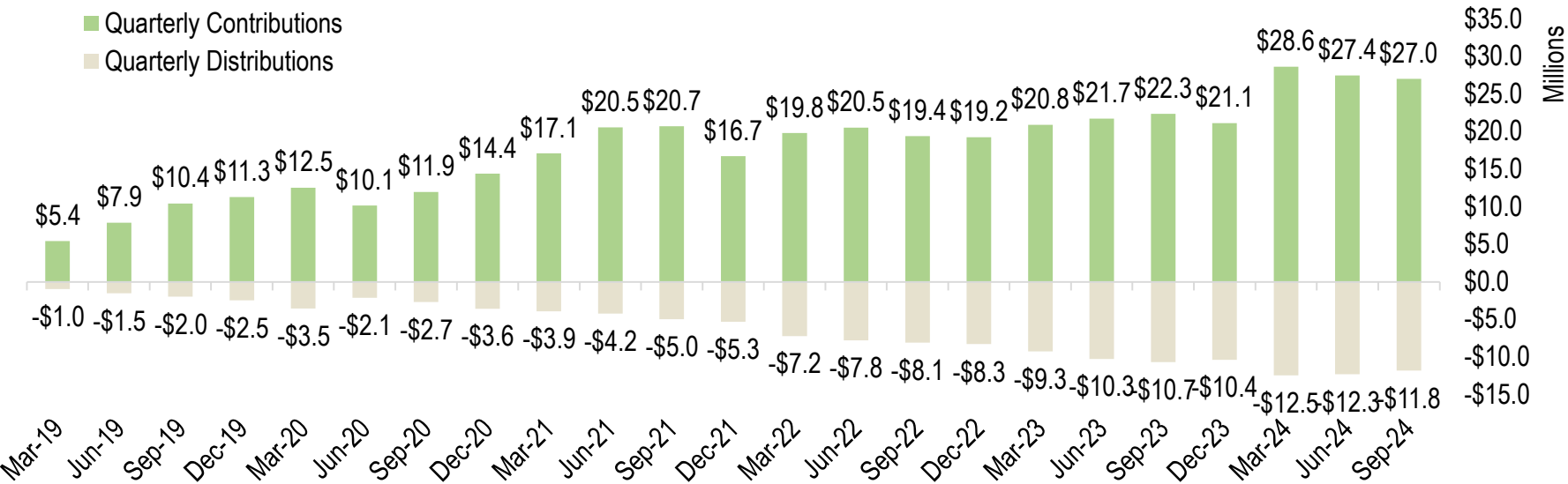
Plan Funded Account History

42.1% Annualized Account Growth
Jun 2018 to Sep 2024

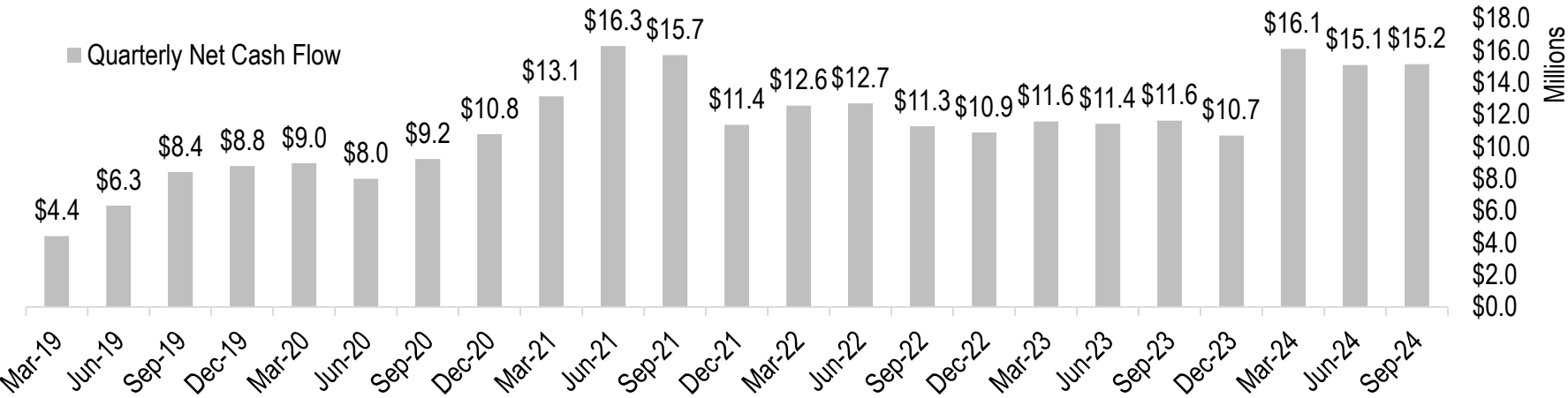


As of September 30, 2024

Quarterly Contributions & Distributions



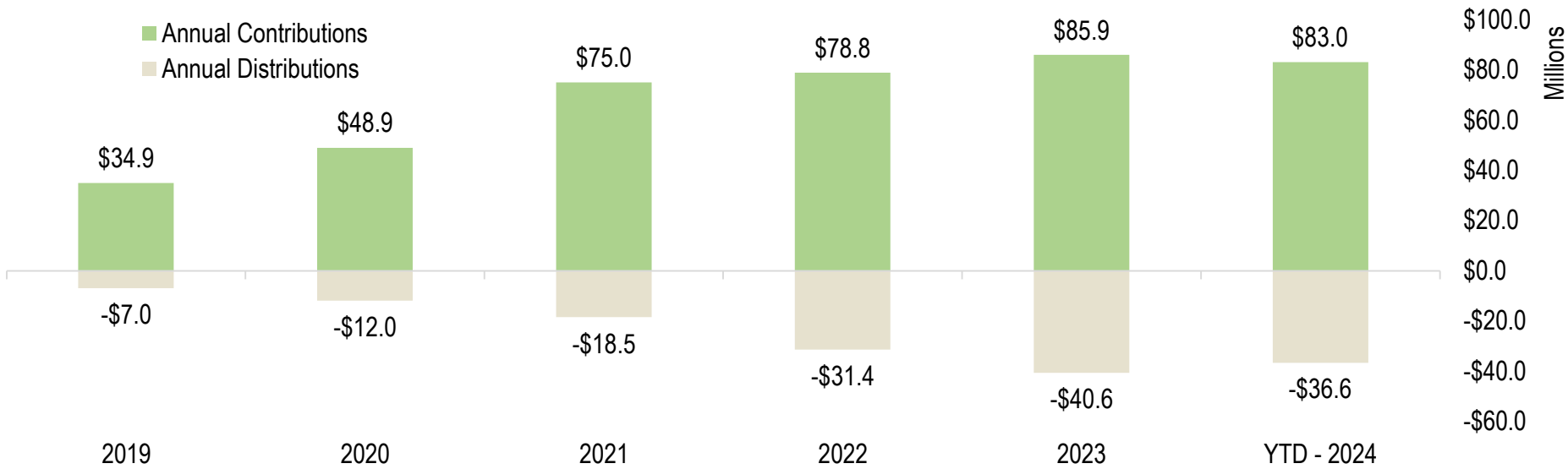
Quarterly Net Cash Flow



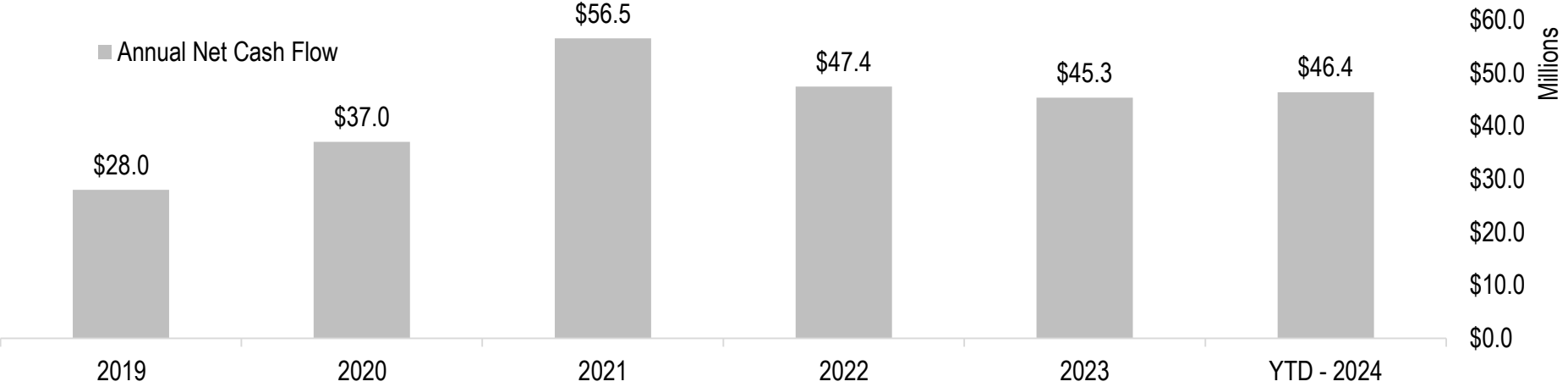
Sources: Vestwell, Ascensus, Sellwood Investment Partners

As of September 30, 2024

Annual Contributions & Distributions



Annual Net Cash Flow

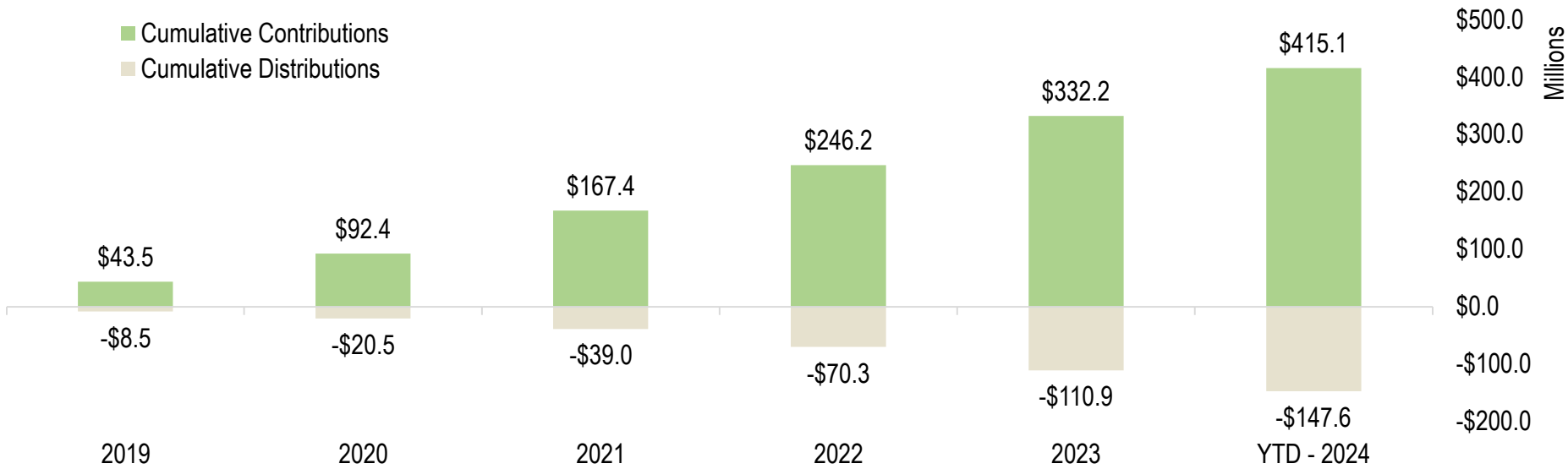


Sources: Vestwell, Ascensus, Sellwood Investment Partners

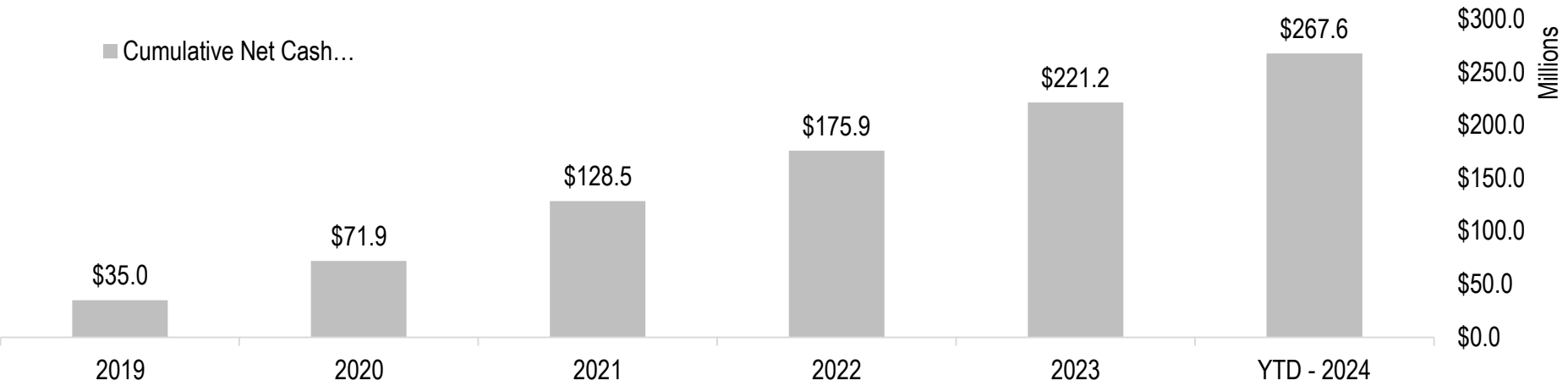
Cumulative Cash Flows

As of September 30, 2024

Cumulative Contributions & Distributions

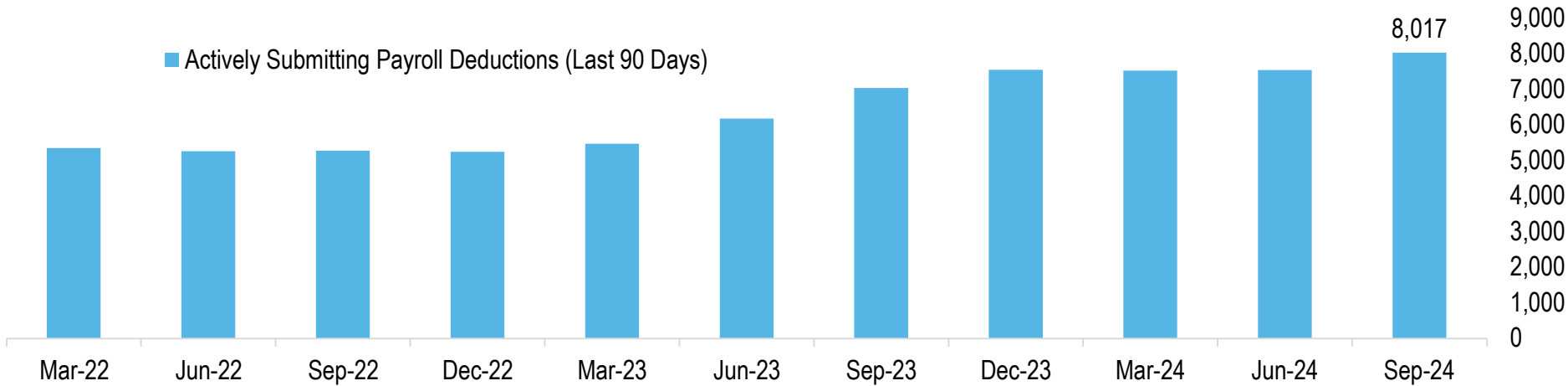


Cumulative Net Cash Flow

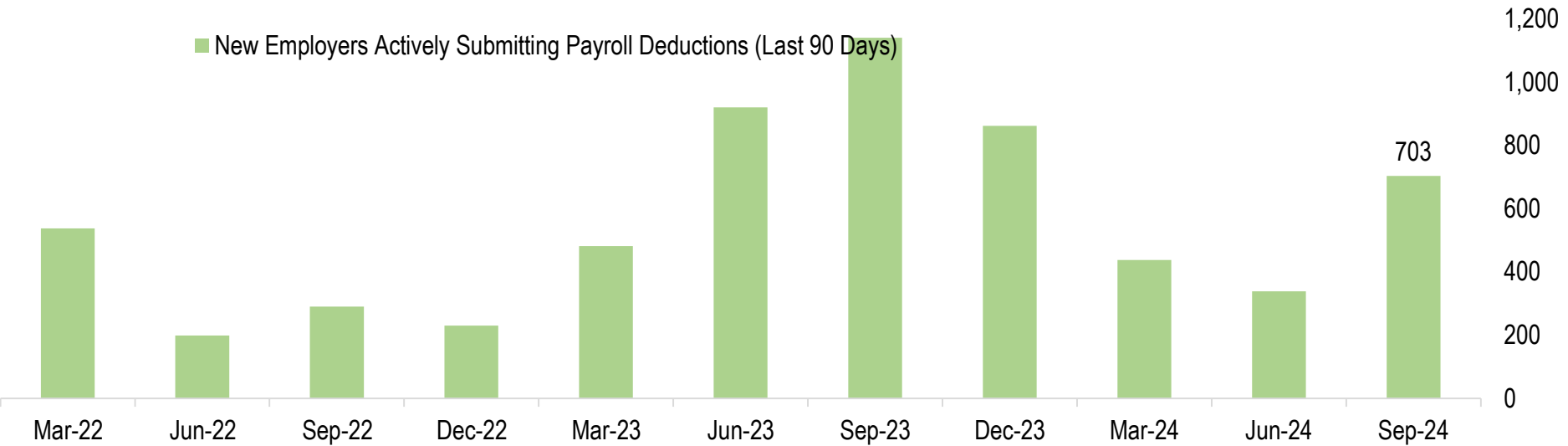


As of September 30, 2024

Actively Submitting Payroll Deductions (Last 90 Days)



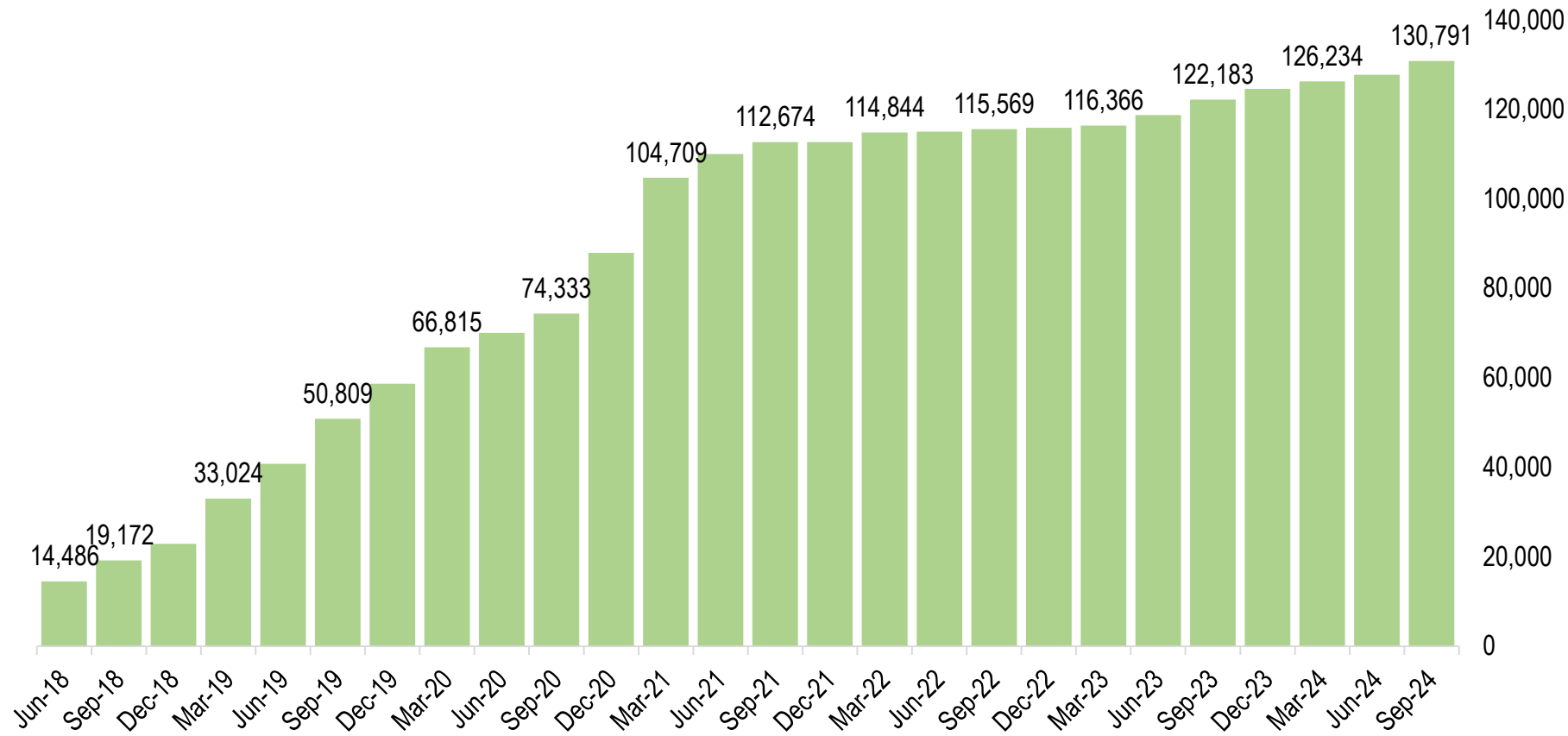
New Employers Actively Submitting Payroll Deductions (Last 90 Days)



Sources: Vestwell, Ascensus, Sellwood Investment Partners

As of September 30, 2024

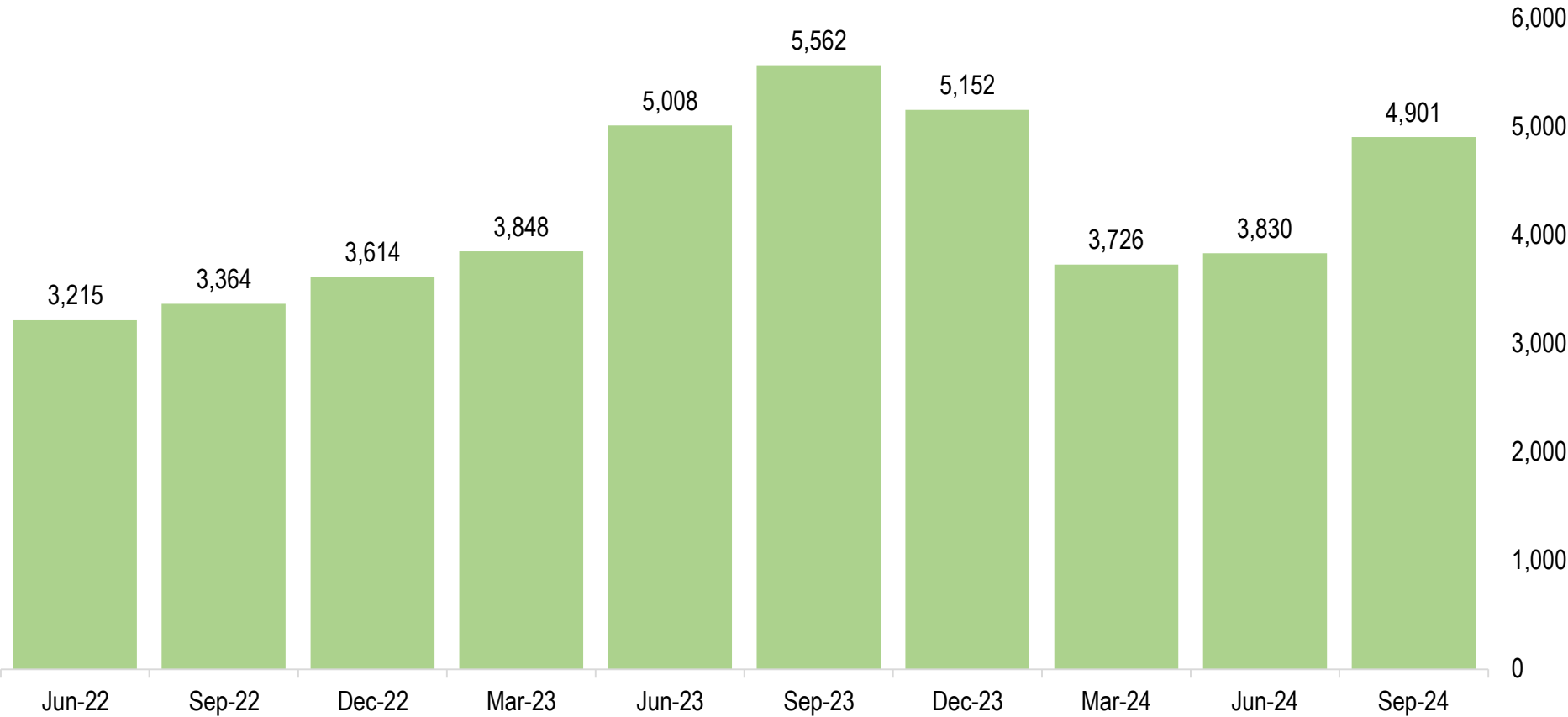
Total Funded Accounts



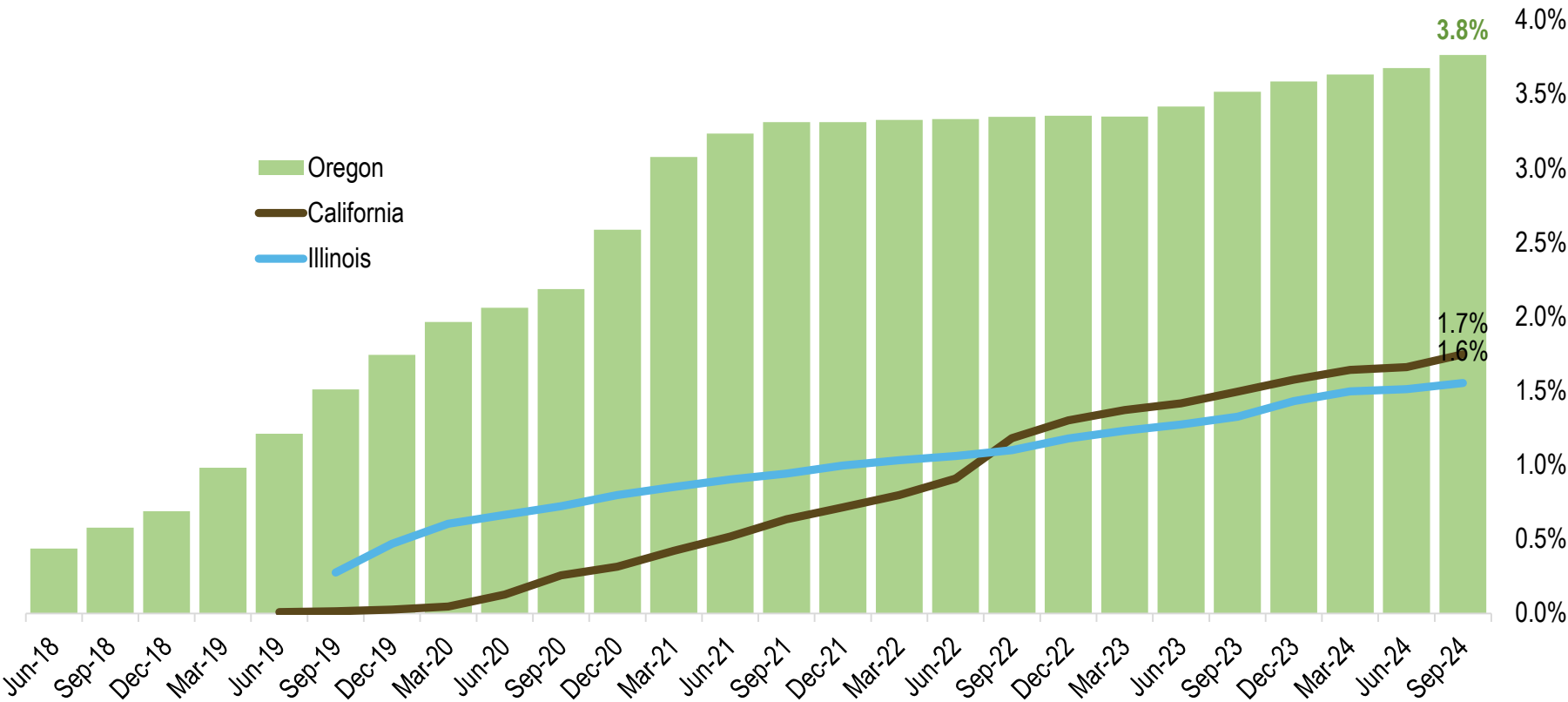
Sources: Vestwell, Ascensus, Sellwood Investment Partners

As of September 30, 2024

Newly Funded Accounts



Funded Account Coverage Ratio by State

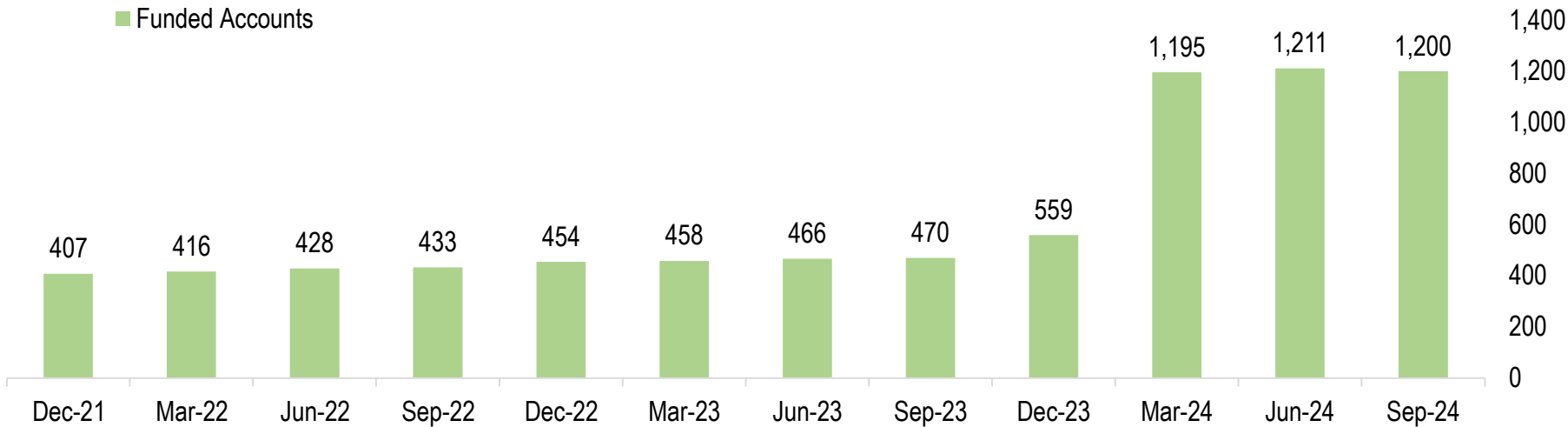


Coverage rate is defined as the number of funded accounts divided by the state adult population.
CalSavers program start date is 7/1/2019 with a pilot program starting 11/1/2018.
Illinois Secure Choice program start date is 7/1/2019 with a pilot program starting 7/1/2018.
Source: Vestwell, Ascensus, Sellwood Consulting.

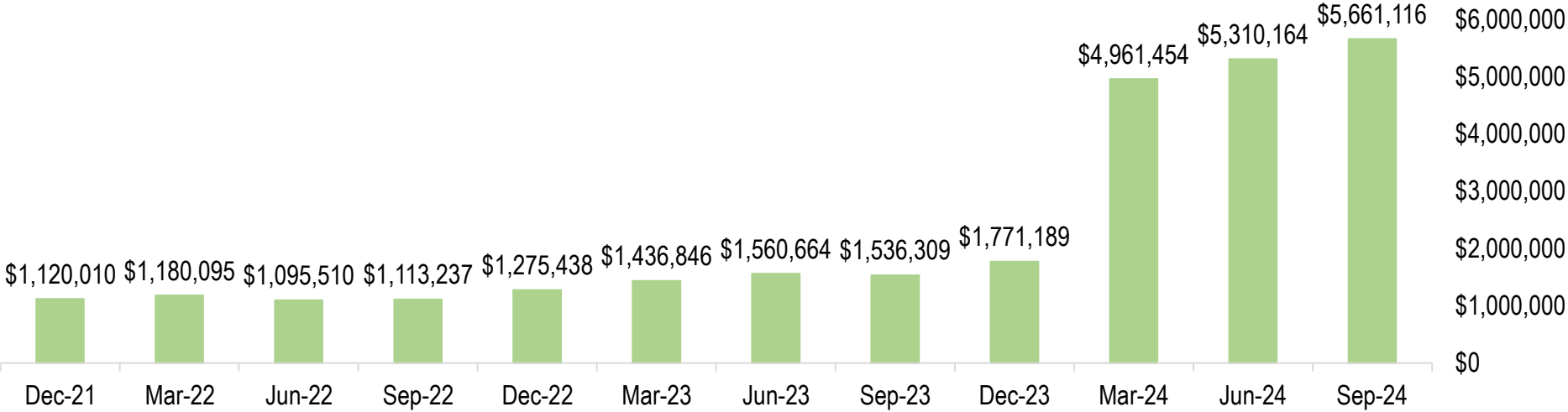
Account Statistics - Self Enrollment

As of September 30, 2024

Self Enrollment Funded Accounts



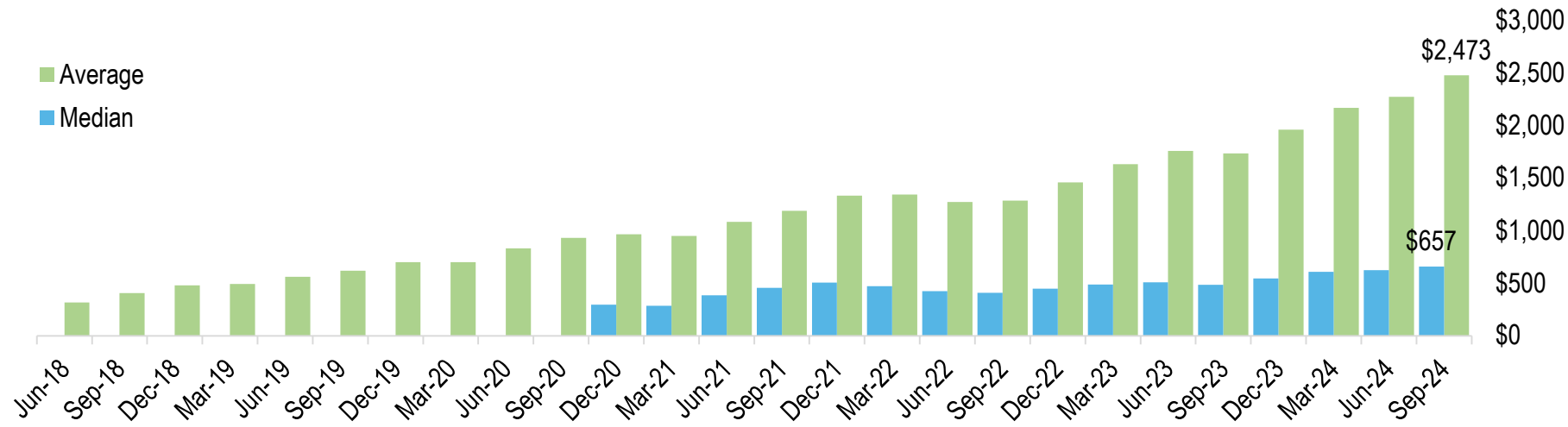
Self Enrollment Total Assets



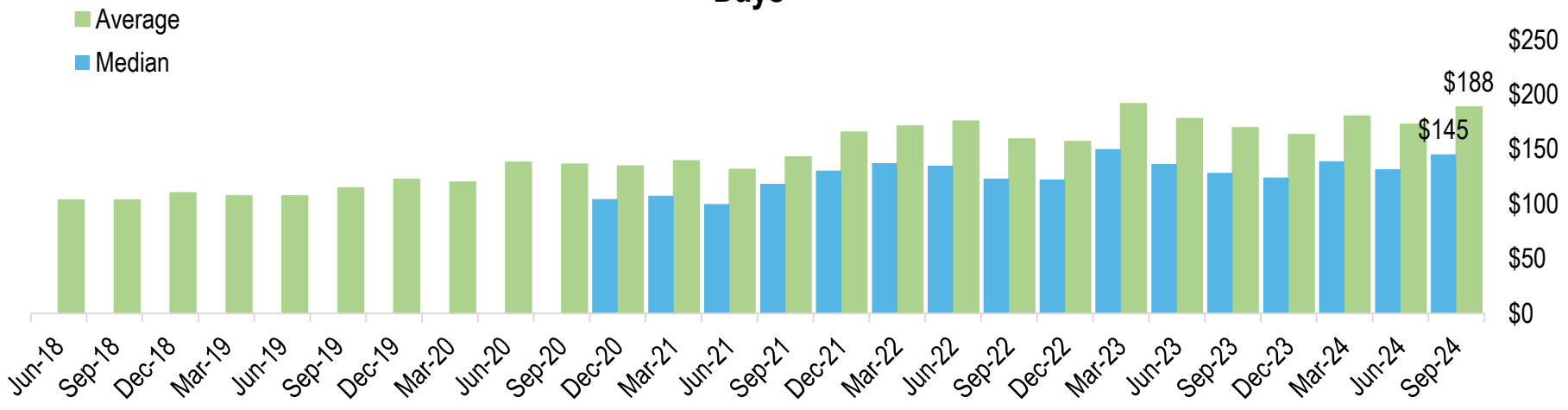
Sources: Vestwell, Ascensus, Sellwood Investment Partners. Self Enrollment includes contributions on behalf of AFSCME Providers in Q1 2024.

As of September 30, 2024

Funded Account Balance



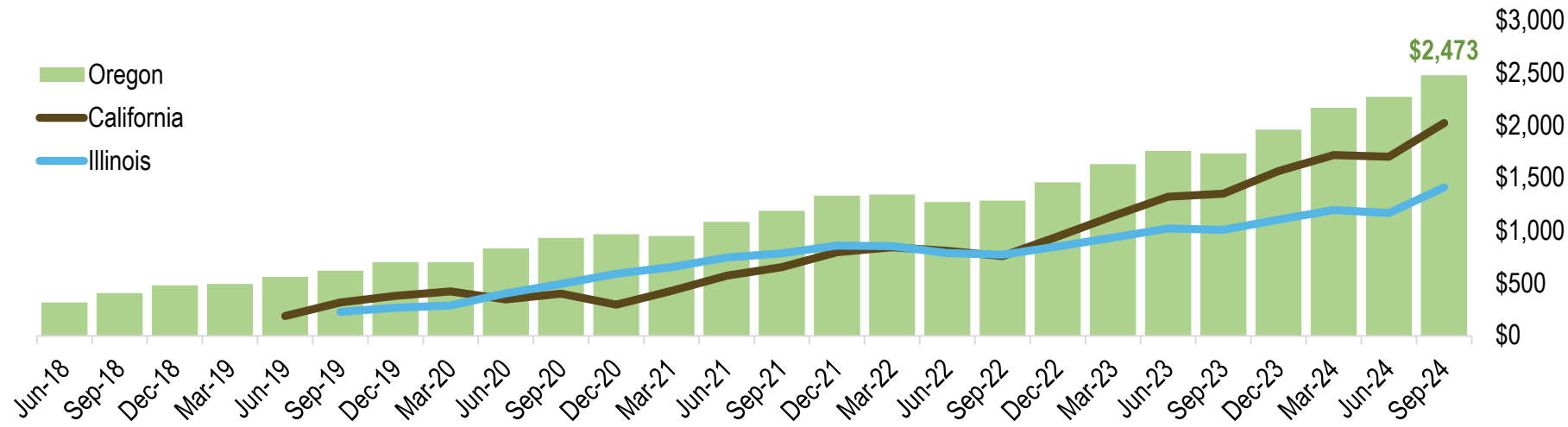
Monthly Contribution Amounts For Funded Accounts with a Contribution in the Last 30 Days



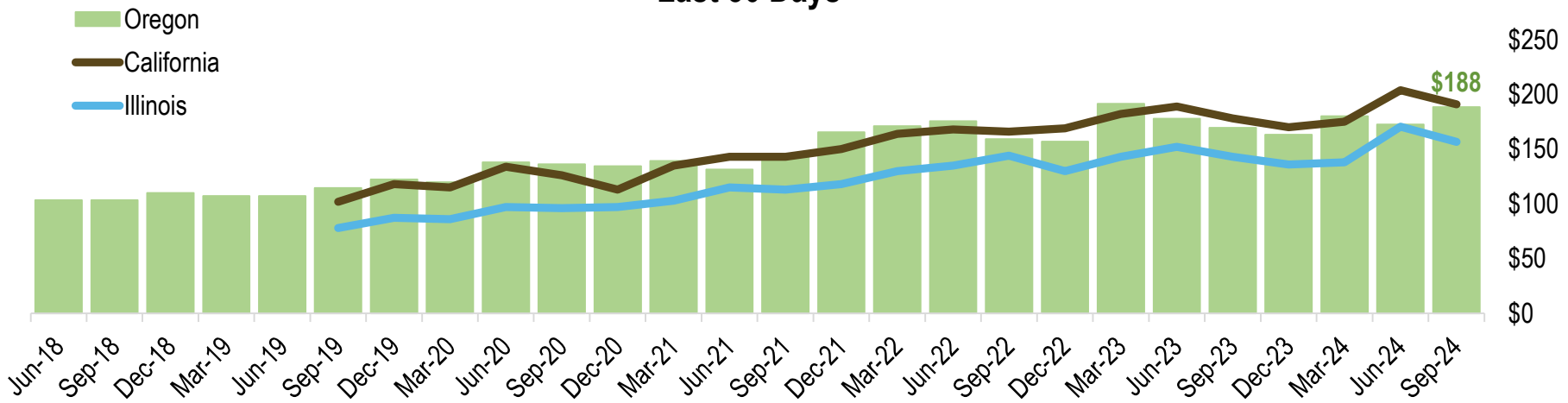
Source: Vestwell, Ascensus, Sellwood Investment Partners. Average and median contributions are based on accounts with a contribution during the last month.

As of September 30, 2024

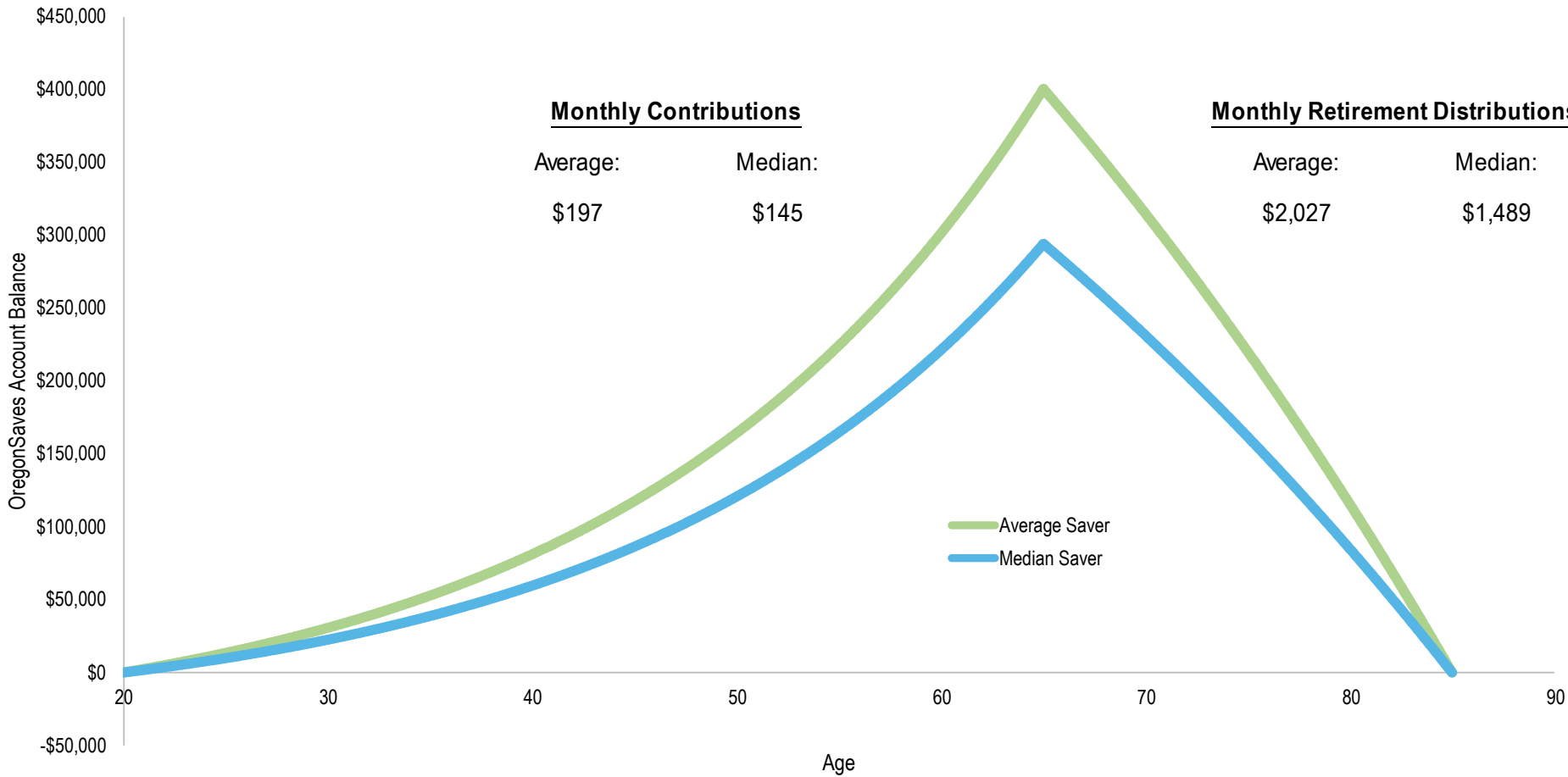
Average Account Balance by State



Average Monthly Contribution Amounts For Funded Accounts with a Contribution in the Last 30 Days



Source: Vestwell, Ascensus, Sellwood Investment Partners. Average and median contributions are based on accounts with a contribution during the last month.



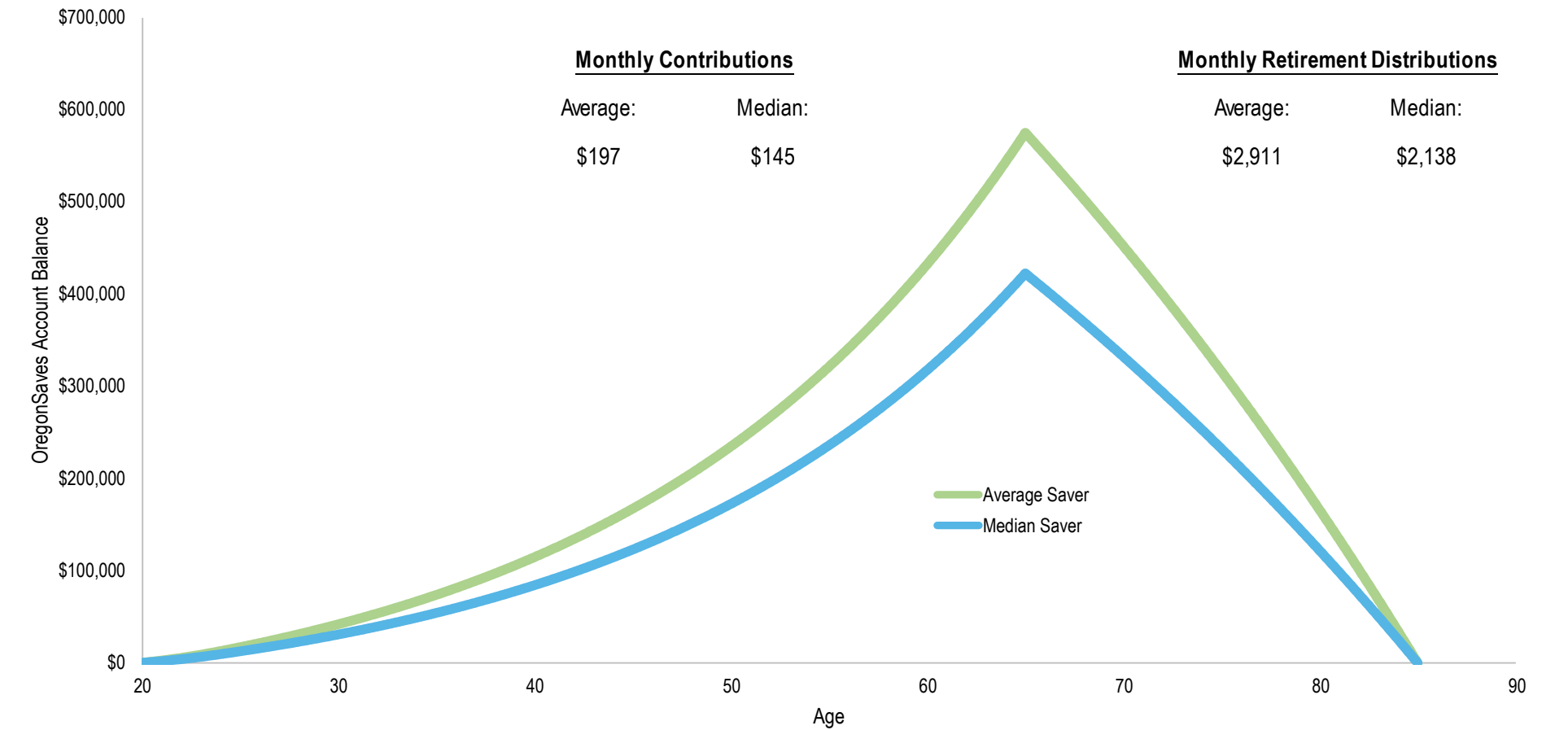
Typical saver assumptions:

- Monthly contributions beginning at age 20 until 65. Working age rate of return = 5% annually. Retirement age rate of return = 2%.
- Monthly contributions are based on the 12-month average median and average contributions are based on accounts with a contribution during the last month.
- Distributions are paid in equal monthly installments beginning at age 65 until the balance depletes at age 85.
- Estimates do not include any assumption of inflation or cost of living adjustment.

Source: Vestwell, Ascensus, Sellwood Investment Partners.

Typical Saver - Increasing Savings to 10%

As of September 30, 2024

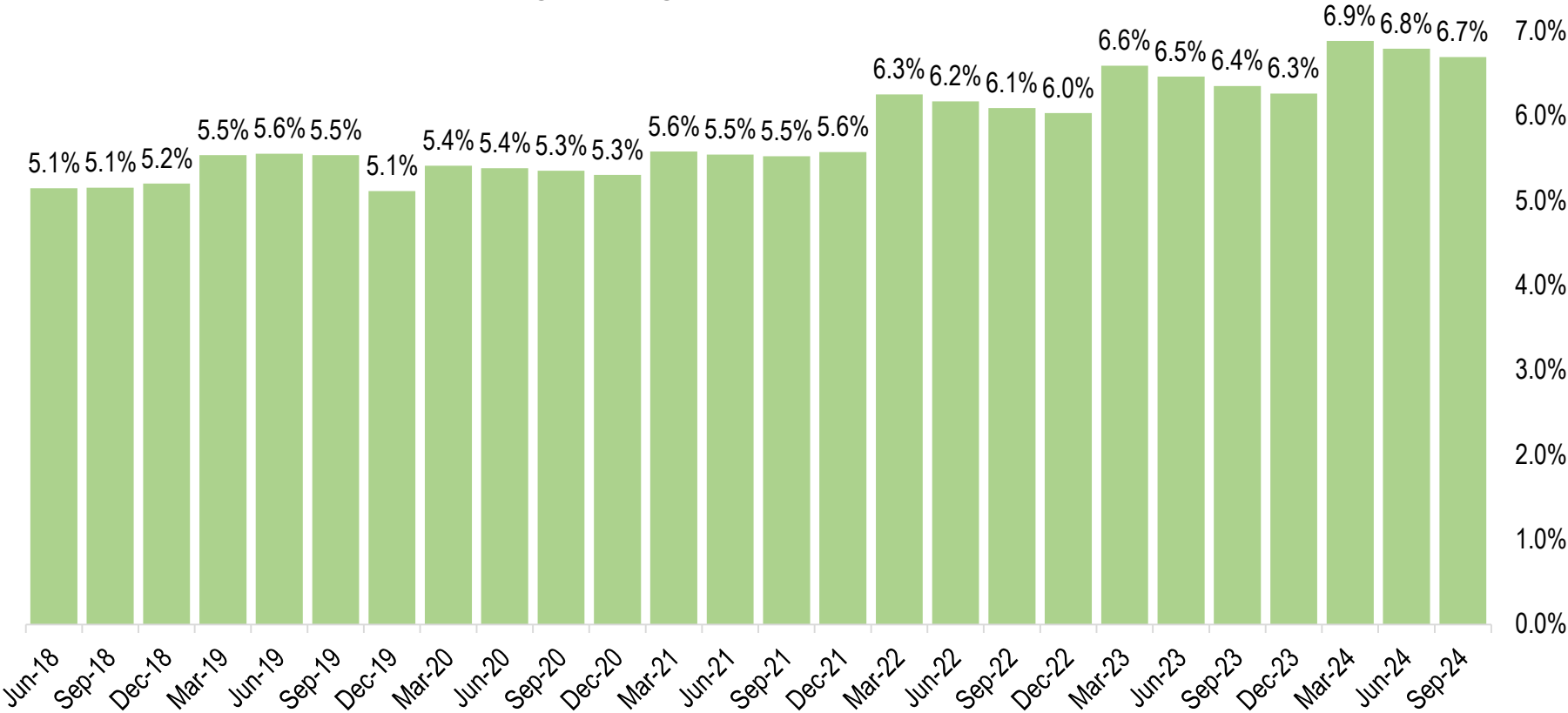


Typical saver assumptions:

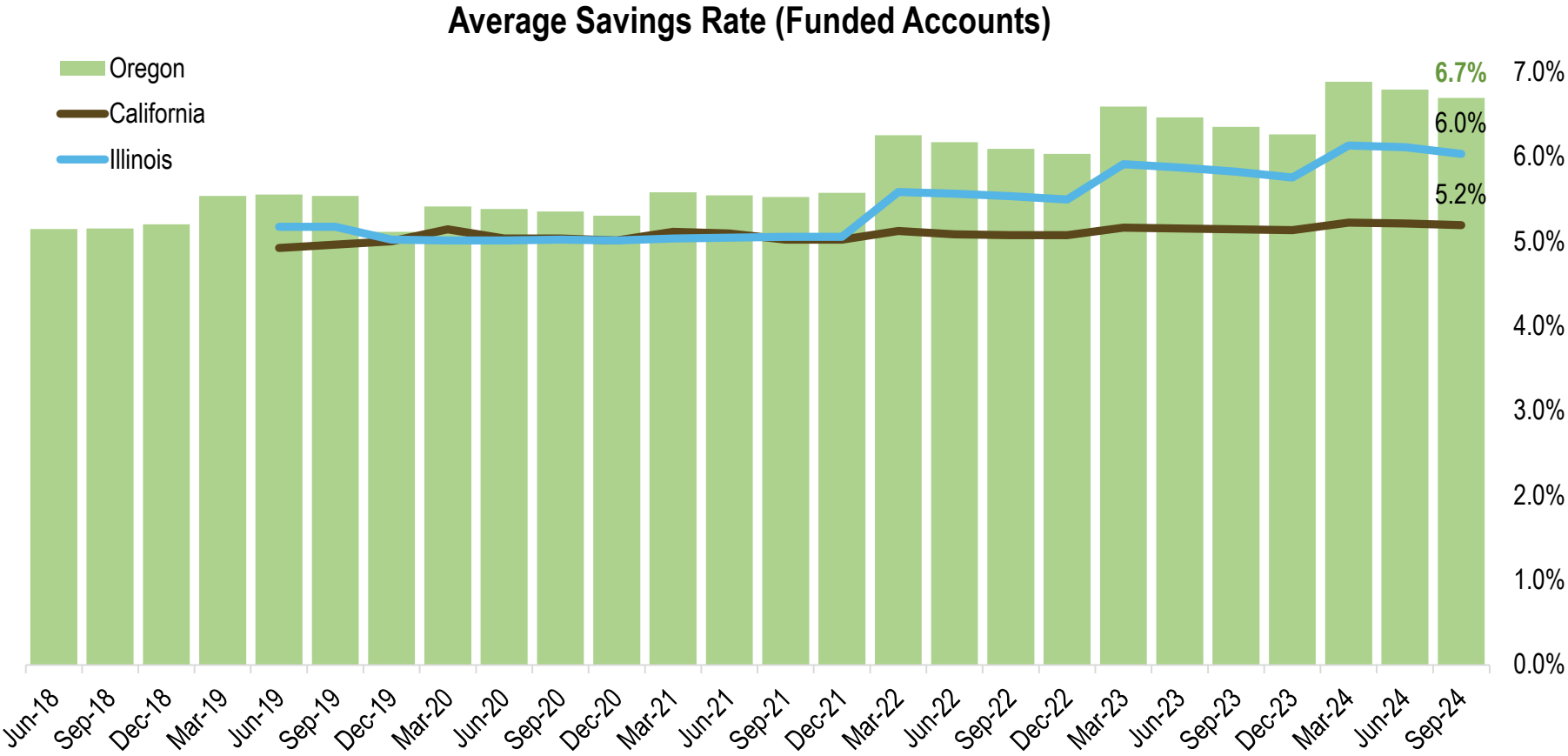
- Monthly contributions beginning at age 20 until 65. Working age rate of return = 5% annually. Retirement age rate of return = 2%.
- Monthly contributions are based on the 12-month average median and average contributions are based on accounts with a contribution during the last month.
- Monthly contributions are increased annually until the 10% savings rate automatic increase is met. The current savings rate is the plan average savings rate of 6.7%.
- Distributions are paid in equal monthly installments beginning at age 65 until the balance depletes at age 85.
- Estimates do not include any assumption of inflation or cost of living adjustment.

Source: Vestwell, Ascensus, Sellwood Investment Partners.

Average Savings Rate (Funded Accounts)



Source: Vestwell, Ascensus, Sellwood Investment Partners. Average savings rate for funded accounts with saving rates greater than zero. The saving rate calculation was adjusted on 11/20/19 for employees with multiple employer accounts to a new logic that takes the sum of the saving rates and divides it by the number of employers.



Source: Vestwell, Ascensus, Sellwood Investment Partners. Average saving rate for funded accounts with deferral rates greater than zero. The Oregon saving rate calculation was adjusted on 11/20/19 for employees with multiple employer accounts to a new logic that takes the sum of the saving rates and divides it by the number of employers.

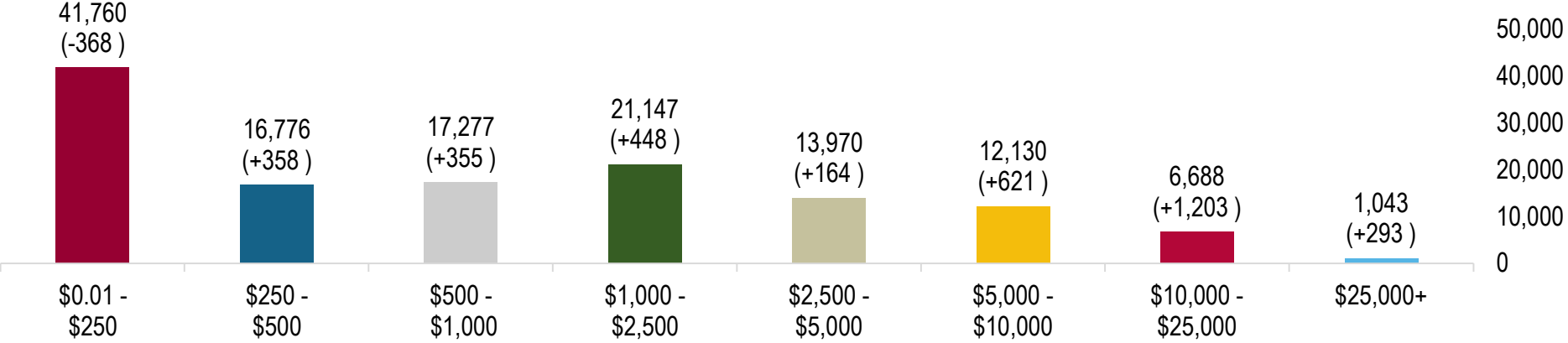
CalSavers program start date is 7/1/2019 with a pilot program starting 11/1/2018.

Illinois Secure Choice program start date is 7/1/2019 with a pilot program starting 7/1/2018.

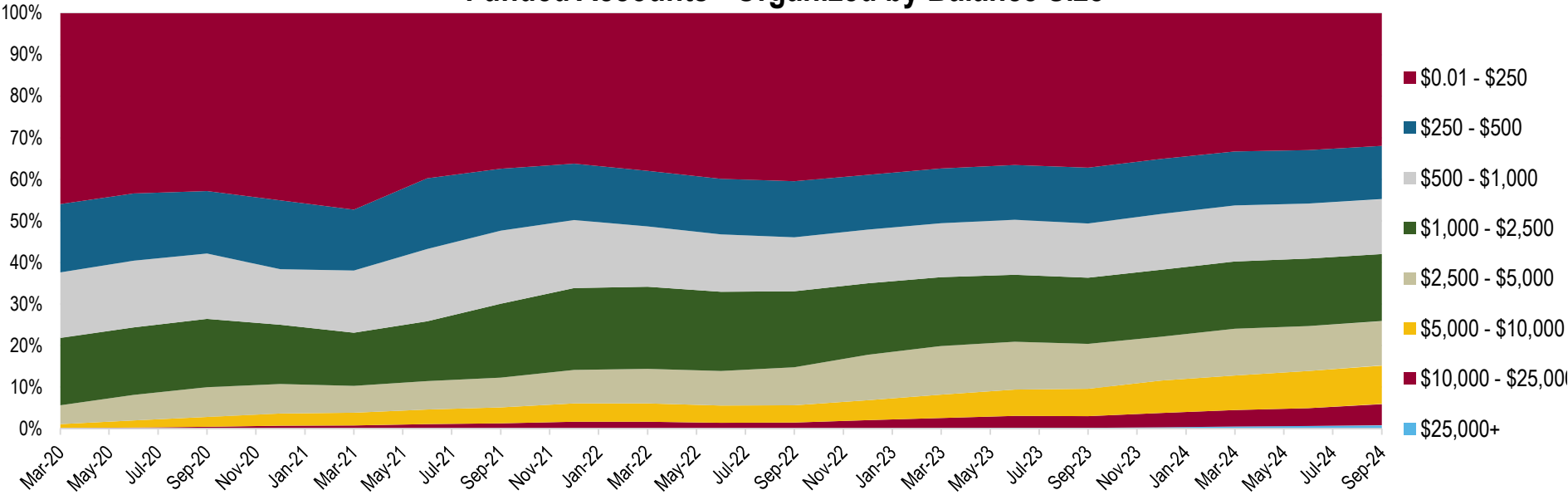
Account Statistics - Range Balances

As of September 30, 2024

Funded Accounts - Organized by Balance Size
(Quarterly + or -)



Funded Accounts - Organized by Balance Size

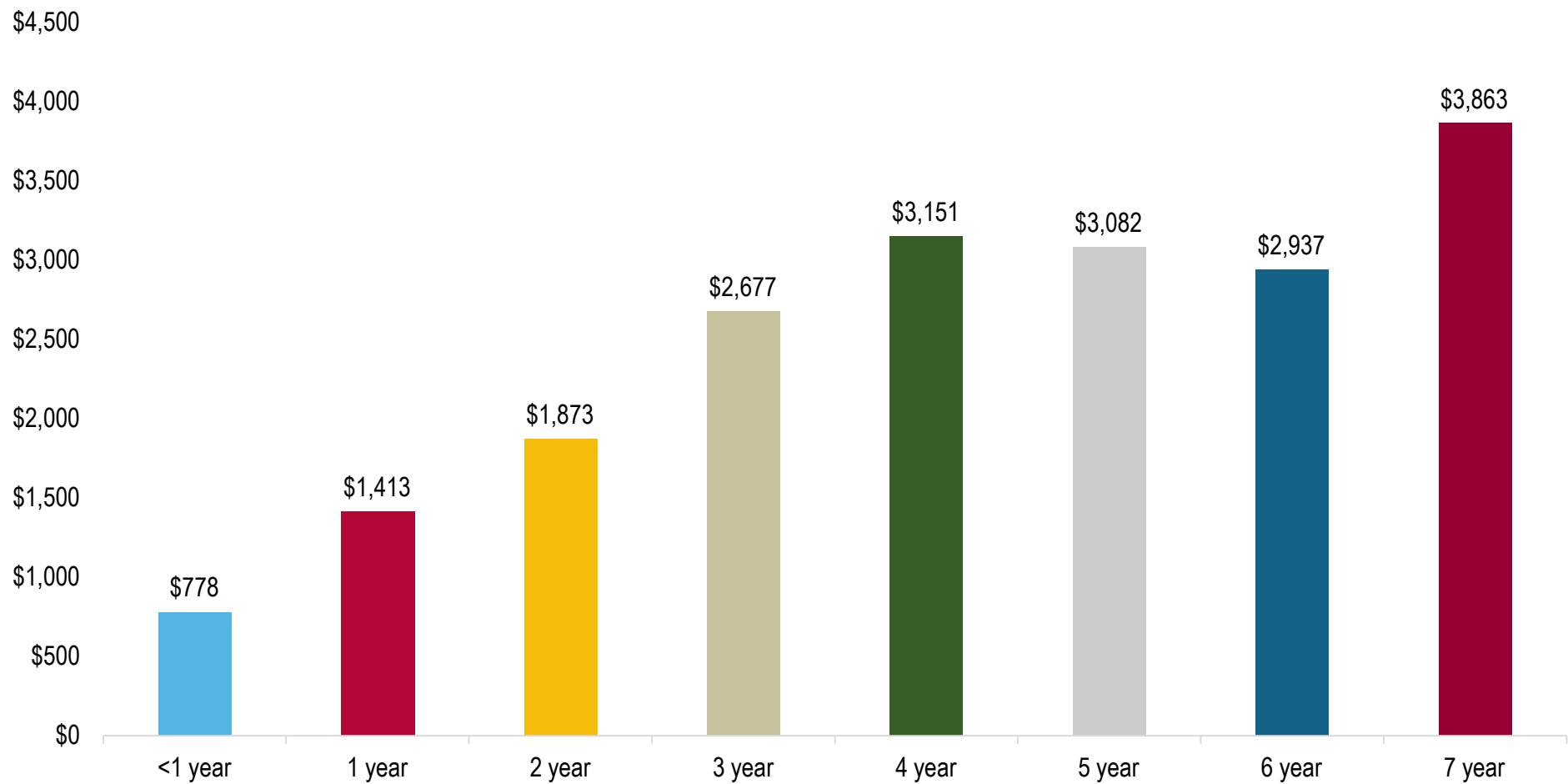


Source: Vestwell, Ascensus, Sellwood Investment Partners.

Average Account Balance by Account Age

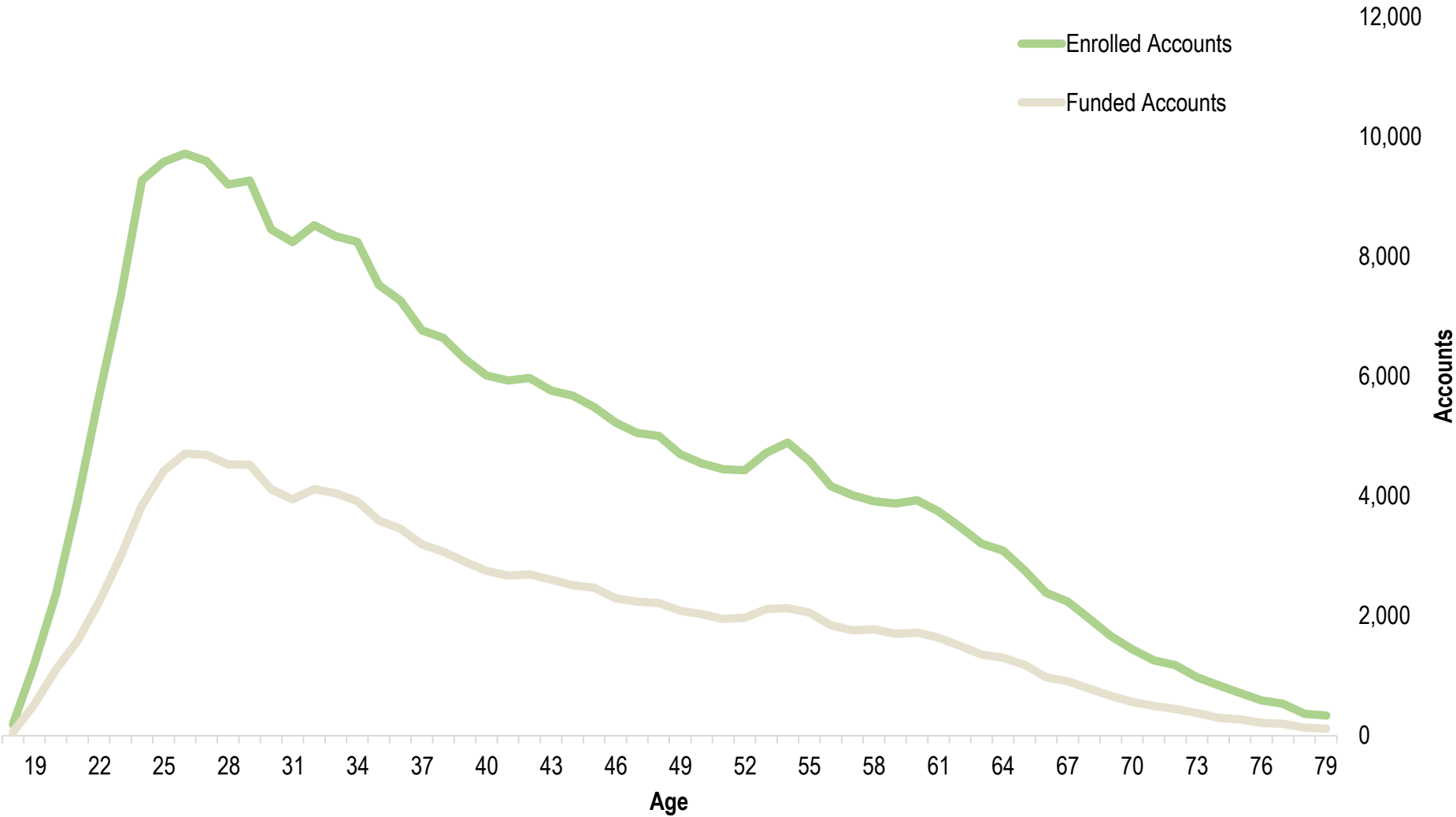
As of September 30, 2024

Average Account Balance by Account Age



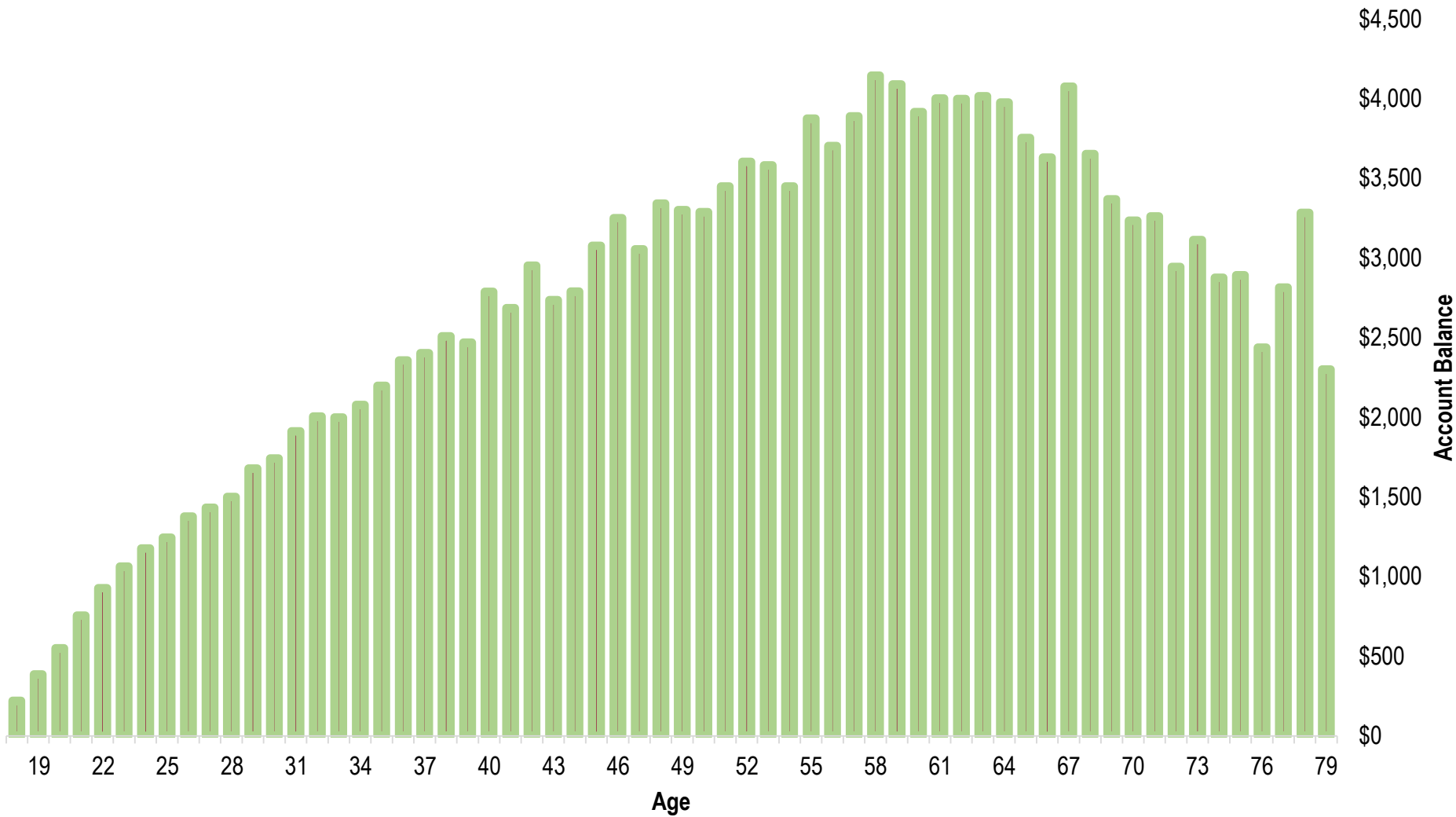
Source: Vestwell, Ascensus, Sellwood Investment Partners.

Savers by Age



Source: Vestwell, Ascensus, Sellwood Investment Partners.

Average Funded Account Balance by Age

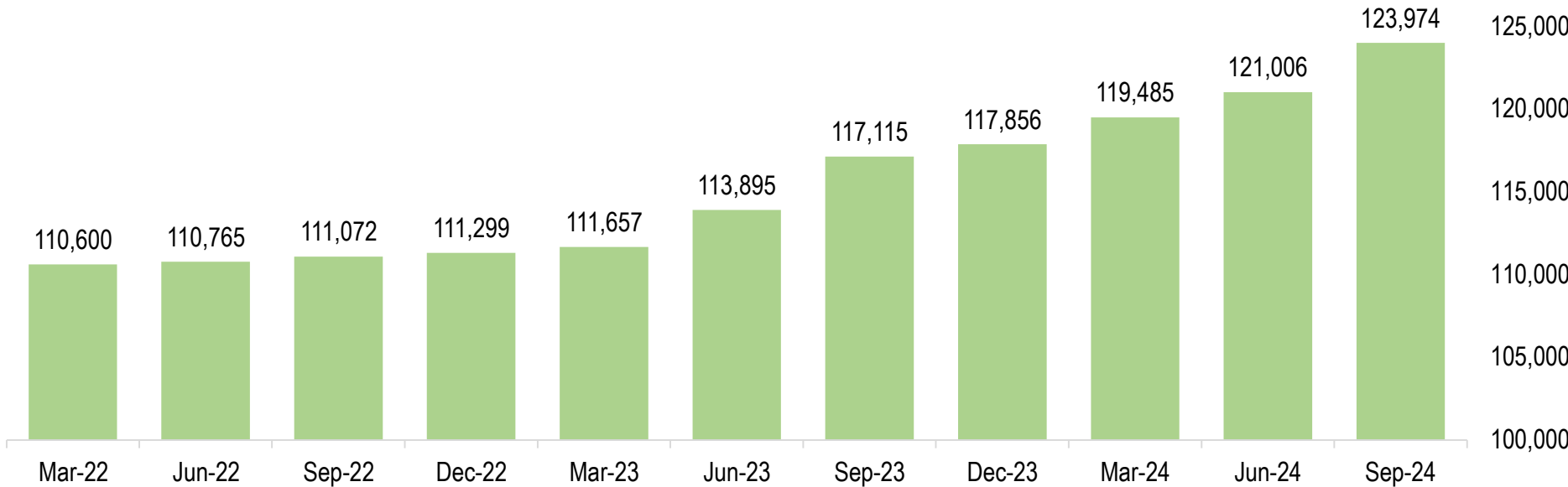


Source: Vestwell, Ascensus, Sellwood Investment Partners.

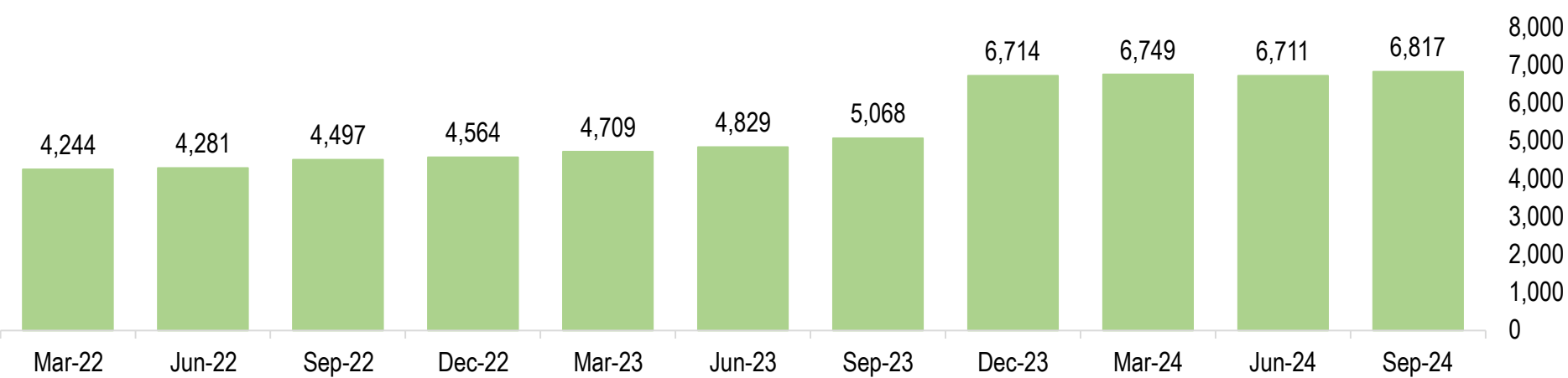
Geographic Location

As of September 30, 2024

Total In-State Funded Accounts



Total Out-of-State Funded Accounts

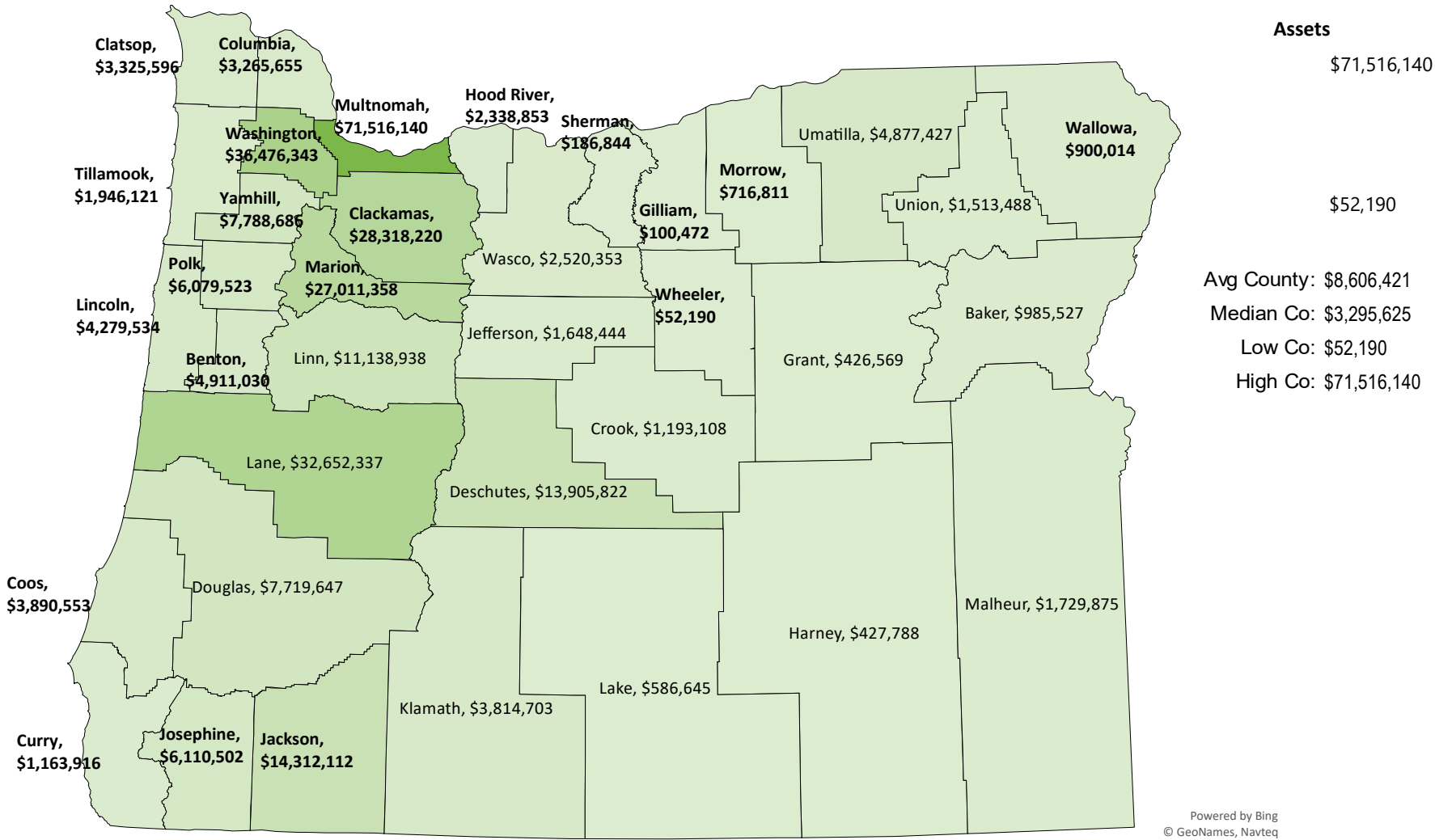


Source: Vestwell, Ascensus, Sellwood Investment Partners.

Total Assets by County

As of September 30, 2024

Total Assets by County

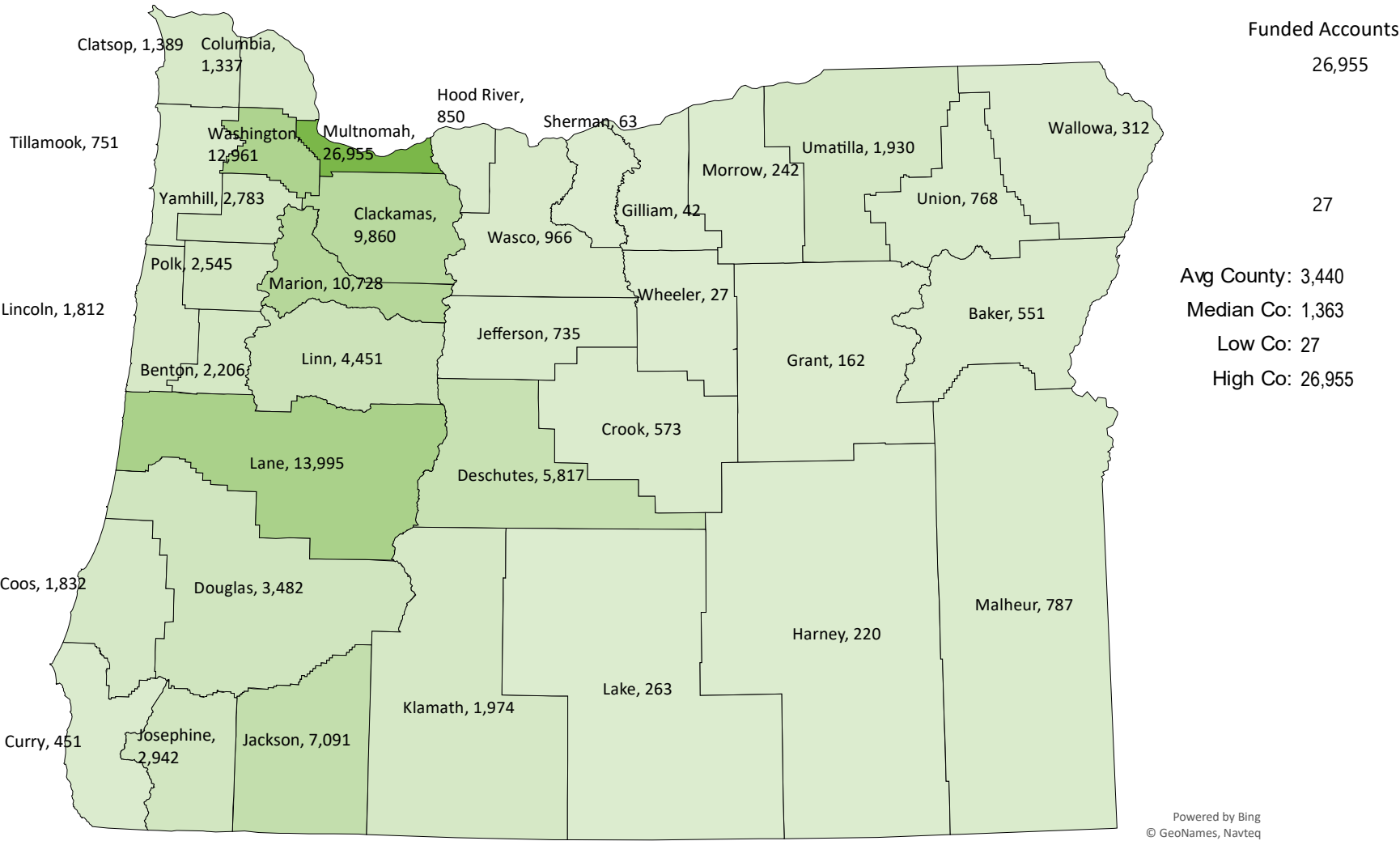


Source: Vestwell, Ascensus, Sellwood Investment Partners.

Funded Accounts by County

As of September 30, 2024

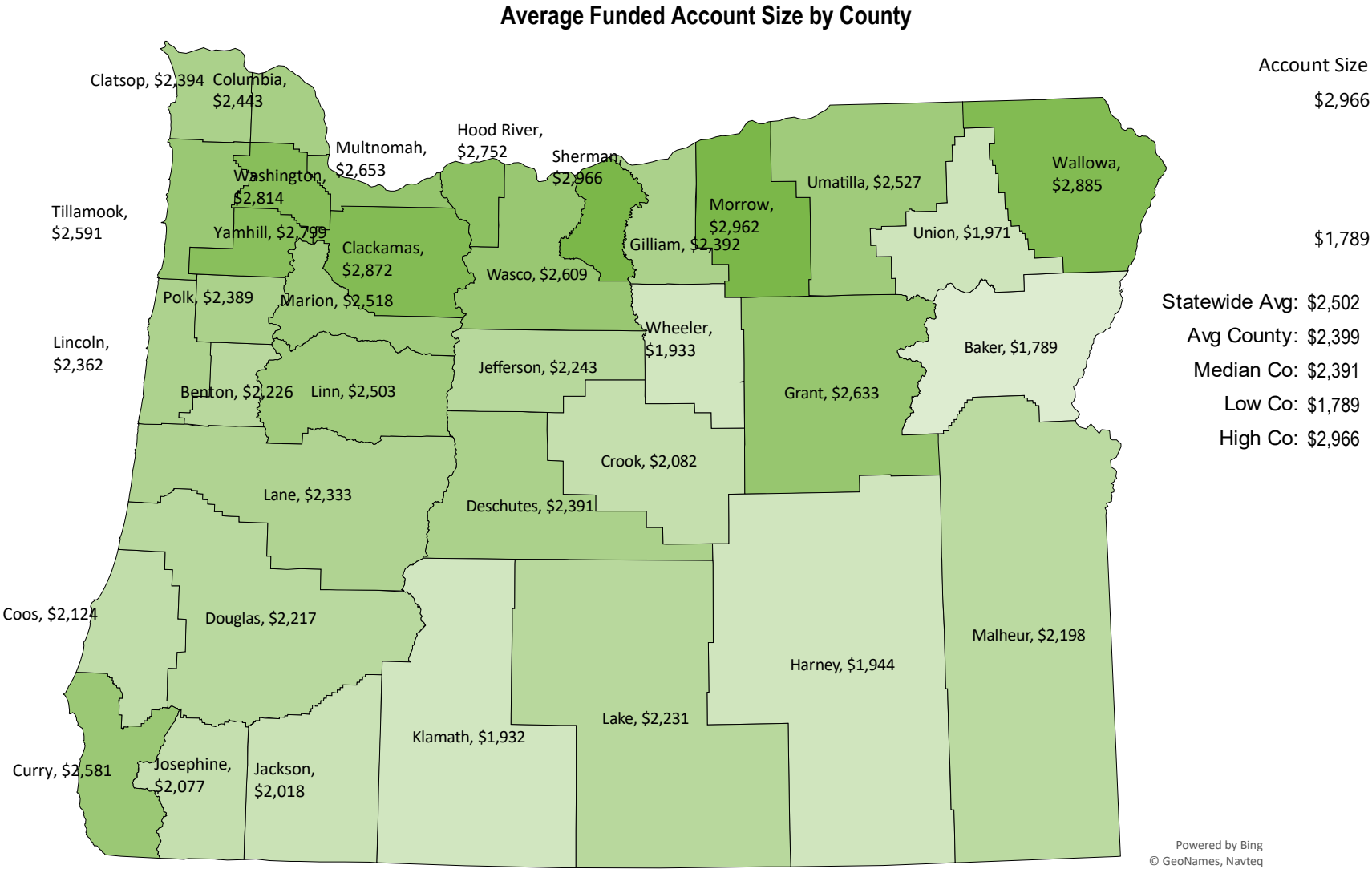
Count of Funded Accounts by County



Source: Vestwell, Ascensus, Sellwood Investment Partners.

Average Funded Account Size by County

As of September 30, 2024

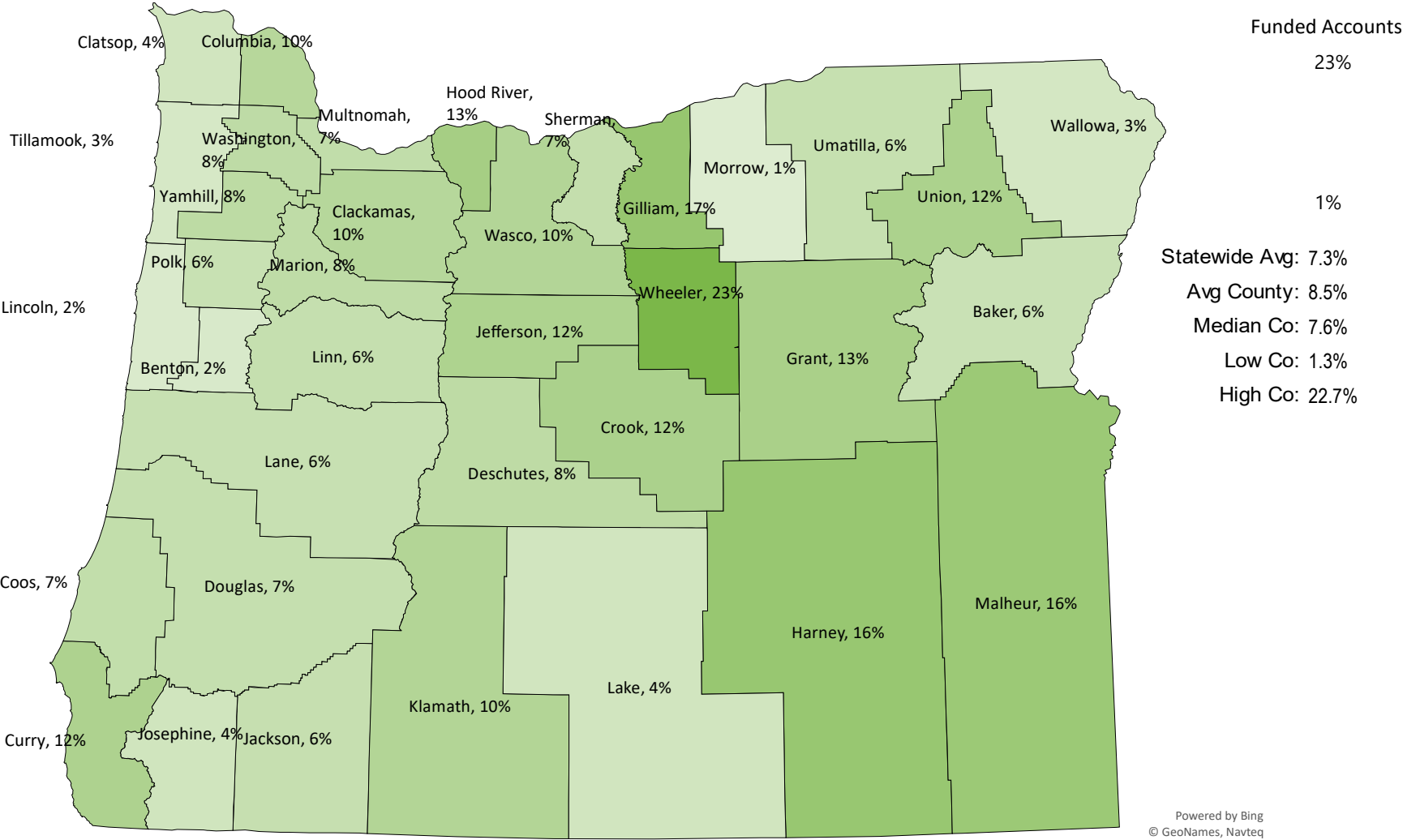


Source: Vestwell, Ascensus, Sellwood Investment Partners.

Funded Account Yearly Change by County

As of September 30, 2024

Count of Funded Account by County - Yearly Growth

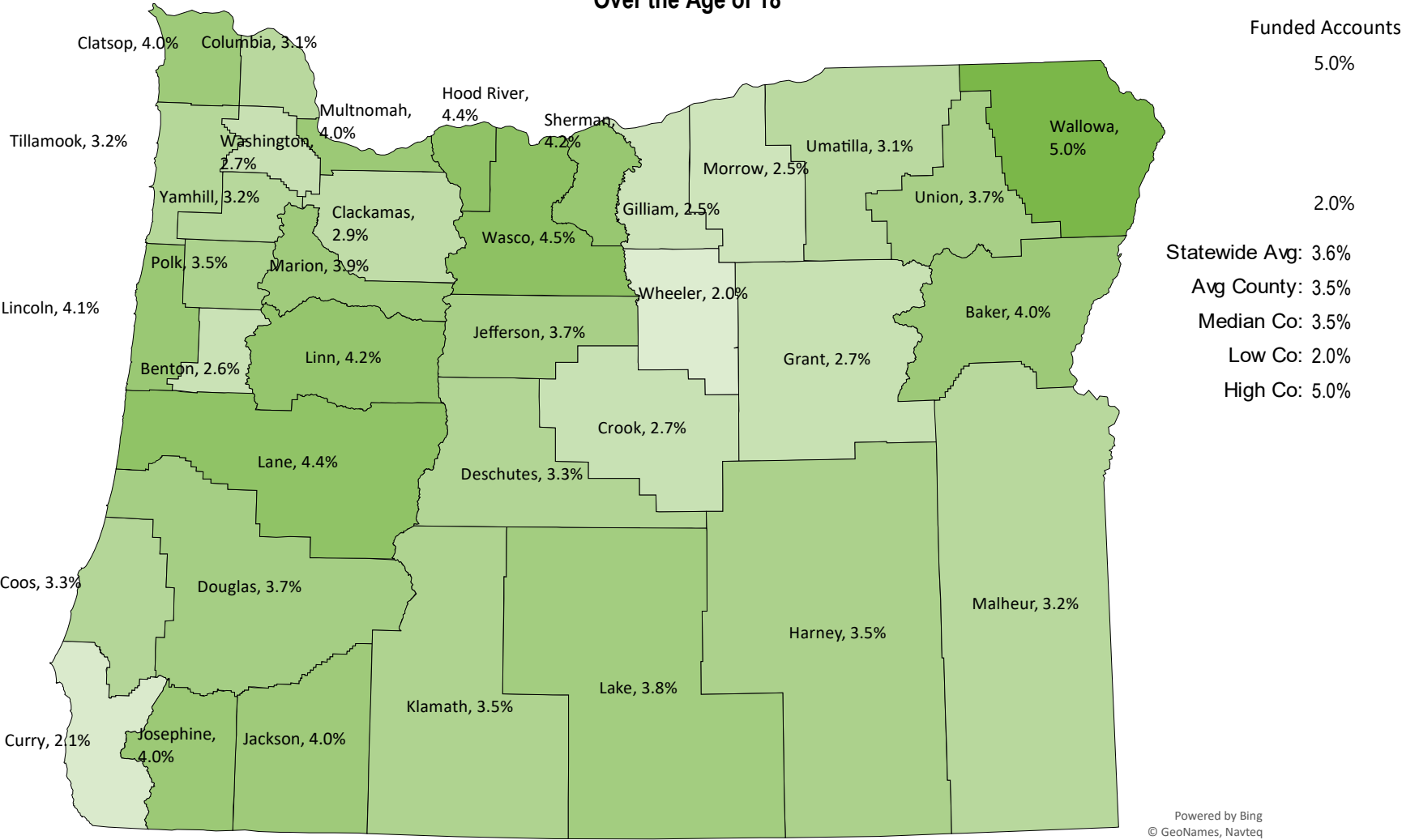


Source: Vestwell, Ascensus, Sellwood Investment Partners.

Funded Account Coverage Ratio by County

As of September 30, 2024

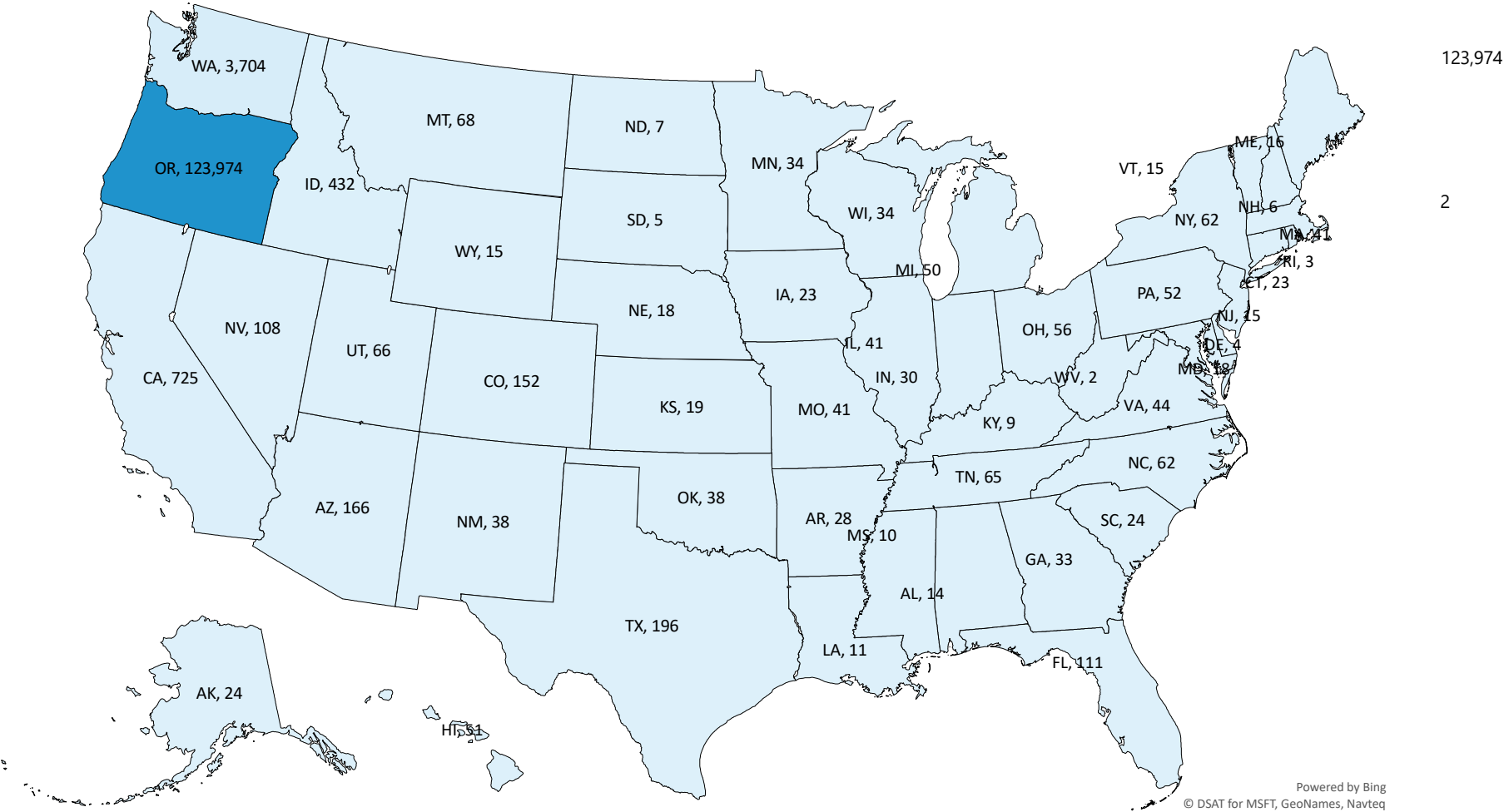
Count of Funded Accounts as a % of County Population
Over the Age of 18



Source: Vestwell, Ascensus, Sellwood Investment Partners, Portland State University. Over 18 years county population taken from the 2023 Annual Oregon Population Report Tables provided by the Population Research Center at Portland State University.

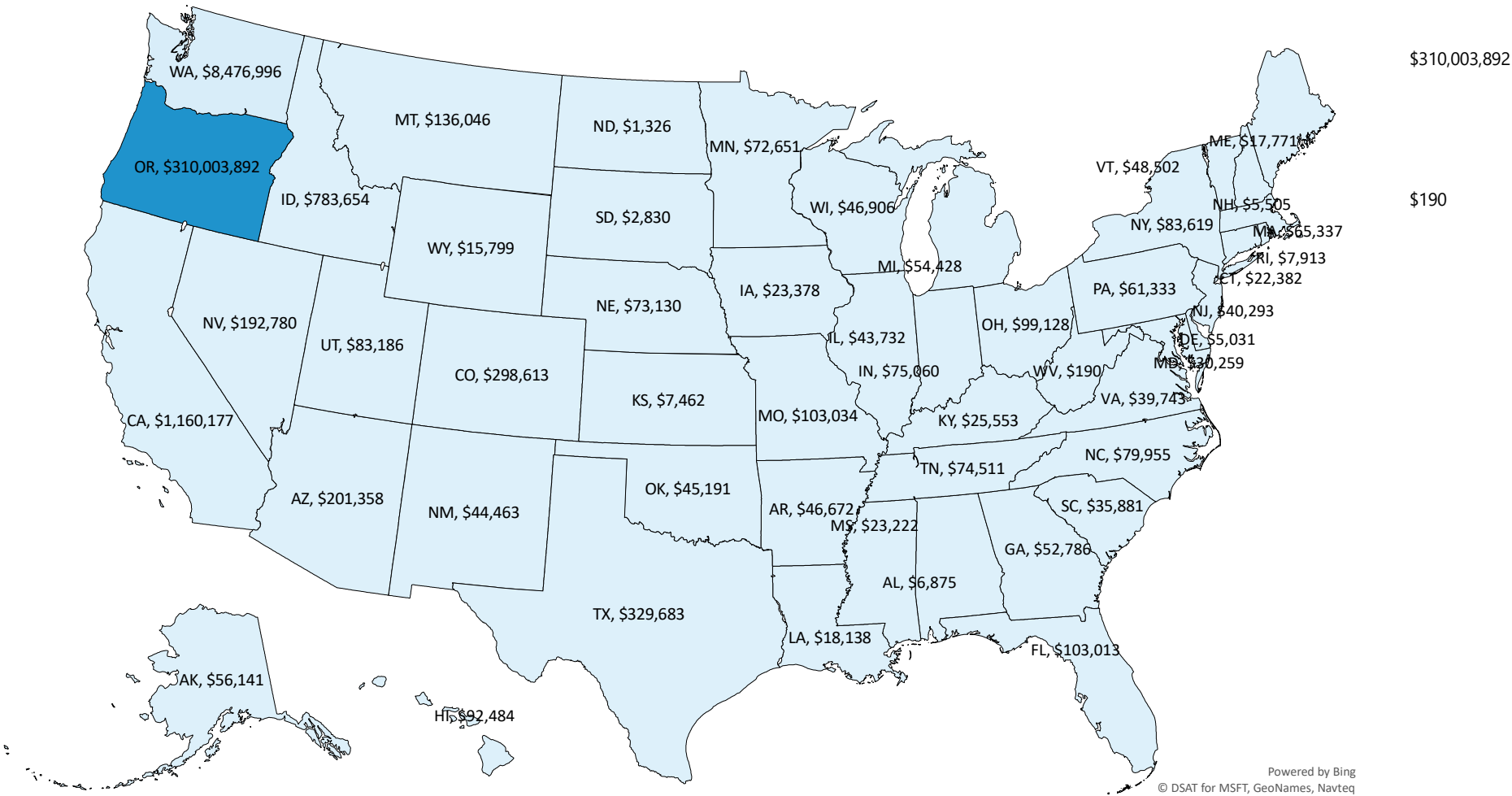
Funded Accounts by State

As of September 30, 2024



Total Assets by State

As of September 30, 2024



Source: Vestwell, Ascensus, Sellwood Investment Partners.

Investment Performance Report

OREGON TREASURY SAVINGS NETWORK

OREGONSAVES PROGRAM

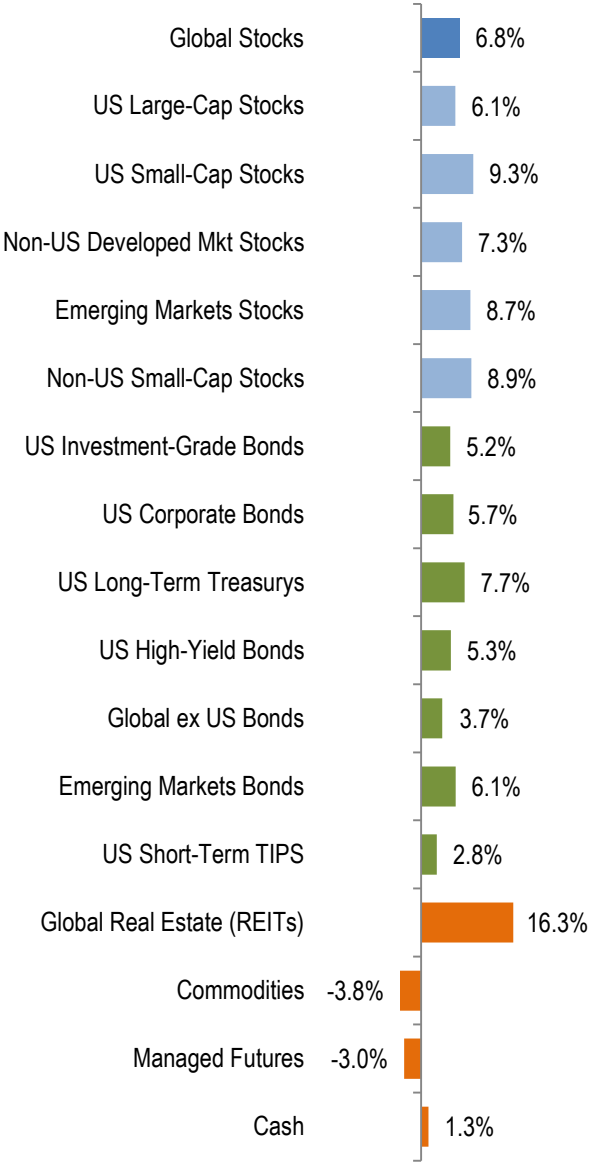
SEPTEMBER 30, 2024

Performance is presented net of underlying investment fees.



As of September 30, 2024

Third Quarter 2024



Third Quarter 2024: The Eagle Just Might Be Landing

The third quarter’s mixed economic news and the Fed’s first rate cut in four years brought, paradoxically, both the return of market volatility and new stock market highs. Despite two modest drawdowns in the quarter, the S&P 500 is up 22% this year, the best first nine months of a year since 1997.

Stocks and bonds appreciated as expectations for future interest rate decreases materialized into actual rate decreases. Mixed economic data, however, made for an uncertain path along the way: the S&P 500 declined 8% in August and 4% in September, before recovering to new highs. In September, the Federal Reserve announced a 0.50% rate cut, which was steeper than the 0.25% anticipated by markets just days before. This marked the Fed’s first rate cut of this rate cycle, after holding overnight interest rates steady for 15 months. Both improved inflation readings over the past year, with inflation now hovering just above the Fed’s long-term target, and slowing job growth, supported its decision. While GDP growth is strong, it remains to be seen whether the Fed’s recent policy of higher rates to control inflation will bring negative consequences for employment.

Increased confidence that the Federal Reserve has tamed inflation and will follow its recent 0.50% rate cut with substantially lower rates benefited asset classes across the board. Unlike in recent years, this quarter’s stock market rally wasn’t confined to big technology and artificial-intelligence-adjacent companies, as large swaths of the market rallied beyond the Magnificent Seven. In a resounding reversal, value stocks beat growth stocks, small stocks beat big stocks, long-term bonds outperformed short-term bonds, real estate outperformed everything else, and even international stocks beat their U.S. counterparts.

	QTD	YTD	1 Year	3 Years	5 Years	20 Years
Global Stocks	6.8%	17.8%	31.0%	7.4%	11.9%	8.4%
US Large-Cap Stocks	6.1%	21.2%	35.7%	10.8%	15.6%	10.8%
US Large-Cap Value	9.4%	16.7%	27.8%	9.0%	10.7%	8.5%
US Large-Cap Growth	3.2%	24.6%	42.2%	12.0%	19.7%	12.7%
US Small-Cap Stocks	9.3%	11.2%	26.8%	1.8%	9.4%	8.5%
US Small-Cap Value	10.2%	9.2%	25.9%	3.8%	9.3%	7.7%
US Small-Cap Growth	8.4%	13.2%	27.7%	(0.4%)	8.8%	9.0%
Non-US Developed Markets (USD)	7.3%	13.0%	24.8%	5.5%	8.2%	6.0%
Non-US Developed Markets (Local)	0.8%	12.0%	17.5%	7.9%	8.8%	6.6%
Emerging Markets (USD)	8.7%	16.9%	26.1%	0.4%	5.8%	7.3%
Emerging Markets (Local)	6.6%	18.4%	25.0%	2.9%	7.4%	8.7%
US Investment-Grade Bonds	5.2%	4.7%	11.6%	(1.4%)	0.3%	3.2%
US Long-Term Treasurys	7.7%	3.0%	15.4%	(7.8%)	(3.9%)	3.9%
US Short-Term TIPS	2.8%	5.0%	7.9%	2.1%	3.5%	2.9%
Global Real Estate (REITs)	16.3%	12.6%	30.2%	1.4%	2.4%	6.4%
Cash	1.3%	4.0%	5.4%	3.5%	2.3%	1.6%

Returns for periods longer than 1 year are annualized.
Sources: Sellwood Investment Partners LLC, Morningstar, Federal Reserve Economic Data, MSCI, FTSE Russell, ICE BofA, Credit Suisse

Year-to-Date Market Review

As of September 30, 2024

Prices ticked up in December and paychecks grew, delivering real wage gains in 2023 for the first time in three years. The Consumer Price Index increased 3.4% from a year earlier in December, up from a 3.1% annual rate in November, as reported by the Labor Department.

The U.S. economy grew 3.1% over the past year, the Commerce Department reported. A year ago economists saw a recession as very likely and projected anemic 0.2% growth for the year, according to data from the Wall Street Journal.

Gold prices broke above \$2,100 per ounce as rising geopolitical tensions have spurred demand from foreign central banks and investors bet on potential rate cuts.

Brent crude futures climbed 18% in 2024 to exceed \$90 a barrel for the first time since October of last year.

The Federal Reserve kept the benchmark federal-funds rate steady at 5.25%-5.5%, the highest in two decades, after recent data showed persistent price pressures.

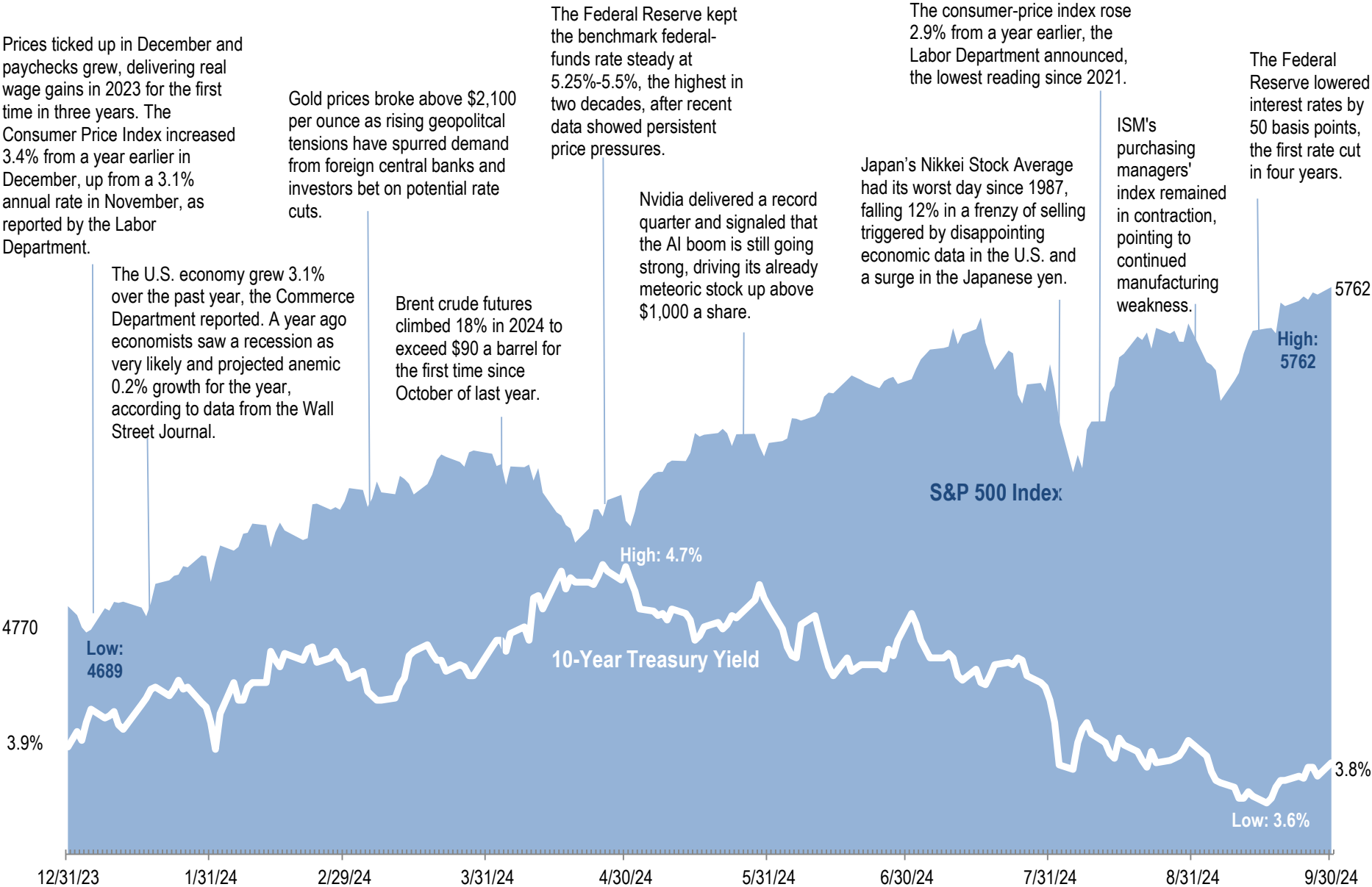
Nvidia delivered a record quarter and signaled that the AI boom is still going strong, driving its already meteoric stock up above \$1,000 a share.

Japan's Nikkei Stock Average had its worst day since 1987, falling 12% in a frenzy of selling triggered by disappointing economic data in the U.S. and a surge in the Japanese yen.

The consumer-price index rose 2.9% from a year earlier, the Labor Department announced, the lowest reading since 2021.

ISM's purchasing managers' index remained in contraction, pointing to continued manufacturing weakness.

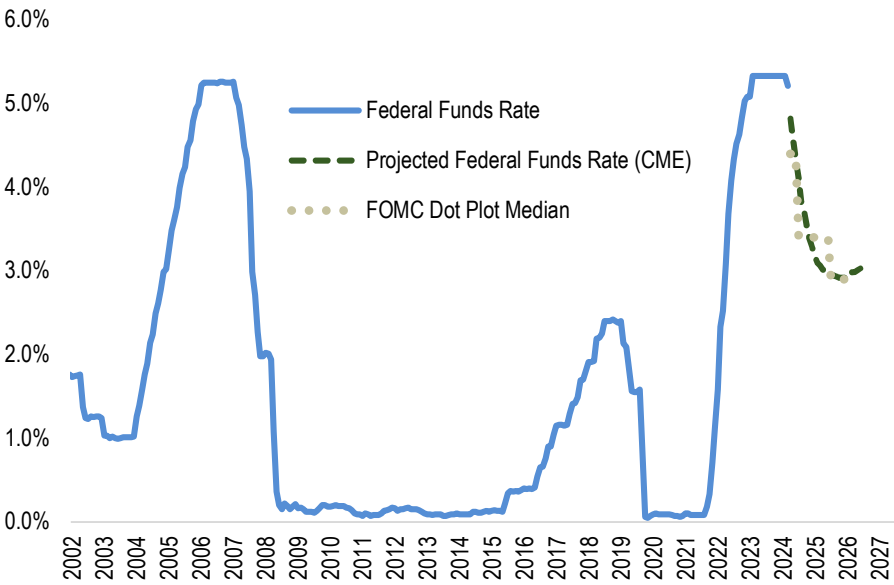
The Federal Reserve lowered interest rates by 50 basis points, the first rate cut in four years.



Sources: Sellwood Investment Partners LLC, Morningstar, Federal Reserve Economic Data, Wall Street Journal, CNBC

Global Economic Overview

Federal Funds Rate



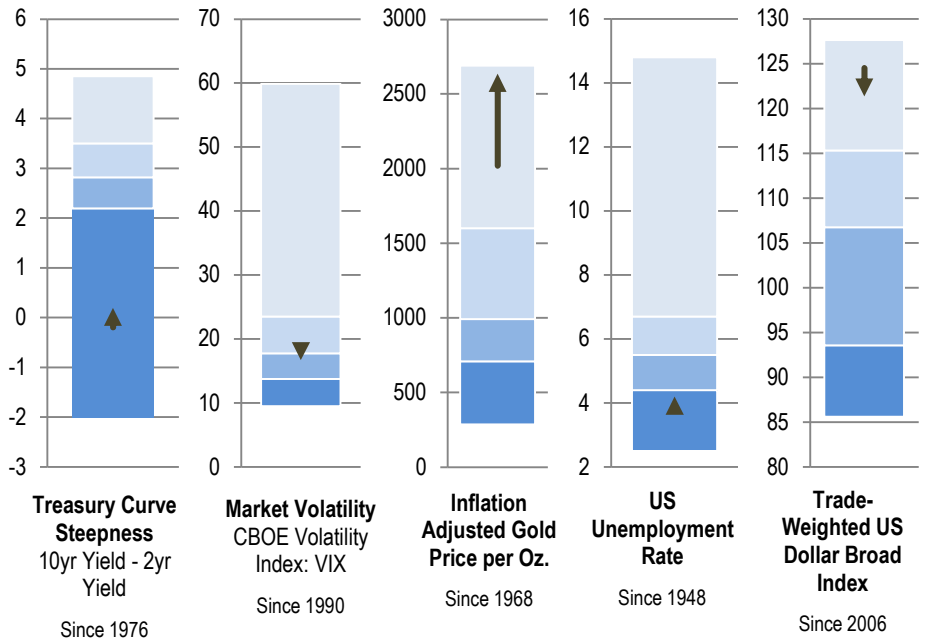
	9/2024	6/2024	9/2023	9/2021	9/2019
Market Inflation Expectations					
5 Year	2.1	2.2	2.2	2.5	1.4
10 Year	2.2	2.3	2.4	2.4	1.5
20 Year	2.4	2.5	2.7	2.4	1.6
CPI Year-over-Year	2.4	3.0	3.7	5.4	1.7
West Texas Crude Oil	68.8	82.8	90.8	75.2	54.1
Consumer Sentiment Index	70.1	68.2	68.1	72.8	93.2
S&P 500 Operating EPS	60.5*	58.4	52.3	52.0	39.8
Real GDP Growth YoY	---	3.0	4.4	3.5	4.8
Federal Funds Rate	4.83	5.33	5.33	0.08	2.04

Sources: Sellwood Investment Partners LLC, Morningstar, Federal Reserve Economic Data, CME Group, S&P Dow Jones Indices

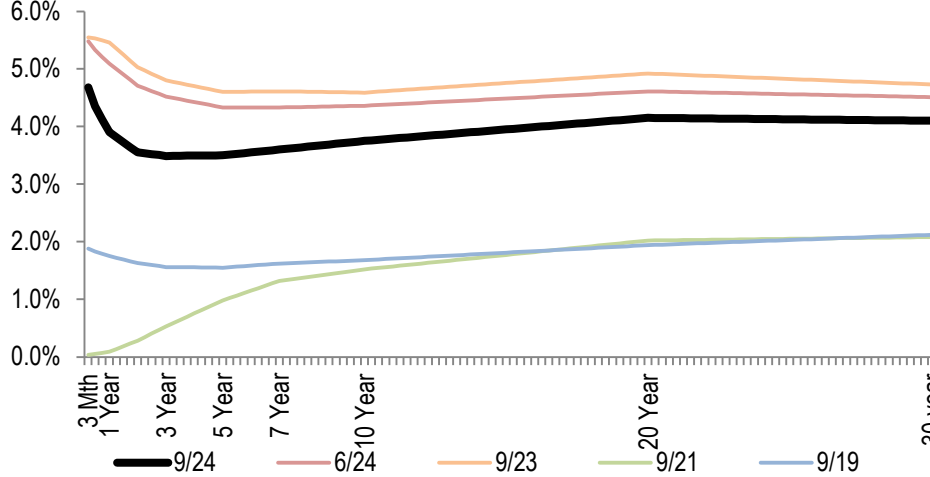
Arrows in the top-right charts represent year on year change.

*Estimate, provided by S&P Dow Jones Indices.

As of September 30, 2024

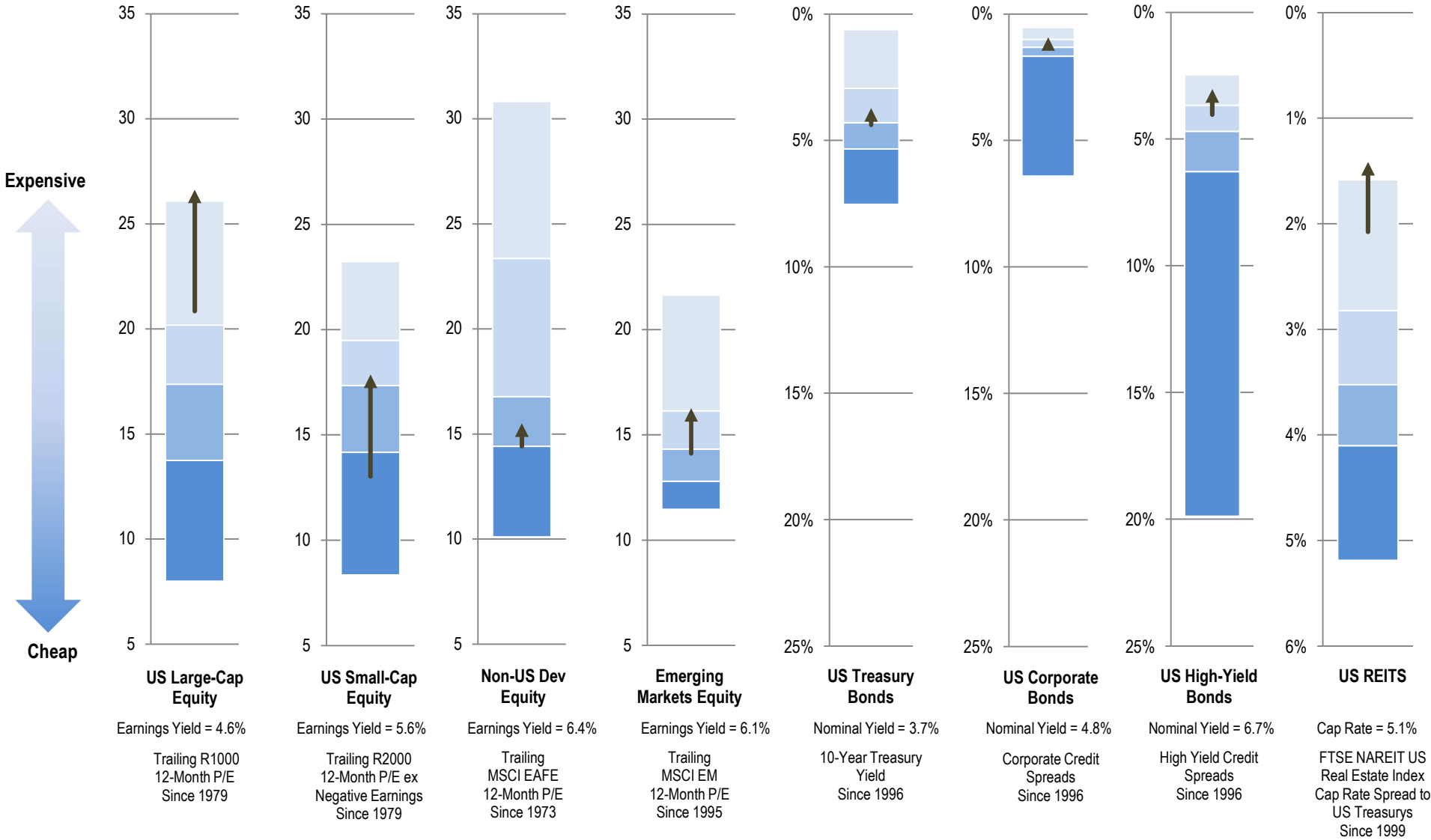


US Treasury Yield Curve



Global Market Valuations - One Year Change

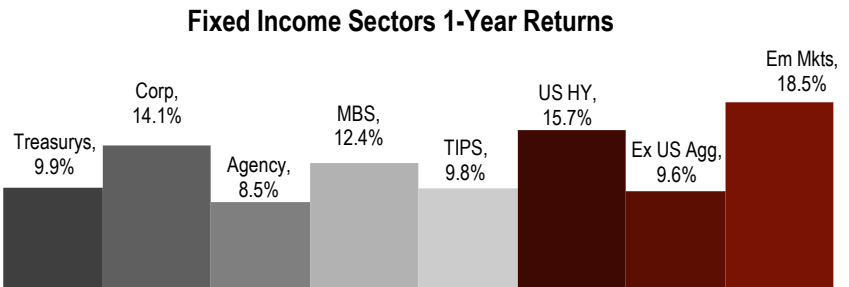
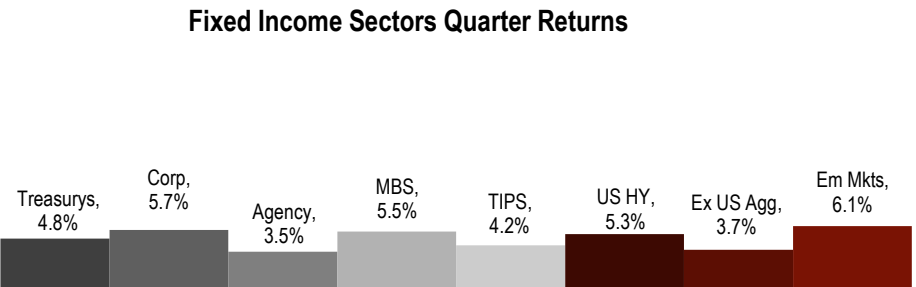
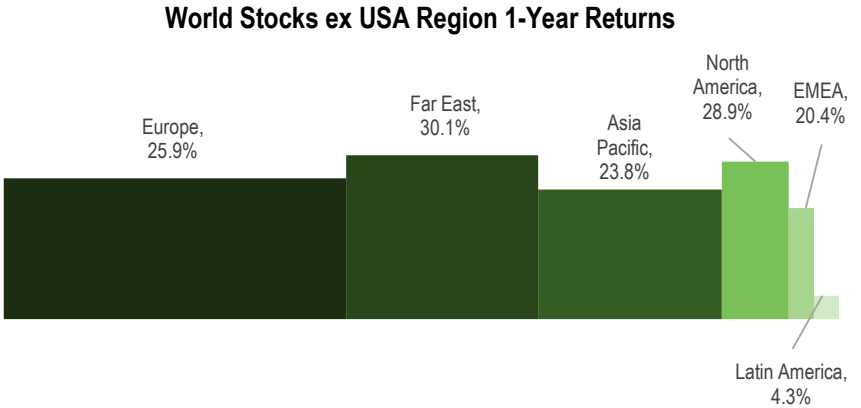
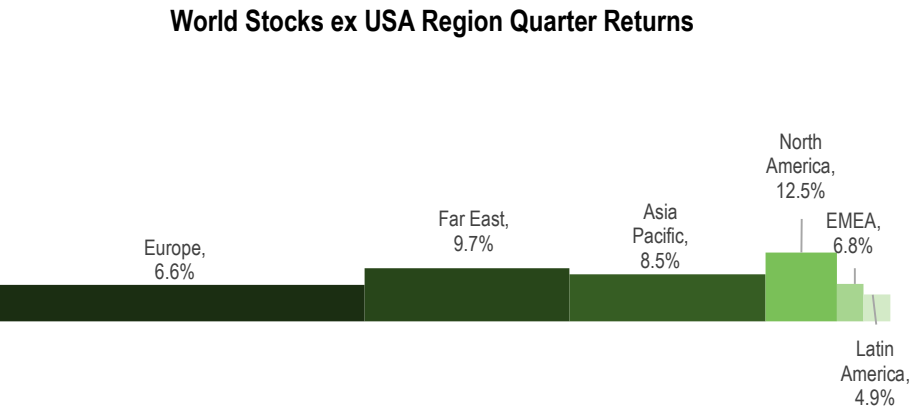
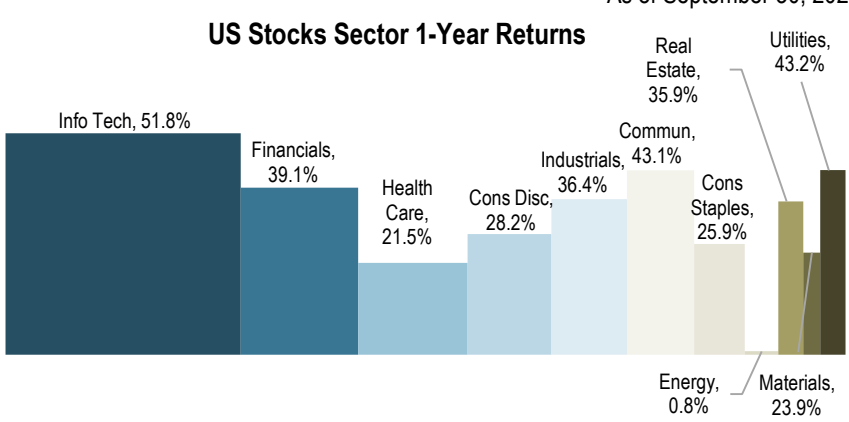
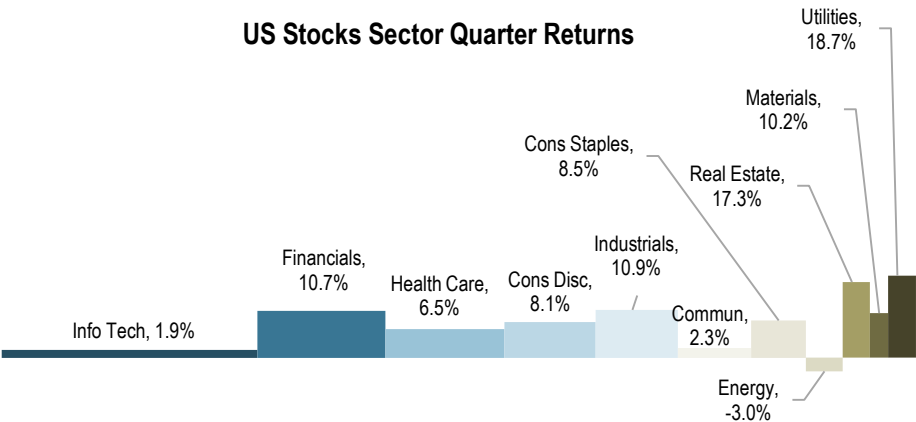
As of September 30, 2024



Arrows represent year on year change. Trailing 12 month P/E and cap rate metrics exclude the top and bottom 5%. P/E metrics calculated by Investment Metrics and Morningstar may use different methodology.
Sources: Sellwood Investment Partners LLC, Robert Shiller Data, S&P Dow Jones Indices, FTSE Russell, MCSI, Federal Reserve Economic Data, NAREIT

Sector and Region Returns

As of September 30, 2024



The equity bar widths depict end of the quarter region and sector weights. Fixed income bar widths do not depict specific sector weights. The Far East includes Hong Kong, Japan and Singapore.
Sources: Sellwood Investment Partners LLC, Morningstar, S&P Dow Jones Indices, MSCI, ICE BofA

Program Composition

As of September 30, 2024

Mkt Val % by
Option Type

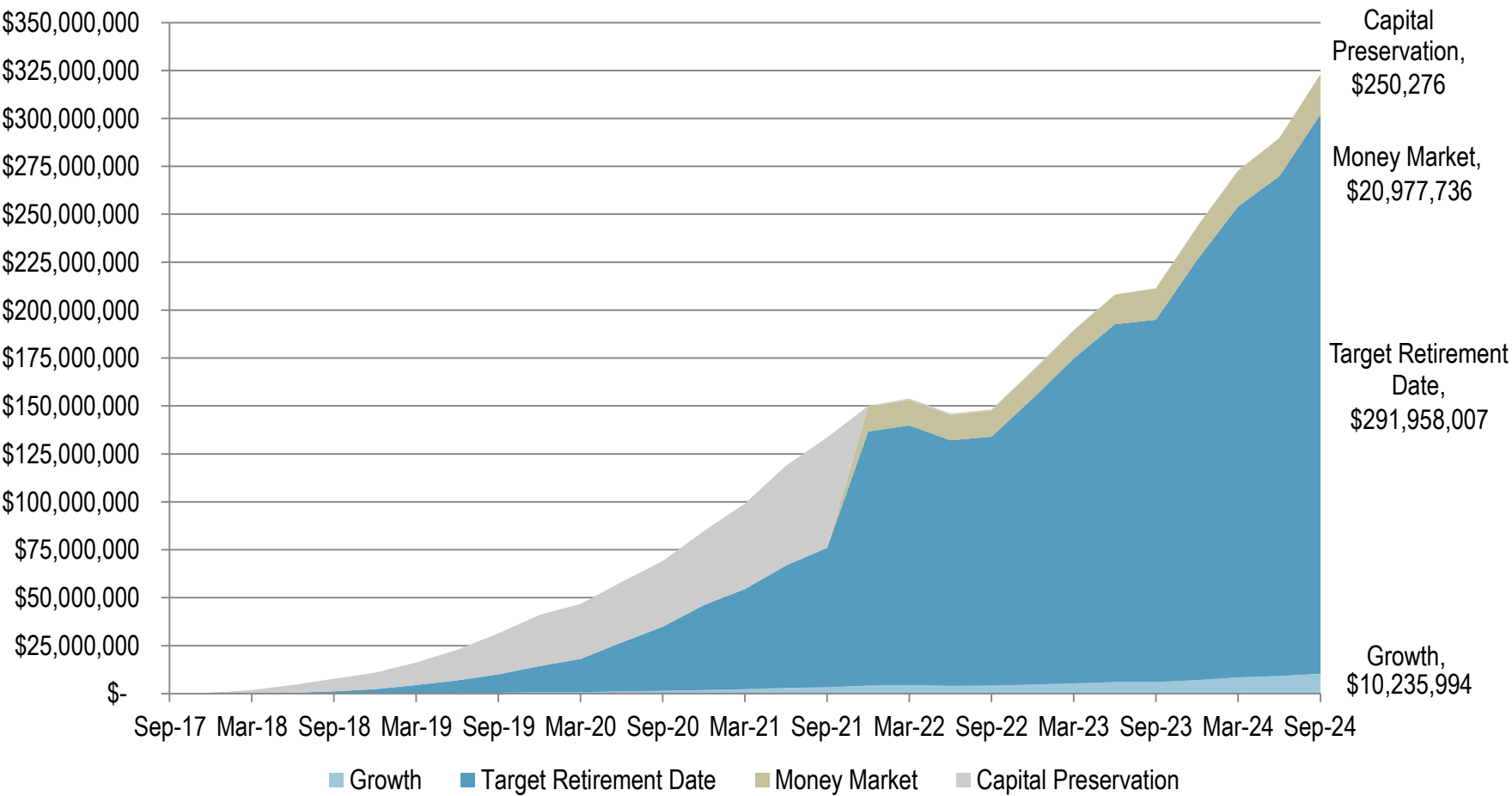


	Current Market Value (\$)	% of Total
Capital Preservation		
Capital Preservation	250,276	0.1%
OregonSaves Capital Preservation Fund	250,276	0.1%
Participant Allocated		
Target Retirement Date Suite	291,958,007	90.3%
OregonSaves Target Retirement Fund 2070	2,299,885	0.7%
OregonSaves Target Retirement Fund 2065	18,327,037	5.7%
OregonSaves Target Retirement Fund 2060	31,737,422	9.8%
OregonSaves Target Retirement Fund 2055	35,462,171	11.0%
OregonSaves Target Retirement Fund 2050	33,347,665	10.3%
OregonSaves Target Retirement Fund 2045	32,730,168	10.1%
OregonSaves Target Retirement Fund 2040	31,430,656	9.7%
OregonSaves Target Retirement Fund 2035	33,267,761	10.3%
OregonSaves Target Retirement Fund 2030	31,699,379	9.8%
OregonSaves Target Retirement Fund 2025	22,859,360	7.1%
OregonSaves Target Retirement Fund 2020	9,280,225	2.9%
OregonSaves Target Retirement Fund	9,516,277	2.9%
Growth	10,235,994	3.2%
OregonSaves Growth Fund	10,235,994	3.2%
Money Market	20,977,736	6.5%
OregonSaves Money Market Fund	20,977,736	6.5%

Current MV		
Total Program	\$	323,422,013

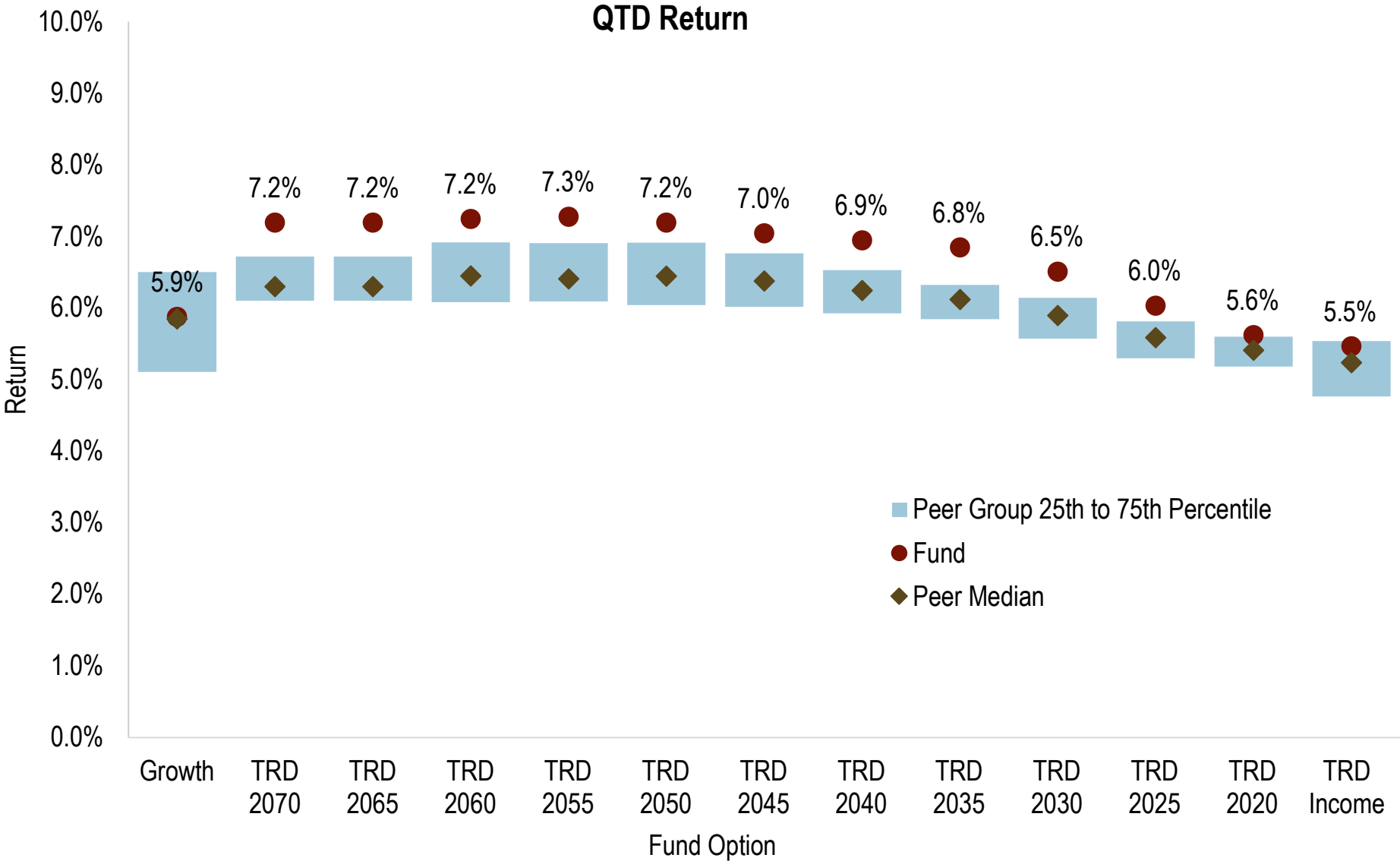
As of September 30, 2024

Program Market Value History with Allocation by Option Type



Mutual Fund Performance

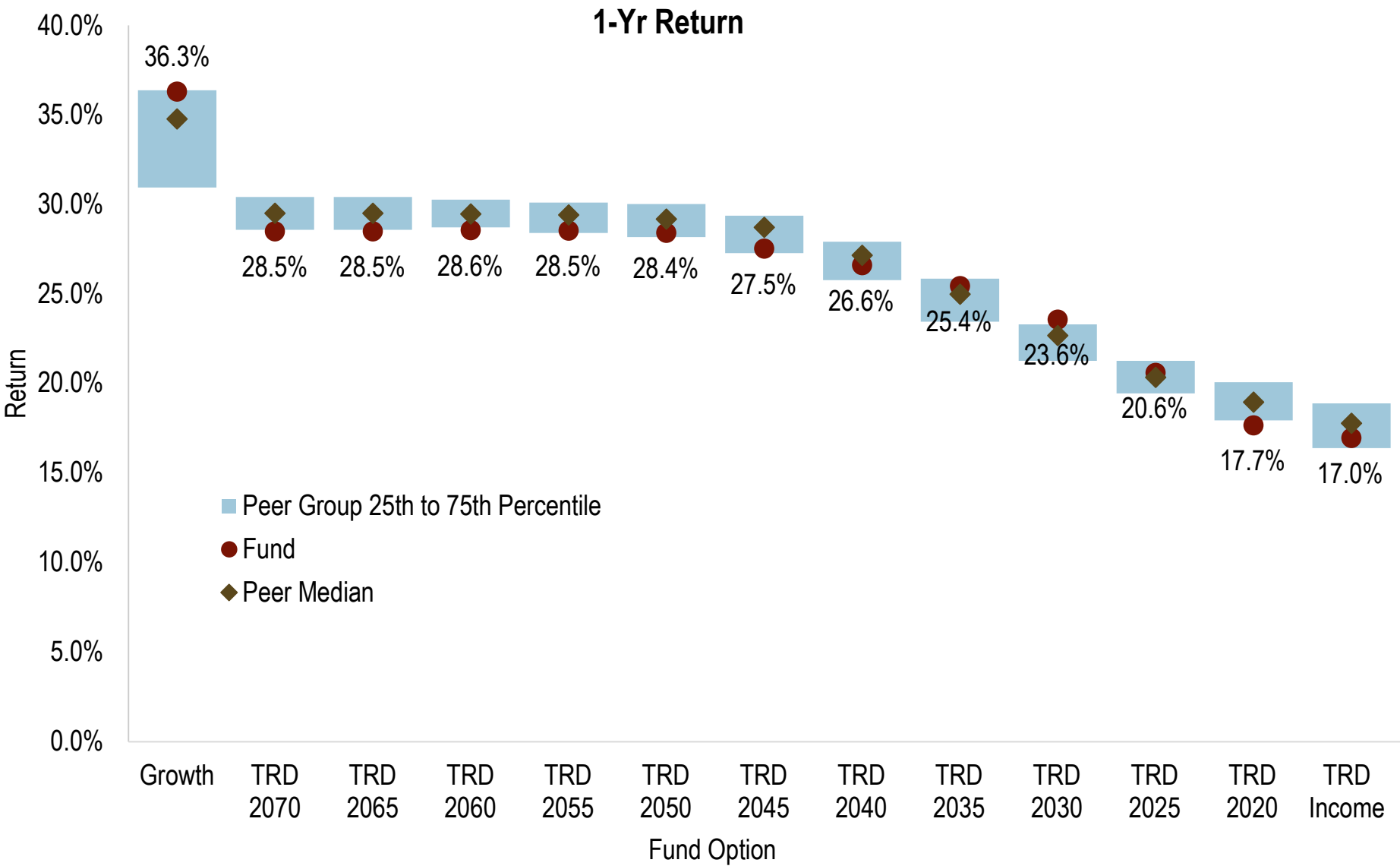
As of September 30, 2024



Performance is shown is mutual fund performance presented net of investment manager fees.

Mutual Fund Performance

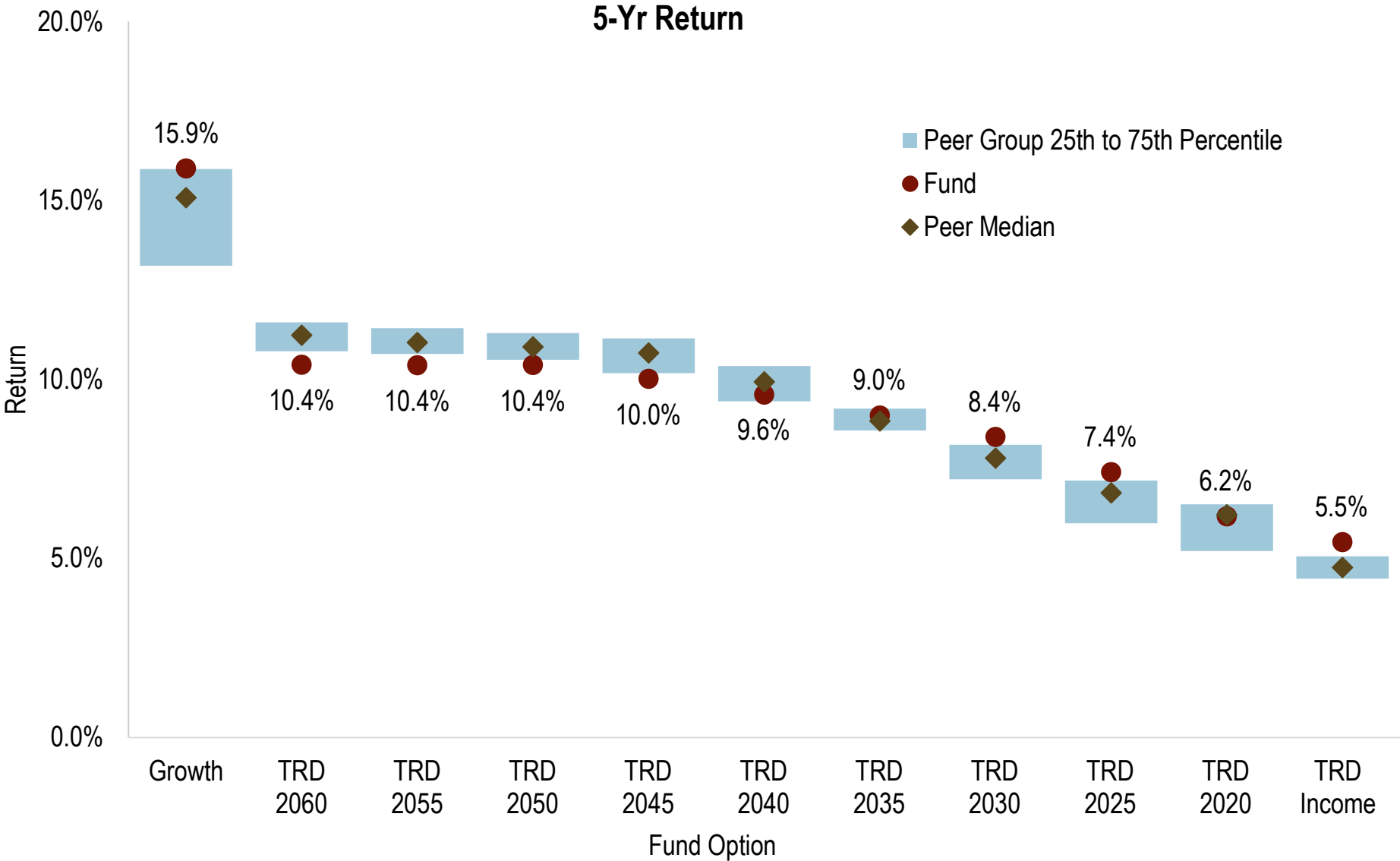
As of September 30, 2024



Performance is shown is mutual fund performance presented net of investment manager fees.

Mutual Fund Performance

As of September 30, 2024



Performance is shown is mutual fund performance presented net of investment manager fees.

Comparative Performance

As of September 30, 2024								Calendar Years				Sharpe
								2023	2022	2021	2020	Since Incep.
								(%)	(%)	(%)	(%)	Incep.
Capital Preservation												
OregonSaves Capital Preservation Fund								4.8	1.6	0.0	0.0	--
State Street Instl Liquid Reserves Prem SS/XX								4.9	1.7	0.0	0.6	--
ICE BofA US 3M Trsy Bill TR USD Index								<u>5.0</u>	<u>1.5</u>	<u>0.0</u>	<u>0.7</u>	--
Over/Under								-0.1	0.2	0.0	-0.1	--
Money Market-Taxable MStar MF Rank								65	2	8	1	--
Target Retirement Date												
OregonSaves Target Retirement Fund 2070								19.0	-19.2	13.5	--	0.7
State Street Target Retirement 2065 K SSFKX								19.4	-19.1	14.4	--	0.7
S&P Target Date 2065+ TR USD Index								<u>19.8</u>	<u>-16.0</u>	<u>18.2</u>		<u>0.9</u>
Over/Under								-0.4	-3.1	-3.8		-0.2
Target-Date 2065+ MStar MF Rank								75	77	98	--	94
OregonSaves Target Retirement Fund 2065								19.0	-19.2	13.5	17.2	0.4
State Street Target Retirement 2065 K SSFKX								19.4	-19.1	14.4	--	--
S&P Target Date 2065+ TR USD Index								<u>19.8</u>	<u>-16.0</u>	<u>18.2</u>	<u>14.0</u>	<u>0.5</u>
Over/Under								-0.4	-3.1	-3.8		--
Target-Date 2065+ MStar MF Rank								75	77	98	--	--
OregonSaves Target Retirement Fund 2060								19.0	-19.2	13.5	18.6	0.4
State Street Target Retirement 2060 K SSDYX								19.5	-19.1	14.3	19.6	0.5
S&P Target Date 2060 TR USD Index								<u>19.7</u>	<u>-16.0</u>	<u>18.0</u>	<u>14.0</u>	<u>0.5</u>
Over/Under								-0.2	-3.1	-3.7	5.6	0.0
Target-Date 2060 MStar MF Rank								72	77	99	2	66

Percentile rankings compare returns to those delivered by an appropriate peer group, where 1 is the highest ranking and 100 is the lowest ranking.
Mutual funds are shown net of investment management fees, while OregonSaves options are shown net of investment manager fees, administrative fees, and fees to the State.



Oregon Treasury Savings Network - OregonSaves Program

Comparative Performance

		As of September 30, 2024						Calendar Years				Sharpe	
		QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Incep. (%)	Since Incep.	2023 (%)	2022 (%)	2021 (%)	2020 (%)	Since Incep.
OregonSaves Target Retirement Fund 2055		7.2	15.0	28.0	5.1	9.8	8.7	Aug-17	19.0	-19.2	13.4	18.6	0.4
State Street Target Retirement 2055 K	SSDQX	7.3	15.4	28.5	5.4	10.4	9.4		19.4	-19.1	14.3	19.7	0.5
S&P Target Date 2055 TR USD Index		<u>6.8</u>	<u>16.4</u>	<u>28.8</u>	<u>7.5</u>	<u>11.1</u>	<u>9.7</u>		<u>19.6</u>	<u>-16.0</u>	<u>18.2</u>	<u>13.9</u>	<u>0.5</u>
Over/Under		0.5	-1.0	-0.3	-2.1	-0.7	-0.3		-0.2	-3.1	-3.9	5.8	0.0
Target-Date 2055 MStar MF Rank		5	84	75	90	81	68		74	82	95	4	64
OregonSaves Target Retirement Fund 2050		7.1	14.9	27.9	5.0	9.8	8.7	Aug-17	18.9	-19.2	13.5	18.7	0.4
State Street Target Retirement 2050 K	SSDLX	7.2	15.2	28.4	5.4	10.4	9.4		19.4	-19.1	14.4	19.8	0.5
S&P Target Date 2050 TR USD Index		<u>6.7</u>	<u>16.2</u>	<u>28.7</u>	<u>7.4</u>	<u>11.1</u>	<u>9.7</u>		<u>19.6</u>	<u>-16.0</u>	<u>18.0</u>	<u>13.9</u>	<u>0.5</u>
Over/Under		0.5	-1.0	-0.3	-2.0	-0.7	-0.3		-0.2	-3.1	-3.6	5.9	0.0
Target-Date 2050 MStar MF Rank		5	83	70	89	80	62		69	84	95	2	62
OregonSaves Target Retirement Fund 2045		6.9	14.4	27.0	4.7	9.4	8.4	Aug-17	18.1	-18.9	13.0	18.2	0.4
State Street Target Retirement 2045 K	SSDEX	7.0	14.7	27.5	5.1	10.0	9.1		18.6	-18.7	13.8	19.3	0.4
S&P Target Date 2045 TR USD Index		<u>6.7</u>	<u>15.8</u>	<u>27.9</u>	<u>7.2</u>	<u>10.8</u>	<u>9.4</u>		<u>19.1</u>	<u>-15.8</u>	<u>17.5</u>	<u>13.7</u>	<u>0.5</u>
Over/Under		0.3	-1.1	-0.4	-2.1	-0.8	-0.3		-0.5	-2.9	-3.7	5.6	-0.1
Target-Date 2045 MStar MF Rank		4	81	69	90	84	60		77	83	95	2	60
OregonSaves Target Retirement Fund 2040		6.8	13.9	26.1	4.5	9.0	8.1	Aug-17	17.4	-18.5	12.3	17.7	0.4
State Street Target Retirement 2040 K	SSCQX	6.9	14.2	26.6	4.8	9.6	8.8		17.8	-18.4	13.1	18.8	0.4
S&P Target Date 2040 TR USD Index		<u>6.5</u>	<u>14.9</u>	<u>26.6</u>	<u>6.6</u>	<u>10.2</u>	<u>9.0</u>		<u>18.2</u>	<u>-15.6</u>	<u>16.5</u>	<u>13.4</u>	<u>0.5</u>
Over/Under		0.4	-0.7	0.0	-1.8	-0.6	-0.2		-0.4	-2.8	-3.4	5.4	-0.1
Target-Date 2040 MStar MF Rank		3	72	60	83	65	38		65	80	89	2	38
OregonSaves Target Retirement Fund 2035		6.7	13.1	24.9	4.1	8.4	7.7	Aug-17	16.5	-18.0	11.3	17.1	0.4
State Street Target Retirement 2035 K	SSCKX	6.8	13.5	25.4	4.5	9.0	8.4		16.9	-17.9	12.2	18.2	0.4
S&P Target Date 2035 TR USD Index		<u>6.3</u>	<u>13.6</u>	<u>24.6</u>	<u>5.8</u>	<u>9.2</u>	<u>8.3</u>		<u>16.6</u>	<u>-15.0</u>	<u>14.9</u>	<u>12.8</u>	<u>0.4</u>
Over/Under		0.5	-0.1	0.8	-1.3	-0.2	0.1		0.3	-2.9	-2.7	5.4	0.0
Target-Date 2035 MStar MF Rank		5	55	37	75	40	25		32	77	92	2	25

Percentile rankings compare returns to those delivered by an appropriate peer group, where 1 is the highest ranking and 100 is the lowest ranking.
Mutual funds are shown net of investment management fees, while OregonSaves options are shown net of investment manager fees, administrative fees, and fees to the State.

Comparative Performance

		As of September 30, 2024							Calendar Years				Sharpe
		QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Incep. (%)	Since Incep.	2023 (%)	2022 (%)	2021 (%)	2020 (%)	Since Incep.
OregonSaves Target Retirement Fund 2030		6.4	12.2	23.1	3.8	7.8	7.3	Aug-17	15.3	-17.1	10.5	16.2	0.4
State Street Target Retirement 2030 K	SSBYX	6.5	12.5	23.6	4.1	8.4	8.0		15.7	-17.0	11.4	17.2	0.4
S&P Target Date 2030 TR USD Index		<u>6.0</u>	<u>12.1</u>	<u>22.2</u>	<u>5.0</u>	<u>8.1</u>	<u>7.5</u>		<u>14.8</u>	<u>-14.0</u>	<u>12.6</u>	<u>11.9</u>	<u>0.4</u>
Over/Under		0.5	0.4	1.4	-0.9	0.3	0.5		0.9	-3.0	-1.2	5.3	0.0
Target-Date 2030 MStar MF Rank		5	24	12	35	9	6		11	75	63	7	6
OregonSaves Target Retirement Fund 2025		5.9	10.7	20.1	3.2	6.8	6.5	Aug-17	13.2	-15.5	10.0	13.8	0.4
State Street Target Retirement 2025 K	SSBSX	6.0	11.0	20.6	3.6	7.4	7.2		13.7	-15.3	10.8	14.8	0.4
S&P Target Date 2025 TR USD Index		<u>5.6</u>	<u>10.7</u>	<u>19.8</u>	<u>4.1</u>	<u>7.0</u>	<u>6.6</u>		<u>13.0</u>	<u>-13.1</u>	<u>10.7</u>	<u>11.2</u>	<u>0.4</u>
Over/Under		0.4	0.3	0.8	-0.5	0.4	0.6		0.7	-2.2	0.1	3.6	0.0
Target-Date 2025 MStar MF Rank		13	37	39	27	10	6		25	52	36	9	2
OregonSaves Target Retirement Fund 2020		5.5	9.1	17.2	2.7	5.6	5.4	Aug-17	11.1	-13.4	8.7	10.7	0.3
State Street Target Retirement 2020 K	SSBOX	5.6	9.4	17.7	3.0	6.2	6.1		11.5	-13.3	9.5	11.7	0.4
S&P Target Date 2020 TR USD Index		<u>5.4</u>	<u>10.2</u>	<u>19.0</u>	<u>3.7</u>	<u>6.2</u>	<u>5.9</u>		<u>12.3</u>	<u>-12.8</u>	<u>8.8</u>	<u>10.2</u>	<u>0.4</u>
Over/Under		0.2	-0.8	-1.3	-0.7	0.0	0.2		-0.8	-0.5	0.7	1.5	0.0
Target-Date 2020 MStar MF Rank		23	85	80	36	58	21		60	22	35	72	21
OregonSaves Target Retirement Fund		5.4	8.8	16.5	2.7	4.9	4.6	Aug-17	10.4	-12.2	7.1	9.3	0.3
State Street Target Retirement K	SSFOX	5.5	9.1	17.0	3.0	5.5	5.3		10.8	-12.1	7.9	10.3	0.4
S&P Target Date Retirement Income TR USD Index		<u>5.2</u>	<u>8.8</u>	<u>16.9</u>	<u>2.8</u>	<u>4.7</u>	<u>4.7</u>		<u>10.3</u>	<u>-11.2</u>	<u>5.1</u>	<u>8.8</u>	<u>0.3</u>
Over/Under		0.3	0.3	0.1	0.2	0.8	0.6		0.5	-0.9	2.8	1.5	0.1
Target-Date Retirement MStar MF Rank		41	53	62	12	14	14		70	27	8	38	1
Growth													
OregonSaves Growth Fund		5.8	21.7	35.8	11.5	15.3	13.7	Aug-17	25.8	-18.3	27.5	17.3	0.7
State Street Equity 500 Index K	SSSYX	5.9	22.1	36.3	11.9	15.9	14.4		26.3	-18.2	28.5	18.3	0.7
S&P 500 TR USD Index		<u>5.9</u>	<u>22.1</u>	<u>36.4</u>	<u>11.9</u>	<u>16.0</u>	<u>14.5</u>		<u>26.3</u>	<u>-18.1</u>	<u>28.7</u>	<u>18.4</u>	<u>0.7</u>
Over/Under		0.0	0.0	-0.1	0.0	-0.1	-0.1		0.0	-0.1	-0.2	-0.1	0.0
Large Blend MStar MF Rank		48	24	27	23	24	17		27	51	27	44	17

Percentile rankings compare returns to those delivered by an appropriate peer group, where 1 is the highest ranking and 100 is the lowest ranking.
Mutual funds are shown net of investment management fees, while OregonSaves options are shown net of investment manager fees, administrative fees, and fees to the State.



Comparative Performance

		As of September 30, 2024							Calendar Years				Sharpe
		QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Incep. (%)	Since Incep.	2023 (%)	2022 (%)	2021 (%)	2020 (%)	Since Incep.
Money Market													
OregonSaves Money Market Fund		1.3	3.8	5.1	--	--	3.4	Nov-21	4.5	1.6	--	--	--
State Street Instl Liquid Reserves Prem	SS/XX	1.4	4.1	5.5	3.6	2.3	2.2		4.9	1.7	0.0	0.6	--
ICE BofA US 3M Trsy Bill TR USD Index		<u>1.4</u>	<u>4.0</u>	<u>5.5</u>	<u>3.5</u>	<u>2.3</u>	<u>2.2</u>		<u>5.0</u>	<u>1.5</u>	<u>0.0</u>	<u>0.7</u>	--
Over/Under		0.0	0.1	0.0	0.1	0.0	0.0		-0.1	0.2	0.0	-0.1	--
Money Market-Taxable MStar MF Rank		1	2	1	5	1	5		65	2	8	1	--

Percentile rankings compare returns to those delivered by an appropriate peer group, where 1 is the highest ranking and 100 is the lowest ranking.
Mutual funds are shown net of investment management fees, while OregonSaves options are shown net of investment manager fees, administrative fees, and fees to the State.



Oregon Treasury Savings Network - OregonSaves Program

Fee Information			
		As of September 30, 2024	
	Current Market	Underlying	Mstar Inst MF
	Value (\$)	Expense	Peer Median
		Ratio	Exp. Ratio
Capital Preservation	250,276		
OregonSaves Capital Preservation Fund	250,276	0.12%	0.20%
Target Retirement Date Suite	291,958,007		
OregonSaves Target Retirement Fund 2070	2,299,885	0.09%	0.46%
OregonSaves Target Retirement Fund 2065	18,327,037	0.09%	0.46%
OregonSaves Target Retirement Fund 2060	31,737,422	0.09%	0.46%
OregonSaves Target Retirement Fund 2055	35,462,171	0.09%	0.46%
OregonSaves Target Retirement Fund 2050	33,347,665	0.09%	0.45%
OregonSaves Target Retirement Fund 2045	32,730,168	0.09%	0.45%
OregonSaves Target Retirement Fund 2040	31,430,656	0.09%	0.49%
OregonSaves Target Retirement Fund 2035	33,267,761	0.09%	0.45%
OregonSaves Target Retirement Fund 2030	31,699,379	0.09%	0.47%
OregonSaves Target Retirement Fund 2025	22,859,360	0.09%	0.45%
OregonSaves Target Retirement Fund 2020	9,280,225	0.09%	0.41%
OregonSaves Target Retirement Fund	9,516,277	0.09%	0.42%
OregonSaves Growth Fund	10,235,994		
OregonSaves Growth Fund	10,235,994	0.02%	0.65%
Money Market	20,977,736		
OregonSaves Money Market Fund	20,977,736	0.12%	0.20%
Total Program	323,422,013	0.09%	0.45%



Annual Fee Information

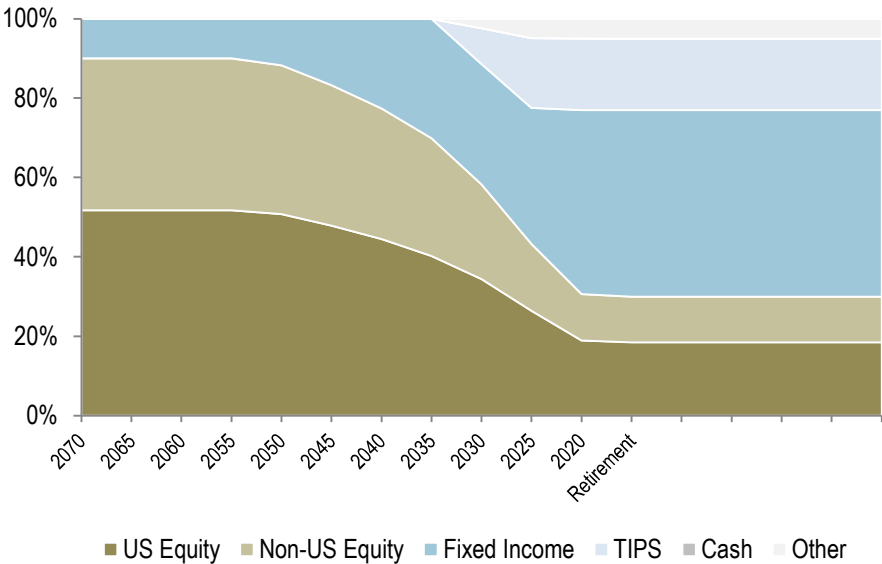
As of September 30, 2024

Savers with a Balance: 130,791
Total Program Assets: \$323,422,013

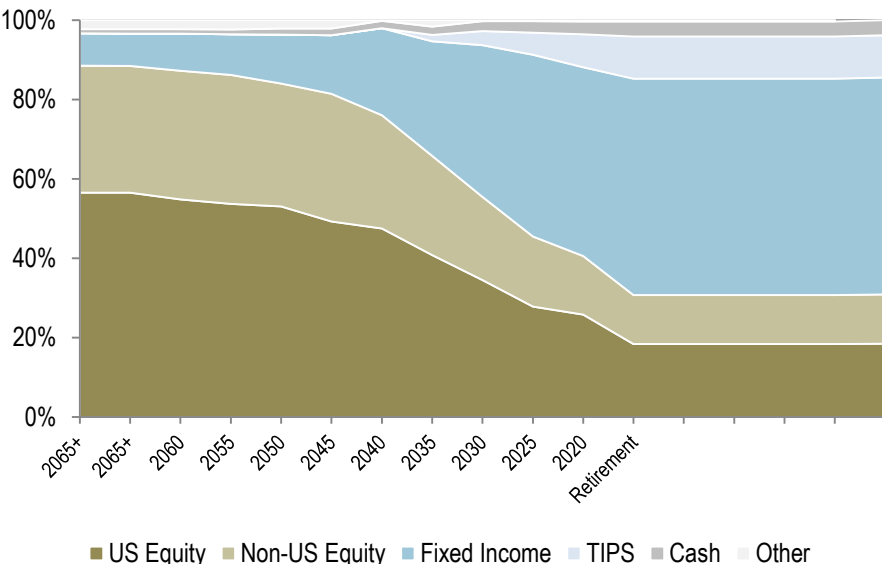
Total Annual Fees				Annual Fee Type					
	\$	% of Assets	\$ Per Account	Assets	Flat \$ Fee	% of Assets	% of Assets Total \$ Fee	\$ Per Account	Per Account Total \$ Fee
Fees Paid by Savers									
Investment Management	290,283	0.09%	2		-	0.09%	290,283	-	-
Administrative Fee	3,386,344	1.05%	26		-	0.40%	1,293,688	16	2,092,656
Fee paid to Vestwell State Savings	2,316,207	0.72%	18			0.15%	485,133	14	1,831,074
Fee paid to State	1,070,137	0.33%	8		-	0.25%	808,555	2	261,582
Total Program Fees	3,676,627	1.14%	28	-	-	0.49%	1,583,971	16	2,092,656
Total Net Fees by Service Provider									
Investment Management	290,283	0.09%	2		-	0.09%	290,283	-	-
Vestwell State Savings	2,316,207	0.72%	18		-	0.15%	485,133	14	1,831,074
State	1,070,137	0.33%	8		-	0.25%	808,555	2	261,582
Total Program Fees	3,676,627	1.14%	28	-	-	0.49%	1,583,971	16	2,092,656

As of February 1, 2023, the initial hold period was shortened from 90 days to 30 days. During the 30 day hold, Vestwell and the Network will waive all fees.

State Street Target Retirement Date Glidepath



S&P Target Retirement Date Glidepath



	Total Equity	US Equity	Non-US Equity	Total Bonds + Cash	Fixed Income	TIPS	Cash	Other
2070	90%	52%	38%	10%	10%	0%	0%	0%
2065	90%	52%	38%	10%	10%	0%	0%	0%
2060	90%	52%	38%	10%	10%	0%	0%	0%
2055	90%	52%	38%	10%	10%	0%	0%	0%
2050	88%	51%	38%	12%	12%	0%	0%	0%
2045	83%	48%	35%	17%	17%	0%	0%	0%
2040	77%	44%	33%	23%	23%	0%	0%	0%
2035	70%	40%	30%	30%	30%	0%	0%	0%
2030	58%	34%	24%	39%	30%	9%	0%	2%
2025	43%	26%	17%	52%	34%	18%	0%	5%
2020	31%	19%	12%	64%	46%	18%	0%	5%
Retirement	30%	19%	12%	65%	47%	18%	0%	5%

	Total Equity	US Equity	Non-US Equity	Total Bonds + Cash	Fixed Income	TIPS	Cash	Other
2065+	89%	57%	32%	9%	8%	0%	1%	2%
2060	87%	55%	32%	11%	9%	0%	1%	2%
2055	86%	54%	33%	12%	10%	0%	1%	2%
2050	84%	53%	31%	14%	12%	0%	2%	2%
2045	81%	49%	32%	16%	15%	0%	2%	2%
2040	75%	47%	28%	23%	22%	0%	2%	2%
2035	67%	41%	25%	33%	29%	2%	2%	0%
2030	55%	34%	21%	44%	38%	4%	2%	2%
2025	45%	28%	18%	54%	46%	6%	3%	0%
2020	41%	26%	15%	59%	48%	8%	3%	0%
Retirement	34%	22%	13%	65%	52%	10%	4%	0%

State Street Target Retirement Date Glidepath allocations to "Other" refers to Global Public Real Estate.

- Active Share** - Measure of the proportion to which a portfolio's holdings composition differs from the composition found in its benchmark. The greater the difference between the asset composition of the fund and its benchmark, the greater the active share.
- Average Credit Quality** - Measure of a bond portfolio's overall credit quality, calculated as an average of each bond's credit rating, as assigned by Standard & Poor's or Moody's, adjusted for its relative weighting in the portfolio.
- Batting Average** - Measure of an investment manager's ability to meet or beat an index, calculated by dividing the number of days (or months, quarters, etc.) in which the manager beats or matches the index by the total number of days (or months, quarters, etc.) in the period of question and multiplying that factor by 100.
- Beta** - Measure of a portfolio's sensitivity to market movements, calculated by comparing a portfolio's excess return over the risk-free rate (90 Day T-Bills) to the market's excess return over the same risk-free rate. The beta of the market is 1.00 by definition.
- Correlation** - Measure of how two securities move in relation to each other, calculated as a correlation coefficient, which ranges between -1 and +1. Perfect positive correlation (+1) implies that as one security moves up or down the other security will always move in the same direction. Alternatively, perfect negative correlation (-1) means that the securities always move in the opposite direction. If the correlation is 0, the security movements have no correlation.
- Dividend Yield** - Dividends per share of a security or portfolio over the trailing one-year period as a percentage of the current stock price(s).
- Duration** - Measure of a bond or bond portfolio's sensitivity to changes in interest rates, calculated based on the weighted average of the time periods over which bond cash flows accrue to the bondholder. A portfolio with a 5-year duration would be expected to lose 5% of its net asset value if interest rates rose by 1 percentage point, or gain 5% if interest rates fell by 1 percentage point.
- Excess Return** - Measure of a portfolio's achieved rate of return minus the return of a benchmark over the same period.
- Information Ratio** - Portfolio excess return relative to a benchmark divided by the portfolio return's tracking error relative to the same benchmark. Information ratio measures how much excess return is generated from the amount of excess risk taken relative to a benchmark.
- Price/Earnings (P/E)** - Ratio of a stock's current price divided by the company's trailing 12-month earnings per share from continuous operations. For a portfolio, calculated as the weighted average of P/E ratios of all stocks in the portfolio.
- Price/Book (P/B)** - Ratio of a stock's current price divided by the company's book value per share (total assets of a company, less total liabilities, divided by the number of shares outstanding). For a portfolio, calculated as the weighted average of P/B ratios of all stocks in the portfolio, with any stocks with negative book values being excluded.
- R-squared (R²)** - The percentage of a portfolio's return variance explained by the benchmark's returns.
- Sharpe Ratio** - Measure of risk-adjusted performance, calculated by dividing a portfolio's annualized excess returns over the risk-free rate (90 Day T-Bills) by its annualized standard deviation. The Sharpe ratio is not meaningful for comparison purposes when annualized excess return over the risk-free rate is negative.
- Standard Deviation** - Measure of dispersion about an average, depicts how widely a portfolio's returns varied over a certain period of time.
- Tracking Error** - The standard deviation (variability) of a portfolio's excess return relative to a benchmark.
- Upside/Downside Capture** - Upside/downside capture measures the percentage of a benchmark return realized by a portfolio during positive return periods (upside) or negative return periods (downside) within a defined time period. A value over 100 indicates outperformance for upside capture and underperformance for downside capture.
- Yield to Maturity** - Rate of return an investor will receive if a long-term, interest-bearing security, such as a bond, is held to its maturity date.

Retrospective (2017 to 2024)

OREGON TREASURY SAVINGS NETWORK

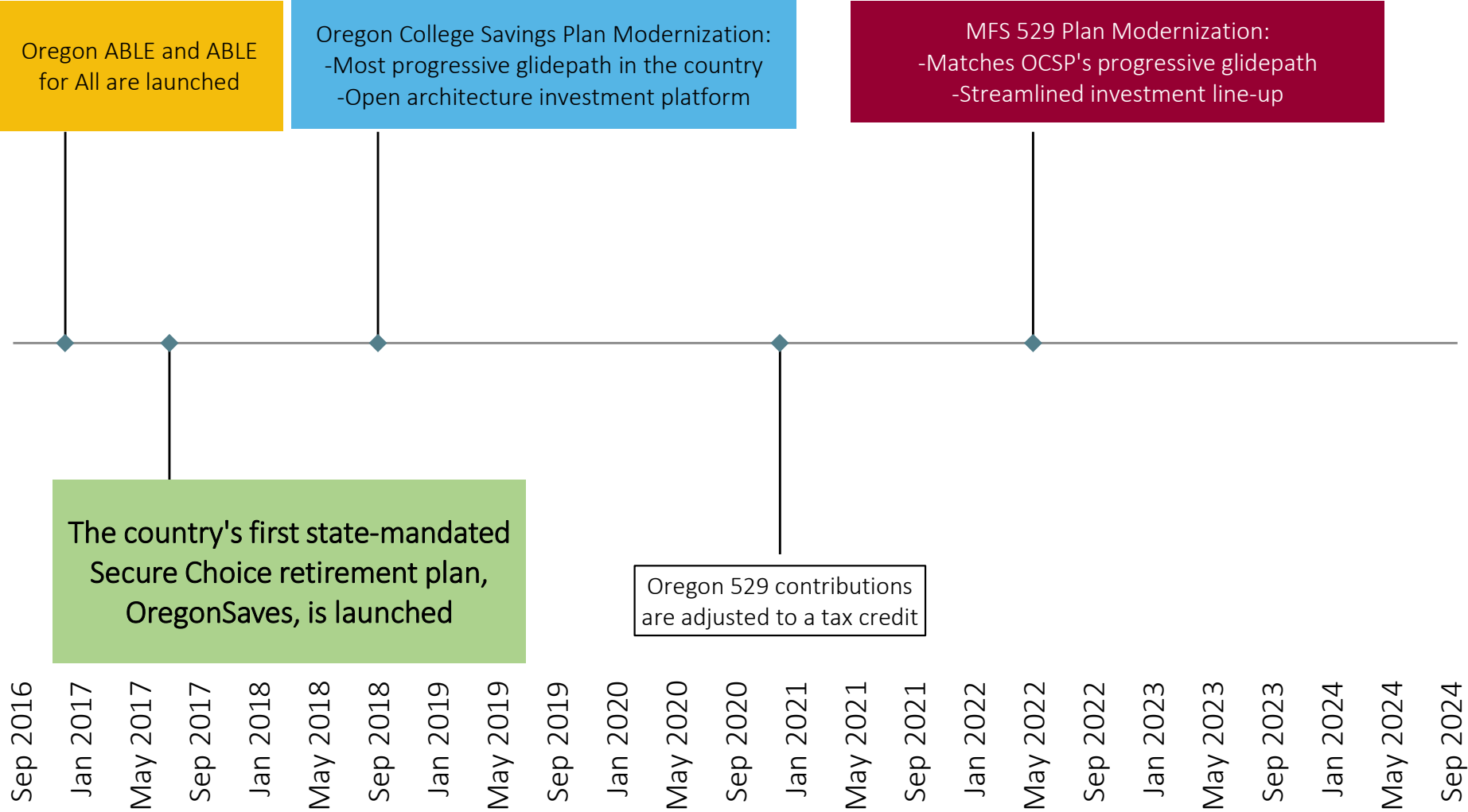
OREGON RETIREMENT SAVINGS BOARD

SEPTEMBER 30, 2024

SELLWOOD
INVESTMENT PARTNERS

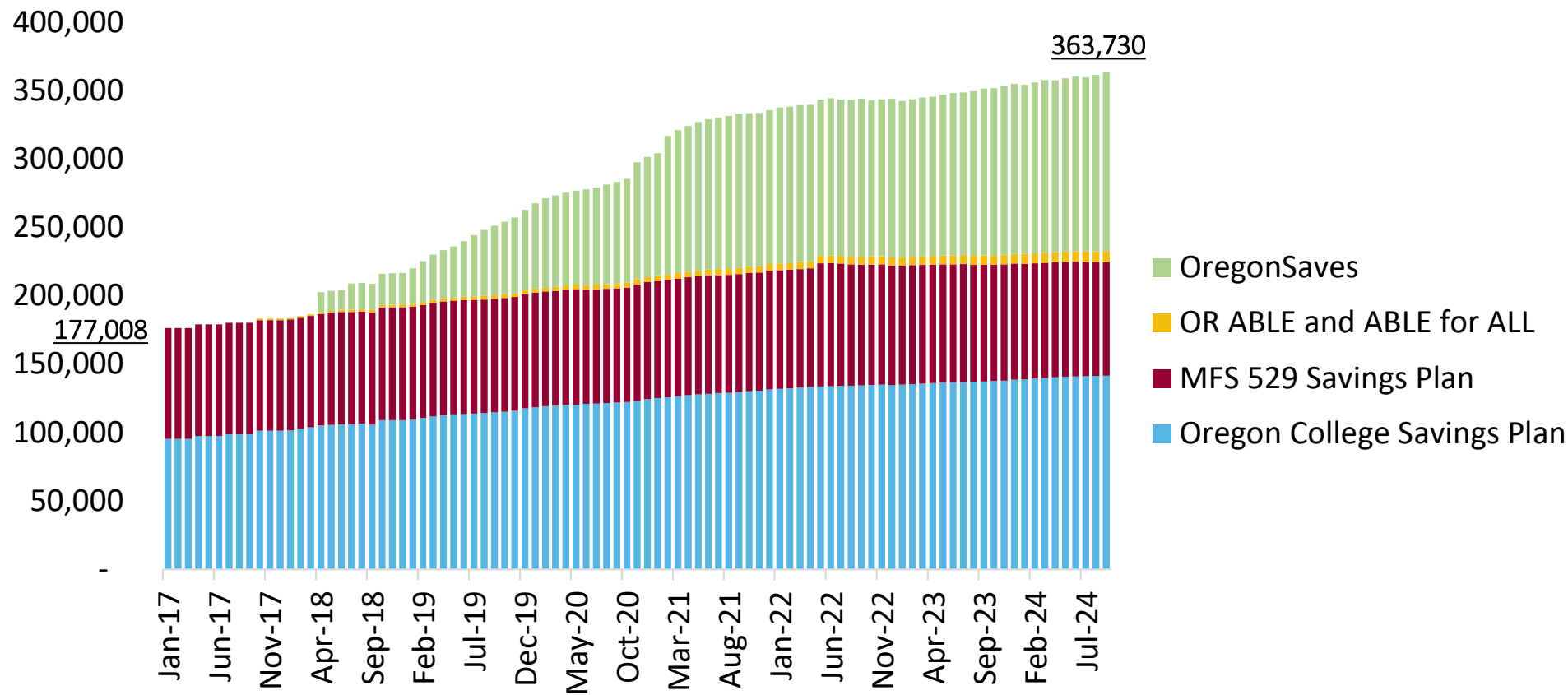


Timeline



Plan Funded Account History

Funded Account History

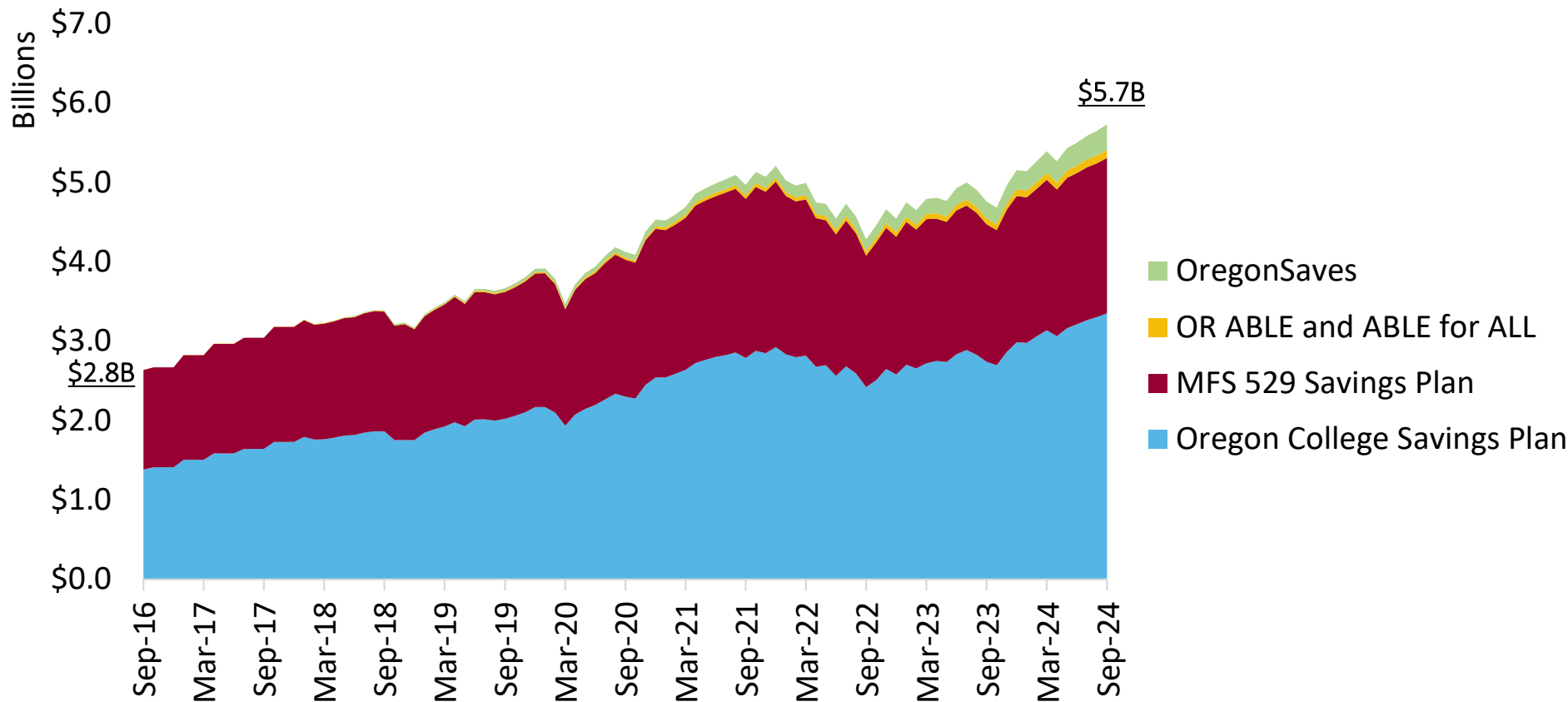


	Oregon College Savings Plan	MFS 529 Savings Plan	OR ABLE and ABLE for ALL	OregonSaves	Total
Jan-17	95,613	81,095	300	-	177,008
Sep-24	141,878	83,073	7,988	130,791	363,730
Difference	46,265	1,978	7,688	130,791	186,722

Source: Program Managers, Sellwood Investment Partners, ISS Market Intelligence.

Plan Market Value History

Market Value History

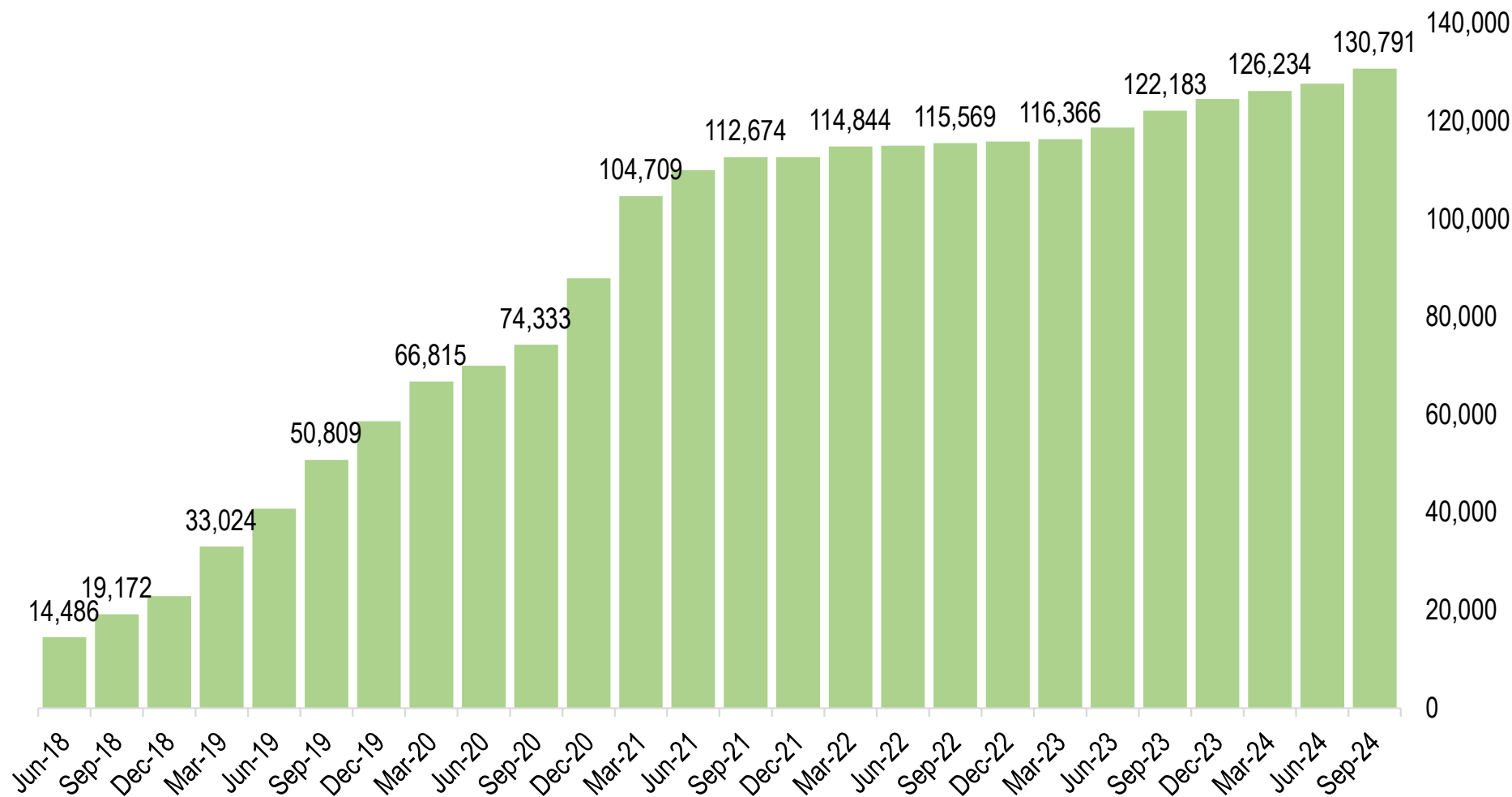


Market Value	Oregon College Savings Plan	MFS 529 Savings Plan	OR ABLE and ABLE for ALL	OregonSaves	Total
Jan-17	\$1,510,559,790	\$1,318,757,059	\$1,213,210	-	\$2,830,530,059
Sep-24	\$3,356,919,316	\$1,955,116,392	\$99,730,827	\$323,422,013	\$5,735,188,549
Difference	\$1,846,359,526	\$636,359,333	\$98,517,617	\$323,422,013	\$2,904,658,490

Source: Program Managers, Sellwood Investment Partners, ISS Market Intelligence.

OregonSaves

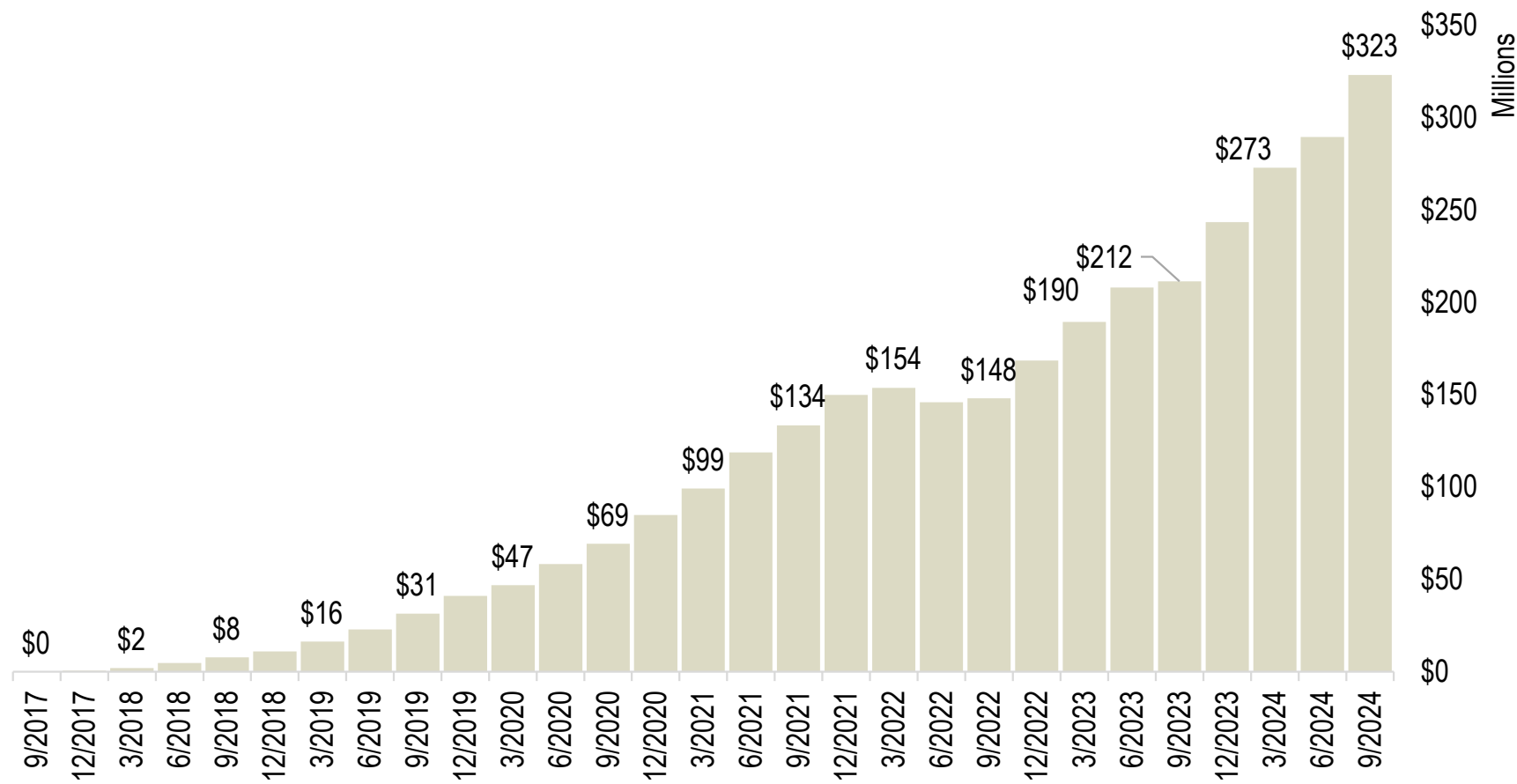
Total Funded Accounts



Source: Program Managers, Sellwood Investment Partners, ISS Market Intelligence.

OregonSaves

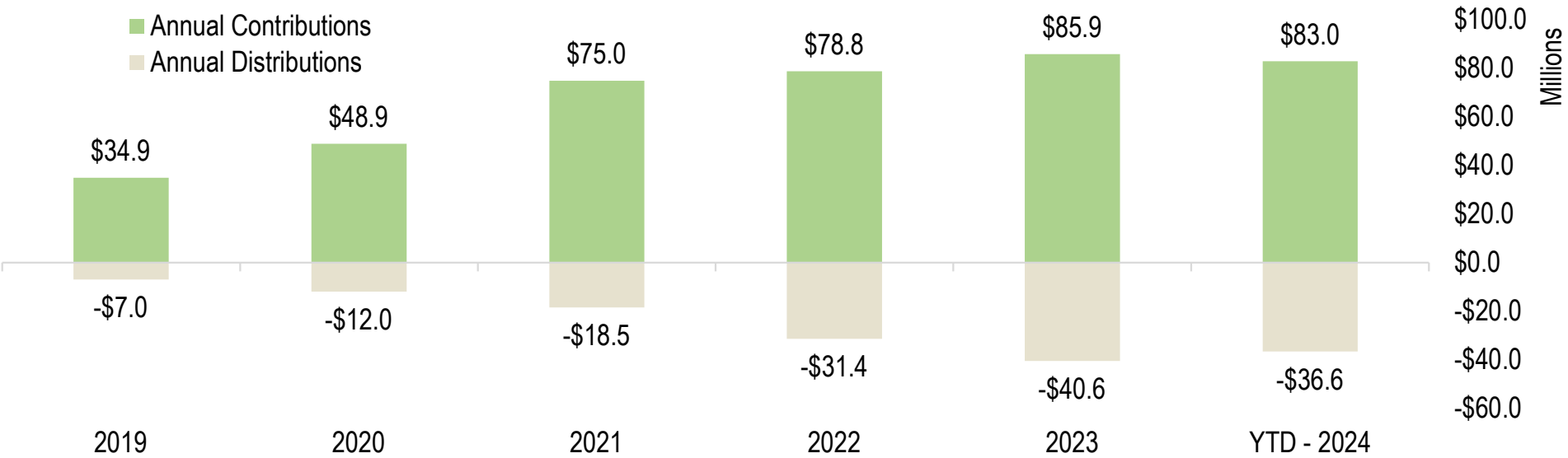
Plan Assets by Quarter
(\$ millions)



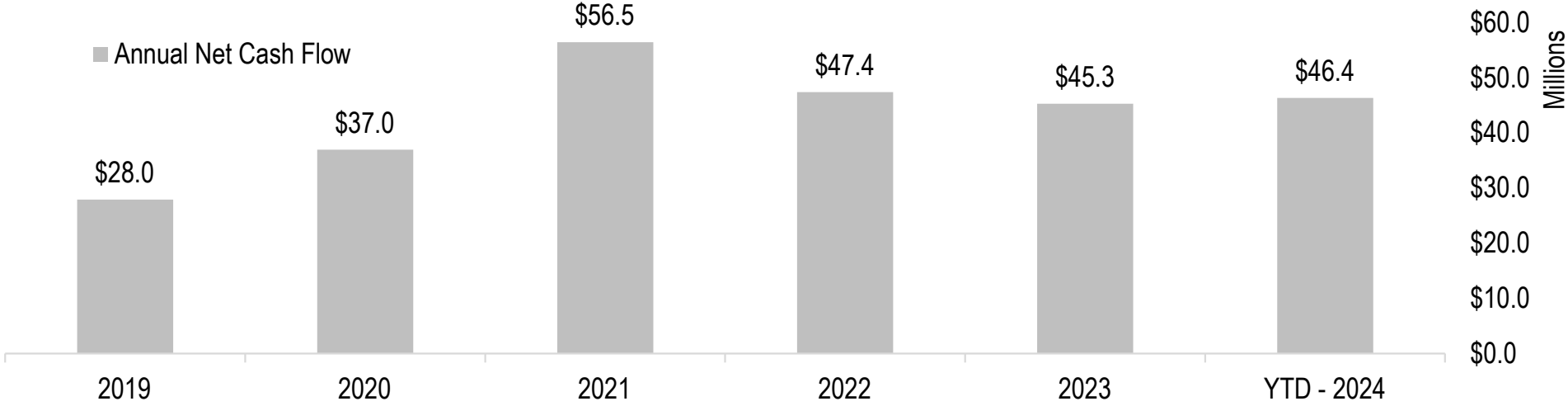
Source: Program Managers, Sellwood Investment Partners.

OregonSaves Annual Cash Flows

Annual Contributions & Distributions



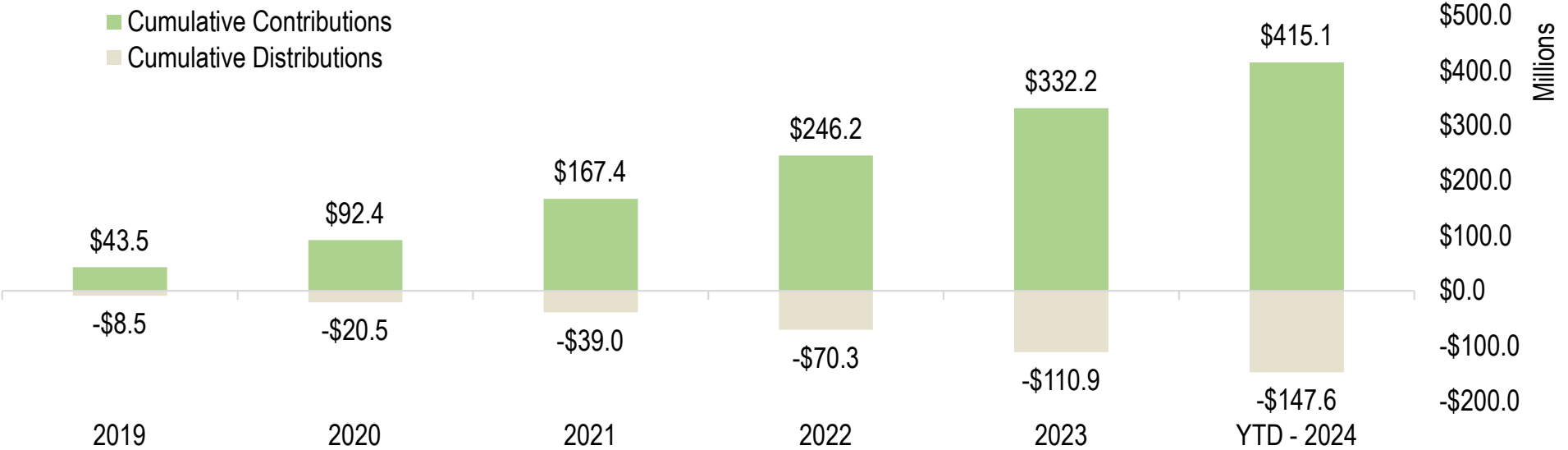
Annual Net Cash Flow



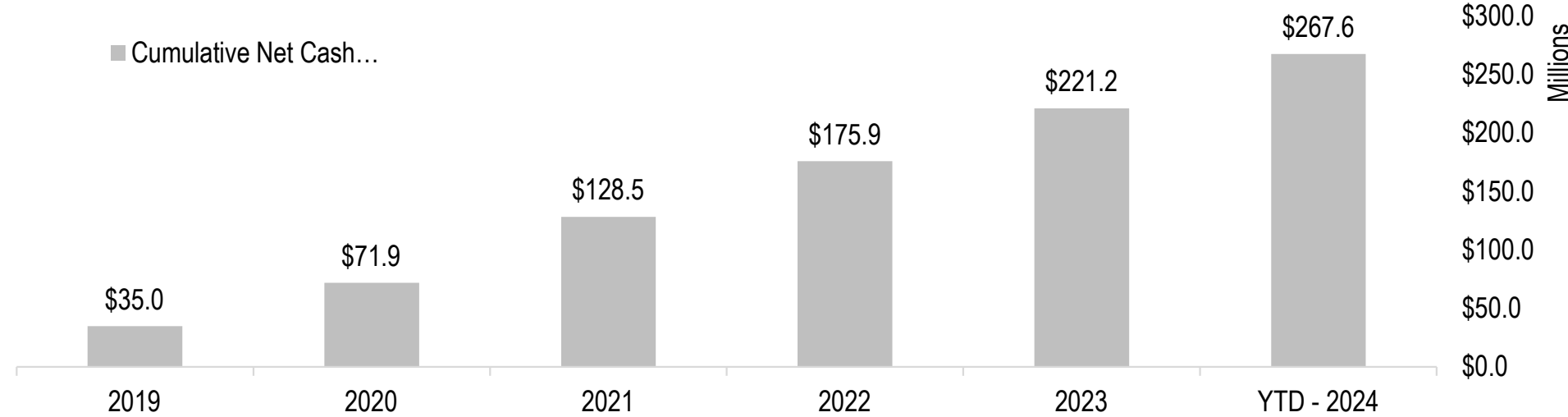
Source: Program Managers, Sellwood Investment Partners.

OregonSaves Cumulative Cash Flows

Cumulative Contributions & Distributions



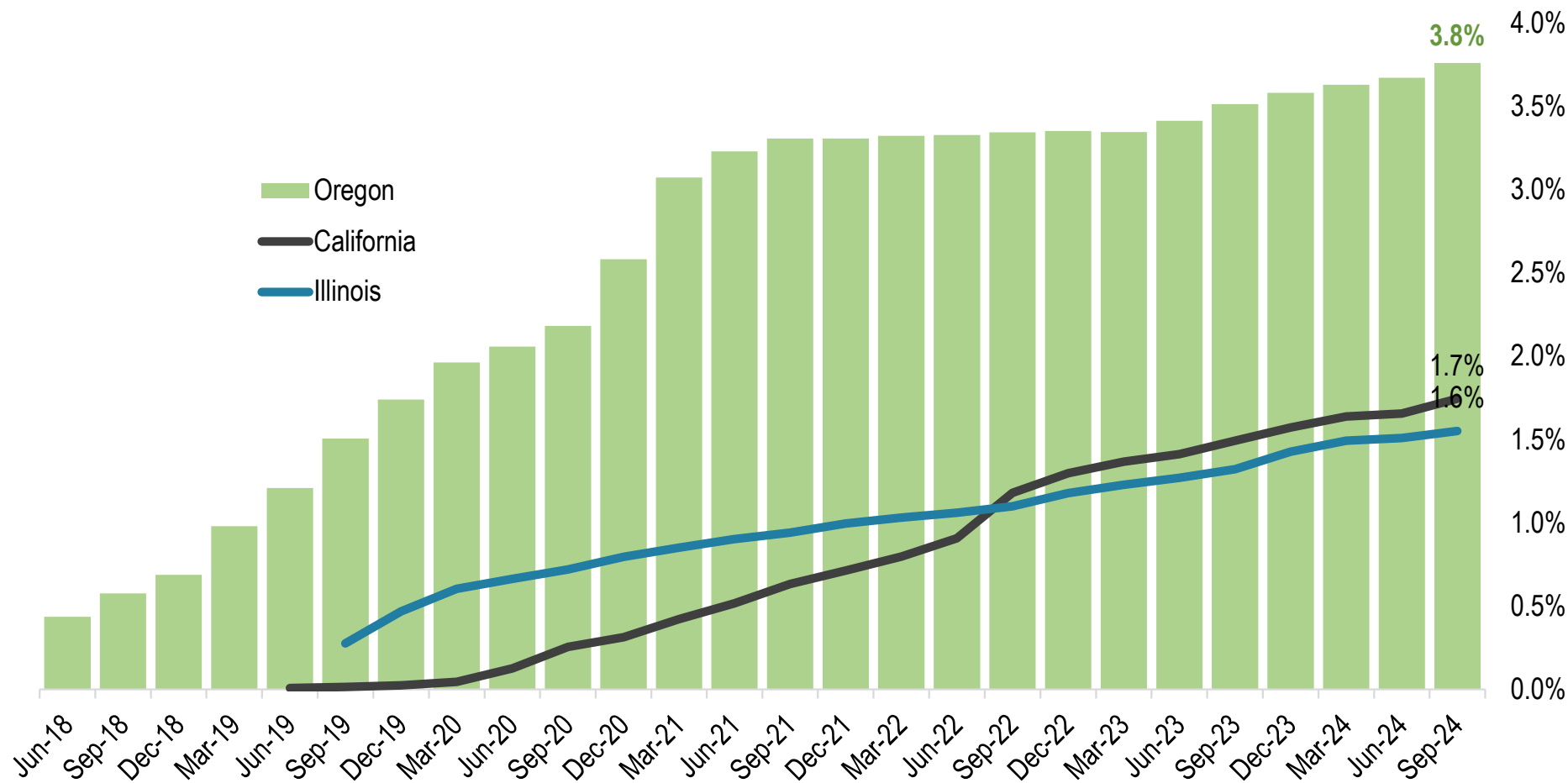
Cumulative Net Cash Flow



Source: Program Managers, Sellwood Investment Partners.

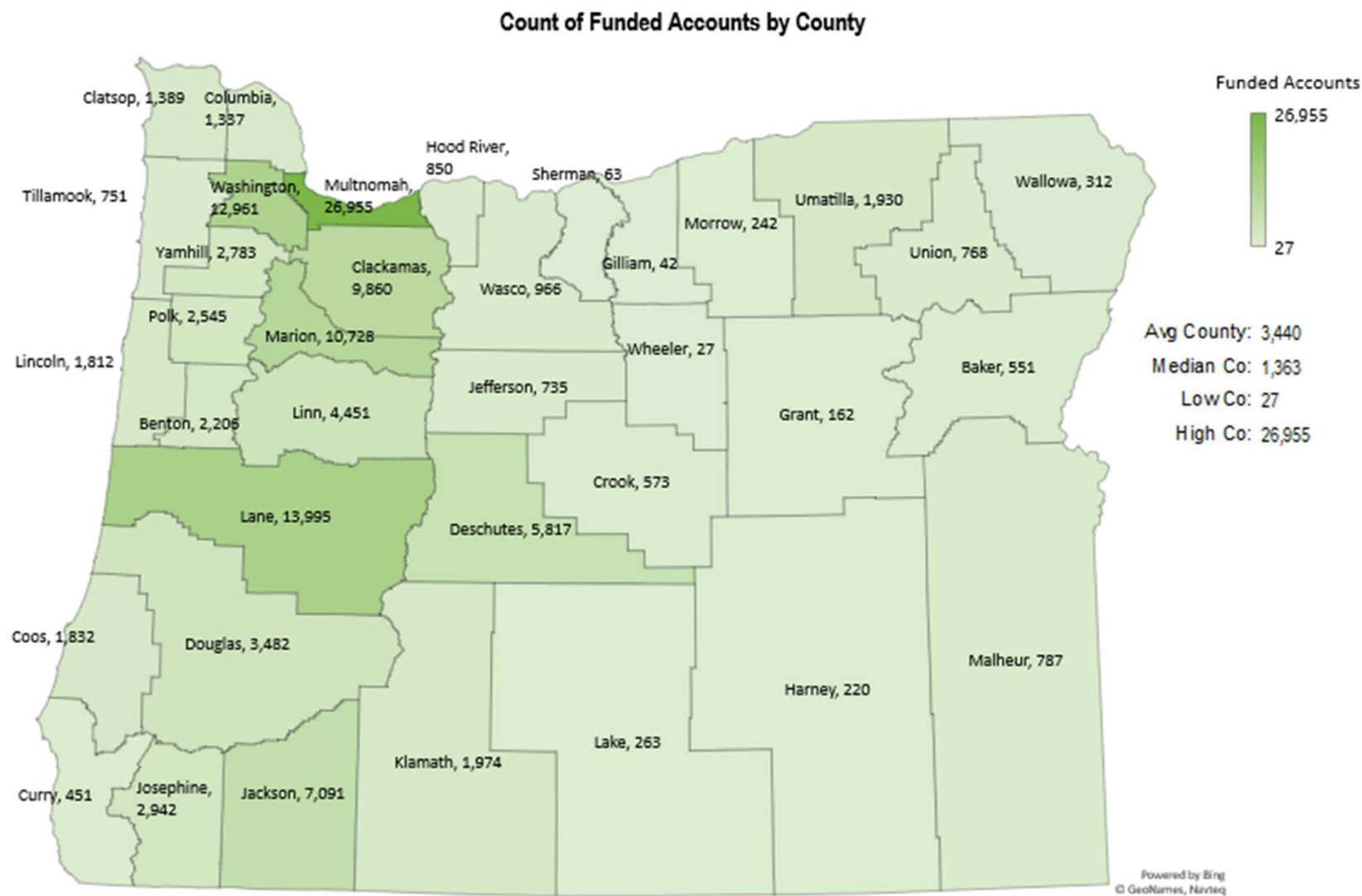
OregonSaves

Funded Account Coverage Ratio by State



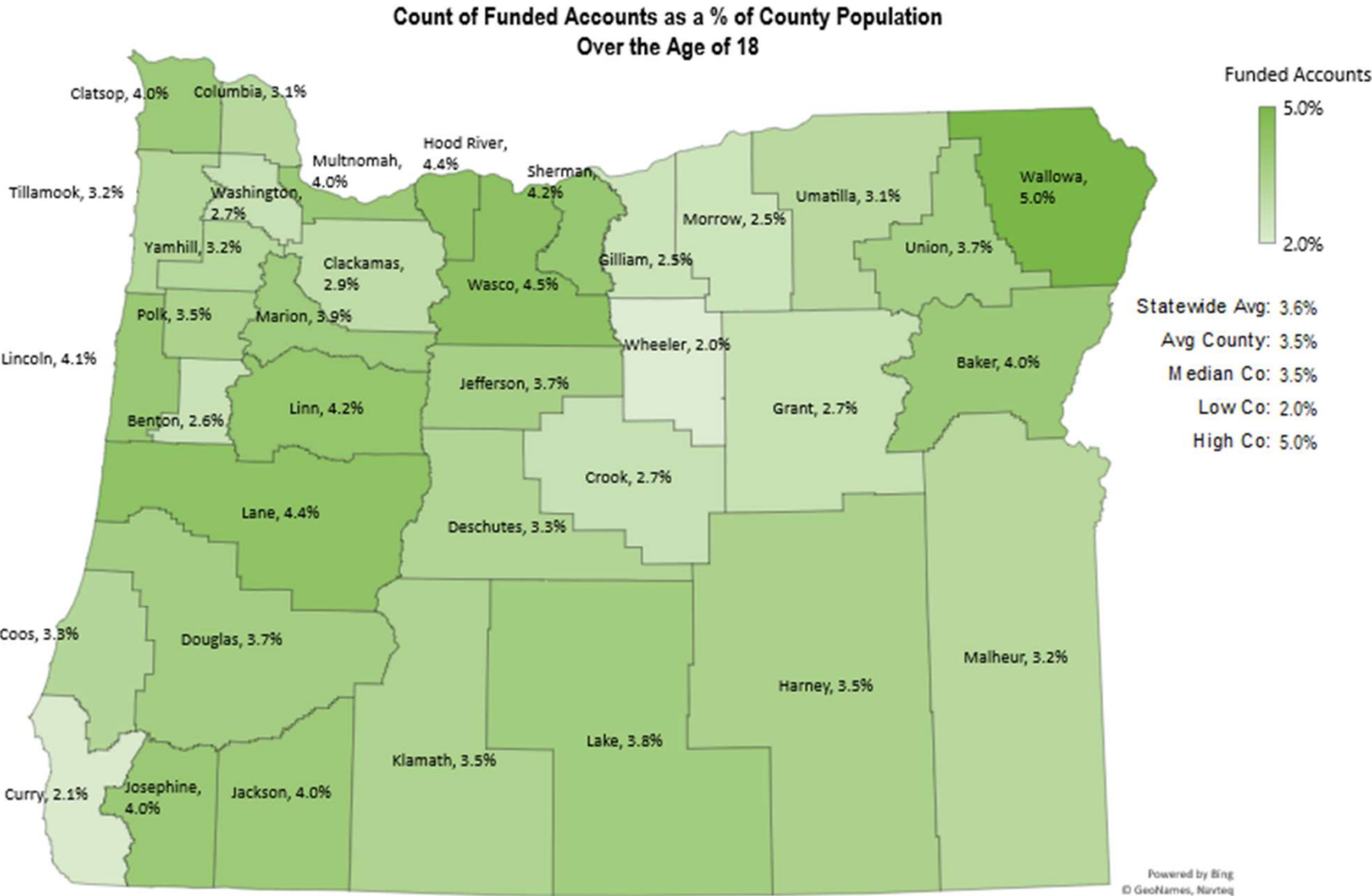
Source: Program Managers, Sellwood Investment Partners, ISS Market Intelligence.

Geographic Coverage



Source: Program Managers, Sellwood Investment Partners.

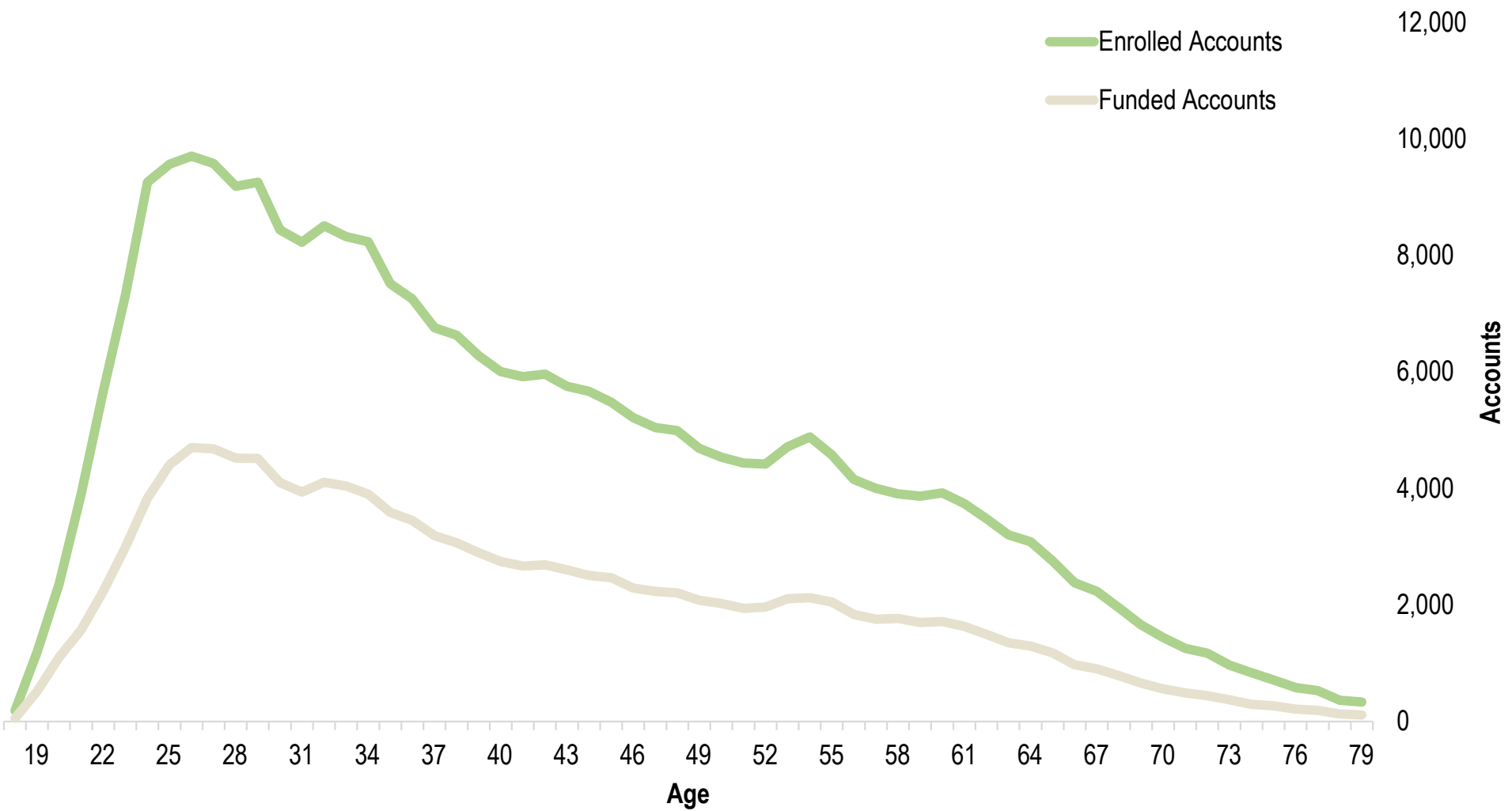
Geographic Coverage



Source: Program Managers, Sellwood Investment Partners. Coverage rate based on Total Population under 25 per county based on July 1, 2023 annual population report tables from Portland State University's Population Research Center.

Demographic Coverage

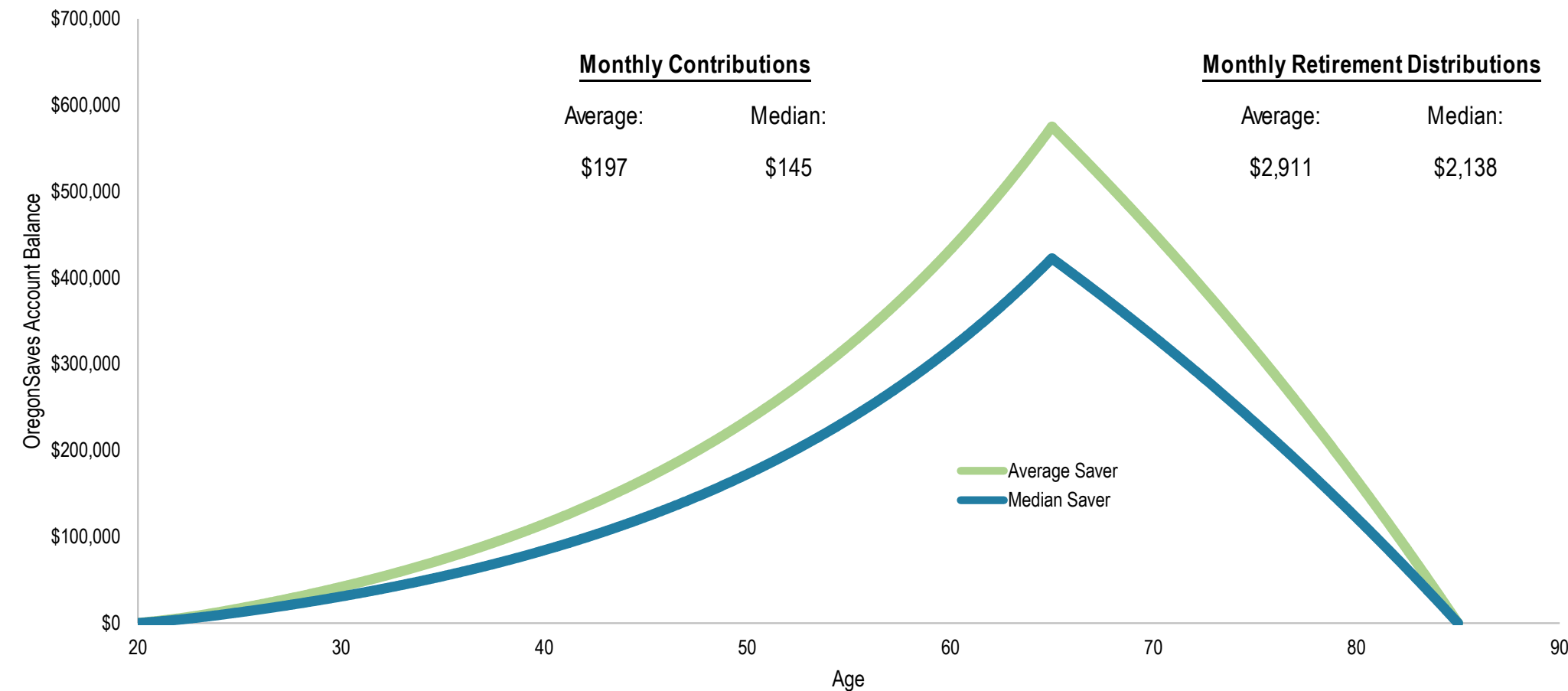
Savers by Age



Source: Program Managers, Sellwood Investment Partners.



Typical Saver – Increasing Savings to 10%



- Typical saver assumptions:
- Monthly contributions beginning at age 20 until 65. Working age rate of return = 5% annually. Retirement age rate of return = 2%.
 - Monthly contributions are based on the 12-month average median and average contributions are based on accounts with a contribution during the last month.
 - Monthly contributions are increased annually until the 10% savings rate automatic increase is met. The current savings rate is the plan average savings rate of 6.7%.
 - Distributions are paid in equal monthly installments beginning at age 65 until the balance depletes at age 85.
 - Estimates do not include any assumption of inflation or cost of living adjustment.

Source: Vestwell, Ascensus, Sellwood Investment Partners.





November 19, 2024



July 2017



**1ST STATE AUTO
IRA PROGRAM**

to launch in July of 2017 with
first ever pilot employers

November 15, 2017 - November 15, 2019



1ST PROGRAM

to use the “wave” concept for
employer registration; Wave 1-
Wave 5 over a two year period

January 2019



1ST PROGRAM

to initiate auto escalation
(now averaging 6.7%)

2018



1ST PROGRAM

to open up self enrollment

2019



1ST PROGRAM

to reduce the employer
minimum to 1 employee

2020



1ST PROGRAM

to open for home health care workers in 2020

2021



1ST PROGRAM

to change program administration partners in 2021

2021



1ST PROGRAM

to change how fees are assessed from all asset based to hybrid in 2021, now the industry standard

Q2 2021



1ST PROGRAM

to hit \$100M in AUA (Q2 2021)

2023



1ST PROGRAM

to complete a wave deadline cycle for employers with less than 5 employees in 2023 (over 50,000 employers)

Population for Communication

Waves 1-5 Employers by action category

- a. Invited, No Action
- b. Onboarding (Registration not Completed)
- c. Registered w/ Active Employees but No Payroll Ever
- d. Registered w/ Active Employees but No Payroll in last 90 days

Communication Cadence

- 1. Pre-Enforcement notices sent by State informing Employers of potential fine through BOLI if no action is taken
- 2. Waiting period to allow Employers to move into compliance
- 3. Staggered BOLI notices sent to Employers still not in compliance

OregonSaves				
Q3-2024 SERVICE LEVEL REPORT				
Category and Definition	JUL	AUG	SEP	Q3 24'
Timeliness in Processing Financial Transactions <i>Grading based on timeliness of processing requests received in good order by 4 PM ET</i> Financials - Purchases/ Redemptions/ Exchanges / Transfers - Process trades on trade date for the month and dividing by the total financial transactions processed. Performance Notes: No issues to report	100.00 %	100.00 %	99.87%	99.96%
Quality Processing Financial Transactions <i>Grading based on the accuracy of processing Purchases/ Redemptions/ Exchanges / Transfers</i> Quality is measured by subtracting BNY Mellon financial errors from the total financial transactions Performance Notes: No issues to report	99.34%	99.32%	98.97%	99.21%
Timeliness in Processing Non Financial Transactions <i>Grading based on timeliness of processing requests received in good order by 4 PM ET</i> Non Financials - New Accounts/ Account Maintenances: process by receive IGO date (T+4) Performance Notes: No issues to report	100.00 %	100.00 %	100.00 %	100.00%

OregonSaves				
Q3-2024 SERVICE LEVEL REPORT				
Category and Definition	JUL	AUG	SEP	Q3 24'
Quality Processing Non Financial Transactions <i>Grading based on the accuracy of processing New Accounts/ Account Maintenances</i> Quality is measured by subtracting BNY Mellon non-financial errors from the total financial Performance Notes: No issues to report	98.40%	98.35%	98.43%	98.39%
Retail Contact Center - Quality <i>Grading based on the BNY Mellon Quality Success Sheet • Security • Attitude • Expertise •</i> Two calls per week and 8 calls per month per CSR by Call Center Quality Team One call per week and 4 calls per month per CSR by Manager Performance Notes: No issues to report	2.65	2.57	2.63	2.62
Retail Contact Center - Average Speed of Answer (ASA) <i>Grading based on the timeliness of average speed of answer</i> All plans - This standard will not apply during employer open enrollment waves or the initial three Performance Notes: No issues to report	0:16	0:16	0:44	0:25

OregonSaves				
Q3-2024 SERVICE LEVEL REPORT				
Category and Definition	JUL	AUG	SEP	Q3 24'
Retail Contact Center - Abandon Rate <i>Grading based on the calls abandoned after waiting more than the acceptable amount of time (20 sec.) These calls are reported as a percentage of the total calls offered.</i> <i>All plans - This standard will not apply during employer open enrollment waves or the initial three months following new business onboarding.</i> Performance Notes: No issues to report	0.79%	1.09%	2.83%	1.57%
Management Company Support - Timeliness <i>Grading based on timeliness of processing exception items received in good order by 3 PM ET on</i> Performance Notes: No issues to report	94.31%	98.67%	95.24%	96.07%
Management Company Support - Quality <i>Grading based on quality of processing exception items resolved</i> Performance Notes: No issues to report	99.19%	100%	98.64%	99.28%

OregonSaves				
Q3-2024 SERVICE LEVEL REPORT				
Category and Definition	JUL	AUG	SEP	Q3 24'
Adjustments - Timeliness <i>Grading based on timeliness of processing exception items received in good order by 4 PM ET on</i> Performance Notes: No issues to report	100.00%	100.00%	100.00%	100.00%
Adjustments - Quality <i>Grading based on quality of processing adjustment items received in good order by 4 PM ET</i> Performance Notes: No issues to report	100.00%	100.00%	99.89%	99.96%
Document Solutions - Daily Checks <i>Grading based on 100% completion T+2 or NAV Strike +2</i> Performance Notes: No issues to report	100.00%	100.00%	100.00%	100.00%

Thank you!

OregonSaves				
Q3-2024 SERVICE LEVEL REPORT				
Category and Definition	JUL	AUG	SEP	Q3 24'
Timeliness in Processing Financial Transactions Grading based on timeliness of processing requests received in good order by 4 PM ET Financials - Purchases/ Redemptions/ Exchanges / Transfers - Process trades on trade date for the month and dividing by the total financial transactions processed. Performance Notes: No issues to report	100.00%	100.00%	99.87%	99.96%
Quality Processing Financial Transactions Grading based on the accuracy of processing Purchases/ Redemptions/ Exchanges / Transfers Quality is measured by subtracting BNY Mellon financial errors from the total financial transactions Performance Notes: No issues to report	99.34%	99.32%	98.97%	99.21%
Timeliness in Processing Non Financial Transactions Grading based on timeliness of processing requests received in good order by 4 PM ET Non Financials - New Accounts/ Account Maintenances: process by receive IGO date (T+4) Performance Notes: No issues to report	100.00%	100.00%	100.00%	100.00%
Quality Processing Non Financial Transactions Grading based on the accuracy of processing New Accounts/ Account Maintenances Quality is measured by subtracting BNY Mellon non-financial errors from the total financial Performance Notes: No issues to report	98.40%	98.35%	98.43%	98.39%
Retail Contact Center - Quality Grading based on the BNY Mellon Quality Success Sheet • Security • Attitude • Expertise • Two calls per week and 8 calls per month per CSR by Call Center Quality Team One call per week and 4 calls per month per CSR by Manager Performance Notes: No issues to report	2.65	2.57	2.63	2.62
Retail Contact Center - Average Speed of Answer (ASA) Grading based on the timeliness of average speed of answer All plans - This standard will not apply during employer open enrollment waves or the initial three Performance Notes: No issues to report	0:16	0:16	0:44	0:25
Retail Contact Center - Abandon Rate Grading based on the calls abandoned after waiting more that the acceptable amount of time (20 sec.) These calls are reported as a percentage of the total calls offered. All plans - This standard will not apply during employer open enrollment waves or the initial three months following new business onboarding.	0.79%	1.09%	2.83%	1.57%
Management Company Support - Timeliness Grading based on timeliness of processing exception items received in good order by 3 PM ET on Performance Notes: No issues to report	94.31%	98.67%	95.24%	96.07%
Management Company Support - Quality Grading based on quality of processing exception items resolved Performance Notes: No issues to report	99.19%	100.00%	98.64%	99.28%
Adjustments - Timeliness Grading based on timeliness of processing exception items received in good order by 4 PM ET on Performance Notes: No issues to report	100.00%	100.00%	100.00%	100.00%
Adjustments - Quality Grading based on quality of processing adjustment items received in good order by 4 PM ET Performance Notes: No issues to report	100.00%	100.00%	99.89%	99.96%

Document Solutions - Daily Checks	100.00%	100.00%	100.00%	100.00%
<i>Grading based on 100% completion T+2 or NAV Strike +2</i>				
Performance Notes: No issues to report				
Document Solutions - Statements	100.00%			100.00%
<i>Grading based on 100% completion T+10 or NAV Strike T+10</i>				
Begins Sept 2022				
Performance Notes: No issues to report				
Document Solutions - Tax Forms				
<i>Grading based on 100% completion by Regulatory Date</i>				
Performance Notes: No issues to report				
Systems Availability	100.00%	100.00%	100.00%	100.00%
<i>Grading based on availability from 7:30AM to 8:30PM ET Business days</i>				
Key Systems: FSR and SuRPAS				
Performance Notes:No issues to report				
Business Contingency				
<i>Grading based on sucessful test at Least Once Annually (Calendar Year)</i>				
Rotation of servers across datacenters with operational recovery - date of last datacenter rotation test				



BREAK



Oregon Retirement Savings Board

November 19, 2024

Board Fiduciary Training



Agenda

- 1. Introduction**
- 2. State Sponsored IRA Background**
- 3. Roles and Responsibilities**
- 4. Plan Investment Decisions and Considerations**
- 5. Summary of Common Plan Design Features**
- 6. Plan Fee Considerations**
- 7. Investment Concepts**
- 8. Bonus Trivia Round**
- 9. Appendix**

Introduction



Meketa Team

Presenters



Hannah Schriner, CAIA
Managing Principal



Mika Malone, CAIA
Managing Principal



Kay Ceserani
Managing Principal

Experience

- | | | |
|---|---|--|
| <ul style="list-style-type: none">→ 18 years of industry experience→ Joined Meketa in 2017; Shareholder→ Consultant on various non-profit, defined benefit and defined contribution plan sponsors→ Leader: Defined Contribution Practice Group→ Member: Fiduciary Management (OCIO) Investment and Consulting Leadership Committees→ MBA: University of Phoenix; BA: Eastern Washington University | <ul style="list-style-type: none">→ 24 years of industry experience→ Joined Meketa in 2003; Shareholder→ Lead consultant for select public and private pension funds, endowments, and defined contribution plans→ Speaker at numerous industry events→ Member: Board of Directors, Investment Policy and Corporate Responsibility Committees, and Pension Practice Group→ MBA: University of San Diego; BA: University of Maryland | <ul style="list-style-type: none">→ 30+ years of industry experience→ Joined Meketa/PCA in 2008; Shareholder→ Lead consultant on 529 college savings plans→ Member: Executive and Compliance Committees→ SEC- and MSRB-registered Municipal Advisor Principal (Series 54) and SEC- and MSRB-registered Municipal Advisor Representative (Series 50)→ BS: University of Oregon |
|---|---|--|

(Years with firm, years industry experience)



Introduction

Meketa Investment Group has been engaged to provide Governance and Fiduciary Training to the Oregon Retirement Savings Board.

46

Years of Experience

Four decades of investment advisory experience

→ Advising Endowment/Foundations, Defined Benefit, and Defined Contribution plans

Over 250 clients*

→ Over 180 General Consulting clients

→ Over 70 Defined Contribution Plans

Staff of 244, including 167 investment professionals

→ 67 consultants and 51 analysts

→ 58 investment operations

→ 69 corporate & business administration

251

Clients

One Line of Business

→ 100% of our revenue comes from our clients

→ No proprietary products for institutional use

\$90 B

In Defined Contribution
Assets under Advisement

State Sponsored IRA Background

**How many State
Sponsored IRA
Programs are
currently “live” with
assets invested?**

Oregon Retirement Savings Board

Board Fiduciary Training

A. 8


B. 9

C. 11

D. None of the Above

State Sponsored IRA Landscape

- Over half of US States have enacted legislation.
 - The requirement is to participate if an employer does not sponsor their own an employee retirement plan.
- The goal is to provide access to a retirement savings plan for the millions of workers who do not currently have one.
- Provide access to institutional quality investments at reasonable costs.
 - Workers are typically auto-enrolled, but always have the option to opt out.
 - Opt-out rates range from 20-35%.

A blue hexagonal callout box containing white italicized text.

Understanding the differences between a State Sponsored IRA, and a more traditional 401(k) Plan, is important.



Program Statistics (September 2024)

Auto IRA Program	Year of Launch	Total Assets (\$M)	Total Funded Accounts	Total Registered Employers	Average Funded Account Balance	Target Date Funds
OregonSaves	2017	\$323	130,791	31,433	\$2,473	State Street
Illinois Secure Choice	2018	\$217	157,135	26,261	\$1,380	BlackRock
CalSavers	2019	\$1,074	531,673	136,497	\$2,020	State Street
MyCTSavings	2022	\$32	28,687	6,588	\$1,101	White Label
MarylandSaves	2022	\$12	9,456	3,975	\$1,235	BlackRock
Colorado SecureSavings	2022	\$83	62,341	15,445	\$1,333	State Street
RetirePathVA	2023	\$7	10,716	827	\$643	BlackRock
MERIT	2024	\$5	10,200	2,343	\$474	State Street
Delaware EARNs	2024	NA	NA	NA	NA	State Street
New Jersey Secure Choice	2024	NA	NA	NA	NA	Vanguard
VT Saves	Projected 12/2024	NA	NA	NA	NA	State Street

Source: Georgetown University Center for Retirement Initiative



Program Investment Menus and Fees (September 2024)

State Program Descriptions		Individual Investment Options										Blended Portfolios	
State	Plan Name	Stable Value/ Guaranteed Investment Contracts	Money Market Fund	Fixed Income Fund	US Equity Fund	Mid Cap Fund	Small Cap Core Fund	Small Cap Value Fund	Intl Equity Fund	Global Equity Fund	ESG Equity Fund	Target Date Fund	Target Allocation Fund
OR	Oregon Retirement Savings Board	--	0.120	--	0.02	--	--	--	--	--	--	0.090	--
IL	Illinois Secure Choice	--	0.150	0.040	0.02	--	--	--	--	--	--	0.090	--
CA	CalSavers	--	0.120	0.025	--	--	--	--	--	0.038	0.190	0.090	--
CT	MY CT Savings	--	0.074	--	--	--	--	--	--	--	--	0.330- 0.360	0.320- 0.350
MD	Maryland Saves	0.000*	--	0.025	--	--	--	--	--	0.670	--	0.090	--
CO	Colorado SecureSavings	--	0.120	0.025	--	--	--	--	0.100	--	--	0.090	--
VA	Retirepath VA	--	0.120	0.050	0.02	--	--	--	0.050	--	--	0.090	--
ME	Maine Saves	--	0.120	0.025	--	--	--	--	0.100	--	--	0.090	--
DE	Delaware EARNs	--	0.120	0.025	--	--	--	--	0.100	--	--	0.090	--
NJ	RetireReady NJ	--	0.090	0.300	0.015	0.025	0.025	1.070	0.055	--	--	0.080	--
VT	VT Saves	0.110	--	0.025	0.02	--	--	--	0.120	--	--	0.090	--

* Fees are embedded within the Guaranteed Investment Contract issued by The Lincoln National Life Insurance Company.
Source: Georgetown University Center for Retirement Initiative and State Program Descriptions

What company was the first to enroll in the OregonSaves Plan?

A

Annastasia
Salon LLC

B

Square Deal
Lumber

C

Columbia
County Child
Abuse
Assessment
Center

D

Statehood
Media

Oregon Retirement Savings Program Background

**Oregon
Retirement
Savings Board**

- The Board was established in 2015
- Responsible for establishing and overseeing the OregonSaves program, a state-run retirement savings initiative.
- This program provides Oregonians with an opportunity to save for retirement through payroll deductions

OregonSaves

- Oregon was the first State Auto-IRA Plan to launch in 2017.
- Functions as a Roth individual retirement plan (IRA) funded via post-tax payroll deductions.
- Employees of participating businesses are automatically enrolled in the plan within 60 days of their hiring date at a default contribution rate of 5%.
 - This rate increases 1% annually up to a 10% maximum
 - Employees may change their contribution rates or opt out of the program at any time.
 - Initial contributions are invested in the OregonSaves Capital Preservation Fund for until the applicable Initial Sweep Date (generally, a period of 30 days from the initial contribution date). Unless an alternate investment election is selected contributions will be transferred to an OregonSaves Target Retirement Fund, depending on the employee’s age and year of retirement.

What year was the
Roth IRA
Established?

- A. 1974
- B. 1981
- C. 1986
- D. 1997



Oregon Retirement Savings Board

Board Fiduciary Training

Governing Laws

1. The Oregon Retirement Savings Board shall develop a defined contribution retirement plan for persons employed for compensation in this state and conduct a market and legal analysis of the plan.
2. The board shall have the following powers:
 - a) To establish, implement and maintain the plan developed under this section.
 - b) To adopt rules for the general administration of the plan as provided in ORS 178.215 (Rules for Oregon Retirement Savings Plan).
 - c) To direct the investment of the funds contributed to accounts in the plan consistent with the investment restrictions established by the board. The investment restrictions must be consistent with the objectives of the plan, and the board shall exercise the judgment and care then prevailing that persons of prudence, discretion and intelligence exercise in the management of their own affairs with due regard to the probable income and level of risk from certain types of investments of money, in accordance with the policies established by the board.
 - d) To collect application, account or administrative fees to defray the costs of administering the plan.
 - e) To make and enter into contracts, agreements or arrangements, and to retain, employ and contract for any of the following considered necessary or desirable, for carrying out the purposes set forth in ORS 178.200 (Oregon Retirement Savings Board) to 178.260 (Final orders relating to compliance):
 - A. Services of private and public financial institutions, depositories, consultants, investment advisers, investment administrators and third-party plan administrators.
 - B. Research, technical and other services.
 - C. Services of other state agencies to assist the board in its duties. (c.149 §6; 2019 c.512 §1)



Governing Laws (continued)

- f) To evaluate the need for, and procure as needed, pooled private insurance of the plan.
- g) To develop and implement an outreach plan to gain input and disseminate information regarding the plan and retirement savings in general.
- h) To request that the Commissioner of the Bureau of Labor and Industries investigate an employer under ORS 178.255 (Investigation by Commissioner of Bureau of Labor and Industries) to determine the employer's compliance with the requirements of the defined contribution retirement plan developed under this section, if, after three attempts, using different means of communication when available, to bring the employer into compliance, the board has reasonable grounds to believe that the employer remains in violation of the requirements of the plan.
- i) To enter into agreements with other states to provide services to the other states related to retirement savings plans administered by the other states and similar to the plan developed under this section. [2015 c.557 §2; 2019

Roles and Responsibilities

**Which cities
have served
as Oregon's
Capital?**

Oregon Retirement Savings Board

Board Fiduciary Training

A. Corvallis

B. Oregon City

C. Portland

D. Salem



Governance Structure

Office of the State Treasurer

Retirement Savings Board

Plan Staff
(HR/benefits,
Counsel, Finance)

Investment
Consultant

Recordkeeper/
Custodian

Other Service
Providers (auditor,
specialist consultants,
investment managers)

OregonSaves

Program Governance



Board

- The Oregon Retirement Savings Board is established in the Office of the State Treasurer of Oregon.
- The Board is responsible for the establishment, implementation and maintenance of the Program.
- The Office of the State Treasurer provides staff support to the Board.

Program Administrator

- Vestwell State Savings, LLC serves as the Program Administrator, succeeding a prior administrator as of November 8, 2021.
- The Program Administrator and its contractors are responsible for day-to-day program operations including recordkeeping and administrative services.

Investment Manager of Underlying Funds

- Sellwood Investment Partners, LLC serves as the Plan’s investment manager. In this capacity they recommend Investment Options and the Underlying Funds for each Investment Option to the Board for their approval.
- The Investment Options are currently comprised of allocations to mutual funds managed by State Street Global Advisors.

IRA Custodian

- The IRA Custodian establishes:
 - The OregonSaves Accounts;
 - Processes the IRA owner’s instructions as directed;
 - Issues account statements; and
 - Fulfills IRS reporting requirements, non-discretionary trustee duties and other responsibilities under Section 408(a) and other applicable provisions of the Code.

Municipal Securities Custodian

- The Bank of New York Mellon is the custodian of the municipal securities (i.e., the Units) held in the OregonSaves Accounts.

Program Custodian:

- The Bank of New York Mellon is the custodian of the investments (e.g., mutual fund shares) held in the portfolios of the Trust corresponding to each Investment Option.

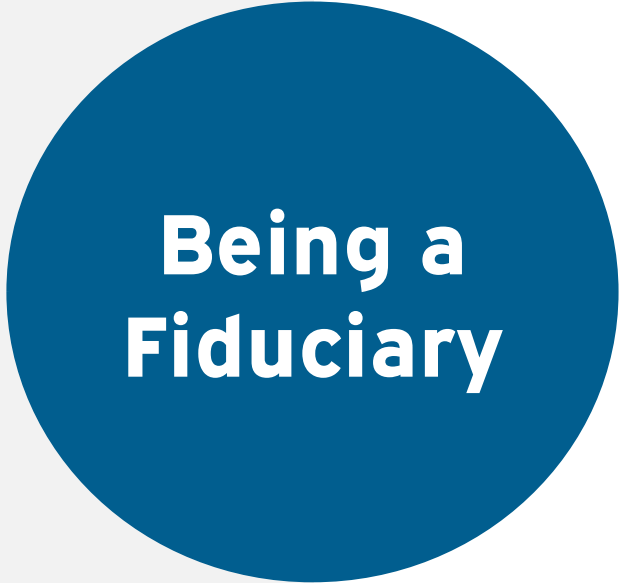


Fiduciaries Come in Many Flavors

Trustees,
Committee
Members

Investment
Advisors

All Individuals
Exercising
Discretion in Plan
Administration



What is a Fiduciary?

- Any individual or entity with discretionary authority over a retirement plan's administration or investments.

What is a Fiduciary Responsible for?

- Acting solely in the interest of plan participants and their beneficiaries and with the exclusive purpose of providing benefits to them;
- Carrying out their duties prudently;
- Following the plan documents;
- Diversifying plan investments; and
- Paying only reasonable plan expenses.

5 General Action Items for a Fiduciary

- Determine investment goals and objectives
- Establish an explicit, written investment policy consistent with the goals and objectives
- Approve appropriate money managers, mutual funds, other "prudent experts" to implement the investment policy, at a "reasonable" cost
- Monitor the activities of the overall investment program and compliance with the investment policy
- Avoid conflicts of interest and prohibited transactions

Governing Documents

Oregon Retirement Savings Board Statute
ORS 178.200 to 178.245, as amended from
time to time

Delegation of Authority and all Amendments

Oregon State Treasury Chapter 170, Division
80, Oregon Retirement Savings Program

Program Disclosure Booklet

*Custodial Account Agreement, Disclosure
Statement and Financial Disclosure*



Fiduciary Oversight Best Practices Checklist
for Defined Contribution Plans

✓ Have a strong governance structure in place

- Meet regularly
- Review IPS annually
- Document meetings and decisions

✓ Promote member education and savings

- Focus on retirement outcomes
- Implement auto-features when possible

✓ Implement a prudent fee structure

- Minimize fees and expenses where possible
- Have a fee structure that is transparent and equitable across all members

✓ Provide a best-in-class investment lineup

- Use an open-architecture structure
- Implement a simplified, multi-tiered menu that provides adequate diversification and choice
- Avoid redundancy in investment options
- Consider both passive and active options
- Use an appropriate default investment option
- Evaluate and monitor investment options
- Monitor member activity and utilization of investment options
- Monitor and review industry trends within defined contribution market

What are the six primary fiduciary duties?

A.

B.

C.

D.

E.

F.

The Board’s Primary Duties: Fiduciaries are Held to a High Standard of Conduct

Duty of Care

Act solely in the best interest of the Plan’s account owners and beneficiaries by making informed and prudent decisions.

Requires thorough research, seeking expert advice, and continuously monitoring investment performance.



Duty of Prudence

Act with same care, skill and caution that a prudent person would exercise in similar circumstances.

This includes diversifying investments to minimize risk.



Duty to Delegate

Prudent delegation allowed to other qualified individuals or entities.

Due diligence must be exercised in this process.

Responsibilities cannot be abdicated.



Duty of Loyalty

Prioritize the Plan’s interest ahead of other interests.

Avoid conflicts of interest and ensure that decisions benefit the stakeholders.



Duty of Obedience

Adhere to governing documents and the entity’s mission.

Comply with relevant laws and regulations.



Duty to Disclose

Full transparency is required regarding potential conflicts of interest and any information that might affect investment decisions.

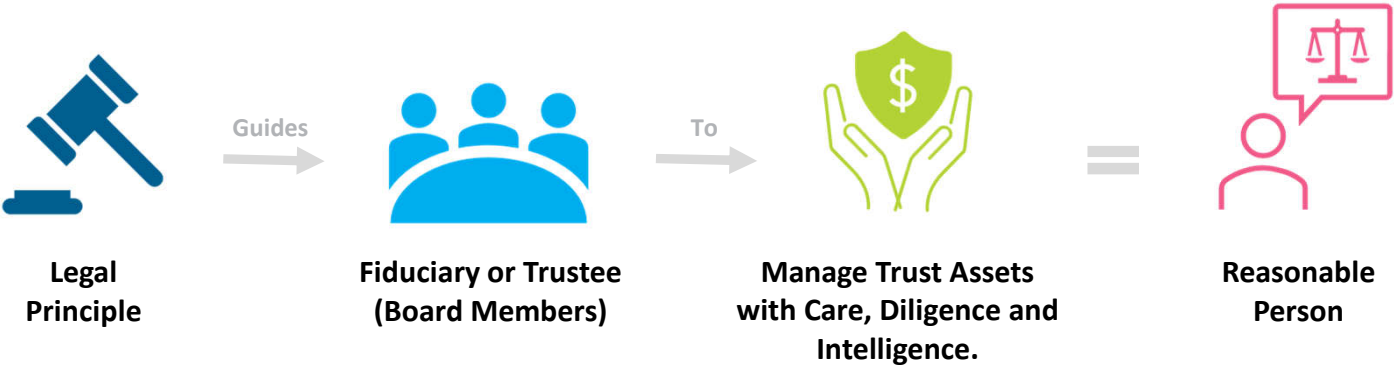


PRUDENT PERSON RULE

Oregon Retirement Savings Board

Board Fiduciary Training

→ Fiduciaries must discharge their duties with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the situation.



- Procedural prudence is the focus and goes to the decision-making process—process, not result, is the key.
- The prudent person standard does not make the Board a guarantor of positive investment results.
- The Board is not responsible for the outcome provided it engaged in a deliberate and diligent analysis in making its investment decisions.
- Process is not just a “check the box” item; it is a tool for making prudent decisions.

PRUDENT INVESTOR RULE

Oregon Retirement Savings Board

Board Fiduciary Training



Uniform Prudent Investor Act

Modernized Standards for
Fiduciary Investment
Management

Fiduciary Duty

Obligated to Act in the
Best Interest of Clients or
Beneficiaries

Key Principles

Diversification, Risk and
Return Objectives, Duty to
Monitor Investments and
Delegation of Investment
Functions

Rooted in the principles of fiduciary duty and prudent investment practices.

PRUDENT INVESTOR RULE

Oregon Retirement Savings Board

Board Fiduciary Training

1

Set Investment Objectives

2

Create Investment Policy Statement

3

Exercise Due Diligence in
Selecting and Monitoring Investments

→ Examples of investment decisions :

- General economic conditions and risk management best practices.
- The possible effect of inflation or deflation.
- The role that each investment or course of action plays within the overall trust portfolio.
- The expected total return from income and the appreciation of capital.
- Other resources of the beneficiaries known to the trustee.
- Needs for liquidity, regularity of income, and preservation or appreciation of capital.
- An asset's special relationship or special value, if any, to the purposes of the trust or to one or more of the beneficiaries.



Managing Fiduciary Responsibilities

→ Plan fiduciaries, with help from their legal advisors, service providers and partners, can manage fiduciary responsibility by creating and maintaining a structured, prudent set of procedures and plan records including:

Plan Document	Investment Policy	Participant Communication
Written document defining the plan’s design and benefit structure	Written statement that guides day-to-day investment operations	Documents and tools to provide required information to plan participants

Elements of an Investment Policy Statement

→ An investment policy statement includes sections to address:

- Purpose and scope.
- Definition of duties (roles and responsibilities).
- Broad objectives.
- Investment Menu framework.
- Permitted program investments.
- Excluded investments.
- Objectives and parameters of specific portfolios.
- Sets forth operational guidelines and rules for monitoring and reviewing the portfolios and underlying funds.
- Outlasts the longevity of the current administration and other involved parties.

A clearly articulated investment policy statement is central to communicating a Board's governance structure and investment decision making practices.

→ Dynamic process.

- Identified weaknesses and gaps between actual and best practices and between expectations and reality.
- Resulting in a document that is easily understood and requires somewhat infrequent changes.

Board members are exposed to fiduciary liability.



A breach of fiduciary duty occurs when a fiduciary, who is entrusted to act in the best interests of another party, fails to fulfill their legal obligations and responsibilities.



Key points about a breach of fiduciary duty:



Violation of Duties: It involves the fiduciary acting in a way that contradicts their duties of care, loyalty, or obedience. This could mean making decisions that benefit themselves at the expense of the party they are supposed to protect.



Legal Consequences: Breaching fiduciary duties can lead to serious legal implications, including financial liability for any damages caused

How can you mitigate your fiduciary liability?

Oregon Retirement Savings Board

Board Fiduciary Training

A. Active Involvement

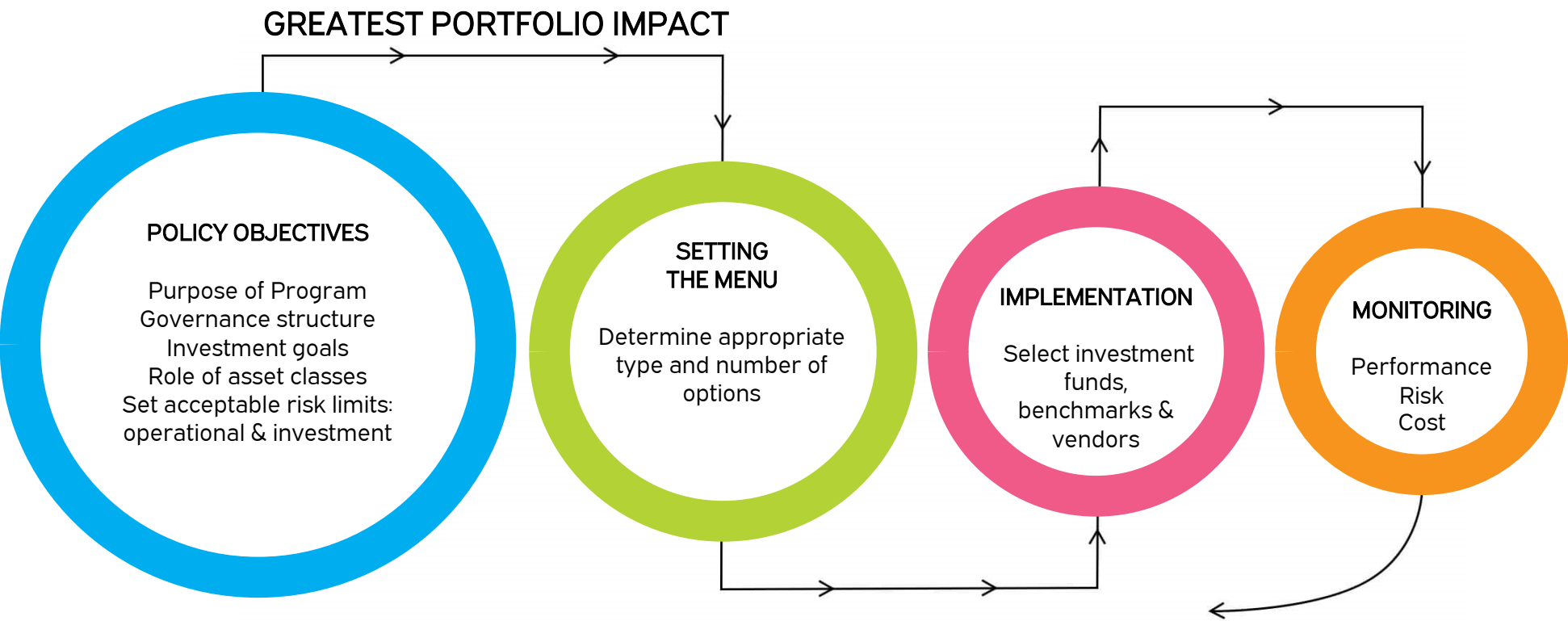
B. Understand Your Duty

C. Attend Meetings

D. Follow Processes

Plan Investment Decisions and Considerations

The Framework





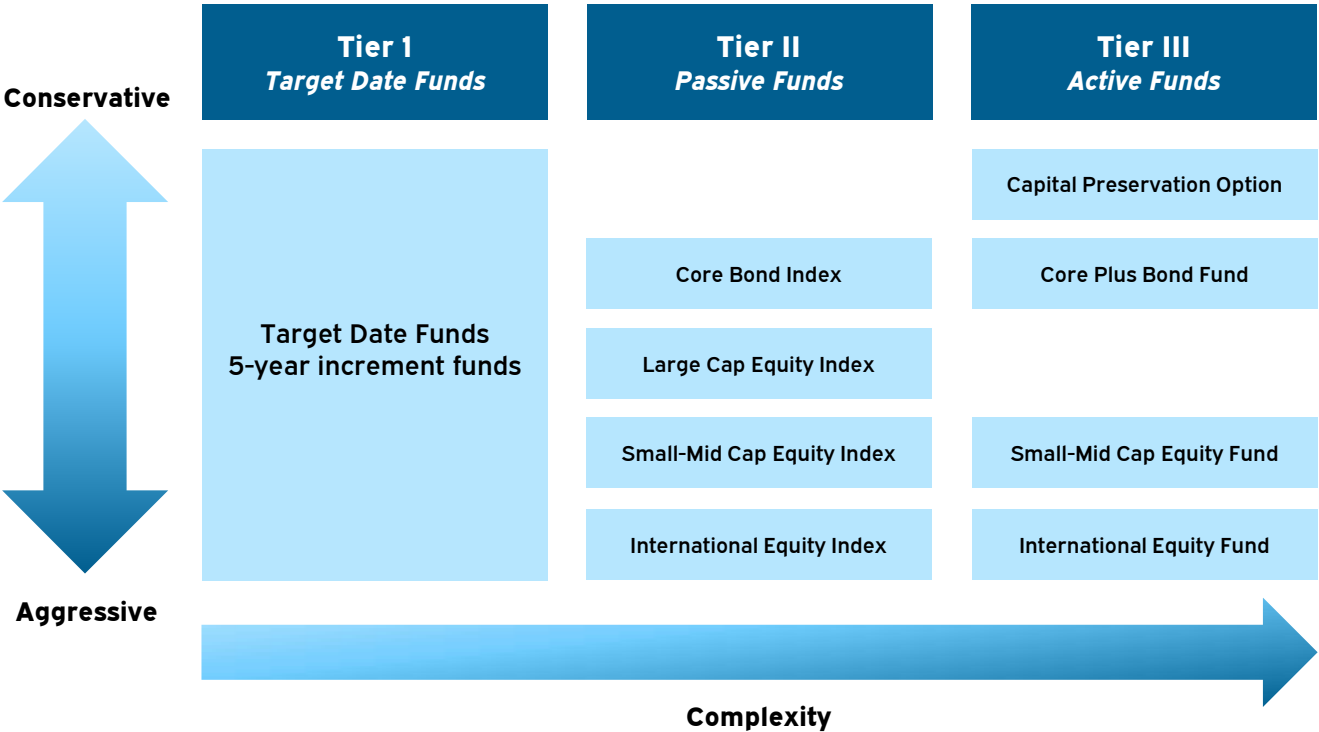
Investment Menu Considerations

Investment Menu Design

- **Target-Date Options (most common choice of participants) - Tier I**
 - Diversified options that de-risk over the investment horizon
- **Stand Alone (Individual) Options - Tier II and Tier III**
 - Invests in a single fund
 - Can be Passive, or Active
- **Capital Preservation Option**
 - Protects against decline in yield and loss of capital
 - Often a Money Market, or Stable Value Fund



Meketa Model Participant Directed Plan Investment Structure





Investment Selection and Monitoring

- While State Sponsored IRA programs are not subject to the Employee Retirement Income Security Act (ERISA), ERISA is considered the gold standard for fiduciary principles, and it is worth being familiar with its framework.
- Under ERISA, plan fiduciaries are held to an extremely high standard—the “prudent expert” standard. A plan fiduciary must act: “. . . with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use . . .”
- ERISA’s standard of prudence for fiduciaries is not that of a prudent layperson, but rather that of a prudent investment professional. A lack of familiarity with investments is no excuse; according to some court rulings, if fiduciaries are unsure on what to do, they are expected to retain professional advisors to make recommendations.
- Best Practices:
 - **Ensure** an understanding of your investment portfolio’s purpose and objective, with a clear definition of success.
 - **Adopt** an investment strategy with expectations for both risk and return, including selecting a default fund in a participant-directed plan.
 - **Create** a well-defined process for hiring, evaluating, and terminating investment managers.
 - **Adhere** to an Investment Policy Statement (IPS).

Source: Vanguard Best Practices for Plan Fiduciaries



Investment Selection Process

The Investment Option evaluation process should exhibit several key features:

- Objectivity
- Balance between short-term issues and long-term objectives

While the process might be fluid, a systematic documented approach is essential.

- Incorporate quantitative and qualitative aspects of managers/funds' practices.
- Understanding the role of the manager/fund in the Program.
- Clear and consistent time period of review.

Quantitative Review

Formulaic criteria focused on

- Relative performance versus a benchmark/peer group over various time periods

Understand underperformance

- Is investment style out of favor?
- What are the biases of the investment strategy?
- Do the portfolio characteristics reflect its stated investment style?
- Is the benchmark/peer group an accurate representation of the fund's opportunity set?
- Is the underperformance consistent with expectations?

Qualitative Review

Non-performance issues

- Has there been a change in ...
 - ☒ People – PM/Analysts
 - ☒ Process
 - ☒ Philosophy
 - ☒ Organizational Structure

Implications of change/event

- Is the change a positive or negative?
- How will it impact the management of the fund?
- How will it impact the firm/team culture?
- Will it be a distraction to the investment process?



Investment Monitoring

- The duty of prudence includes an ongoing duty to review selected investments or services periodically to determine whether the selections remain prudent.
- Best Practice: have a process in place that can be repeated and measured.
 - Establish objective criteria to effectively measure investment performance.
 - Evaluating the manager’s team and organization.
 - Understanding the philosophy that guides the manager’s firm.
 - Understanding the firm’s process and its consistency over time.
 - Analyzing performance over time in light of the firm’s philosophy and process.
 - Identify criteria that may be used in considering whether to replace an investment vehicle, including:
 - Receive and review regular reports describing the performance of the investments
 - Performance in comparison to benchmarks and peers;
 - Any deviation from initial objectives;
 - Organizational changes; and
 - Issue spotting (e.g., declining AUM, unusual asset allocation approach).
- Fiduciaries should have a strong understanding and process for when they need to remove an investment.

Which is the largest
company in Oregon
by Market Cap?

Oregon Retirement Savings Board

Board Fiduciary Training

A. Columbia Sportswear

B. Dutch Bros

C. Lattice Semiconductor

D. Nike

Summary of Common Plan Design Features

DEFAULT INVESTMENT OPTION

Purpose

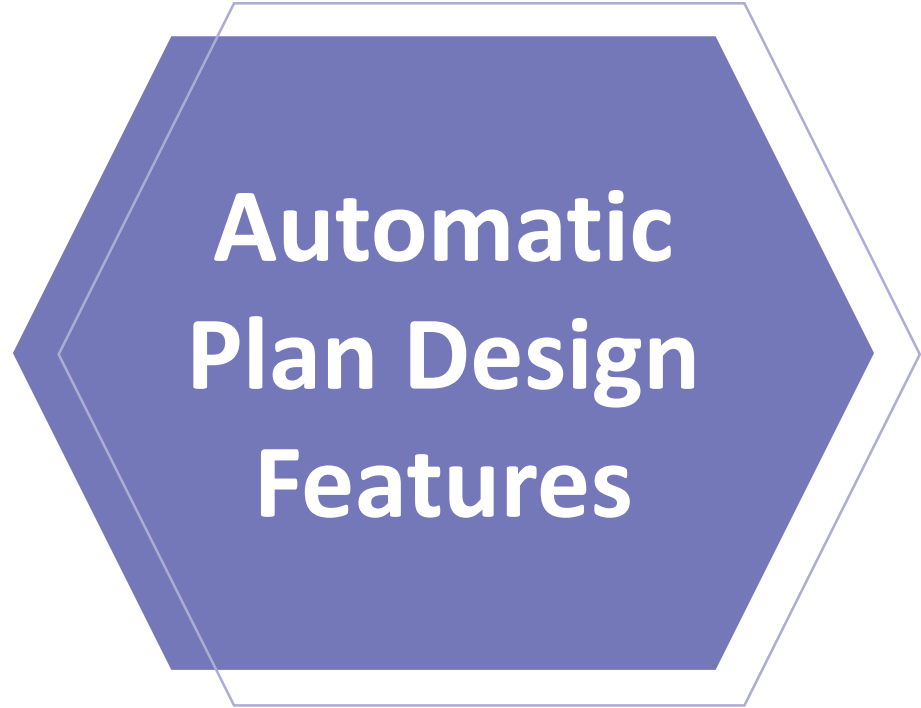
The default option is designed to provide a reasonable investment strategy for participants who might not have the time, knowledge or interest to choose their own investments.

Types

Common types of default options include balanced funds and target date funds. Many State Sponsored IRA's use target date funds or Capital Preservation as their default option.

Defined:

- A default investment option is a pre-selected investment choice within a retirement plan, chosen by the plan sponsor.
- The option is automatically applied to participants who do not actively select their own investment choice.
- It simplifies the selection process for participants and ensures that their contributions are invested in a diversified manner.



Benefits of auto features:

- Employees start saving for their future.
- Increases employee participation in the plan.
- Default option puts participants on the right path.

Automatic enrollment:

- Employer automatically enrolls eligible employees in a defined contribution plan.
- Employees can elect not to participate (opt-out).
- Employee’s contribution amount is set to the Plan’s default percentage.
- The employee may choose not to contribute to the plan or contribute a different amount.
- If the employee fails to make an affirmative election, the automatic deferrals are invested in the plans default investment option.

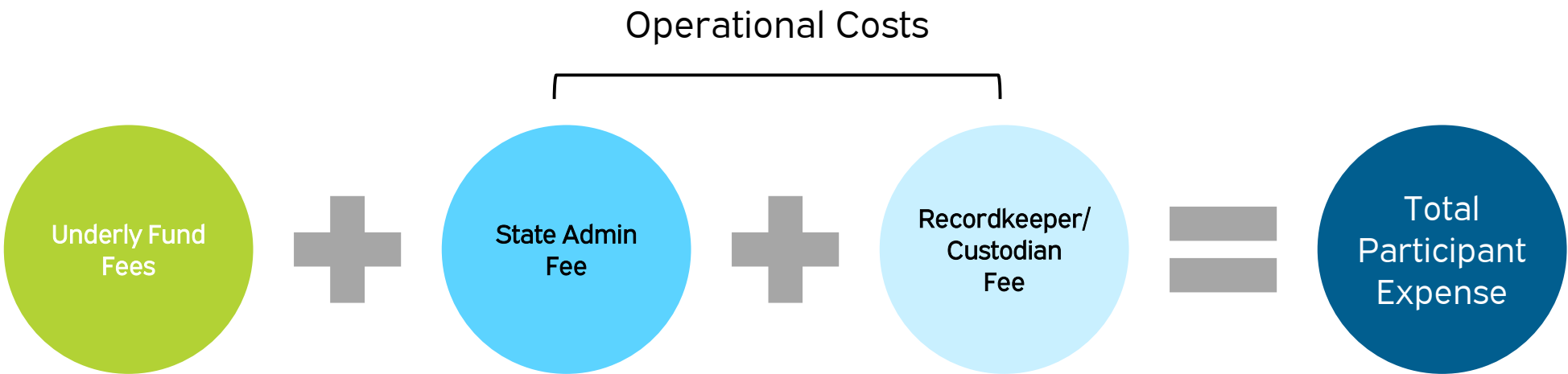
Automatic escalation:

- Automatically increases an employee’s contribution amount.
- Typically, the annual contribution rate increases 1% up to a pre-determined maximum.

Plan Fee Considerations



Participant Fee Components





Fee Considerations

- Fiduciaries, when selecting and monitoring service providers and plan investments, have a duty to act prudently and solely in interest of the plan’s participants and beneficiaries.
 - They must ensure that arrangements with their service providers are “reasonable,” and that only “reasonable” compensation is paid for services.
- There is no one right answer on what is appropriate, but it is prudent for fiduciaries to have a repeatable, documented process for evaluating plan-related fees.
- Best Practices:
 - Implement a transparent and equitable fee structure.
 - Minimize fees and expenses where possible.
 - Unbundle the recordkeeping fees from the investment management fees (remove revenue share).
 - Have an explicit fee structure appropriate for the plan demographics (asset-based, per capita, or hybrid).
 - Benchmark fees periodically.



Types of Fees

- Investment (gross/net expense ratio)
 - Management Fees
 - Other Fees (custody, accounting, legal, etc.)
 - Revenue Share (is a fee-for-service arrangement between investment companies and retirement plan service providers that is included into a mutual fund expense ratio.)
- Administrative
 - Recordkeeper/Custodian, program administration
- Plan Related Fees
 - Audit Fees
 - Legal Fees
 - Consultant Fees

Investment Concepts



Active versus Passive Investing

Active Management

- Active management refers to a portfolio management strategy where the manager makes specific investments with the goal of outperforming a benchmark index.
 - If Manager A returns 10% and the S&P 500 Index returns 8%, Manager A has outperformed the benchmark index by 2%.
- An active management strategy involves making calculated decisions regarding stocks, sectors, countries, etc.

Passive Management

- Passive management refers to a portfolio management strategy where the manager makes specific investments with the goal of mimicking the structure and performance of a benchmark index.
- Investors may choose passive management because it provides broad market exposure, with minimal operating costs and fees.



What is a Benchmark?

- A benchmark is a standard measure that can be used to analyze the allocation, risk and return of a portfolio or mutual fund.
- In investing, benchmarks typically come in two flavors:

Index	Peer Universe
<ul style="list-style-type: none">• Indexes include multiple securities, assets, or other instruments which represent the investable universe for a specific style of investing.• Provides context in understanding a portfolio’s absolute performance.	<ul style="list-style-type: none">• Provides a funds comparative standings (or rank) within an appropriate peer group of fund with similar mandates and objectives.• Helps gauge the effectiveness of a fund’s management team versus similar funds especially in periods when absolute results are outside of historical norms.
<ul style="list-style-type: none">• Indexes represent a portfolio of unmanaged securities that represent a designated market segment.<ul style="list-style-type: none">– Index providers create and calculate market indices and then license their products.– Each follow their own standardized methodology.	<ul style="list-style-type: none">• Peer groups can be broad in nature as well as broken down into segments based on portfolio characteristics.• There are a variety of databases for the institutional and the mutual fund market.<ul style="list-style-type: none">– Morningstar and Lipper are top providers for mutual fund peer universes.

- There are benchmarks for every type of investment and strategy.

What is the “Eighth Wonder of the World” according to Einstein?

A

Beta

B

Diversification

C

The Firm
Foundation
Theory

D

The Power of
Compounding

ECONOMIC INDICATORS

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“The crystal ball says to buy and the
8-Ball says to sell.”

GDP Construction Spending
Retail Sales Wage Growth
PPI Consumer Spending
Home Building
New Jobs Unemployment
Consumer Savings CPI
Inflation Home Sales
Industrial Production
Manufacturing Demand
PCE Interest Rates

TOP US ECONOMIC INDICATORS

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1 | GDP

- Provides the overall value of the goods and services that the economy produces
- Indicates if the economy is growing or slowing

3 | Inflation

- Measures the change in the price of goods and services in the economy
- CPI (Consumer Price Index) is the most commonly used inflation index

2 | Unemployment

- Measures the percentage of the nation's labor force that is unemployed
- High unemployment leads to lower consumer spending and economic output

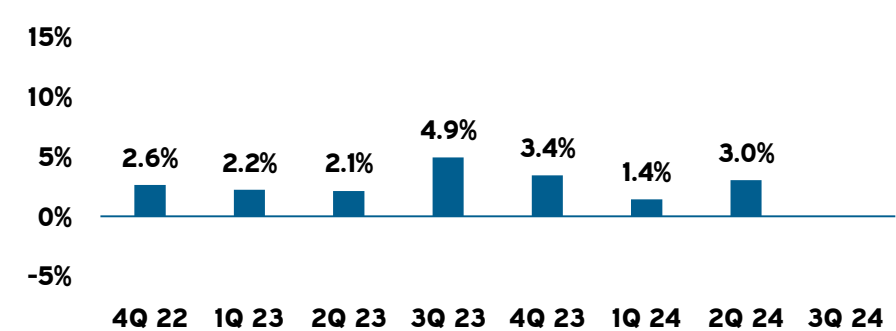
4 | Interest Rates

- Cost of borrowing money set by the Federal Reserve
- Lower rates encourage spending and investment, which can boost GDP and reduce unemployment



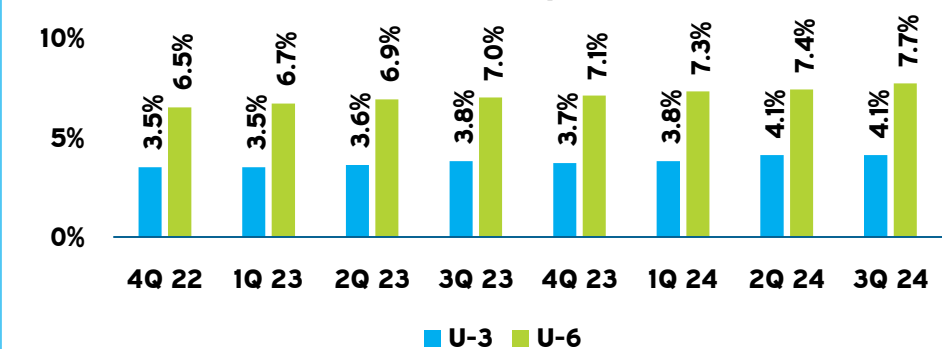
Economic Indicators Snapshot

Quarterly Real GDP (Annualized)



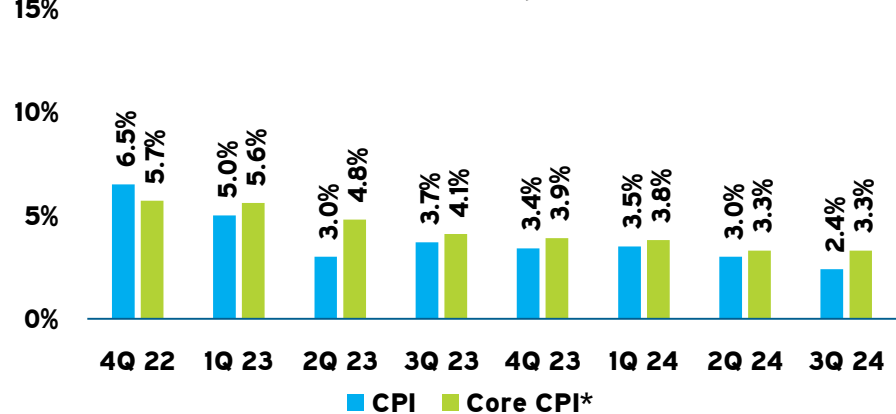
Source: Bureau of Economics Analysis. Data as of Q2 2024 represents the “third” estimate. The Q3 2024 “advance estimate” will be released October 30, 2024.

US Unemployment



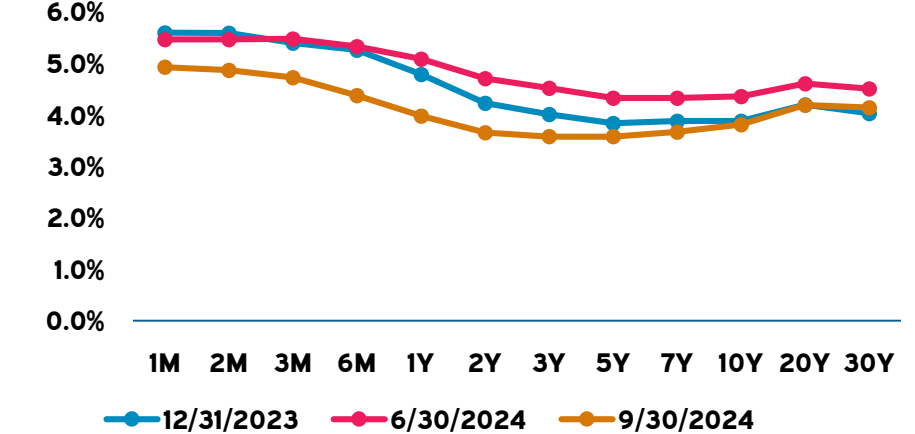
Source: Bureau of Labor Statistics. Data as of September 30, 2024. Seasonally adjusted.
U-3 = Total US unemployed, as a percent of the civilian labor forces (official unemployment rate).
U-6 = Total unemployed, plus all persons marginally attached to the labor force, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force

US Inflation Trailing 12 Months



Source: Bureau of Labor Statistics. Data is non-seasonally adjusted CPI, which may be volatile in the short-term. Data as September 30, 2024.
* Core CPI excludes Food and Energy.

US Yield Curve



Source: US Department of the Treasury.



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Risk Defined

- Risk is any uncertainty with respect to investments that has the potential to negatively impact financial outcomes.
- The level of risk associated with a particular investment or asset class typically correlates with the level of return the investment might achieve. The rationale behind this relationship is that investors willing to take on risky investments and potentially lose money should be rewarded for their risk.
- Investment Risk cannot be eliminated, but asset allocation and diversification help manage both systemic risk (risk affecting the economy as a whole) and non-systemic risk (risks that affect a small part of the economy, or even a single company).
 - The members assume the investment risk for the OregonSaves Program. As such, they are responsible for their own asset allocation and diversification of their Account.

**What is
considered the
only “Free Lunch”
in investing?**

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A. Compound Interest

B. Diversification

C. Value Investing

D. None of the Above



Asset Allocation and Diversification

What's the difference?

Asset Allocation

The portion, or percentage, of each asset class that an investor has in their portfolio. For example, 60% stocks and 40% bonds.

Diversification

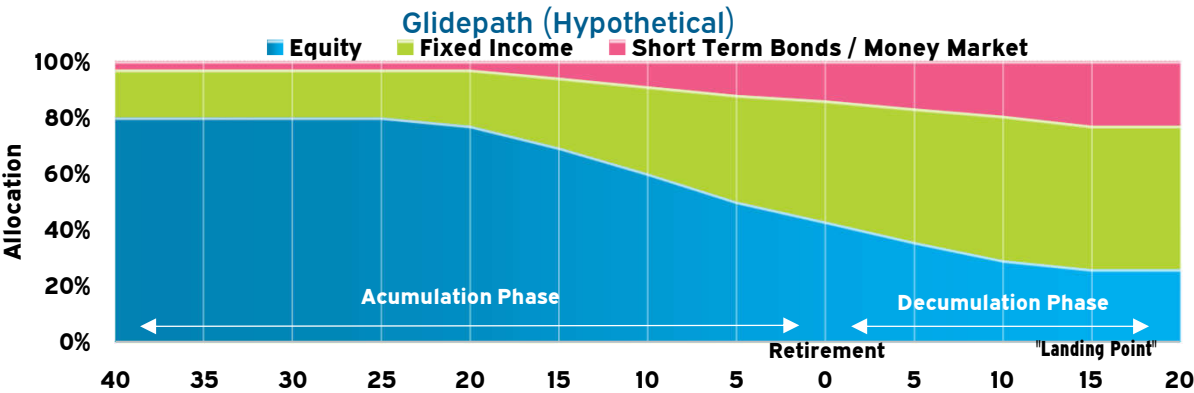
A risk management practice to reduce the impact of any one investment, by investing in a mix of assets that move up and down under different market conditions.

Different, but related.



Glidepath

- Target Date Fund (TDF) managers all employ a “glidepath” that outlines the path of the changing asset allocation on an incremental basis (see below for hypothetical example).
- A TDF’s asset allocation typically has more equity exposure when the target date is further away. Overtime, TDF managers rebalance the fund to become more conservative, usually by adding more fixed income exposure.



- The “Landing Point” is the point where the asset allocation is most conservative.
- There are two main approaches to glide path construction.
 - “To” retirement glidepath reaches its most conservative equity allocation (landing point) at retirement.
 - “Through” retirement glidepath maintains a meaningful equity allocation during retirement to mitigate longevity risk. Typically, the landing point is not reached until well after retirement.
- Once a fund reaches its landing point, it is often merged into the Retirement Income focused fund in the suite of TDFs.

When were Target
Date Funds (TDFs)
invented?

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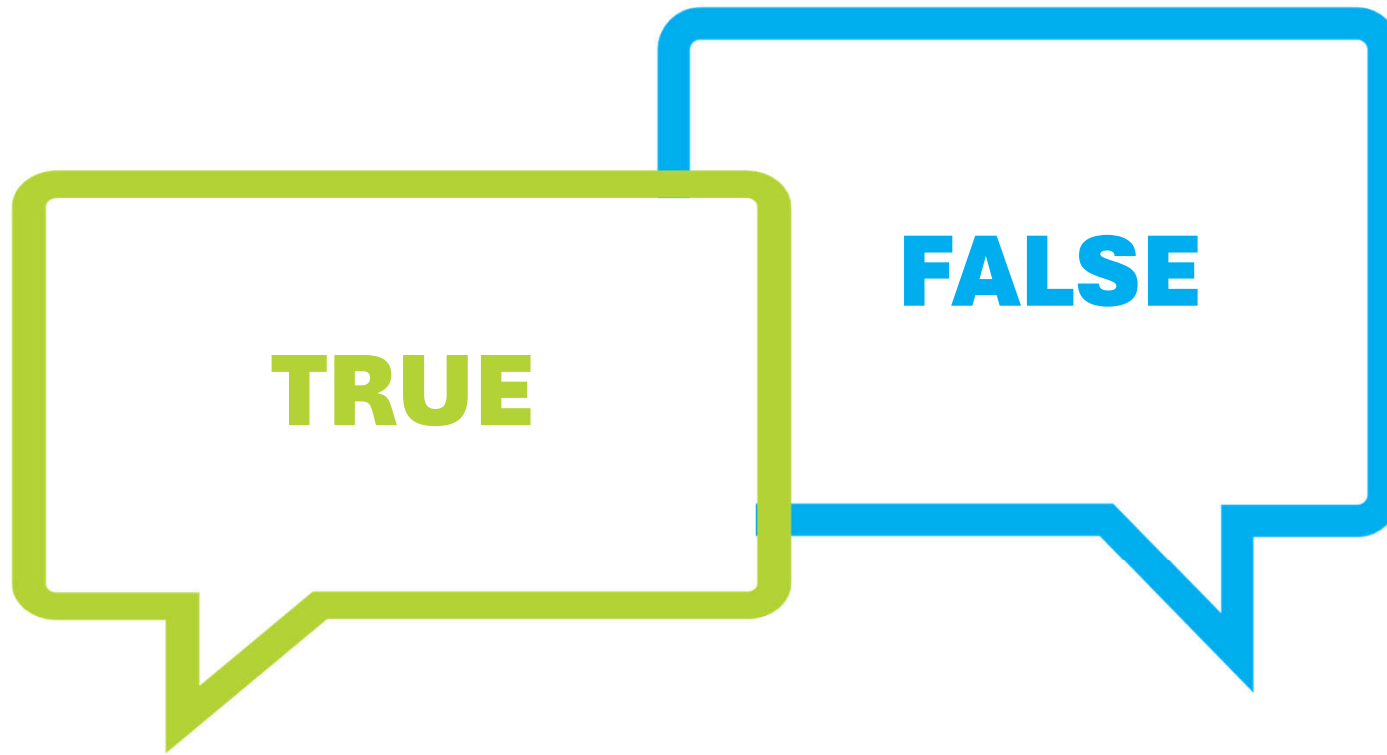
A. Early 70's

B. Early 80's

C. Early 90's

D. Early 00's

Bonus Trivia Round



The Roth IRA was initially proposed by William Roth of Delaware and a senator from Oregon.

**OregonSaves has
account holders in
how many states?**

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A. 6

B. 12

C. 50

D. None of the Above

The Portland Webfeet was the first professional sports team in Oregon.

TRUE

FALSE

What is the total national number of savers who now have retirement savings that didn't have access before?

A

~570,000

B

~620,000

C

~940,000

D

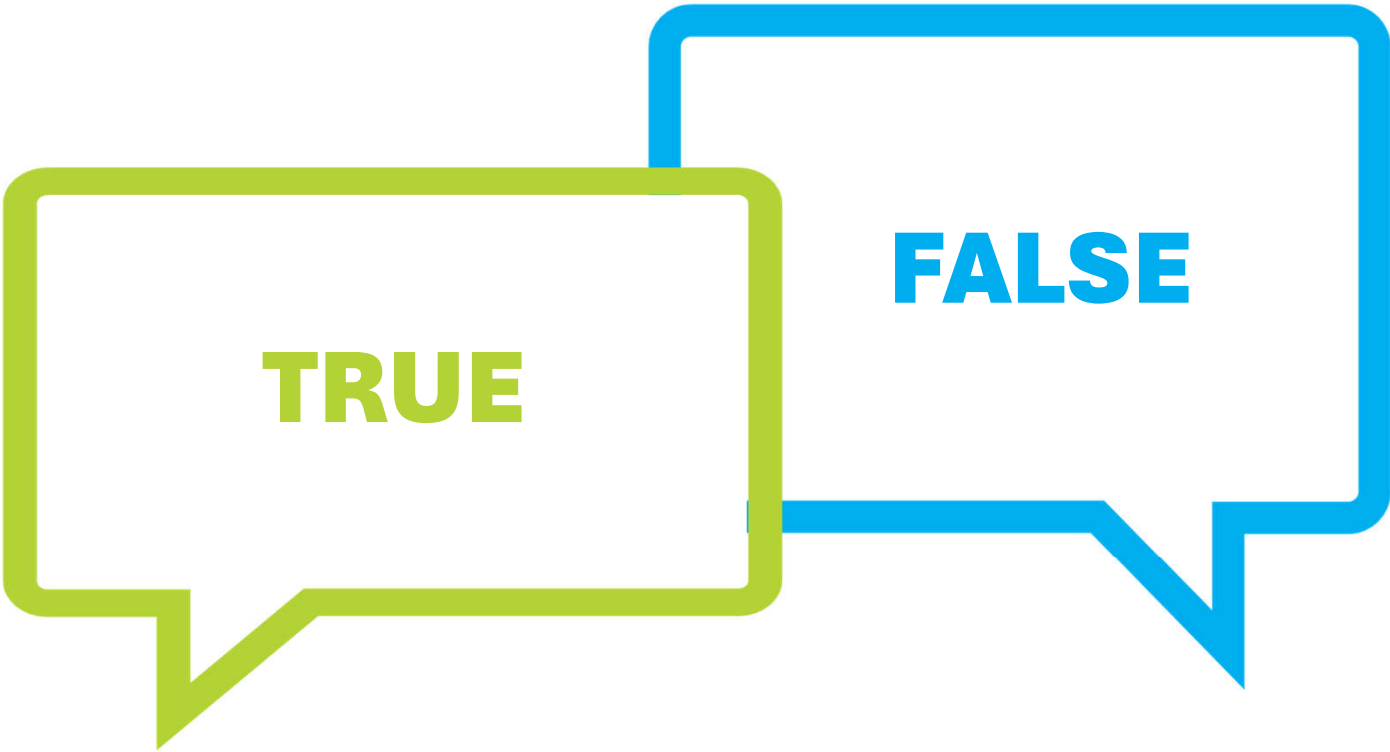
~1,100,000

Which company is
the biggest
employer that
participates in the
OregonSaves Plan?

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- A. Altru Home Care LLC
- B. Dial Temporary Help Service
- C. Affordable at Home Care Inc.
- D. Anytime Labor-Idaho LLC



**All state-facilitated Retirement Savings Programs
are structured as individual Retirement Accounts
(Auto IRAs).**

Who owns which dog?

A.



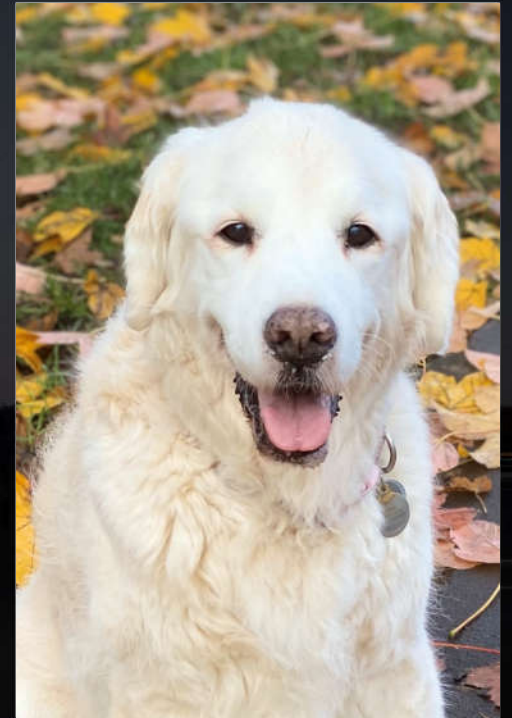
Libby

B.



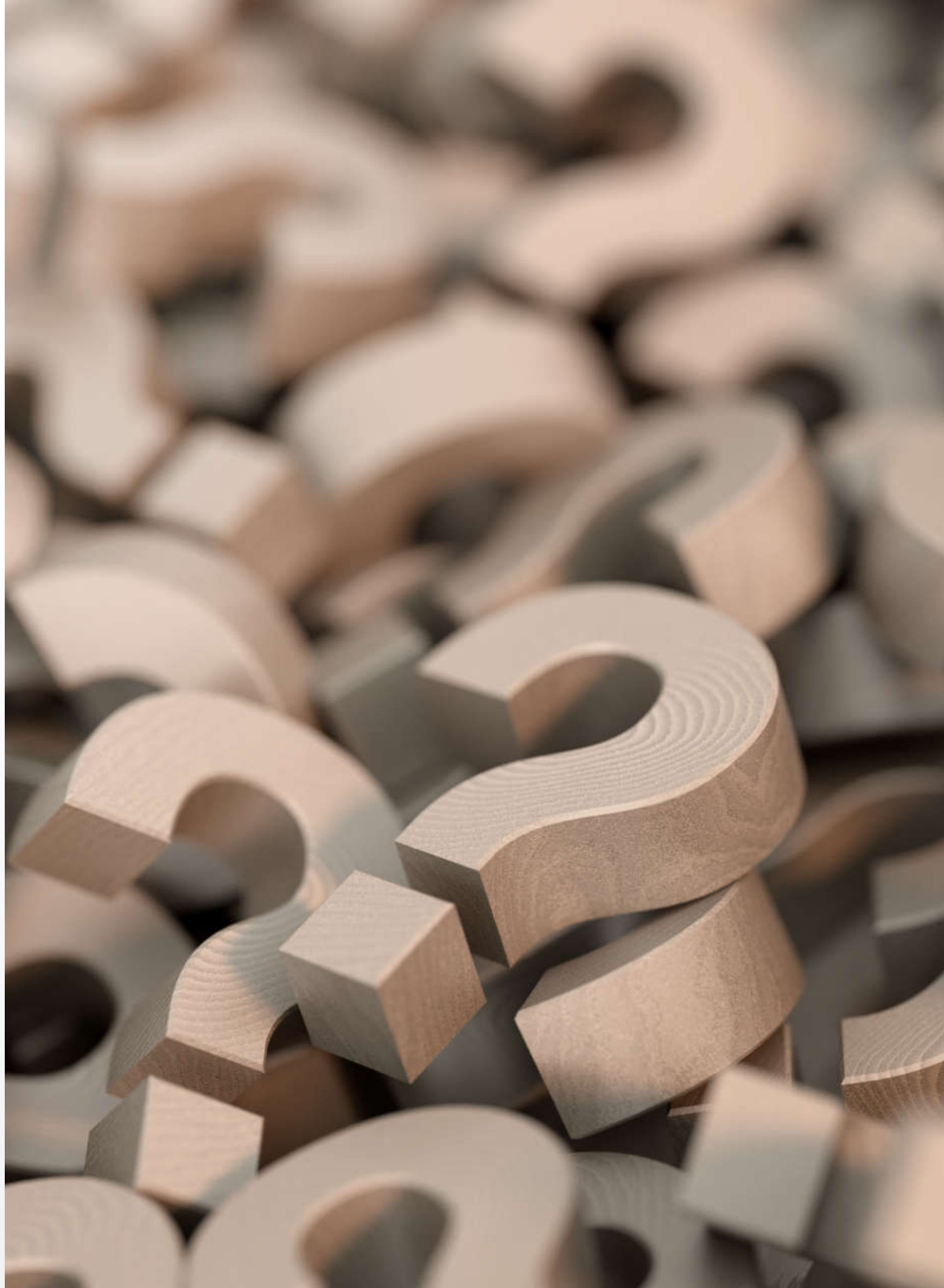
Nelson

C.



Sammie

Questions



Appendix

Prudent Investor Rule

- The California Prudent Investor Rule is a critical legal standard that governs the conduct of trustees in managing trust assets. This rule, which is rooted in the principles of fiduciary duty and prudent investment practices, serves as a benchmark for trust litigation attorneys in California when assessing the performance of trustees.
- The prudent investor rule states that fiduciaries must act with prudence, skill, and diligence when managing the assets of their clients, taking into account the overall investment strategy and the best interests of the beneficiaries.
- This rule is based on the 1992 Uniform Prudent Investor Act (UPIA), which provides a comprehensive legal framework for a trustee's duties and obligations. Its guidelines are formed from a legal principle called the "prudent man rule," also called the "prudent person rule."
- While it doesn't outline specific investment choices, the prudent man rule requires that a fiduciary exercise sound discretion when giving investment advice and manage trust assets as they would their own affairs. Furthermore, fiduciaries must not only evaluate individual investments but also consider the overall composition of the portfolio and its ability to meet the long-term objectives of each beneficiary.
- Trustees must carefully consider the following when making an investment decision:
 - General economic conditions and risk management best practices
 - The possible effect of inflation or deflation
 - The expected tax consequences of investment decisions or strategies
 - The role that each investment or course of action plays within the overall trust portfolio
 - The expected total return from income and the appreciation of capital
 - Other resources of the beneficiaries known to the trustee
 - Needs for liquidity, regularity of income, and preservation or appreciation of capital
 - An asset's special relationship or special value, if any, to the purposes of the trust or to one or more of the beneficiaries

<https://www.barrattorneys.com/blog/the-prudent-investor-rule-for-trustees-in-litigation/>



Key Economic Indicators

GDP: The gross domestic product (GDP) of an economy provides the overall value of the goods and services that the economy produces and indicates whether it is growing or slowing.

Employment Figures: The Department of Labor puts out a monthly release on employment that includes the number of jobs created the previous month by the private sector, the government, and some specific industries, as well as the national unemployment rate.

Industrial Production: Industrial production is a measure of the output of manufacturing-based industries, including those producing goods for consumers and businesses. This monthly release from the Federal Reserve also reports on capacity utilization in the factory sector.

Consumer Spending: Consumer spending accounts for two-thirds of U.S. gross domestic product and is a good gauge of consumer spending health. The Department of Commerce's monthly release on personal income and outlays provides data on consumer spending. It also provides information on inflation through a price index that reflects changes in how much consumers have to spend to buy certain items.

Inflation: Inflation is the general price level rise of goods and services in an economy. Too much inflation can mean the economy is overheating while very low inflation can be a harbinger of economic recession.

Depending upon the selected set of goods and services used, multiple types of inflation values are calculated and tracked as inflation indexes. The most commonly used inflation indexes are the Consumer Price Index (CPI) and the Wholesale Price Index (WPI). The Producer Price Index (PPI) is also used to measure inflation as it relates to producers.



Key Economic Indicators (continued)

Home Sales: Home sales represent a major purchase for most people. Thus, the Census Bureau's monthly report on new residential sales speaks to consumer sentiment. This report, based on contracts to buy new homes, provides input on sales of single-family homes regionally and nationally. It also reports on median and average sales prices.

Home Building: The number of houses that builders started working on, as well as the number of permits that they obtained to start building houses, indicates real estate developers' confidence level in the economy. The Census Bureau's monthly release on new residential construction provides this regional and national information.

Construction Spending: Another construction-based indicator is the change in monthly construction spending, in dollars, nationally. This spending encompasses various construction-related expenses, such as labor and materials and engineering work. The Census Bureau's report provides a breakdown of residential and nonresidential public and private construction.

Manufacturing Demand: The report on manufacturers' shipments, inventories, and orders gives an indication of demand for manufactured items. The Census Bureau issues a preliminary monthly report and a more lengthy report as a follow-up. Both break down manufactured goods by many types and industries, from electronic instruments to machine tools to nondurable consumer goods.

Retail Sales: The Census Bureau's monthly release on retail and food services sales is an indication of consumer spending health. This report shows retail sales in various sectors, such as department stores, furniture stores, and home furnishing stores.



Retirement Savings Program Investments

170-080-0030: Standard and Alternate Elections for Contributions; Automatic Increases; Ceasing Contributions; Requesting Participation

→ 1 (c) Investments:

- (A) An employee’s initial contributions will be held in an investment for a set period of time (hold period) as determined by the Board and outlined in the program disclosure booklet. On the last day of the hold period, or on the next business day following the hold period, all of the employee’s contributions made during the hold period will be transferred to the appropriate Target Date Fund;
- (B) All subsequent contributions will be invested in a Target Date Fund.

OregonSaves Target Retirement Date Suite	OregonSaves Capital Preservation Fund
State Street Target Retirement Fund	State Street Instl Liquid Reserves Prem
State Street Target Retirement Fund 2020	
State Street Target Retirement Fund 2025	OregonSaves Growth Fund
State Street Target Retirement Fund 2030	State Street Equity 500 Index K
State Street Target Retirement Fund 2035	
State Street Target Retirement Fund 2040	OregonSaves Money Market Fund
State Street Target Retirement Fund 2045	State Street Instl Liquid Reserves Prem
State Street Target Retirement Fund 2050	
State Street Target Retirement Fund2055	
State Street Target Retirement Fund 2060	
State Street Target Retirement Fund 2065	
State Street Target Retirement Fund 2070	



OregonSaves Investment Options

- **OregonSaves Capital Preservation Fund** - an Investment Option that seeks to help investors preserve the value of their savings by investing in an Underlying Fund that invests in a money market fund or in other money market securities. All initial contributions to your OregonSaves Account, and all subsequent contributions prior to the applicable Initial Sweep Date, will be invested in this Investment Option until the applicable Initial Sweep Date, unless before such Initial Sweep Date you make an Alternate Investment Election. This Investment Option is not available for investments other than investments automatically made therein prior to the Initial Sweep Date. Because the earnings under this Investment Option are applied to payment of the Earnings-Based Fee to the Program Manager, you will receive no earnings during the period your contributions are invested in this Investment Option.
- **OregonSaves S&P 500 Index Option** (named OregonSaves Growth Fund prior to November 8, 2021) - an Investment Option that seeks to match the return of large companies in the U.S. stock market by investing in companies included in the S&P500® Index.
- **OregonSaves Money Market Option** (named OregonSaves Capital Preservation Option prior to November 8, 2021) - an Investment Option that seeks to help investors preserve the value of their savings by investing in money market securities.



OregonSaves Investment Options (continued)

- **OregonSaves Target Retirement Options** (named OregonSaves Target Retirement Funds prior to November 8, 2021) - Investment Options that correspond with the year closest to when you will be 65 or plan to retire. Each OregonSaves Target Retirement Option has a specific “target date” (e.g., 2035, 2045, 2055) and invests in an Underlying Fund that is comprised of a mix of stock and bond funds, and may also invest in other assets. Each Underlying Fund seeks growth for younger investors and becomes more conservative over time in order to help its investors preserve savings as the Underlying Funds near their target dates.
- The OregonSaves Target Retirement Options are available for investors of all ages and are usually selected by picking the one that is closest to the year you expect to retire. (For example, if you were born in 2002, you will be 65 in 2067, and the OregonSaves Target Retirement Option with a target date that is closest to your year of retirement is OregonSaves Target Retirement Option 2065; if you were born in 2004, you will be 65 in 2069, and the OregonSaves Target Retirement Option with a target date that is closest to your year of retirement is OregonSaves Target Retirement Option 2070.) On a date after the target date is reached, the Investment Manager will merge the Underlying Fund into the Underlying Fund in which the undated OregonSaves Target Retirement Option (which is designed for post-retirement unwithdrawn investments) invests, and when that occurs any Units of the applicable target date Investment Option held in your OregonSaves Account will be exchanged for Units of equal value in the OregonSaves Target Retirement Option.



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