

Public Agenda Item #28

Review and Discussion of the Texa\$aver 401(k)/457 Program Performance Review

March 11, 2020

Diana Kongevick, Director of Group Benefits
Georgina Bouton, CTCM, Assistant Director of Group Benefits
Thomas Nun, CFA® Portfolio Strategist, Great-West Investments

Texa\$averSM 401(k) / 457 Program



December 10, 2019 Updates

ERS Board of Trustees delegated authority to Executive Director to:

- Select from Product Review Committee's proposed list of mid cap funds;
- Remove First Eagle Fund of America and Victory Munder Mid Cap Core Growth Fund Y funds from the Texa\$aver Program following the selection of new mid cap fund(s)

Texa\$aver program



December 10, 2019 Updates

- January 23, 2020: BlackRock Mid Capitalization Equity Index F fund, a passively managed CIT fund, was selected as the replacement mid cap fund
 - Fund mapping: Friday, March 6, 2020 (no black-out period)
- February 27, 2020: Wellington's WTC-CIF II Mid Cap Opportunities (Series 1), an actively managed mid cap fund, was selected
 - No fund mapping

TexaSaverSM 401(k) / 457 Program



Program Overview

TEXA\$AVER 401(k) Program

- Established in 1985
- Available to employees of state agencies
- Procure plan administrator and investment advisory service providers through competitive bid process
- Feature automatic enrollment for new hires since 1/1/2008
- Offer traditional and Roth contributions



TEXA\$AVER 457 Program

- Established in 1974
- Available to employees of eligible higher education and state agencies
- Procure plan administrator and investment advisory service providers through competitive bid process
- Offer traditional and Roth contributions

Texa\$aver program



Executive Summary: \$3.626B AUM as of 12/31/2019

401(k) Plan

Assets under Management (AUM)	\$2,660 million
Traditional balances	\$2,610 million
Roth balances	\$50 million
No. of Participant Accounts	216,657
Contributing	97,634
Non-contributing	119,023
Contributions & Deposits, annual	\$41 million
Change in value & Interest/Dividends, annual	\$162 million
Plan withdrawals, annual	(\$62.4) million

457 Plan

Assets under Management (AUM)	\$966 million
Traditional balances	\$925 million
Roth balances	\$41 million
No. of Participant Accounts	26,263
Contributing	16,037
Non-contributing	10,226
Contributions & Deposits, annual	\$20 million
Change in value & Interest/Dividends, annual	\$55 million
Plan withdrawals, annual	(\$18.4) million

Texa\$aver program

Investment offerings



A range of investment products are offered to help participants reach their individual retirement savings goals. The same investment products are offered between plans.

Target Date Funds

24.0% of program Assets

- Professionally managed asset allocation strategy
- Gradually reduces investment risk and equity exposure over time
- Offers a streamlined approach to investing
- Strategy requires the lowest level of participant engagement

Core Funds

74.4% of program assets

- Allows participants to create their own investment portfolios based on defined asset classes
- Funds include both actively managed and passively managed investment funds
- Investment requires a higher level of participant engagement to maintain desired diversification and risk levels

Self Directed Brokerage Account

4.6% of program assets

- Provides additional investment options
- Offered through Schwab Personal Choice Retirement Account®
- Investment requires the highest level of participant engagement for diversification and investment selection

Texa\$aver program

Product Review Committee (PRC)



- **Porter Wilson** – ERS Executive Director
- **Catherine Terrell** – ERS Deputy Executive Director
- **Diana Kongevick** – ERS Director of Group Benefits
- **Tom Tull** – ERS Chief Investment Officer
- **Leighton Shantz** – ERS Director of Fixed Income
- **Carlos Chujoy** – ERS Investment Risk Officer
- **Gene L. Needles, Jr.** – Chairman and CEO Resolute Investment Managers and Vice-chair of ERS' Investment Advisory Committee (IAC)
- **Margaret "Didi" Weinblatt, Ph.D., CFA** – IAC member
- **Laura T. Starks, Ph.D.** – Charles E. and Sarah M. Seay Regents Chair in Finance and Co -Executive Director, Social Innovation Initiative, McCombs School of Business, University of Texas at Austin

Texa\$aver program

PRC



PRC Sub-Committees are appointed for a specific purpose within the due diligence process and serve out their term until the assigned process is complete.

- PRC members; and may include
- IAC members and/or ERS staff knowledgeable of investments or possessing relevant subject matter expertise

- Mid cap PRC sub-committee members:
 - Leighton Shantz – PRC Member
 - Carlos Chujoy – PRC Member
 - Dr. Laura T. Starks – PRC Member
 - Lauren Honza – ERS Portfolio Manager
 - Brannon Andrews – ERS Assistant General Counsel

Capital Market Updates

Equity Market Returns

(as of December 31, 2019)

		QTD	YTD	1 Year Trailing	3 Year Trailing	5 Year Trailing	10 Year Trailing	2018	2017	2016	2015	2014	2013	2012
Domestic Equity														
Large Cap	S&P 500	9.1%	31.5%	31.5%	15.3%	11.7%	13.6%	-4.4%	21.8%	12.0%	1.4%	13.7%	32.4%	16.0%
	Russell 1000 Value	7.4%	26.5%	26.5%	9.7%	8.3%	11.8%	-8.3%	13.7%	17.3%	-3.8%	13.5%	32.5%	17.5%
	Russell 1000 Growth	10.6%	36.4%	36.4%	20.5%	14.6%	15.2%	-1.5%	30.2%	7.1%	5.7%	13.0%	33.5%	15.3%
Mid Cap	Russell Mid Cap	7.1%	30.5%	30.5%	12.1%	9.3%	13.2%	-9.1%	18.5%	13.8%	-2.4%	13.2%	34.8%	17.3%
	Russell Mid Cap Value	6.4%	27.1%	27.1%	8.1%	7.6%	12.4%	-12.3%	13.3%	20.0%	-4.8%	14.7%	33.5%	18.5%
	Russell Mid Cap Growth	8.2%	35.5%	35.5%	17.4%	11.6%	14.2%	-4.8%	25.3%	7.3%	-0.2%	11.9%	35.7%	15.8%
Small Cap	Russell 2000	9.9%	25.5%	25.5%	8.6%	8.2%	11.8%	-11.0%	14.6%	21.3%	-4.4%	4.9%	38.8%	16.3%
	Russell 2000 Value	8.5%	22.4%	22.4%	4.8%	7.0%	10.6%	-12.9%	7.8%	31.7%	-7.5%	4.2%	34.5%	18.1%
	Russell 2000 Growth	11.4%	28.5%	28.5%	12.5%	9.3%	13.0%	-9.3%	22.2%	11.3%	-1.4%	5.6%	43.3%	14.6%
International Equity														
Developed Markets	MSCI EAFE	8.2%	22.0%	22.0%	9.6%	5.7%	5.5%	-13.8%	25.0%	1.0%	-0.8%	-4.9%	22.8%	17.3%
	Australia	4.3%	22.9%	22.9%	9.1%	5.4%	5.0%	-12.0%	19.9%	11.4%	-10.0%	-3.4%	4.2%	22.1%
	Canada	4.9%	27.5%	27.5%	7.0%	3.0%	3.6%	-17.2%	16.1%	24.6%	-24.2%	1.5%	5.6%	9.1%
	France	8.5%	25.7%	25.7%	12.2%	8.1%	5.0%	-12.8%	28.7%	4.9%	-0.1%	-9.9%	26.3%	21.3%
	Germany	9.9%	20.8%	20.8%	6.3%	3.9%	5.2%	-22.2%	27.7%	2.8%	-1.9%	-10.4%	31.4%	30.9%
	Japan	7.6%	19.6%	19.6%	8.9%	7.7%	6.6%	-12.9%	24.0%	2.4%	9.6%	-4.0%	27.2%	8.2%
	Switzerland	7.6%	32.3%	32.3%	13.8%	7.1%	8.4%	-9.1%	22.5%	-4.9%	0.4%	-0.1%	26.6%	20.4%
	UK	10.0%	21.0%	21.0%	8.3%	3.3%	5.0%	-14.2%	22.3%	-0.1%	-7.6%	-5.4%	20.7%	15.3%
Emerging Markets	MSCI Emerging Markets	11.8%	18.4%	18.4%	11.6%	5.6%	3.7%	-14.6%	37.3%	11.2%	-14.9%	-2.2%	-2.6%	18.2%
	Brazil	14.2%	26.3%	26.3%	16.0%	8.7%	-0.9%	-0.5%	24.1%	66.2%	-41.4%	-14.0%	-16.0%	0.0%
	China	14.7%	23.5%	23.5%	15.6%	7.5%	5.3%	-18.9%	54.1%	0.9%	-7.8%	8.0%	3.6%	22.7%
	India	5.3%	7.6%	7.6%	11.4%	5.1%	3.9%	-7.3%	38.8%	-1.4%	-6.1%	23.9%	-3.8%	26.0%
	Indonesia	7.0%	9.1%	9.1%	7.2%	3.0%	5.2%	-9.2%	24.2%	17.0%	-19.5%	26.6%	-23.5%	4.6%
	Korea	13.4%	12.5%	12.5%	9.4%	5.9%	5.2%	-20.9%	47.3%	8.7%	-6.7%	-11.1%	3.9%	21.2%
	Mexico	6.2%	11.4%	11.4%	2.9%	-3.2%	1.1%	-15.5%	16.0%	-9.2%	-14.4%	-9.3%	0.2%	29.1%
	Russia	16.8%	50.9%	50.9%	16.5%	20.6%	4.2%	-0.4%	5.2%	54.8%	4.2%	-46.3%	0.8%	13.7%

Source: Morningstar Direct; GWCM Analysis

Individual country returns are represented by MSCI indices and shown as USD returns

*Canada is not part of the EAFE Index

Past performance is not a guarantee or prediction of future results.

Fixed Income and Specialty Returns

(as of December 31, 2019)

QTD YTD 1 Year Trailing 3 Year Trailing 5 Year Trailing 10 Year Trailing 2018 2017 2016 2015 2014 2013 2012

Fixed Income

Bloomberg Barclays US Aggregate	0.2%	8.7%	8.7%	4.0%	3.0%	3.7%	0.0%	3.5%	2.6%	0.5%	6.0%	-2.0%	4.2%
Bloomberg Barclays US Treasury	-0.8%	6.9%	6.9%	3.3%	2.4%	3.1%	0.9%	2.3%	1.0%	0.8%	5.1%	-2.7%	2.0%
Bloomberg Barclays US Govt/ Credit Intermed	0.4%	6.8%	6.8%	3.2%	2.6%	3.1%	0.9%	2.1%	2.1%	1.1%	3.1%	-0.9%	3.9%
Bloomberg Barclays US Govt/ Credit Long	-1.1%	19.6%	19.6%	8.1%	5.4%	7.6%	-4.7%	10.7%	6.7%	-3.3%	19.3%	-8.8%	8.8%
Bloomberg Barclays US TIPS	0.8%	8.4%	8.4%	3.3%	2.6%	3.4%	-1.3%	3.0%	4.7%	-1.4%	3.6%	-8.6%	7.0%
Bloomberg Barclays US Corporate High Yield	2.6%	14.3%	14.3%	6.4%	6.1%	7.6%	-2.1%	7.5%	17.1%	-4.5%	2.5%	7.4%	15.8%
FTSE WGBI	-0.4%	5.9%	5.9%	4.1%	2.0%	1.9%	-0.8%	7.5%	1.6%	-3.6%	-0.5%	-4.0%	1.6%
JPM EMBI Global Diversified	1.8%	15.0%	15.0%	6.7%	6.2%	6.9%	-4.3%	10.3%	10.2%	1.2%	7.4%	-5.3%	17.4%
FTSE Treasury Bill 3 Month	0.5%	2.3%	2.3%	1.7%	1.0%	0.6%	1.9%	0.8%	0.3%	0.0%	0.0%	0.1%	0.1%

Specialty

Bloomberg Commodity	4.4%	7.7%	7.7%	-0.9%	-3.9%	-4.7%	-11.2%	1.7%	11.8%	-24.7%	-17.0%	-9.5%	-1.1%
DJUS Select REIT	-1.2%	23.1%	23.1%	7.0%	6.4%	11.6%	-4.2%	3.8%	6.7%	4.5%	32.0%	1.2%	17.1%
FTSE EPRA/NAREIT Developed Ex US	5.7%	21.8%	21.8%	11.5%	6.5%	7.4%	-5.8%	20.8%	2.0%	-3.2%	3.2%	6.1%	38.6%

Source: Morningstar Direct; GWCM Analysis

Past performance is not a guarantee or prediction of future results.

Returns by Style

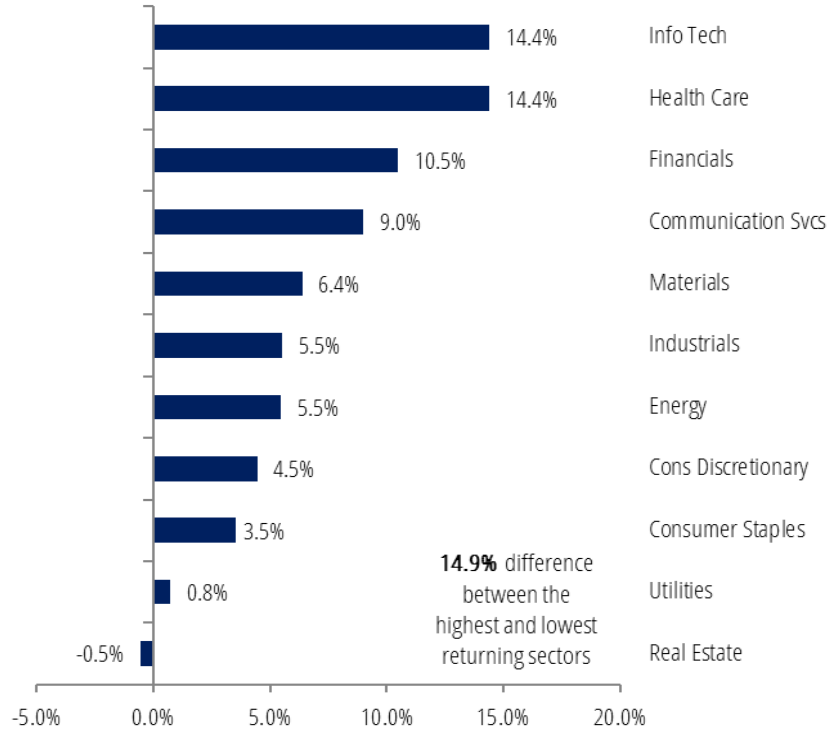
3 Months				1 Year				Since Market Peak (October, 2007)			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	7.4%	9.1%	10.6%	Large	26.5%	31.5%	36.4%	Large	111.6%	167.8%	236.6%
Mid	6.4%	7.1%	8.2%	Mid	27.1%	30.5%	35.5%	Mid	143.1%	165.6%	193.6%
Small	8.5%	9.9%	11.4%	Small	22.4%	25.5%	28.5%	Small	107.6%	134.0%	160.5%
3 Year				5 Year				Since Market Low (March, 2009)			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	9.7%	15.3%	20.5%	Large	8.3%	11.7%	14.6%	Large	427.7%	498.5%	586.5%
Mid	8.1%	12.1%	17.4%	Mid	7.6%	9.3%	11.6%	Mid	520.8%	541.0%	578.7%
Small	4.8%	8.6%	12.5%	Small	7.0%	8.2%	9.3%	Small	413.4%	464.2%	514.6%

performance as of December 31, 2019

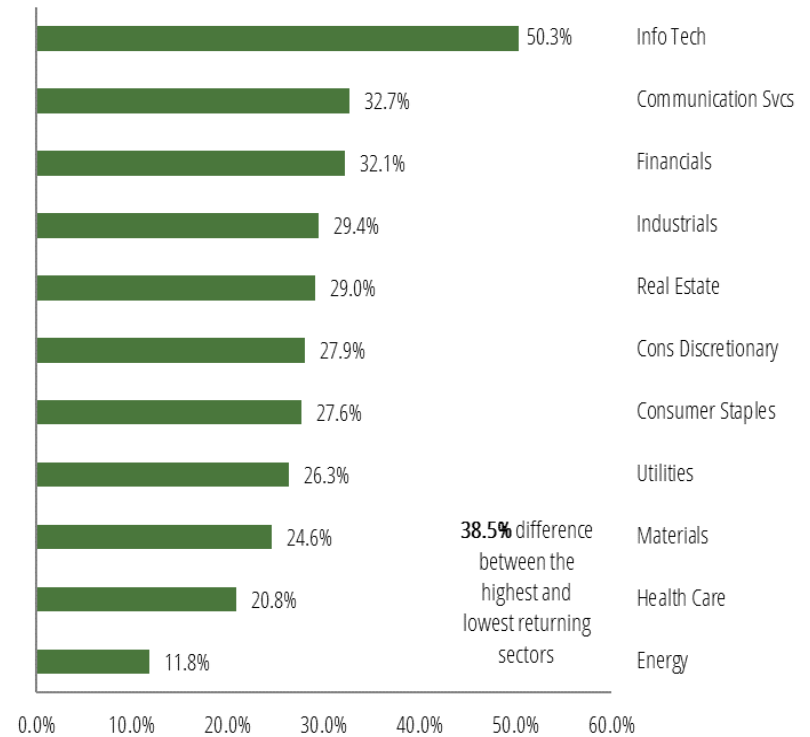
Source: Morningstar Direct; GWCM Analysis; Large Blend – S&P 500 Index, Large Value – Russell 1000 Value Index, Large Growth – Russell 1000 Growth Index, Mid Blend – Russell Mid Cap Index, Mid Value – Russell Mid Cap Value Index, Mid Growth – Russell Mid Cap Growth Index, Small Blend – Russell 2000 Index, Small Value – Russell 2000 Value Index, Small Growth – Russell 2000 Growth Index

S & P 500 Sector Returns

QTD Returns
as of December 31, 2019



1 Year Trailing Returns
as of December 31, 2019



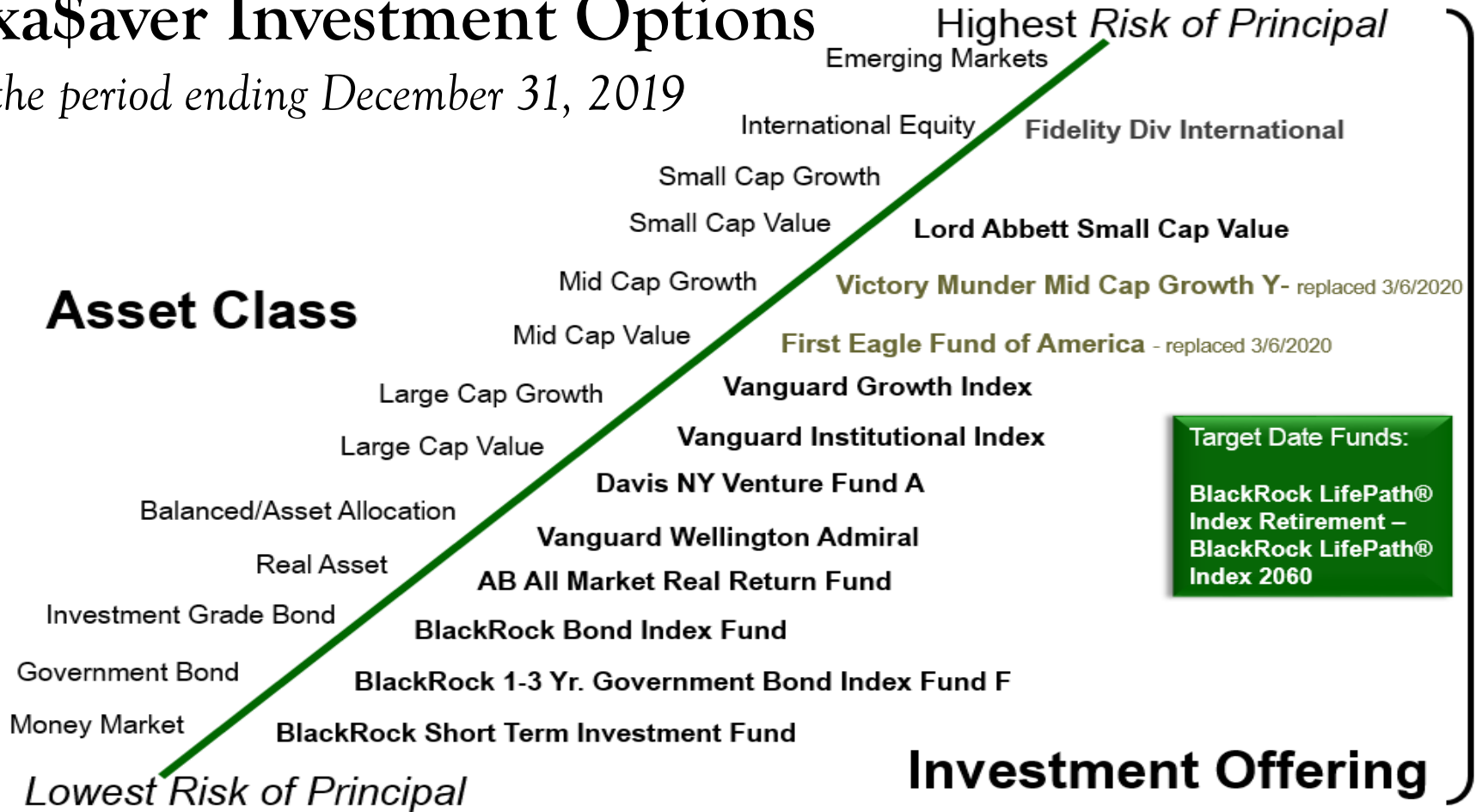
Source: Morningstar Direct; GWCM Analysis

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Texa\$aver Fund Performance Reviews

TexaSaver Investment Options

For the period ending December 31, 2019



First Eagle Fund of America Y (FEAFX)

Mid Cap Blend



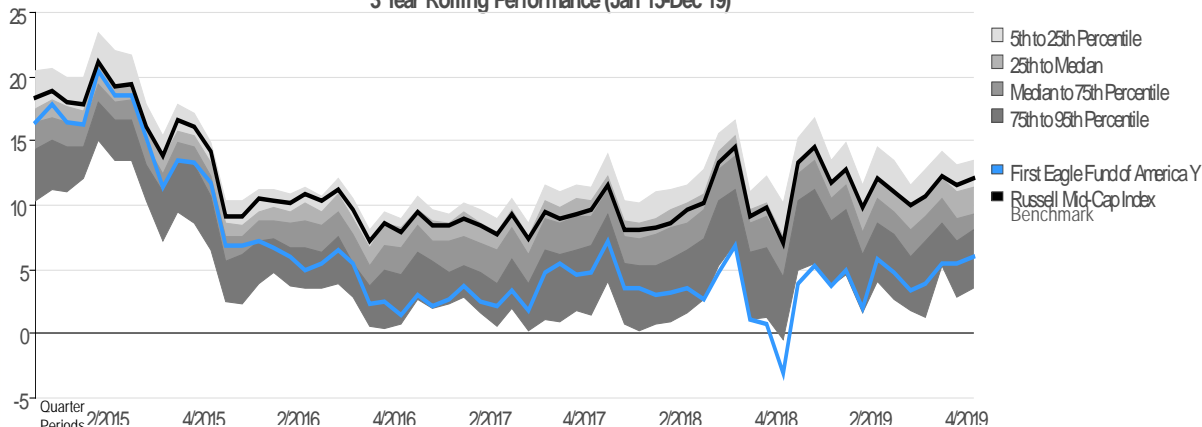
March 6, 2020: Replaced with BlackRock Mid Capitalization Equity Index F

Program Assets: \$99.8 million

No. of Texa\$aver accounts: 28,988

PERFORMANCE, 12/31/2019	1Y	3Y	5Y	7Y	10Y
Fund	28.38	5.98	2.39	7.20	9.00
Benchmark: Russell Mid-Cap Index	30.54	12.06	9.33	13.21	13.19
Peer Group Median	26.76	9.24	7.73	11.81	11.55

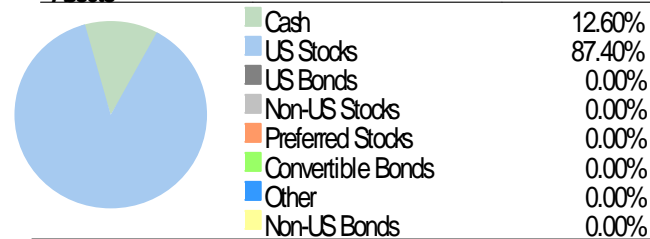
3 Year Rolling Performance (Jan 15-Dec 19)



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PORTFOLIO COMPOSITION

Assets



Overall Morningstar Rating™



FUND OVERVIEW

Investment type	Mutual fund
Investment strategy	Active
Fund expense ratio	1.31%
Fund reimbursement	0.40%
Net Texa\$aver expense	0.91%

Victory Munder Mid Cap Growth (MGOYX)



Mid Cap Growth

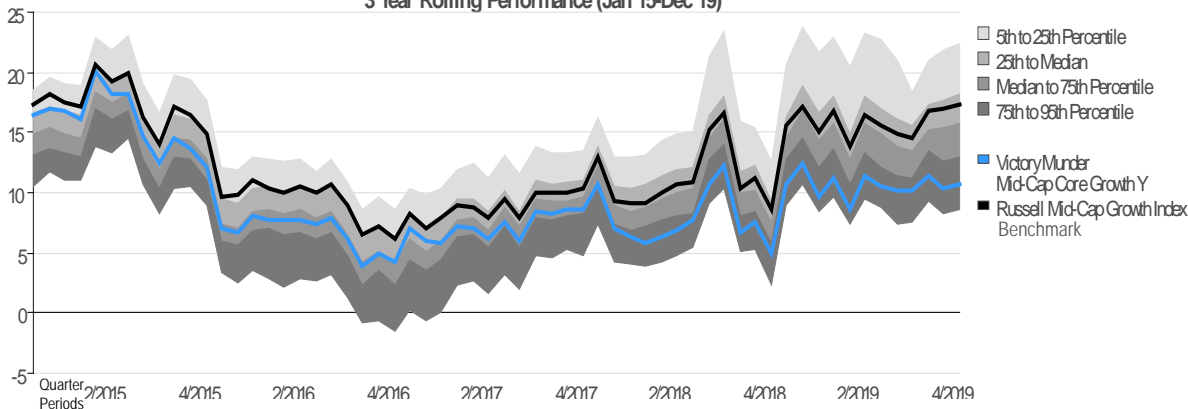
March 6, 2020: Replaced with BlackRock Mid Capitalization Equity Index F

Program Assets: \$129.8 million

No. of Texa\$aver accounts: 27,824

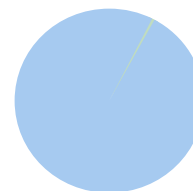
PERFORMANCE, 12/31/2019	1Y	3Y	5Y	7Y	10Y
Fund	26.25	10.75	6.88	10.84	11.49
Benchmark: Russell Mid-Cap Growth Index	35.47	17.36	11.60	14.81	14.24
Peer Group Median	32.59	15.69	10.65	13.57	13.02

3 Year Rolling Performance (Jan 15-Dec 19)



PORTFOLIO COMPOSITION

Assets



Cash	1.03%
US Stocks	98.97%
US Bonds	0.00%
Non-US Stocks	0.00%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

Overall Morningstar Rating™



FUND OVERVIEW

Investment type	Mutual fund
Investment strategy	Active
Fund expense ratio	1.04%
Fund reimbursement	0.25%
Net Texa\$aver expense	0.79%

BlackRock Short Term Investment Money Market

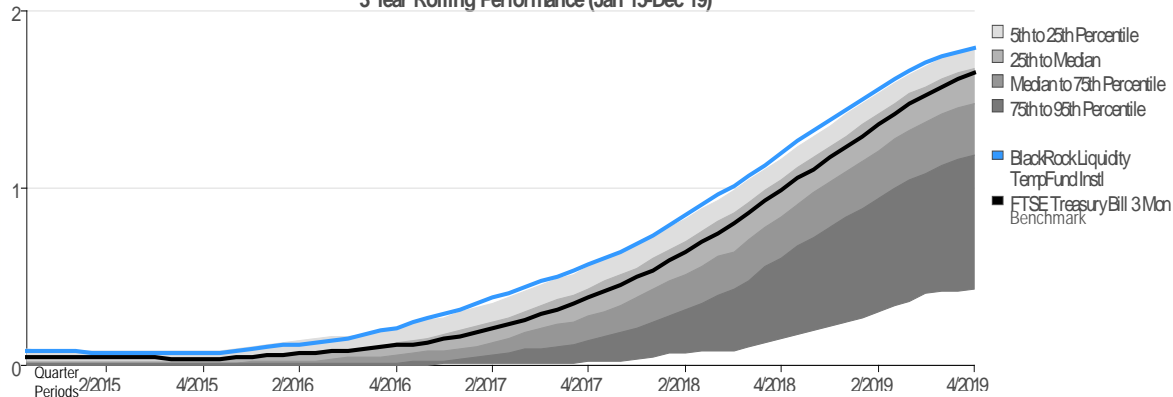


Program Assets: \$152 million

No. of Texa\$aver accounts: 23,137

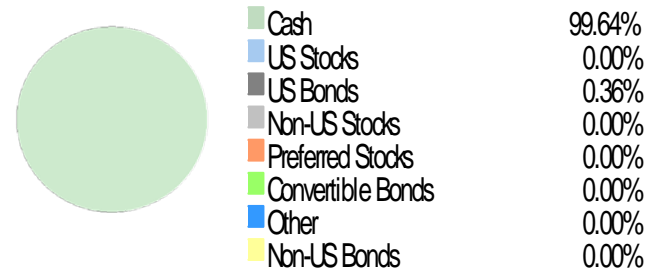
PERFORMANCE, 12/31/2019	1Y	3Y	5Y	7Y	10Y
Fund	2.31	1.80	1.20	0.87	0.65
Benchmark: FTSE 3 Month Treasury Bill Index	2.25	1.65	1.05	0.76	0.56
Peer Group Median	2.00	1.48	0.93	0.66	0.47

3 Year Rolling Performance (Jan 15-Dec 19)



PORTFOLIO COMPOSITION

Assets



FUND OVERVIEW

Investment type	Collective Trust
Investment strategy	Active
Fund expense ratio	0.08%
Fund reimbursement	0.00%
Net Texa\$aver expense	0.08%

BlackRock 1-3 Yr. Government Bond Index F



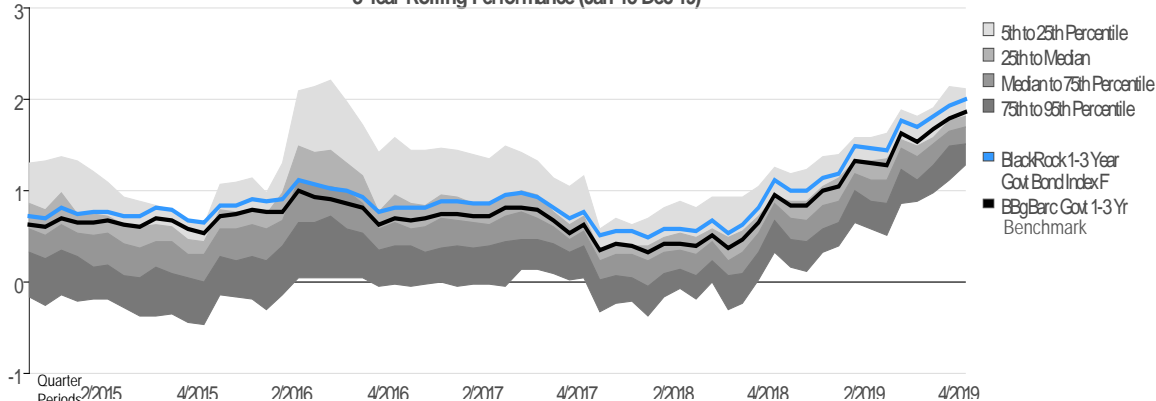
Short-term Bond

Program Assets: \$28 million

No. of Texa\$aver accounts: 11,995

PERFORMANCE, 12/31/2019	1Y	3Y	5Y	7Y	10Y
Fund	3.67	2.00	1.54	1.28	1.36
Benchmark: Bloomberg Barclays U.S. 1-3 Year Government Bond Index	3.59	1.86	1.40	1.15	1.25
Peer Group Median	3.29	1.70	1.26	1.00	1.33

3 Year Rolling Performance (Jan 15-Dec 19)



PORTFOLIO COMPOSITION

Assets



Overall Morningstar Rating™



FUND OVERVIEW

Investment type	Collective Trust
Investment strategy	Passive
Net expense ratio	0.06%
Fund reimbursement	0.00%
Net Texa\$aver expense	0.06%

BlackRock Bond Index

Intermediate Bond

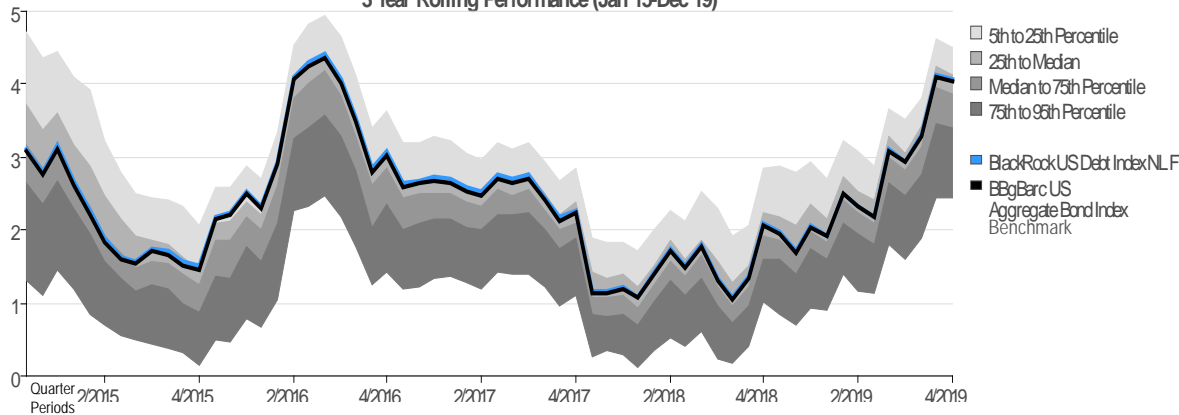


Program Assets: \$260.7 million

No. of Texa\$aver accounts: 32,082

PERFORMANCE, 12/31/2019	1Y	3Y	5Y	7Y	10Y
Fund	8.74	4.06	3.07	2.76	3.77
Benchmark: Bloomberg Barclays U.S. Aggregate Bond Index	8.72	4.03	3.05	2.72	3.75
Peer Group Median	8.49	3.87	2.89	2.56	3.71

3 Year Rolling Performance (Jan 15-Dec 19)



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PORTFOLIO COMPOSITION

Assets



U.S. Stocks	0.0
Non-U.S. Stocks	0.0
Bonds	94.5
Cash	5.0
Other	0.5

Overall Morningstar Rating™



FUND OVERVIEW

Investment type	Collective Trust
Investment strategy	Passive
Fund expense ratio	0.11%
Fund reimbursement	0.00%
Net Texa\$aver expense	0.11%

Vanguard Wellington Admiral (VWENX)



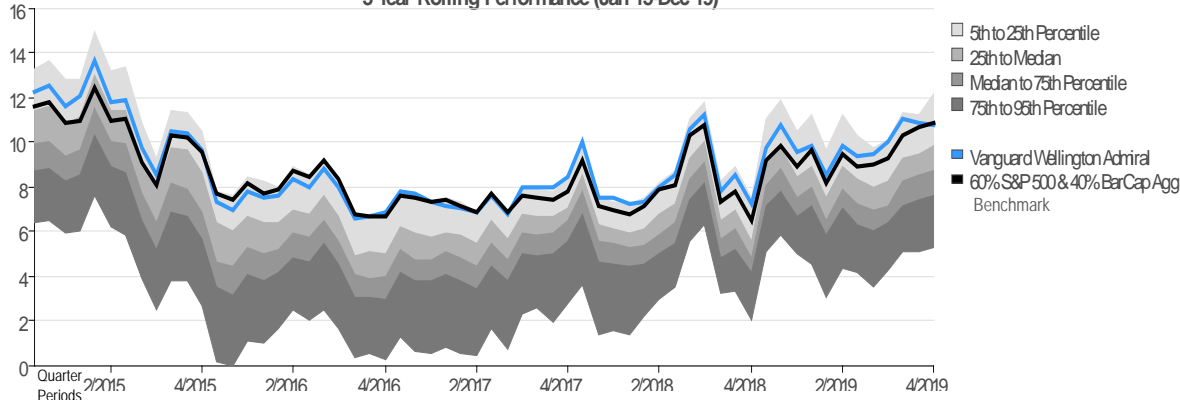
Balanced Fund

Program Assets: \$418.2 million

No. of Texa\$aver accounts: 36,155

PERFORMANCE, 12/31/2019	1Y	3Y	5Y	7Y	10Y
Fund	22.61	10.81	8.65	10.35	9.99
Benchmark: 60% S&P 500; and 40% BarCap Agg	22.18	10.87	8.37	9.96	9.77
Peer Group Median	19.62	8.71	6.36	7.87	8.05

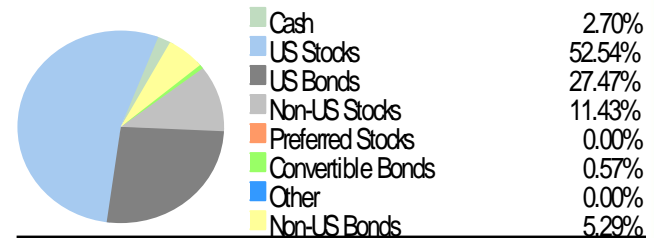
3 Year Rolling Performance (Jan 15-Dec 19)



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PORTFOLIO COMPOSITION

Assets



Overall Morningstar Rating™



FUND OVERVIEW

Investment type	Mutual Fund
Investment strategy	Active
Fund expense ratio	0.17%
Fund reimbursement	0.00%
Net Texa\$aver expense	0.17%

Davis New York Venture A (NYVTX)

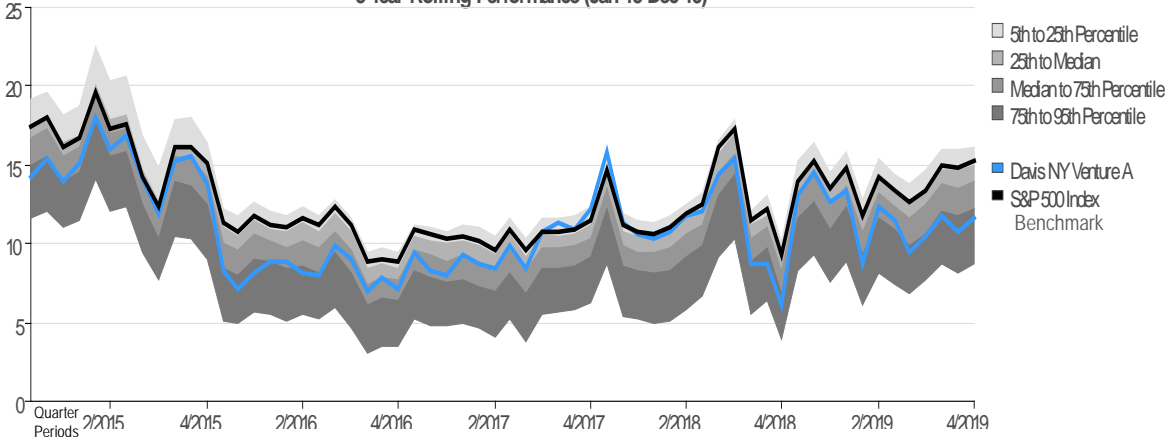


Large Cap

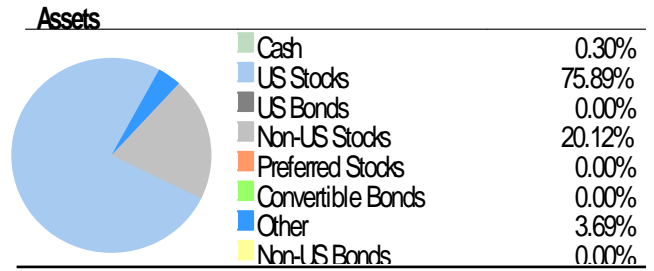
Program Assets: \$159.8 million No. of Texa\$aver accounts: 31,235

PERFORMANCE, 12/31/2019	1Y	3Y	5Y	7Y	10Y
Fund	30.91	11.63	9.96	12.67	10.74
Benchmark: S&P Index	31.49	15.27	11.70	14.73	13.56
Peer Group Median	29.94	13.94	10.33	13.56	12.55

3 Year Rolling Performance (Jan 15-Dec 19)



PORTFOLIO COMPOSITION



Overall Morningstar Rating™ **★★**

FUND OVERVIEW

Investment type	Mutual fund
Investment strategy	Active
Fund expense ratio	0.89%
Fund reimbursement	0.55%
Net Texa\$aver expense	0.34%

Vanguard Institutional Index (VIIIX)

Large Cap Blend

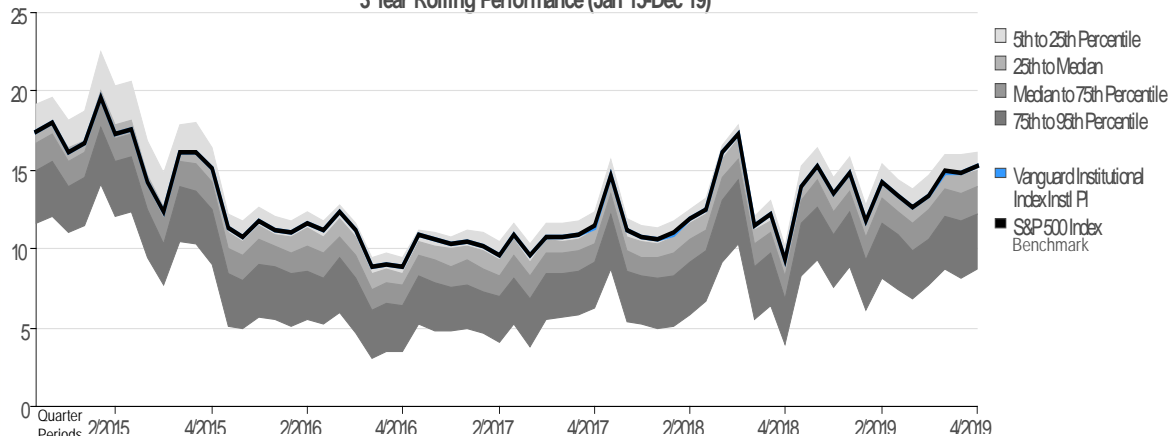


Program Assets: \$520.1 million

No. of Texa\$aver accounts: 38,643

PERFORMANCE, 12/31/2019	1Y	3Y	5Y	7Y	10Y
Fund	31.48	15.26	11.69	14.72	13.55
Benchmark: S&P 500 Index	31.49	15.27	11.70	14.73	13.56
Peer Group Median	29.94	13.94	10.33	13.56	12.55

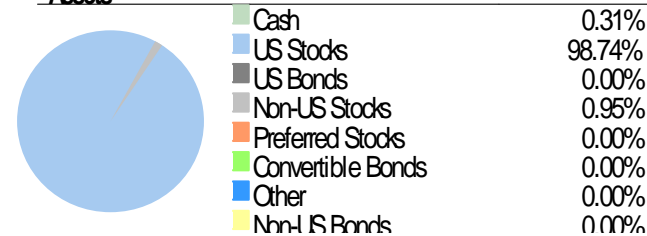
3 Year Rolling Performance (Jan 15-Dec 19)



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PORTFOLIO COMPOSITION

Assets



Overall Morningstar Rating™



FUND OVERVIEW

Investment type	Mutual fund
Investment strategy	Passive
Fund expense ratio	0.02%
Fund reimbursement	0.00%
Net Texa\$aver expense	0.02%

Vanguard Growth Index Institutional (VIGIX)



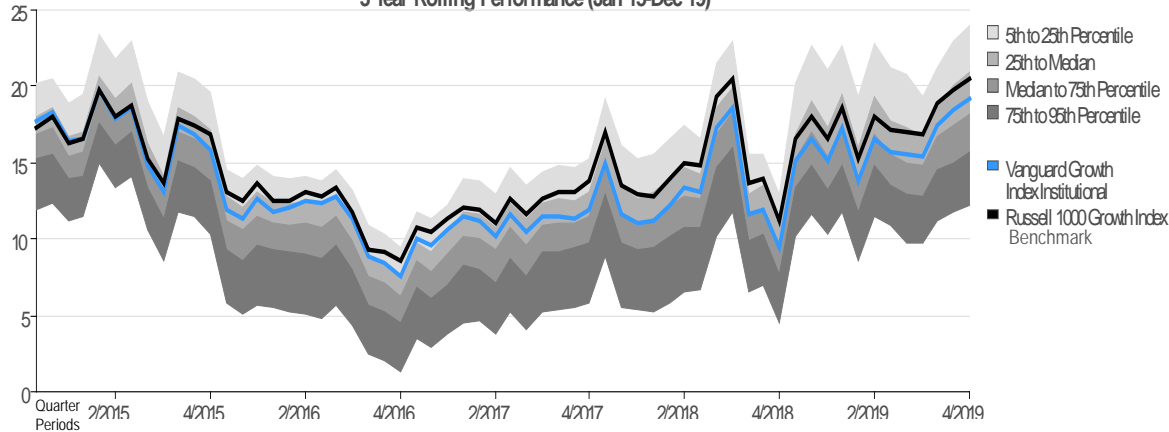
Large Cap Growth

Program Assets: \$420.8 million

No. of Texa\$aver accounts: 31,558

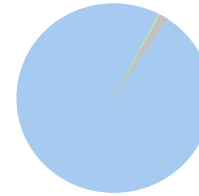
PERFORMANCE, 12/31/2019	1Y	3Y	5Y	7Y	10Y
Fund	37.26	19.25	13.21	15.83	14.61
Benchmark: Russell 1000 Growth Index	36.39	20.49	14.63	16.92	15.22
Peer Group Median	32.27	18.19	12.43	15.26	13.68

3 Year Rolling Performance (Jan 15-Dec 19)



PORTFOLIO COMPOSITION

Assets



Cash	0.41%
US Stocks	98.56%
US Bonds	0.01%
Non-US Stocks	1.02%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

Overall Morningstar Rating™



FUND OVERVIEW

Investment type	Mutual fund
Investment strategy	Passive
Fund expense ratio	0.04%
Fund reimbursement	0.00%
Net Texa\$aver expense	0.04%

Lord Abbett Small Cap Value I (LRSYX)



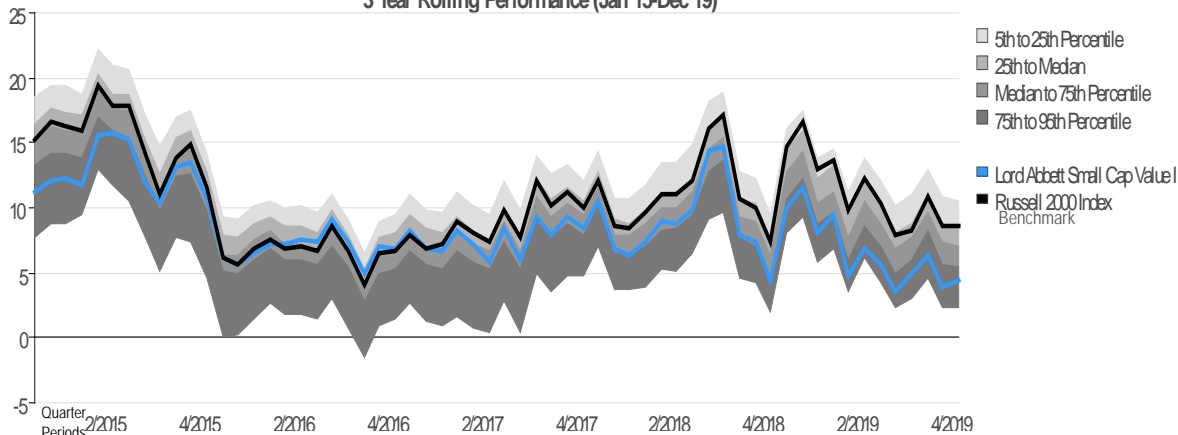
Small Cap

Program Assets: \$150.3 million

No. of Texa\$aver accounts: 30,928

PERFORMANCE, 12/31/2019	1Y	3Y	5Y	7Y	10Y
Fund	20.58	4.33	6.32	9.28	9.60
Benchmark: Russell 2000 Index	25.52	8.59	8.23	11.65	11.83
Peer Group Median	24.16	7.09	7.49	11.07	11.54

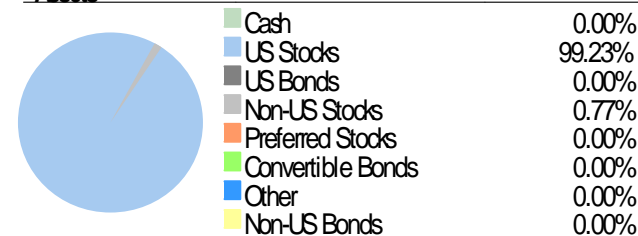
3 Year Rolling Performance (Jan 15-Dec 19)



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PORTFOLIO COMPOSITION

Assets



Overall Morningstar Rating™



FUND OVERVIEW

Investment type	Mutual fund
Investment strategy	Active
Fund expense ratio	0.93%
Fund reimbursement	0.10%
Net Texa\$aver expense	0.83%

AB All Market Real Return Portfolio Fund

International (Specialty)

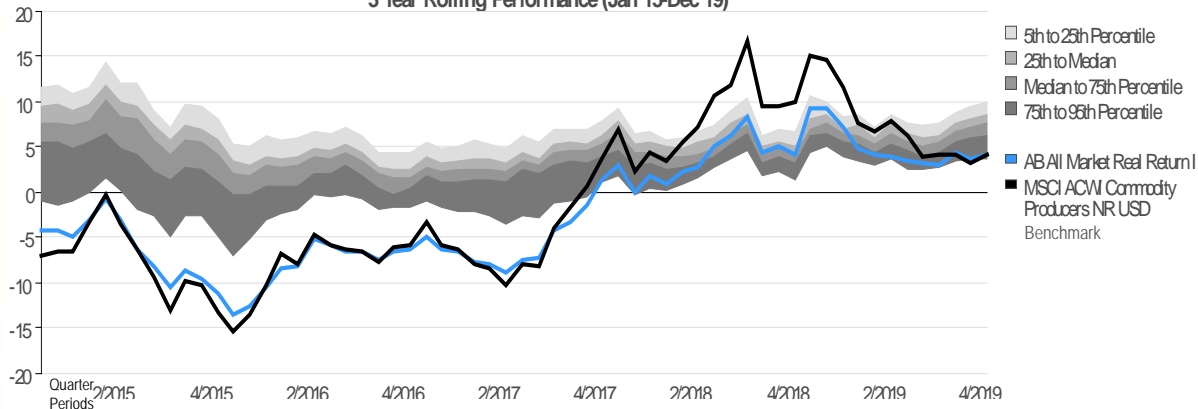


Program Assets: \$2.1 million

No. of Texa\$aver accounts: 751

PERFORMANCE, 12/31/2019	1Y	3Y	5Y	7Y	10Y
Fund	15.87	4.29	1.18	-1.16	
Benchmark: MSCI ACWI Commodity Producers Index	13.06	4.29	2.19	-0.26	-0.01
Peer Group Median	16.84	7.59	4.87	5.91	6.13

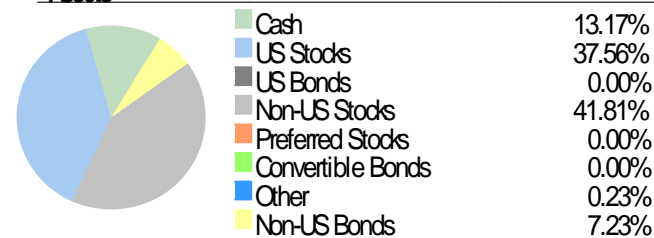
3 Year Rolling Performance (Jan 15-Dec 19)



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PORTFOLIO COMPOSITION

Assets



Overall Morningstar Rating™



FUND OVERVIEW

Investment type	Mutual fund
Investment strategy	Active
Fund expense ratio	0.89%
Fund reimbursement	0.55%
Net Texa\$aver expense	0.34%

Fidelity Diversified International (FDIVX)



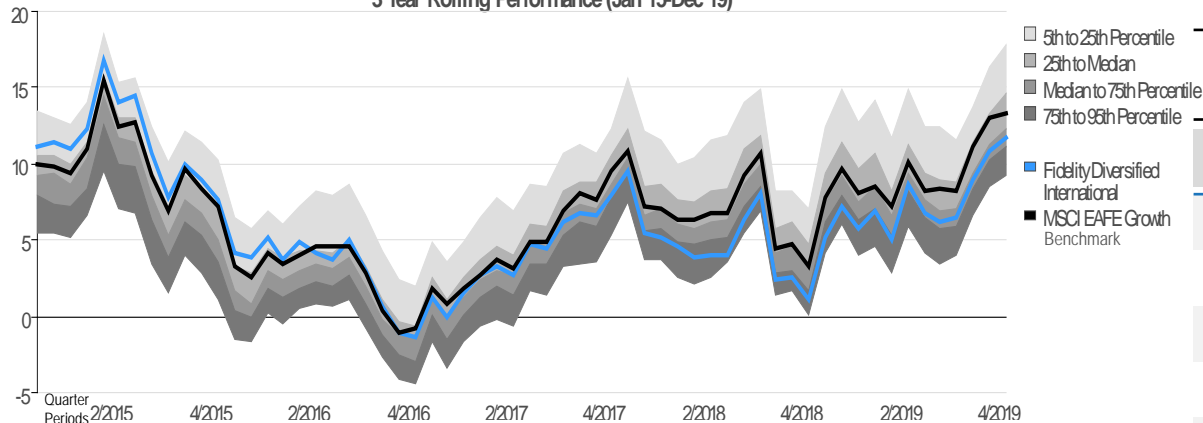
International

Program Assets: \$246.1 million

No. of Texa\$aver accounts: 35,614

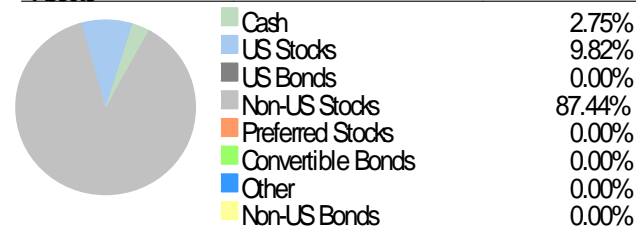
PERFORMANCE, 12/31/2019	1Y	3Y	5Y	7Y	10Y
Fund	29.70	11.66	6.69	7.65	6.58
Benchmark: MSCI EAFE Growth	28.43	13.28	8.13	8.27	7.34
Peer Group Median	27.98	12.36	7.11	7.21	6.89

3 Year Rolling Performance (Jan 15-Dec 19)



PORTFOLIO COMPOSITION

Assets



Overall Morningstar Rating™



FUND OVERVIEW

Investment type	Mutual fund
Investment strategy	Active
Fund expense ratio	0.94%
Fund reimbursement	0.25%
Net Texa\$aver expense	0.69%

BlackRock LifePath® Index Funds



Target Date Funds

Program Assets: \$870.8 million

No. of TexaSaver accounts: 217,362

	Excess Benchmark Performance						Peer Return Rank				Sharpe Ratio Rank	
	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	1 Yr	3 Yr	5 Yr	10 Yr	3 Yr	5 Yr
BlackRock LifePath Index Retire F	0.55	2.39	2.39	0.98	0.62	0.72	14	13	17	13	41	30
S&P Target Date Retirement Income												
Number of Funds in Peer Group							41	38	33	24		
Target-Date 2025												
BlackRock LifePath Index 2025 F	-0.13	0.30	0.30	0.00	-0.32	-0.55	54	59	66	77	36	27
S&P Target Date 2025												
Number of Funds in Peer Group							57	50	42	26		
Target-Date 2030												
BlackRock LifePath Index 2030 F	0.10	0.48	0.48	0.20	-0.22	-0.50	47	52	60	60	37	29
S&P Target Date 2030												
Number of Funds in Peer Group							57	50	41	26		
Target-Date 2035												
BlackRock LifePath Index 2035 F	0.29	0.76	0.76	0.40	-0.14	-0.46	34	44	40	67	29	31
S&P Target Date 2035												
Number of Funds in Peer Group							56	49	41	25		

BlackRock LifePath® Index Funds



Target Date Funds

	Excess Benchmark Performance						Peer Return Rank				Sharpe Ratio Rank	
	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	1 Yr	3 Yr	5 Yr	10 Yr	3 Yr	5 Yr
Target-Date 2040												
BlackRock LifePath Index 2040 F	0.65	1.44	1.44	0.71	0.02	-0.34	21	33	33	57	26	31
S&P Target Date 2040												
Number of Funds in Peer Group							57	50	41	26		
Target-Date 2045												
BlackRock LifePath Index 2045 F	0.93	2.10	2.10	0.91	0.12	-0.23	12	24	25	49	30	33
S&P Target Date 2045												
Number of Funds in Peer Group							56	49	41	24		
Target-Date 2050												
BlackRock LifePath Index 2050 NL F	1.03	2.31	2.31	0.90	0.07		10	25	24	39	25	37
S&P Target Date 2050												
Number of Funds in Peer Group							57	50	41	22		
Target-Date 2055												
BlackRock LifePath Index 2055 NL F	0.97	2.23	2.23	0.77	-0.02		14	29	30		30	36
S&P Target Date 2055												
Number of Funds in Peer Group							56	48	40	5		
Target-Date 2060+												
BlackRock LifePath Index 2060 F	0.88	2.01	2.01	-0.80	-0.92		14	95	95		95	98
S&P Target Date 2060+												
Number of Funds in Peer Group							53	37	14	0		

Questions?