OHIO Deferred Compensation
Invest in you.

BOARD UPDATE

OCTOBER 2023

Board Meeting Schedule

November Board Meeting

The November Board meeting will be held on **Tuesday, November 14, 2023, at 9 a.m.**

January 2024 Board Meeting

The January 2024 Board meeting will be held on **Tuesday, January 16, 2024, at 9 a.m.**

Fidelity Rollover Trends

At the August Board meeting, RVK presented information that identified Fidelity as the most common provider for our participants to roll out their assets. There were subsequent questions about whether possible correlations existed between our participants investing in Fidelity funds and those transferring their account balances to Fidelity. Previously, this information was not researched, so additional data was gathered for analysis.

Over the past 12 months, Ohio DC had 390 participants roll their assets to Fidelity. Of that group, 250 (64%) had no investments in either of the Fidelity funds offered by Ohio DC, while 89 (23%) were invested in one Fidelity fund, and 51 (13%) were invested in both Fidelity funds. This finding is counterintuitive to the theory that Fidelity investors at Ohio DC are more likely to roll out their account balances to Fidelity.

If we look more closely at the demographics of the participants that invested in two Fidelity funds before rolling out to Fidelity, we see, on average, they were invested in seven different investment options and had 35% of their account invested in Fidelity funds. The demographics of participants invested in one Fidelity fund before rolling out to Fidelity, show, on average, they were invested in five different investment options and had 27% of their account invested in a Fidelity fund. Finally, the demographics of participants with no investments in Fidelity funds before rolling out to Fidelity, show, on average, they were invested in 1.6 different investment options and had 0% of their account invested in a Fidelity fund.

In conclusion, most of the transfers to Fidelity were done by participants with no existing investments in Fidelity funds at Ohio DC, and these participants were less diversified in their investing, holding less than two investment options on average. It may be that Fidelity, or financial advisors using Fidelity investment products, are targeting these participants because of their lack of diversification.

October Is National Retirement Security Month

During **National Retirement Security Month**, Ohio DC will host free, one-hour, live webinars to help with retirement outcomes. Emails were sent to participants and retirees to encourage them to register for the webinars. We also published information in the participant and employer newsletters, and on the website.

Approaching Retirement: Preparing to Retire

Wednesday, October 4 at 9 a.m. and 11:30 a.m. (one hour)

This webinar is for participants who are getting close to retirement. It helps participants identify basic concepts such as retirement risks, determine their retirement gap, and explore asset allocation and payout options.

Retired Minds Want to Know

Wednesday, October 18 at 9 a.m. and 11:30 a.m. (one hour)

This webinar focuses on helping retirees protect their accounts against risks in retirement, including diversifying their portfolios. It also explains various withdrawal strategies and required minimum distributions (RMDs).

Approaching Retirement: Beyond the Basics

Wednesday, October 11 at 9 a.m. and 11:30 a.m. (one hour)

This webinar is for participants who are getting closer to retirement and have already mastered basic concepts and want more in-depth discussion regarding asset allocation examples, Catch-up, retirement decisions (such as PLOP), and withdrawal strategies.

Asset Allocation & Managing Risk

Wednesday, October 25 at 9 a.m. and 11:30 a.m. (one hour)

This webinar is designed to help participants control their emotions when investing through market volatility. It will help participants identify an asset allocation strategy and manage their investment risk.

Virtual Adventure Center

Annually, Nationwide creates a virtual site to provide a fun, interactive way for participants to access Ohio DC information, resources, and tools. In the Virtual Adventure Center participants can:

- ✓ Enroll in or manage their Ohio DC account.
- ✓ Discover how Ohio DC can maximize post-employment adventures.
- ✓ Explore planning tools in the Resource Studio.
- ✓ Have a "virtual" beverage at the smoothie truck and test their knowledge with interactive trivia or connect with an Ohio DC Account Executive.
- ✓ Attend live webinars or stream them on demand.

State of Ohio Automatic Enrollment

Since July 2022, the State has sent 6,426 valid new hire records. There are 4,891 records that have been processed.

Currently, 494 (10.1%) people have opted out, 1,468 (30.0%) have enrolled on their own to begin contributions sooner, and 2,929 (59.9%) new accounts have been created.

Roth457

To date, 629 employers have adopted the Roth 457 Option and 8,534 participants have enrolled.

September 2023 | Ohio DC Statistics

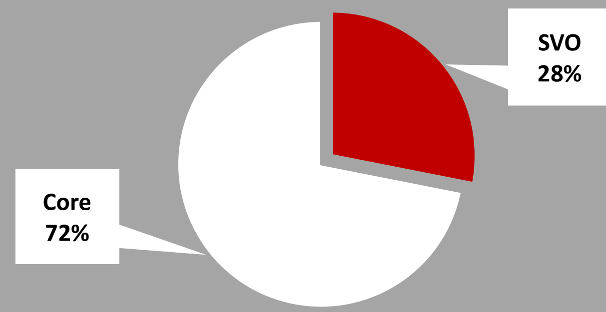
MONTHLY MARKET PERFORMANCE

	September	YTD
Large Company Stocks	▼ -4.77%	▲ 13.07%
Small/Mid Company Stocks	▼ -4.87%	▲ 8.91%
Non-US Stocks	▼ -3.22%	▲ 5.58%
Total Bond Market	▼ -2.55%	▼ -1.03%

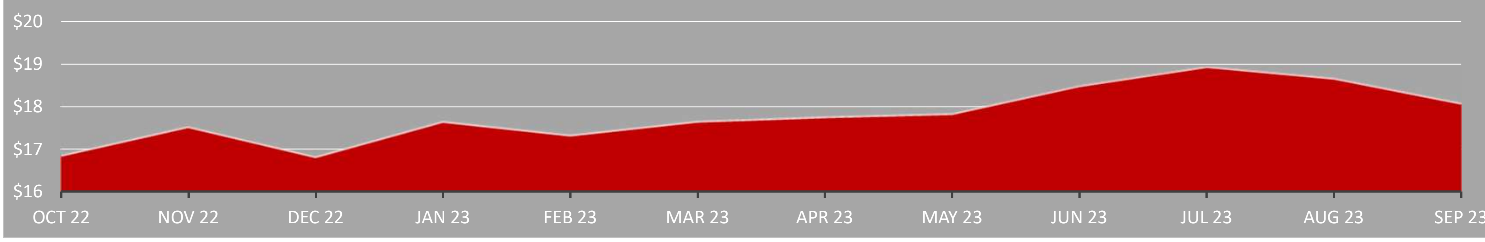
Monthly Perf.
-$548
million

YTD Perf.
$1,587
million

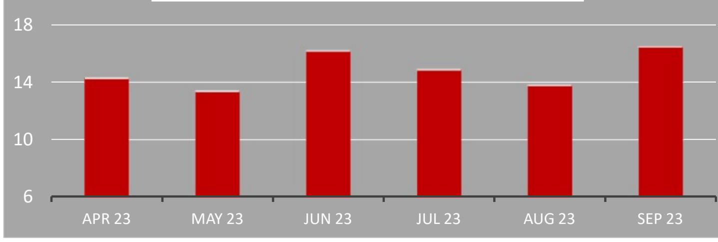
MONTH END ASSET ALLOCATION



TOTAL ASSETS (in billions)



MONTHS OF EXPENSE IN CASH RESERVES



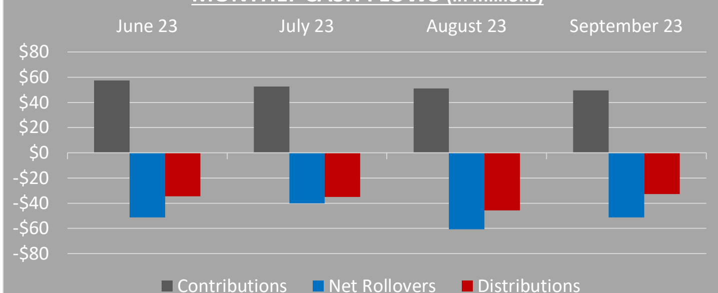
KEY INDICATORS

		September	YTD
Enrollments			
	2023	1,710	15,345
	2022	1,379	13,446
	% Change	▲ 24.0%	▲ 14.1%
Unforseeable Emergencies (in millions)			
	2023	$ 1.3	$ 9.2
	2022	$ 0.7	$ 7.4
	% Change	▲ 83.5%	▲ 23.6%

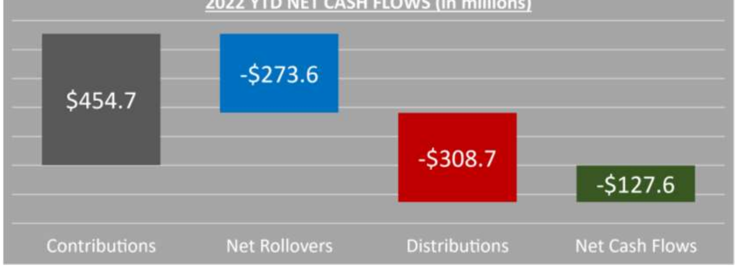
Applications Processed:	367
Applications Approved:	357
Percentage Self-Certified:	53%

Approval %
97.3%

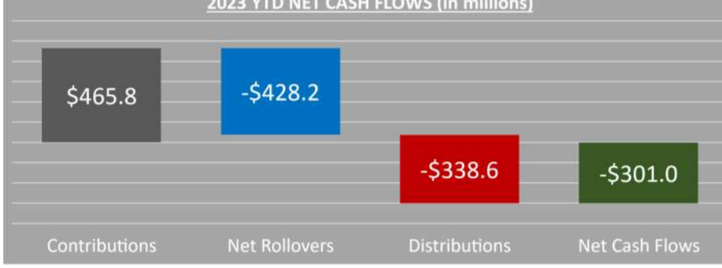
MONTHLY CASH FLOWS (in millions)



2022 YTD NET CASH FLOWS (in millions)



2023 YTD NET CASH FLOWS (in millions)



Financial data is unaudited and reflects the cash basis of accounting.