



# Plan Review

Washoe County (664390)

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07/01/2024 through 09/30/2024

For sponsor use only.  
Not for distribution to plan participants

PLAN | INVEST | PROTECT



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## CONTACT INFORMATION

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Bishop Bastien  
Voya Financial\*



### Plan Sponsor web site [www.voyaretirementplans.com/sponsor](http://www.voyaretirementplans.com/sponsor)

Use the Plan Sponsor web site to help better manage your retirement plan. The site provides access to an education library, fiduciary information, and legislative/industry updates. In addition, it includes the ability to:

- View plan and participant-level account balances
- View plan level transaction history
- View year-to-date contribution amounts
- Review and manage plan investment options

\* Entities listed above may or may not be affiliated with Voya.

Not FDIC/NCUA/NCUSIF Insured | Not a Deposit of a Bank/Credit Union | May Lose Value  
Not Bank/Credit Union Guaranteed | Not Insured by Any Federal Government Agency

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## Voya Update

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At Voya, we are making strides toward being America's Retirement Company<sup>®</sup> by helping individuals become financially independent – one person, one family, one institution at a time. Within the Voya Update section, we explain why a growing number of people are choosing Voya to meet their financial and retirement planning needs.

# Voya Financial Fact Sheet

Second-Quarter 2024



Our aspirational vision:

Clearing your path to financial confidence and a more fulfilling life

Voya Financial, Inc. (NYSE: VOYA), is a leading health, wealth and investment company offering products, solutions and technologies that help its individual, workplace and institutional clients become well planned, well invested and well protected. Voya also is purpose-driven and committed to conducting business in a way that is economically, ethically, socially and environmentally responsible. Voya has earned recognition as: one of the World's Most Ethical Companies® by Ethisphere; a member of the Bloomberg Gender-Equality Index; and a "Best Place to Work for Disability Inclusion" on the Disability Equality Index.

## Fast Facts



15.2 million

Customers



9,000

Employees



\$861 billion

Total assets under management and administration\*



Top 5

Provider of retirement plans\*\*



One of the 50

Largest managers of assets globally\*\*\*\*



Top 3

Group provider of supplemental health insurance\*\*\*

\*As of June 30, 2024

\*\*Pensions & Investments magazine, Defined Contribution Record Keepers Directory (as measured by total participants), April 2024

\*\*\*LIMRA 4Q 2023 Workplace Supplemental Health In Force Final Report; Marketshare-Total Group Based Supp. Health. Insurance is underwritten by ReliaStar Life Insurance Company (Minneapolis, MN) and ReliaStar Life Insurance Company of New York (Woodbury, NY), members of the Voya® family of companies.

\*\*\*\*Pensions & Investments magazine, "The Largest Money Managers," 2024 Survey based on assets as of 12/31/23

PLAN  
INVEST  
PROTECT

**VOYA**  
FINANCIAL



## Workplace Solutions

Voya provides workplace benefits and savings products, technologies and solutions through its Wealth Solutions and Health Solutions businesses. Voya offers innovative digital capabilities that focus on customer needs and enhance the participant education and user experience through all life stages. Examples include: myVoyage, a first-of-its-kind personalized financial-guidance and connected workplace-benefits digital platform, and Voya Claims 360, an integrated and intuitive model designed to simplify the claims process for supplemental health insurance products.

### - Wealth Solutions

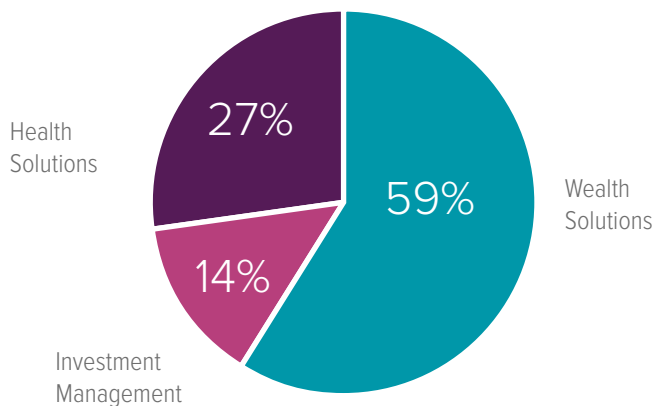
Voya is a leading provider of retirement products and services in the U.S., serving approximately 38,000 U.S. employers and approximately 7 million individual retirement plan participants. Voya also has approximately 450 financial professionals serving retail and workplace clients. Voya is focused on guiding Americans to greater retirement readiness and financial wellness through employer-sponsored savings plans and holistic retirement and income guidance.

### - Health Solutions

Through its insurance companies, Voya is a leading provider of supplemental health insurance in the U.S. and offers a comprehensive and highly flexible portfolio of stop loss, life, disability, and voluntary insurance products to businesses covering more than 7.2 million individuals through the workplace. Voya also offers health savings and spending accounts through our health accounts solutions business. Benefitfocus, a Voya company and a leading benefits administration provider, extends the reach of Voya's workplace benefits and savings offerings by engaging directly with over 12 million employees in the U.S.

## Percentage of adjusted operating earnings by segment\*

Before income taxes and for the trailing twelve months ended June 30, 2024. Excludes notable items by segment and Corporate.



## Investment Management

Voya Investment Management manages public and private fixed income, equities, multi-asset solutions and alternative strategies for institutions, financial intermediaries and individual investors, drawing on a 50-year legacy of active investing and the expertise of 300+ investment professionals.

Customer data for Voya's Health Solutions and Wealth Solutions customers per Voya Financial Inc. as of 12/31/2023.

Health Account Solutions, including Health Savings Accounts, Flexible Spending Accounts, Commuter Benefits, Health Reimbursement Arrangements, and COBRA Administration offered by Voya Benefits Company, LLC (in New York, doing business as Voya BC, LLC). HSA custodial services provided by Voya Institutional Trust Company. For all other products, administration services provided in part by WEX Health, Inc.

Insurance products are underwritten by ReliaStar Life Insurance Company (Minneapolis, MN) and ReliaStar Life Insurance Company of New York (Woodbury, NY). Within the State of New York, only ReliaStar Life Insurance Company of New York is admitted, and its products issued. Both are members of the Voya® family of companies. Voya Employee Benefits is a division of both companies. Product availability and specific provisions may vary by state.

## Awards and Recognitions



Third-party awards and/or rankings about entities within the Voya family of companies are given based upon various criteria and methodologies. Awards and/or rankings are not representative of actual client experiences or outcomes, and are not indicative of any future performance. For certain awards/rankings, Voya pays a fee to be considered. For material facts regarding an award, including but not limited to whether a fee was paid to be eligible for the award, please visit <https://www.voya.com/about-us/our-character/awards-and-recognition>.

“World’s Most Ethical Companies” and “Ethisphere” names and marks are registered trademarks of Ethisphere LLC.

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## Strengthening our culture through workplace flexibility, employee well-being and diversity, equity and inclusion



# 84%

of employees have a positive sentiment toward Voya Financial.

Source: Voya Financial employee sentiment survey data, as of June 2023

Voya provides a variety of benefits and services for its employees with an emphasis on physical, mental and financial well-being, including a no-cost tuition program, access to financial advisors and paid parental leave for both parents after the birth or adoption of a child.

# 31%

of Voya employees are racially and ethnically diverse.\*

Source: 2024 Proxy Statement data, as of Dec. 31, 2023

Voya is building a workforce that better reflects the diversity of our society, including attracting and recruiting talent from underrepresented groups, and offering development programs to increase equity in career growth and mobility.

# 27%

of employees belong to one or more of Voya’s 11 employee-led councils.

Source: Voya Financial workforce data, as of Dec. 31, 2023

Each council creates a supportive community of colleagues who share similar experiences and their allies, as they learn to better understand and embrace differences and support each other. Councils are also business collaborators who help the company advance strategy through business plans, goal development and progress tracking.

\*Numbers reflect U.S.-based Voya and Benefitfocus employees, but not Voya India employees. Racially/Ethnically Diverse numbers reflect employees who self-identify as non-White. Approximately 97% of employees included above self-identified their race or ethnicity.

## Voya's culture and values are reflected in how we serve clients and communities

Voya Foundation makes a meaningful difference in the community and empowers employees to engage in supporting causes that matter most to them, including nonprofits that serve health and human services, education and animal welfare.



### Customers

A customer-centric approach drives our strategy to provide innovative, technology-driven solutions and capabilities that promote the financial well-being of all of our customers' employees.



### Colleagues

We are committed to attracting and retaining talent and incentivizing high performance. We prioritize the development of a workforce that reflects the diversity of the marketplace, while cultivating a meaningful employee experience, a culture of inclusion, and a holistic approach to our employees' well-being.



### Communities

We partner with businesses and organizations that share our commitment to advancing financial resilience and meeting the needs of our local communities.



Dozens of Voya leaders serve on nonprofit boards, where they can share their management skills and/or provide support for their communities.\*



Each employee receives 40 hours per year of paid time off to volunteer.



All full-time employees receive up to \$5,000 from Voya Foundation to match personal donations to any 501(c)3 organization.

\*Source: Voya Financial data, as of Dec. 31, 2023

## Voya Cares® resources, thought leadership and advocacy for disability inclusion

Voya Cares is committed to making a positive difference in the lives of people with disabilities and their caregivers from birth through aging. The program provides advocacy, educational resources and workplace solutions to help employers meet the complex needs of the aging and disabilities community in their workforce. Learn more by visiting [VoyaCares.com](https://VoyaCares.com).

Voya also received a top score of 100 on the 2024 Disability Equality Index®, designating the company as a “Best Place to Work for Disability Inclusion” for the seventh consecutive year.







## Client Health Review



















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Capture the pulse of your plan with the Client Health Review. This section provides an overview of plan performance through an intuitive analysis of key elements, including participation, deferrals, participant engagement, and more.

## PLAN PULSE

Gauge the direction and health of your plan by reviewing how key plan statistics have increased, decreased or stayed the same over time.

07/01/2023 - 09/30/2023 vs. 07/01/2024 - 09/30/2024

|                         | Change since prior period                                                                                                                                                                                                                                                         | Impact of change                                                                                                                                                                                                                                                                                    |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                         |  Increase  Decrease  No Change |  Positive impact  Negative impact  No impact |
| Plan assets             |                                                                                                                                                                                                  |                                                                                                                                                                                                                  |
| Participant accounts    |                                                                                                                                                                                                  |                                                                                                                                                                                                                  |
| Employee contributions* |                                                                                                                                                                                                |                                                                                                                                                                                                                |
| Employer contributions* |                                                                                                                                                                                                |                                                                                                                                                                                                                |
| Overall distributions   |                                                                                                                                                                                                |                                                                                                                                                                                                                |
| Loan requests*          |                                                                                                                                                                                                |                                                                                                                                                                                                                |

\* If applicable to your plan.

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Plan statistics for: Washoe County (664390)

## PLAN STATEMENT

Here's a summary of your plan's current and prior period assets. In addition, total assets are graphed in the chart below for the 5 most recent periods. Please note, in some cases there may be differences between amounts noted here and in other reports or statements you receive. Differences may be due to timing and reporting methods. For this reason, we suggest you do not rely solely on the Plan Review for audit purposes.

### Plan summary

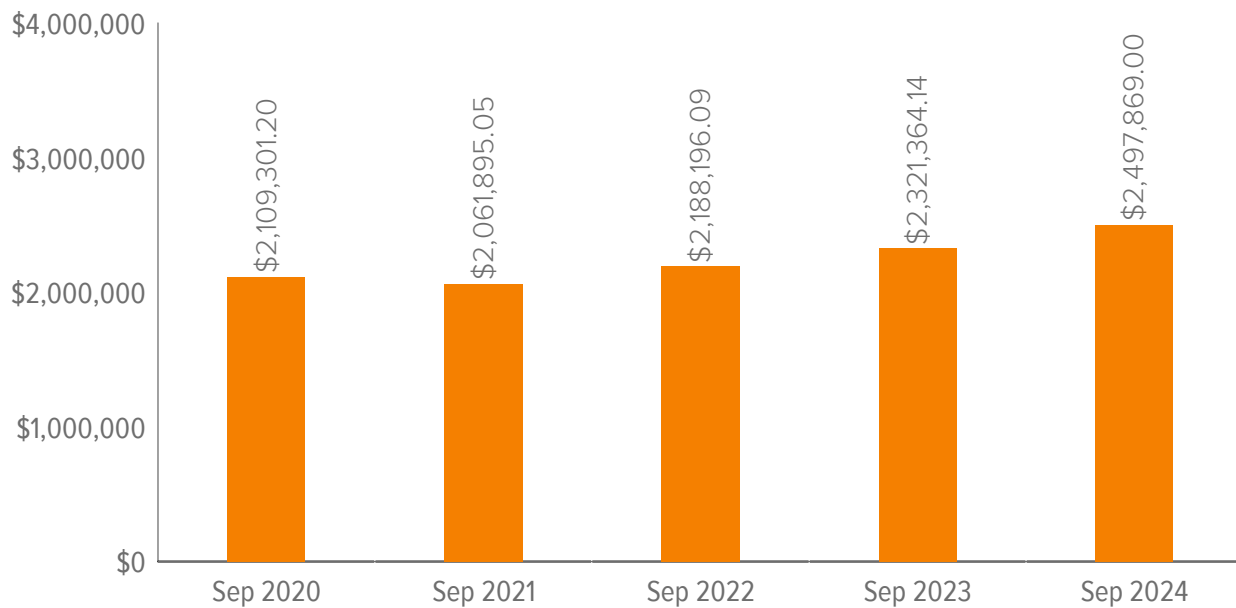
Compare by period

|                                 | (07/01/2023 - 09/30/2023) | (07/01/2024 - 09/30/2024) |
|---------------------------------|---------------------------|---------------------------|
| Beginning of Period Plan Assets | \$2,309,292.23            | \$2,417,355.11            |
| Contributions                   | \$84,620.13               | \$102,886.88              |
| Distributions                   | -\$84,821.36              | -\$29,086.43              |
| Other Activity                  | \$365.55                  | -\$10,421.63              |
| Appreciation/Depreciation       | \$11,907.59               | \$17,135.07               |
| End of Period Plan Assets       | \$2,321,364.14            | \$2,497,869.00            |

Appreciation/Depreciation reflects the investment gains/losses during the period reported excluding assets held outside Voya. If applicable, Dividends may represent dividends earned on assets held in NAV Funds or Self Directed Brokerage Option accounts.

### Total plan assets

Compare by period end



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Plan statistics for: Washoe County (664390)

## PARTICIPATION

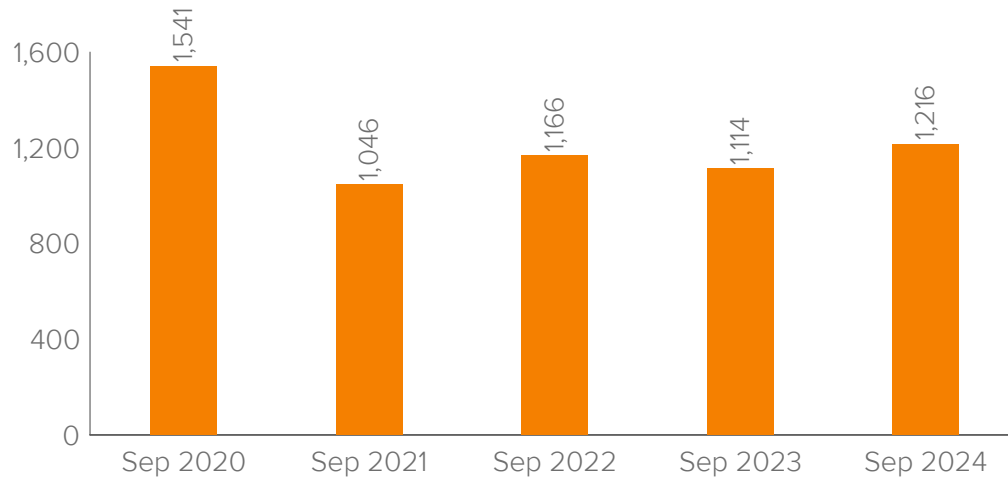
Participation is a key indicator of the success of your plan. Check out your progress. We can help you devise a plan to boost participation among employees as well as increase the deferral rates of existing participants.

### Participant account reconciliation

07/01/2024 - 09/30/2024

|                                                        |       |
|--------------------------------------------------------|-------|
| Beginning of Period                                    | 1,156 |
| New Accounts                                           | 84    |
| Closed Accounts                                        | -24   |
| End of Period                                          | 1,216 |
| Terminated Employees with an account balance           | 314   |
| Terminated Employees with an account balance < \$7,000 | 282   |

### Participant accounts by year



### Participant accounts by age group

|         | Sep 2020 |        | Sep 2021 |        | Sep 2022 |        | Sep 2023 |        | Sep 2024 |        |
|---------|----------|--------|----------|--------|----------|--------|----------|--------|----------|--------|
| <30     | 449      | 29.14% | 329      | 31.45% | 395      | 33.88% | 399      | 35.82% | 419      | 34.46% |
| 30 - 39 | 480      | 31.15% | 302      | 28.87% | 319      | 27.36% | 300      | 26.93% | 303      | 24.92% |
| 40 - 49 | 224      | 14.54% | 148      | 14.15% | 158      | 13.55% | 144      | 12.93% | 163      | 13.40% |
| 50 - 59 | 181      | 11.75% | 135      | 12.91% | 137      | 11.75% | 135      | 12.12% | 144      | 11.84% |
| 60+     | 206      | 13.37% | 129      | 12.33% | 154      | 13.21% | 133      | 11.94% | 185      | 15.21% |
| Unknown | 1        | 0.06%  | 3        | 0.29%  | 3        | 0.26%  | 3        | 0.27%  | 2        | 0.16%  |

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Plan statistics for: Washoe County (664390)

# PLAN HEALTH INSIGHTS

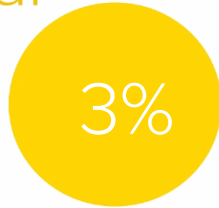
As of 08/31/2024

 **167**  
**Participants**  
included in analysis

  
**10%**  
are on track  
to exceed 70% of their  
income in retirement.  
Benchmark: 18%

The average  
deferral  
rate

Benchmark: 6%



Income replacement %

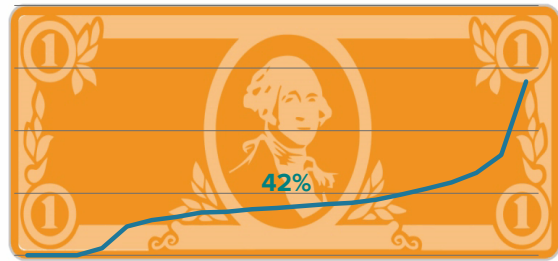
200%

150%

100%

50%

0%



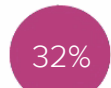
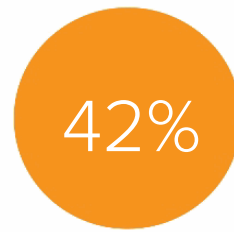
1

167

Participants Included in Analysis

Average plan  
income replacement

Benchmark: 43%



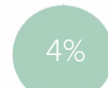
Social  
Security



DC



Other



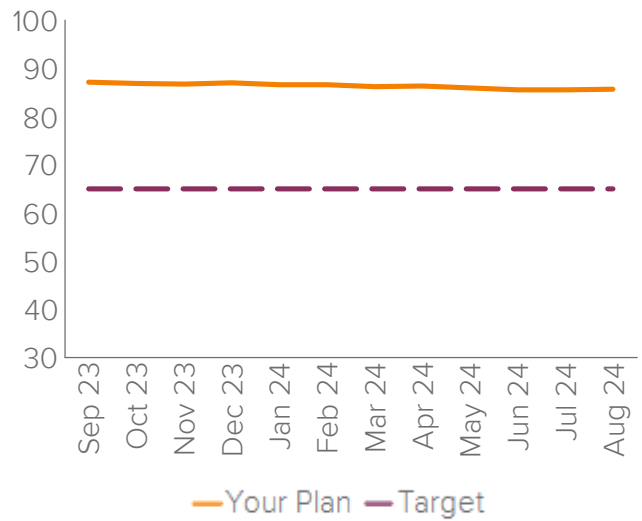
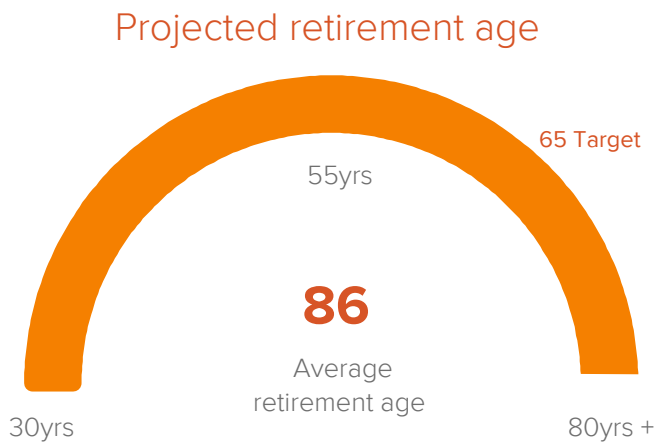
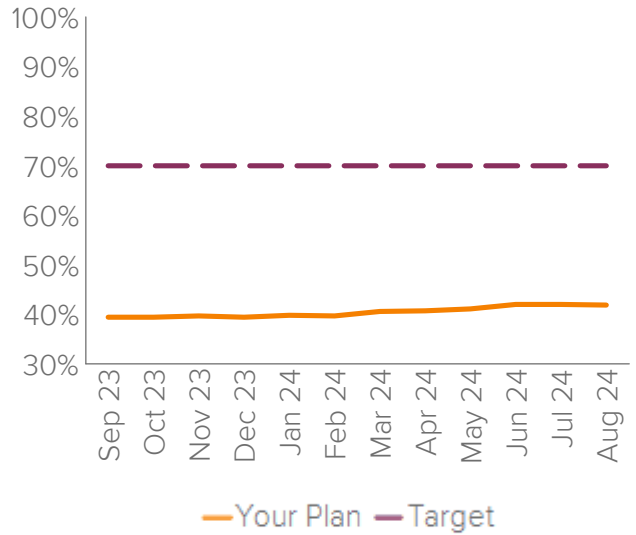
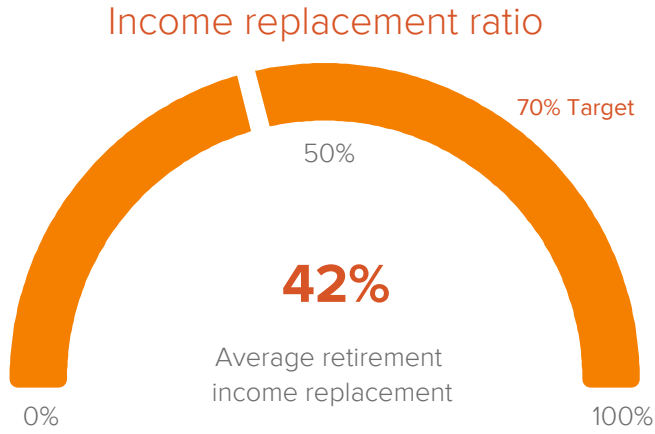
Pension

Benchmark data derived from Voya book of business statistics  
Source of Data: Voya Retirement Readiness Data Mart

For sponsor use only. Not for distribution to plan participants.  
Plan statistics for: WASHOE COUNTY OBRA DEFERRED COMP

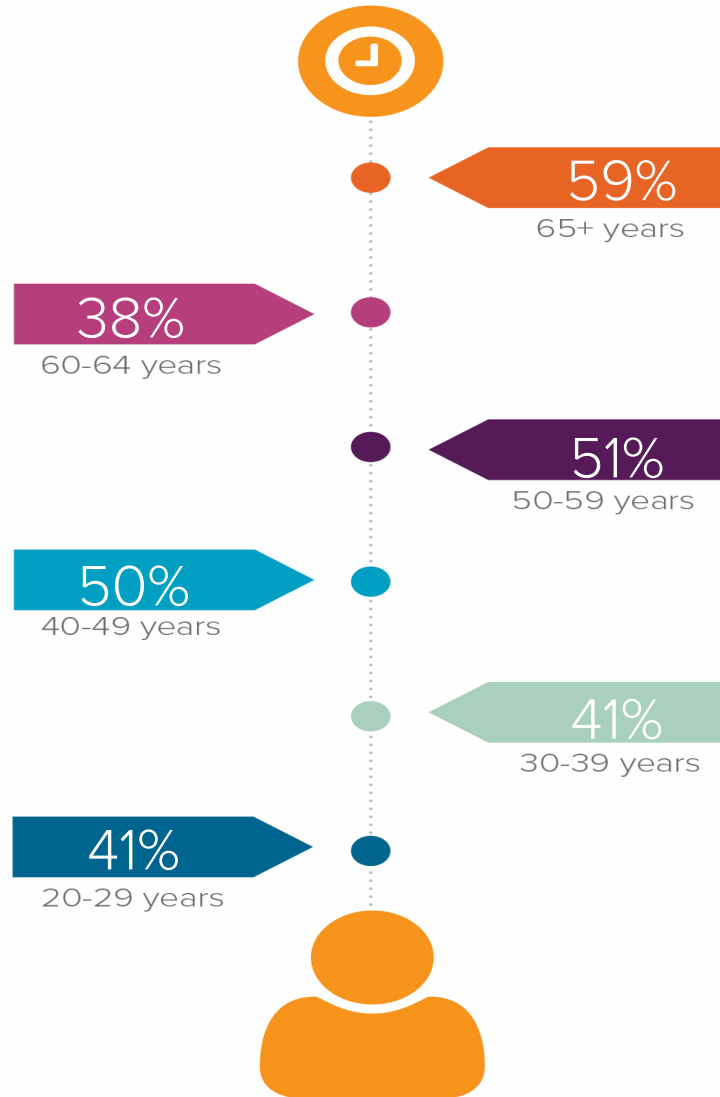
## PLAN HEALTH TRENDING

As of 08/31/2024



Source of Data: Voya Retirement Readiness Data Mart

# Income replacement ratio by age



Source of Data: Voya Retirement Readiness Data Mart  
CN2821381\_0425

For sponsor use only. Not for distribution to plan participants.  
Plan statistics for: WASHOE COUNTY OBRA DEFERRED COMP

## PARTICIPANT ENGAGEMENT

Offering a variety of services helps create a more engaging experience for participants, which encourages action and drives results. The Participant Engagement report provides an overview of participant activity with central services, such as the toll-free Customer Service Center, Internet, Mobile, and the Voice Response line. Use this report to gain key insight into the actions and engagement levels of plan participants.

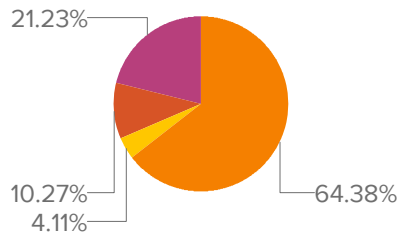
### Participant access statistics

07/01/2024 - 09/30/2024

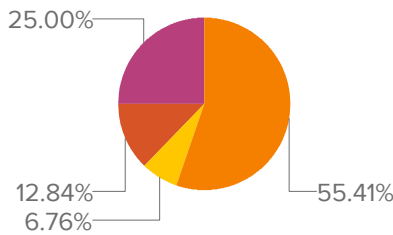
|                             | Internet | Mobile | VRU | CSA* |
|-----------------------------|----------|--------|-----|------|
| <b>Inquiries by type</b>    |          |        |     |      |
| Total participants (unique) | 92       | 21     | 17  | 26   |
| Total inquiries             | 897      | 62     | 17  | 41   |

#### Unique participant inquiries by type

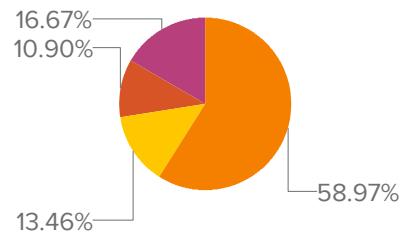
■ Internet   
 ■ Mobile   
 ■ VRU   
 ■ CSA\*



07/01/2022 - 09/30/2022



07/01/2023 - 09/30/2023



07/01/2024 - 09/30/2024

|                                 | Internet  | Mobile   | VRU      | CSA*     |
|---------------------------------|-----------|----------|----------|----------|
| <b>Actions by type</b>          |           |          |          |          |
| Catch up contribution elections | 0         | 0        | 0        | 0        |
| Contribution rate escalations   | 0         | 0        | 0        | 0        |
| Deferral updates                | 0         | 0        | 0        | 0        |
| Fund transfers                  | 0         | 0        | 0        | 0        |
| In-service/partial withdrawals  | 5         | N/A      | N/A      | 0        |
| Investment election changes     | 1         | 0        | 0        | 0        |
| Investment reallocations        | 0         | 0        | 0        | 0        |
| Loan requests                   | 0         | N/A      | N/A      | 0        |
| Lump sum withdrawals            | 7         | N/A      | N/A      | 7        |
| Rebalance elections             | 1         | 0        | 0        | 0        |
| <b>Total</b>                    | <b>14</b> | <b>0</b> | <b>2</b> | <b>7</b> |

\* CSA - Customer Service Associate

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Plan statistics for: Washoe County (664390)



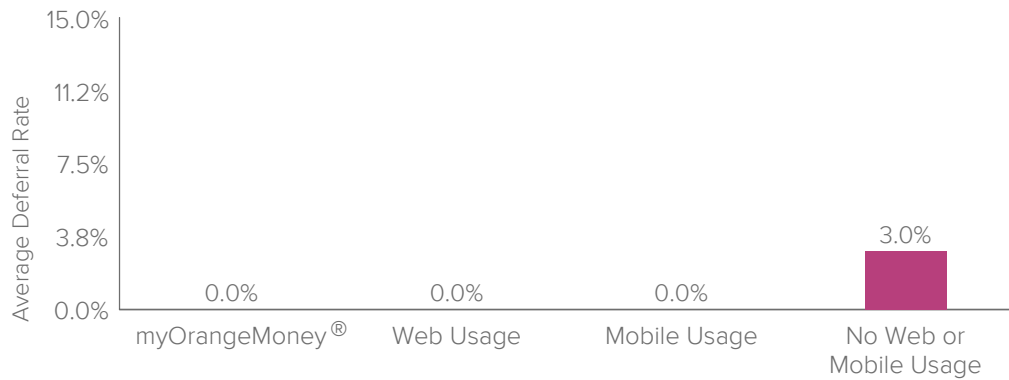
## Engagement

|                             |   |
|-----------------------------|---|
| myOrangeMoney <sup>®</sup>  | 2 |
| Total participants (unique) | 2 |

## Web engagement impact on deferral rates

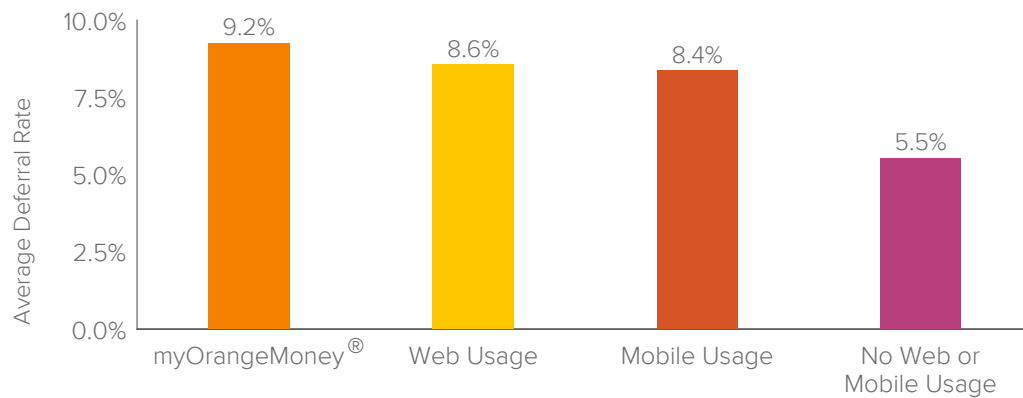
07/01/2024 - 09/30/2024

### Your plan



Important Note - Your plan's rates are calculated based on the information provided to Voya.

### All Voya plans



Rates derived from Voya Retirement Readiness Data Mart as of August 2024

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Plan statistics for: Washoe County (664390)



## Plan Activity

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The Plan Activity is designed to lighten your burden and provide you with several easy-to-read analysis tools. These tools will empower you to actively analyze plan performance and objectively make recommendations for optimizations.

## TRANSACTION ACTIVITY DETAIL

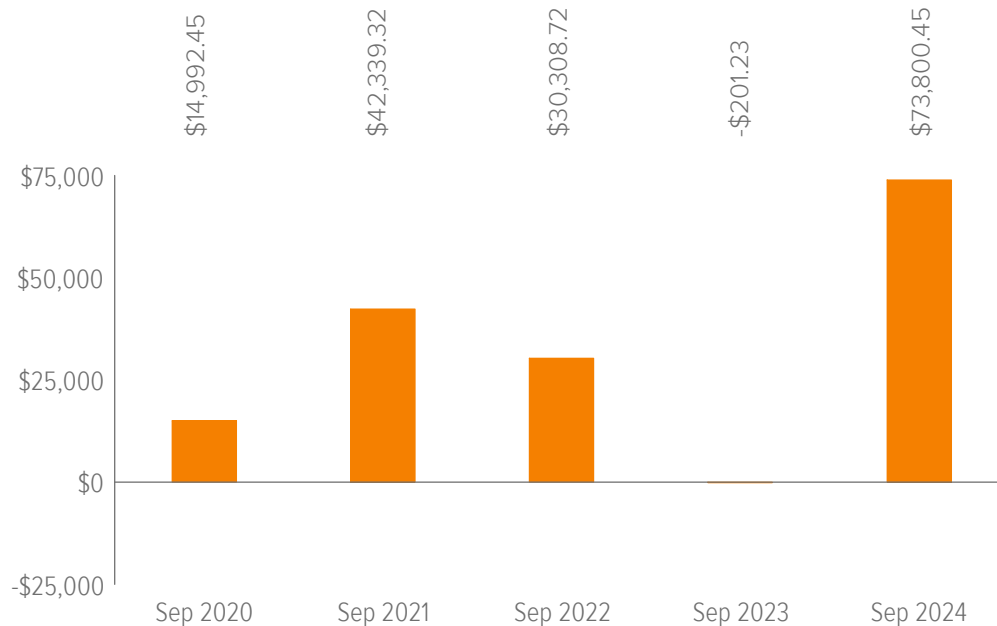
Below is a summary of your plan's transaction activity and net cash flow, along with highlights of the more notable transactions for the current period and prior periods. Monitor this data over time to ensure contribution levels are satisfactory and that distributions haven't risen unexpectedly, possibly indicating a need for further employee education.

### Summary activity

|                | Prior Period<br>07/01/2023 - 09/30/2023 |              | Current Period<br>07/01/2024 - 09/30/2024 |              |
|----------------|-----------------------------------------|--------------|-------------------------------------------|--------------|
|                | Amount                                  | Participants | Amount                                    | Participants |
| Contributions  | \$84,620.13                             | 279          | \$102,886.88                              | 319          |
| Distributions  | -\$84,821.36                            | 175          | -\$29,086.43                              | 18           |
| Other Activity | \$365.55                                | 1,227        | -\$10,421.63                              | 1,130        |

The Summary Activity section does not include daily valuations of investment options; thus it does not reflect market appreciation or depreciation. Net Cash Flow below is determined by subtracting the total Distributions from the total Contributions for the period.

### Net cash flow by period end (contributions vs. distributions)



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Plan statistics for: Washoe County (664390)

## Activity Highlights

|                             | Prior Period<br>07/01/2023 - 09/30/2023 |              | Current Period<br>07/01/2024 - 09/30/2024 |              | Change Over<br>Prior Period |              |
|-----------------------------|-----------------------------------------|--------------|-------------------------------------------|--------------|-----------------------------|--------------|
|                             | Amount                                  | Participants | Amount                                    | Participants | Amount                      | Participants |
| <b>Contributions</b>        |                                         |              |                                           |              |                             |              |
| 414H Pickup                 | \$84,620.13                             | 279          | \$102,886.88                              | 319          | 21.59%                      | 40           |
| <b>Total</b>                | <b>\$84,620.13</b>                      |              | <b>\$102,886.88</b>                       |              | <b>21.59%</b>               |              |
| <b>Distributions</b>        |                                         |              |                                           |              |                             |              |
| Death Claim                 | -\$4,839.15                             | 2            | -\$887.21                                 | 2            | -81.67%                     | 0            |
| Withdrawal                  | -\$79,982.21                            | 173          | -\$28,199.22                              | 16           | -64.74%                     | -157         |
| <b>Total</b>                | <b>-\$84,821.36</b>                     |              | <b>-\$29,086.43</b>                       |              | <b>-65.71%</b>              |              |
| <b>Other Activity</b>       |                                         |              |                                           |              |                             |              |
| Adjustment                  | \$0.00                                  | 0            | \$0.81                                    | 1            |                             |              |
| Asset Transfer              | \$591.73                                | 2            | -\$9,788.98                               | 5            |                             |              |
| Fee                         | -\$226.18                               | 1,144        | -\$240.06                                 | 1,117        |                             |              |
| Inter-Participant Transfers | \$0.00                                  | 0            | \$0.00                                    | 4            |                             |              |
| Miscellaneous               | \$0.00                                  | 0            | -\$393.40                                 | 4            |                             |              |
| <b>Total</b>                | <b>\$365.55</b>                         |              | <b>-\$10,421.63</b>                       |              |                             |              |

If applicable, "Asset Transfer" may refer to internal or external transfers of assets as a result of various transactions including, but not limited to, 90-24 transfers, 1035 exchanges, rollover contributions, mergers or product conversions. If applicable, "Fee," aside from "TPA Fee Deduction" and "Maintenance Fee," may refer to asset based administration, service or loan fees. If applicable, "Dividends" may represent dividends earned on assets held in NAV Funds or Self Directed Brokerage Option accounts.

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Plan statistics for: Washoe County (664390)

## CONTRIBUTION SUMMARY

Examine contribution levels in a simple year-over-year format. Find out if your employees' contribution levels increased or decreased over the last five years.

### Contributions by source and participants

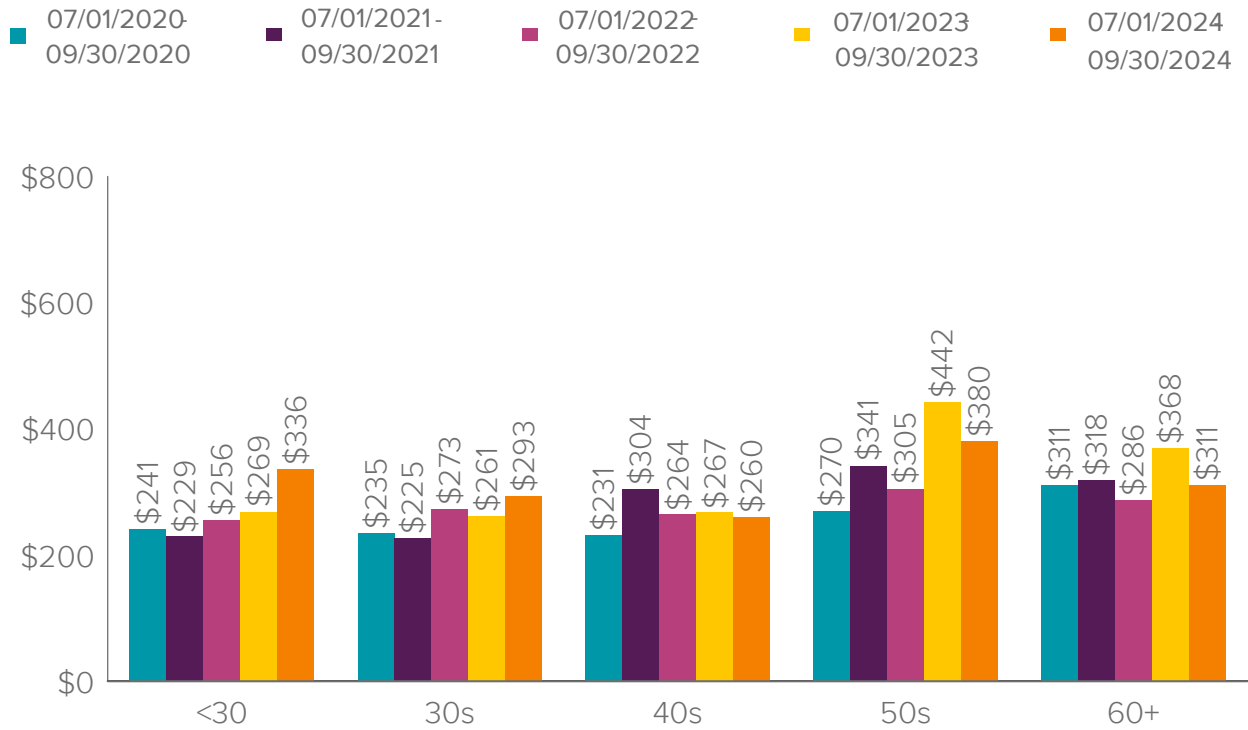
|                    | 07/01/2020 -<br>09/30/2020 | 07/01/2021 -<br>09/30/2021 | 07/01/2022 -<br>09/30/2022 | 07/01/2023 -<br>09/30/2023 | 07/01/2024 -<br>09/30/2024 |
|--------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>Employee</b>    |                            |                            |                            |                            |                            |
| 414H Pickup        | \$50,713.93<br>(199)       | \$73,408.83<br>(280)       | \$73,145.77<br>(272)       | \$84,620.13<br>(279)       | \$102,886.88<br>(319)      |
| <b>Total</b>       | <b>\$50,713.93</b>         | <b>\$73,408.83</b>         | <b>\$73,145.77</b>         | <b>\$84,620.13</b>         | <b>\$102,886.88</b>        |
| <b>Grand Total</b> | <b>\$50,713.93</b>         | <b>\$73,408.83</b>         | <b>\$73,145.77</b>         | <b>\$84,620.13</b>         | <b>\$102,886.88</b>        |

(Numbers) represent number of participants

**For sponsor use only. Not for distribution to plan participants.**

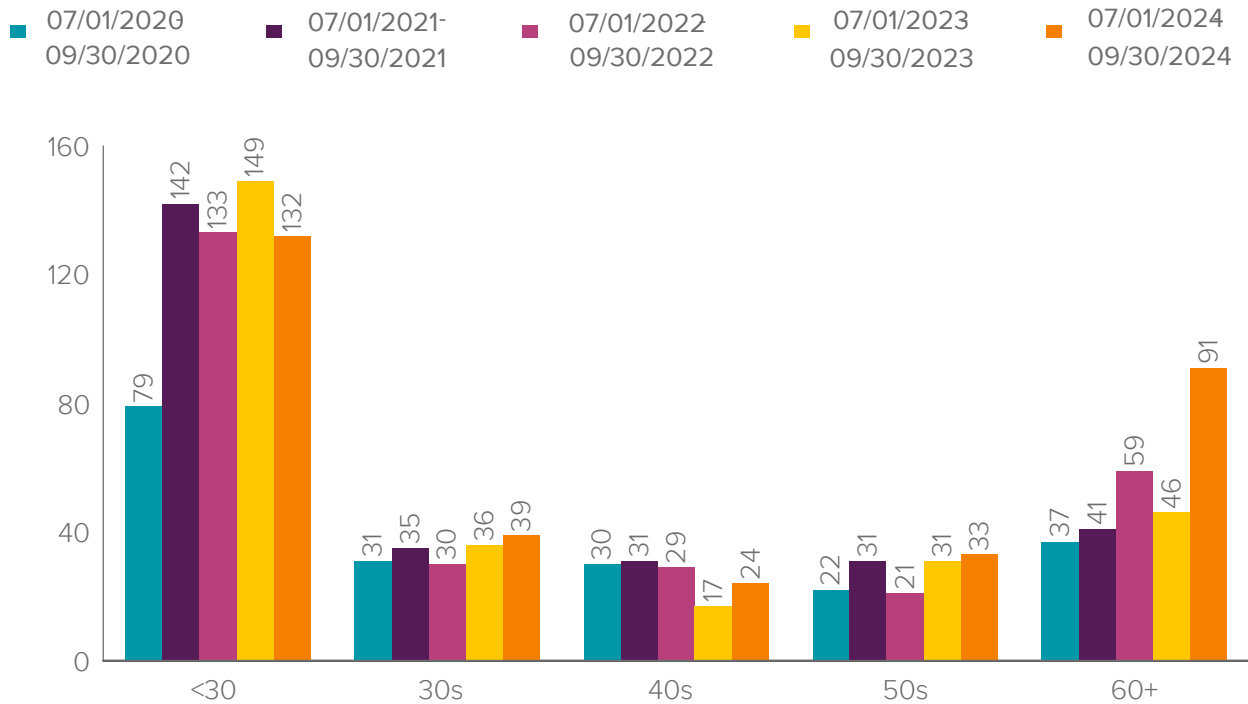
Plan statistics for: Washoe County (664390)

## Average participant contributions by age group



Average participant contributions include employee sources only

## Contributing participant counts by age group



Contributing participant counts include employee sources only

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Plan statistics for: Washoe County (664390)

## CURRENT PARTICIPATION AND ENROLLMENT STATISTICS

Review key plan enrollment statistics at a glance including participation, deferrals, auto enrollment, and more. Use this report to spot trends and understand the overall activity and enrollment health of the plan.

### Current participation

|                                                                  | Year End<br>2020 | Year End<br>2021 | Year End<br>2022 | Year End<br>2023                  | Q1<br>2024 | Q2<br>2024 | Q3<br>2024 |
|------------------------------------------------------------------|------------------|------------------|------------------|-----------------------------------|------------|------------|------------|
| Participant accounts                                             | 1,610            | 1,065            | 1,217            | 1,118                             | 1,113      | 1,156      | 1,216      |
| Deferral summary                                                 |                  |                  |                  | Eligibility tracking              |            |            |            |
| <b>As of</b>                                                     |                  |                  |                  | <b>As of 09/30/2024</b>           |            |            |            |
| Average deferral rate for all participants                       |                  |                  | %                | Total eligible employees          |            |            | 1,795      |
| Average deferral rate for HCE participants                       |                  |                  | %                | Eligible employees not enrolled   |            |            | 1          |
| Average deferral rate for NHCE participants                      |                  |                  | %                | Plan participation                |            |            |            |
| Participants included in deferral rate calculation               |                  |                  |                  | <b>As of</b>                      |            |            |            |
| Participants who changed deferral rate to 0 in the last 3 months |                  |                  | N/A              | Participation rate                |            |            | %          |
| Contribution summary                                             |                  |                  |                  | Terminated employees              |            |            |            |
| <b>As of 09/30/2024</b>                                          |                  |                  |                  | <b>As of 10/16/2024</b>           |            |            |            |
| Total participants actively deferring in last 4 months           |                  |                  | 324              | With an account balance           |            |            | 314        |
|                                                                  |                  |                  |                  | With an account balance < \$7,000 |            |            | 282        |

### Enrollment summary

07/01/2024 - 09/30/2024

|                                            |     |
|--------------------------------------------|-----|
| New enrollments                            | 203 |
| Participants who opted for auto-escalation | 0   |

### Auto enrollment

07/01/2024 - 09/30/2024

|                                               |      |
|-----------------------------------------------|------|
| Average deferral rate of auto-enrollers (0)   | 0.0% |
| Average deferral rate of self-enrollers (0)   | 0.0% |
| Average deferral amount of self-enrollers (0) | \$0  |
| Opted out                                     | 0    |

Your plan's data is calculated based on information provided to Voya. Participants actively deferring in last 4 months excludes those who've been suspended or currently have an inactive account status.

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Plan statistics for: Washoe County (664390)

## PARTICIPANT BALANCE

Monitoring your participants' account balances and comparing them to benchmark data helps you encourage employees to remain on track with their retirement.

### Your average participant account balance compared to benchmark data

↑ Your balance is above the benchmark 
 ↓ Your balance is below the benchmark 
 ✖ No change

|           | Sep 2020                               | Sep 2021                               | Sep 2022                               | Sep 2023                               | Sep 2024                               |
|-----------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|
| Your Plan | \$1,368                                | \$1,971                                | \$1,876                                | \$2,083                                | \$2,054                                |
| Benchmark | \$46,823 <sup>1</sup>                  | \$52,286 <sup>2</sup>                  | \$43,405 <sup>3</sup>                  | \$49,194 <sup>4</sup>                  | \$51,324 <sup>5</sup>                  |
|           | <span style="color: #0056B3;">↓</span> | <span style="color: #0056B3;">↓</span> | <span style="color: #0056B3;">↓</span> | <span style="color: #0056B3;">↓</span> | <span style="color: #0056B3;">↓</span> |

<sup>1</sup> Voya Universe of Government Plans as of December 2020

<sup>2</sup> Voya Universe of Government Plans as of December 2021

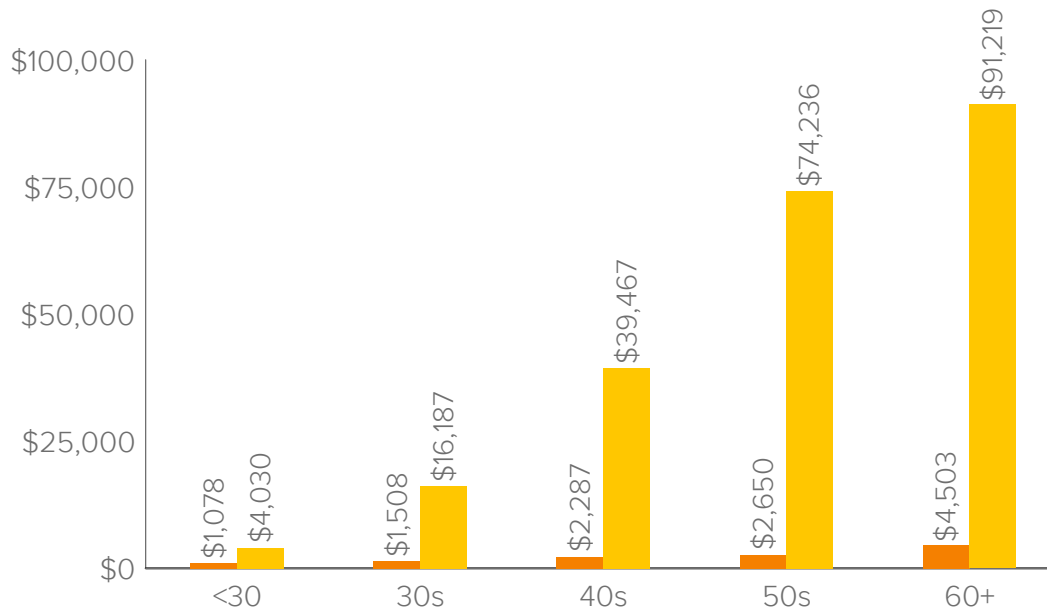
<sup>3</sup> Voya Universe of Government Plans as of December 2022

<sup>4</sup> Voya Universe of Government Plans as of December 2023

<sup>5</sup> Voya Universe of Government Plans as of June 2024

### Your average participant account balance by age group

👤 Your Plan 
 👤 Benchmark



Voya Universe of Government Plans as of June 2024

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Plan statistics for: Washoe County (664390)



## DISTRIBUTION SUMMARY

Compare your plan's total distribution dollars over a five year span. See how these dollars change according to type of distribution, in addition to your number of transactions.

### Distributions by type and participants

|              | 07/01/2020 -<br>09/30/2020 | 07/01/2021 -<br>09/30/2021 | 07/01/2022 -<br>09/30/2022 | 07/01/2023 -<br>09/30/2023 | 07/01/2024 -<br>09/30/2024 |
|--------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Death Claim  | \$0.00<br>(0)              | \$0.00<br>(0)              | -\$16,018.25<br>(1)        | -\$4,839.15<br>(2)         | -\$887.21<br>(2)           |
| Withdrawal   | -\$35,721.48<br>(17)       | -\$31,069.51<br>(14)       | -\$26,818.80<br>(13)       | -\$79,982.21<br>(173)      | -\$28,199.22<br>(16)       |
| <b>Total</b> | <b>-\$35,721.48</b>        | <b>-\$31,069.51</b>        | <b>-\$42,837.05</b>        | <b>-\$84,821.36</b>        | <b>-\$29,086.43</b>        |

(Numbers) represent number of participants

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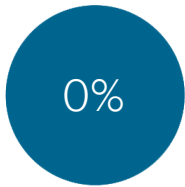
Plan statistics for: Washoe County (664390)

## DIVERSIFICATION

It's sensible for each participant to hold a well-diversified retirement portfolio. Doing so reduces each investor's exposure to risk while optimizing his/her potential for return. The information that follows provides some insight as to how your participants are diversifying their investments.

### Investment diversification

As of 10/16/2024



Voya views a person as diversified if their investment mix is made up of at least one fixed fund, one U.S. fund, and one Non U.S. fund and less than 20% in company stock, as applicable. Alternately they are considered diversified if they are invested in an asset allocation fund.

### Diversification of participant assets by number of participants

As of 09/30/2024



### Average number of investment options utilized per participant

|                                | Sep 2021 | Sep 2022 | Sep 2023 | Sep 2024 |
|--------------------------------|----------|----------|----------|----------|
| With Asset Allocation Funds    | 1.0      | 1.0      | 1.0      | 1.0      |
| Without Asset Allocation Funds | 1.0      | 1.0      | 1.0      | 1.0      |



Benchmark\*

The average number of investment options utilized per participant without asset allocation funds excludes those participants who are invested solely in an asset allocation fund.

Please remember, using diversification as part of an investment strategy neither assures nor guarantees better performance and cannot protect against loss in declining markets.

\* Voya Universe of Government Plans as of June 2024; includes ppts invested solely in an asset allocation fund

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Plan statistics for: Washoe County (664390)

## Diversification detail of participants utilizing one investment option

| Investment Option/Fund Name (by Asset Class)                       | Participants Invested |              |
|--------------------------------------------------------------------|-----------------------|--------------|
| <b>Asset Allocation</b>                                            | <b>Total:</b>         | <b>0</b>     |
|                                                                    |                       | 0            |
| <b>Stability of Principal</b>                                      | <b>Total:</b>         | <b>1,216</b> |
| Voya Fixed Account - 457/401 II                                    |                       | 1,216        |
| <b>Bonds</b>                                                       | <b>Total:</b>         | <b>0</b>     |
| <b>Balanced</b>                                                    | <b>Total:</b>         | <b>0</b>     |
| <b>Large Cap Value/Blend</b>                                       | <b>Total:</b>         | <b>0</b>     |
| <b>Large Cap Growth</b>                                            | <b>Total:</b>         | <b>0</b>     |
| <b>Small/Mid/Specialty</b>                                         | <b>Total:</b>         | <b>0</b>     |
| <b>Global / International</b>                                      | <b>Total:</b>         | <b>0</b>     |
| <b>Grand total of participants utilizing one investment option</b> |                       | <b>1,216</b> |

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Plan statistics for: Washoe County (664390)



## Plan Investment Review

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The Plan Investment Review provides a comprehensive overview of all of the investment options under your plan. It highlights multiple investment analysis tools, employee diversification, and several key facets to help you determine if the plan is on track to achieve the desired performance goals.

## TOTAL PLAN ASSETS AND CONTRIBUTIONS BY INVESTMENT OPTION

Compare the allocation of existing assets with that of the current period. Do you see a dramatic change where assets are currently being allocated? Does that shift make sense given current market conditions...or your employees? Are the participants well diversified across the asset classes?

### Diversification of Participant Assets and Contributions

| Investment Option/Fund Name<br>(by Asset Class) | Assets as of<br>09/30/2024 | % of<br>Total<br>Assets | Participants<br>Invested | Contributions<br>07/01/2024 -<br>09/30/2024 | % of Total<br>Contributions | Participants<br>Contributing |
|-------------------------------------------------|----------------------------|-------------------------|--------------------------|---------------------------------------------|-----------------------------|------------------------------|
| <b>Asset Allocation</b>                         |                            |                         |                          |                                             |                             |                              |
| <b>Total</b>                                    | <b>\$0.00</b>              | <b>0.00%</b>            |                          | <b>\$0.00</b>                               | <b>0.00%</b>                |                              |
| <b>Stability of Principal</b>                   |                            |                         |                          |                                             |                             |                              |
| Voya Fixed Account -<br>457/401 II              | \$2,497,869.00             | 100.00%                 | 1,217                    | \$102,886.88                                | 100.00%                     | 319                          |
| <b>Total</b>                                    | <b>\$2,497,869.00</b>      | <b>100.00%</b>          |                          | <b>\$102,886.88</b>                         | <b>100.00%</b>              |                              |
| <b>Bonds</b>                                    |                            |                         |                          |                                             |                             |                              |
| <b>Total</b>                                    | <b>\$0.00</b>              | <b>0.00%</b>            |                          | <b>\$0.00</b>                               | <b>0.00%</b>                |                              |
| <b>Balanced</b>                                 |                            |                         |                          |                                             |                             |                              |
| <b>Total</b>                                    | <b>\$0.00</b>              | <b>0.00%</b>            |                          | <b>\$0.00</b>                               | <b>0.00%</b>                |                              |
| <b>Large Cap Value/Blend</b>                    |                            |                         |                          |                                             |                             |                              |
| <b>Total</b>                                    | <b>\$0.00</b>              | <b>0.00%</b>            |                          | <b>\$0.00</b>                               | <b>0.00%</b>                |                              |
| <b>Large Cap Growth</b>                         |                            |                         |                          |                                             |                             |                              |
| <b>Total</b>                                    | <b>\$0.00</b>              | <b>0.00%</b>            |                          | <b>\$0.00</b>                               | <b>0.00%</b>                |                              |
| <b>Small/Mid/Specialty</b>                      |                            |                         |                          |                                             |                             |                              |
| <b>Total</b>                                    | <b>\$0.00</b>              | <b>0.00%</b>            |                          | <b>\$0.00</b>                               | <b>0.00%</b>                |                              |
| <b>Global / International</b>                   |                            |                         |                          |                                             |                             |                              |
| <b>Total</b>                                    | <b>\$0.00</b>              | <b>0.00%</b>            |                          | <b>\$0.00</b>                               | <b>0.00%</b>                |                              |
| <b>Grand Total</b>                              | <b>\$2,497,869.00</b>      |                         |                          | <b>\$102,886.88</b>                         |                             |                              |

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Plan statistics for: Washoe County (664390)

# Voya Fixed Account – 457/401 II

The Voya Fixed Account – 457/401 II is available through a group annuity or other type of contract issued by Voya Retirement Insurance and Annuity Company (“VRIAC” or the “Company”). The Voya Fixed Account – 457/401 II is an obligation of VRIAC’s general account which supports all of the Company’s insurance and annuity commitments. All guarantees are based on the financial strength and claims-paying ability of VRIAC, which is solely responsible for all obligations under its contracts.

Asset Class: **Stability of Principal**

## Important Information

This information should be read in conjunction with your contract prospectus, contract prospectus summary or disclosure booklet, as applicable. Please read them carefully before investing.

**Please refer to the Morningstar Disclosure and Glossary document contained in your plan’s eligibility package for additional information. You may always access the most current version of the Disclosure and Glossary at**

**<https://www.voyaretirementplans.com/fundonepagerscolor/DisclosureGlossary.pdf>**

## Voya Retirement Insurance and Annuity Company

One Orange Way  
Windsor, CT 06095-4774  
[www.voyaretirementplans.com](http://www.voyaretirementplans.com)

## Objective

Stability of principal is the primary objective of this investment option. The Voya Fixed Account – 457/401 II guarantees minimum rates of interest and may credit interest that exceeds the guaranteed minimum rates. Daily credited interest becomes part of principal and the investment increases through compound interest. All amounts invested by your plan in the Voya Fixed Account – 457/401 II receive the same credited rate. This is known as a portfolio method of interest rate crediting.

## Key Features

The Voya Fixed Account – 457/401 II is intended to be a long-term investment for participants seeking stability of principal. The assets supporting it are invested by VRIAC with this goal in mind. Therefore, VRIAC may impose restrictions on transfers and withdrawals involving the Voya Fixed Account – 457/401 II if Competing Investment Options (as defined below) are offered, or if you have a choice between multiple service providers. These restrictions help VRIAC

to provide stable credited interest rates which historically have not varied significantly from month to month despite the general market’s volatility in new money interest rates.

**Restrictions on Transfers from the Voya Fixed Account – 457/401 II**  
Transfers from the Voya Fixed Account – 457/401 II will be subject to the equity wash restrictions shown below.

**Equity Wash Restrictions on Transfers**  
Transfers between investment options are allowed at any time, subject to the following provisions:

- (a) Direct transfers from the Voya Fixed Account – 457/401 II cannot be made to a Competing Investment Option;
- (b) A transfer from the Voya Fixed Account – 457/401 II to other investment options under the contract cannot be made if a transfer to a Competing Investment Option has taken place within 90 days;
- (c) A transfer from the Voya Fixed Account – 457/401 II to other investment options under the contract cannot be made if a non-benefit withdrawal from a non-Competing Investment Option has taken place within 90 days; and
- (d) A transfer from a non-Competing Investment Option to a Competing Investment Option cannot be made if a transfer from the Voya Fixed Account – 457/401 II has taken place within 90 days.

## Competing Investment Option

As used throughout this document, a Competing Investment Option is defined as any investment option that:

- (a) Provides a direct or indirect investment performance guarantee;
- (b) Is, or may be, invested primarily in assets other than common or preferred stock;
- (c) Is, or may be, invested primarily in financial vehicles (such as mutual funds, trusts or insurance company contracts) which are invested in assets other than common or preferred stock;
- (d) Is available through an account with a brokerage firm designated by the Company and made available by the Contract Holder (as defined in the contract) as an additional investment under the plan;
- (e) Is a self-directed brokerage arrangement;
- (f) Is any fund with similar characteristics to the above as

reasonably determined by the Company; or

- (g) Is any fund with a targeted duration of less than three years (e.g., money market funds).

For more information regarding Competing Investment Options in your plan, please contact the Customer Contact Center at (800) 584-6001.

## Requests for Full Withdrawals

If the contract is surrendered completely, or if you surrender your account to transfer to another carrier within the plan, a Market Value Adjustment (“MVA”) may be applied to the Voya Fixed Account – 457/401 II portion of your account (or the Contract Holder may elect to have the surrendered amount paid out over a period of 60 months, with interest paid). This MVA would not apply to any distribution made to you as a benefit payment. Please refer to your contract prospectus, contract prospectus summary or disclosure booklet, as applicable, for more information.

## Interest Rate Structure

The Voya Fixed Account – 457/401 II guarantees principal and a guaranteed minimum interest rate (“GMIR”) for the life of the contract, as well as featuring two declared interest rates: a current rate, determined at least monthly, and a guaranteed minimum floor rate declared for a defined period – currently one calendar year. The guaranteed minimum floor rate may change after a defined period, but it will never be lower than the GMIR that applies for the life of the contract. The current rate, the guaranteed minimum floor rate and the GMIR are expressed as annual effective yields. Taking the effect of compounding into account, the interest credited to your account daily yields the then current credited rate.

VRIAC’s determination of credited interest rates reflects a number of factors, which may include mortality and expense risks, interest rate guarantees, the investment income earned on invested assets and the amortization of any capital gains and/or losses realized on the sale of invested assets. Under this option, VRIAC assumes the risk of investment gain or loss by guaranteeing the principal amount you allocate to this option and promising a minimum interest rate during the accumulation period and also throughout the annuity payout period, if applicable.

The current rate to be credited under a contract may be higher than the guaranteed minimum floor rate and the GMIR and may be changed at any time,

except that VRIAC will not apply a decrease to the current rate following a rate change initiated solely by us prior to the last day of the three-month period measured from the first day of the month in which such change was effective. The current rate for a plan's initial investment in the Voya Fixed Account – 457/401 II may be in effect for less than a full three-month period.

Any insurance products, annuities and funding agreements that you may have purchased are issued by Voya Retirement Insurance and Annuity Company ("VRIAC"). VRIAC is solely responsible for meeting its obligations. Plan administrative services provided by VRIAC or Voya Institutional Plan Services, LLC ("VIPS"). Neither VRIAC nor VIPS engage in the sale or solicitation of securities. If custodial or trust agreements are part of this arrangement, they may be provided by Voya Institutional Trust Company. All companies are members of the Voya® family of companies. Securities distributed by Voya Financial Partners, LLC (member SIPC) or other broker-dealers with which it has a selling agreement. All products or services may not be available in all states.

# Multi-Asset Perspectives: Slowing (Yet Steady) Economic Growth



**Barbara Reinhard, CFA**  
Chief Investment Officer,  
Multi-Asset Strategies  
and Solutions

## Tactical indicators



### Economic growth (solid but slowing)

2Q24 U.S. real gross domestic product (GDP) increased at an annual rate of 2.8%. Consumer spending, private inventory investment and nonresidential fixed investment drove the increase. We believe growth will slow in the second half of the year as consumption and business fixed investment moderate.



### Fundamentals (neutral)

S&P 500 1Q24 earnings grew 8.2% year over year,<sup>1</sup> with 8 of the 11 sectors increasing and 79% of companies beating expectations. We think U.S. corporate earnings can continue growing near expectations (in the high single digits) as technology stocks maintain positive momentum and other sectors begin to catch up.



### Valuations (neutral)

In aggregate, large cap U.S. equity forward earnings multiples are above their historical average, but strong corporate cash flows support this. U.S. smaller cap and non-U.S. equities trade at a discount. While this lower valuation is warranted for international markets, U.S. mid caps look increasingly attractive.



### Sentiment (neutral)

The recent rotation out of the Mag 7 into more value-oriented and smaller cap stocks has reduced the extreme positioning and helped hold broad sentiment measures in neutral territory. However, with markets nearing overbought levels, the potential for returns looks muted.

## Quick take

### Growth expected to slow

The U.S. economy has demonstrated resilience, with an average real annual GDP growth of 3.4% since 2021, despite ongoing inflation and significant monetary policy tightening. However, growth is expected to slow for the rest of the year, as excess savings from the pandemic stimulus packages are all but depleted.

Inflation is back on a declining trend; the consumer price index (CPI) fell for the fourth consecutive month in June to 3.0% year over year, while core personal consumption expenditures (PCE), the Fed's preferred inflation measure, declined to 2.6%.

### Preference for U.S. equities persists

U.S. equities are supported by earnings quality, growth potential and stability amid global economic uncertainties. On the other hand, international equities, especially European and emerging markets, are facing challenges due to geopolitical tensions and increasing policy uncertainty. China's economy grew 4.7% in 2Q24, less than expected and below its 5% growth target. Meaningful risks persist due to ongoing deleveraging from the property crisis, deflationary forces, dropping foreign direct investment and an unfavorable regulatory environment.

### High-quality fixed income is attractive

In the fixed income market, there is a preference for higher-quality investments, especially investment grade bonds and securitized credit products, as all-in yields remain attractive.

## Investment outlook

### Macro environment: Slower but steady at the surface

Following persistent inflation and significant monetary tightening, the stamina of the U.S. economy has been remarkable. Since

<sup>1</sup> Source: Refinitiv, London Stock Exchange Group, Institutional Brokers' Estimate System., as of 06/30/24.



2021, real annual GDP growth has averaged 3.4%, versus the 2.4% from 2010 to 2019. At the same time, the unemployment rate has averaged 4.3% in the post-pandemic period, versus 6.3% in the post-global-financial-crisis period.

However, the demand-side effect of high interest rates is becoming increasingly apparent, as excess savings are all but depleted (Exhibit 1, next page) and evidence continues to support our view that growth will be below-trend and should exert downward pressure on prices.

In the latest reading, U.S. real GDP growth increased to 2.8% in 2Q24, up from 1.4% in 1Q24, but trending

down as demonstrated by the unemployment rate, which rose for the sixth consecutive quarter to 4.3% in July (Exhibit 2).

Contracting employment components in the Institute for Supply Management’s purchasing managers’ indexes (PMIs) also indicate the labor market’s softening trend, but a surprising increase in job openings to 8.1 million in May suggests cooling rather than a fast freeze. Moreover, a weaker labor market’s effect on the consumer could be somewhat offset by the resumption of disinflationary trends, which should support real incomes at a level consistent with 2% inflation.

## Portfolio positioning

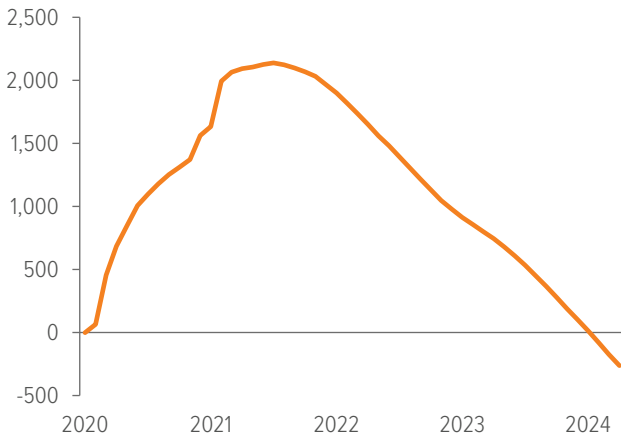
We remain balanced in our view on global stocks versus bonds. U.S. large cap equities and high-quality fixed income are our favorite asset classes.

| Equities                               | Neutral |                                                                                                                                                                                                                   |
|----------------------------------------|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>U.S. large cap</b>                  |         | Larger U.S. firms have more durable earnings streams than companies of other sizes or regions.                                                                                                                    |
| <b>U.S. mid/small cap</b>              |         | We expect the rally to broaden into smaller cap segments of the market. With monetary policy pivoting from tightening to easing, cyclical stocks appear poised to benefit.                                        |
| <b>International developed markets</b> |         | European cyclical gearing and structural weaknesses create a poor fundamental outlook that more than offsets the potential positives from Japan reflation and supportive corporate governance reforms.            |
| <b>Emerging markets</b>                |         | China’s reopening has faltered, real estate looks shaky and the contraction in global manufacturing could result in more downside for China and emerging markets broadly.                                         |
| <b>REITs</b>                           |         | REITs are battered and beaten. The near-term outlook for commercial real estate is still unfavorable.                                                                                                             |
| <b>Commodities</b>                     |         | Precious metals may provide some diversification, but energy could struggle in a global slowdown.                                                                                                                 |
| Fixed income                           | Neutral |                                                                                                                                                                                                                   |
| <b>U.S. core</b>                       |         | Investment grade fixed income offers attractive carry with reasonable risk and provides a degree of protection against recession. Duration should again provide a hedge to equity and credit risk.                |
| <b>Inflation (TIPS)</b>                |         | We prefer nominal over real bonds as a hedge against downside equity risk.                                                                                                                                        |
| <b>Non-investment grade</b>            |         | There is limited spread compression potential, but all-in yields are favorable. Stable corporate fundamentals should limit refinancing risks over the next year, which should prevent meaningful spread widening. |
| <b>International</b>                   |         | Low relative yields and stiff inflation headwinds from Europe keep us favoring U.S. fixed income.                                                                                                                 |

Underweight Neutral Overweight

**Exhibit 1: Savings no longer support the consumer**

Cumulative excess savings



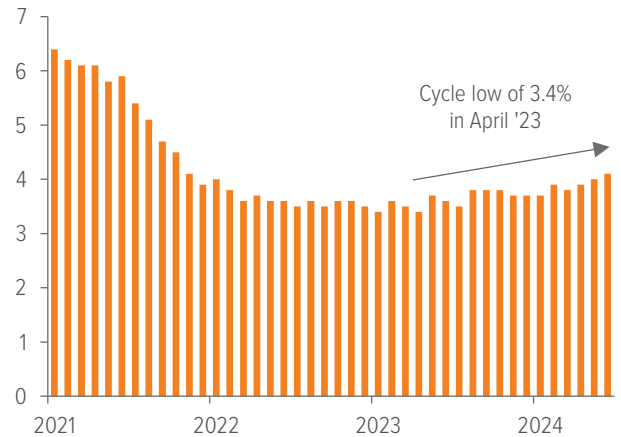
As of 05/01/24. Source: Federal Reserve Bank of San Francisco, Bloomberg, U.S. Bureau of Labor Statistics (BLS), Voya IM.

Fortunately, after several hotter-than-expected readings in the first quarter, inflation has resumed its descent; the CPI fell for the fourth straight month—to 3.0% YoY—in June (Exhibit 3). Core CPI declined to 3.3%, as goods inflation turned negative, but remains above pre-pandemic levels on elevated services prices. Importantly, shelter prices (the biggest driver of services inflation) experienced their smallest monthly increase since August 2021. This welcome news seems to confirm the efficacy of the Fed’s policy and align with our economic forecasts.

Given the normalization in supply chains and a rebalanced labor market toward pre-pandemic levels, we believe prices will drift lower without unemployment

**Exhibit 2: Unemployment trending higher**

U.S. unemployment rate, total in labor force, seasonally adjusted %



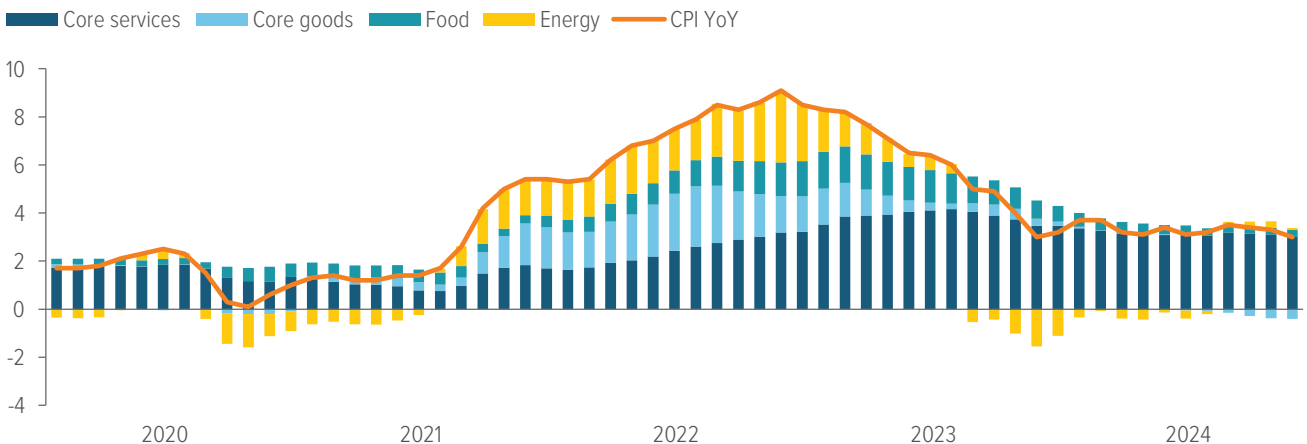
As of 06/30/24. Source: BLS, Voya IM.

leaping higher. We expect the U.S. economy to continue to grow and avoid a recession over the next 12 months. Our belief is that pullbacks will be short-lived and a significant decline in equity markets isn’t likely. However, our view doesn’t suggest that there is significant upside to equities markets in the near term. In fact, the recent pickup in equity volatility from previously low levels and the impending U.S. election will likely pressure crowded trades and risky corners of the market (Exhibit 4, next page).

As U.S. investors grapple with potential economic crosscurrents characteristic of a late-cycle environment, we maintain a neutral posture between stocks and bonds that balances their competing inherent risks.

**Exhibit 3: Disinflation has resumed, but shelter remains a hot spot**

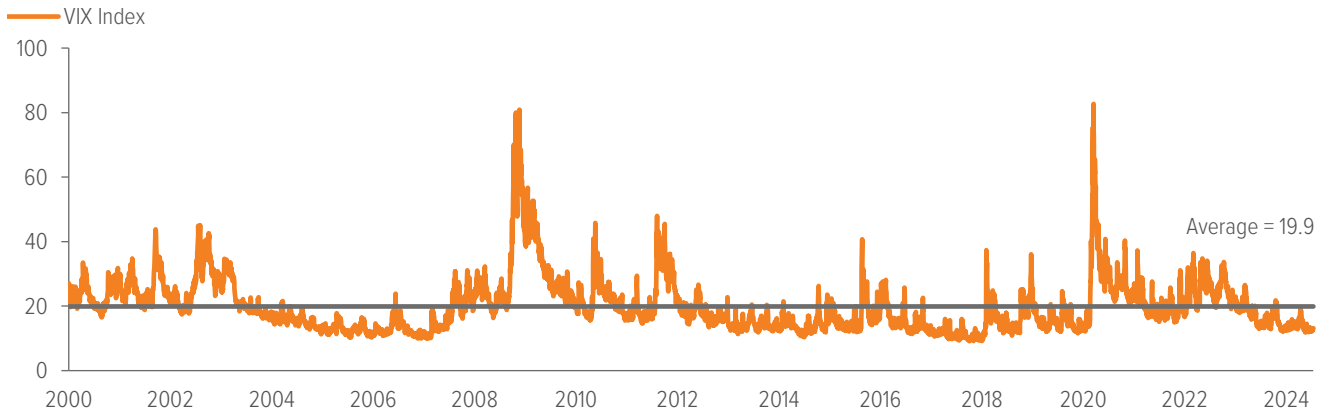
Headline CPI and components of CPI % YoY



As of 06/30/24. Source: Bloomberg, U.S. Bureau of Labor Statistics, Voya IM.

**Exhibit 4: Equity market volatility typically rises heading into election season**

VIX index



As of 07/16/24. Source: Bloomberg, U.S. Bureau of Labor Statistics, Voya IM.

**U.S. equities: Back to the well as winners poised to keep winning**

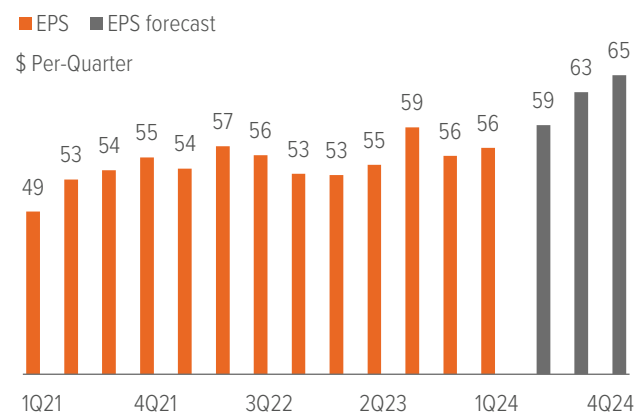
The current global economic landscape and market dynamics suggest strategic positioning that favors U.S. assets—specifically large cap stocks. The U.S. is in a better economic situation than much of the rest of the world—given relatively stable economic conditions, technological innovation and strong financial markets—which has made the country a global destination for investor flows. We have good reason to believe this will continue. As a result, the U.S. is our favored region.

We think large cap stocks are particularly appealing due to their earnings quality, growth potential and momentum. However, we recognize that earnings expectations are somewhat extended (Exhibit 5). With nominal GDP growth falling, meaningful upside to sales growth will be difficult,

but solid profit margins (Exhibit 6) and high returns on equity should continue to support valuations. While pressure to maintain their earnings growth trajectory is high, U.S. technology mega caps are facing scrutiny on artificial intelligence spend. For example, hyperscalers—including Amazon, Meta, Microsoft and Alphabet—have spent about \$360 billion over the past year.<sup>2</sup> Eventually, these firms will need to prove their investments will generate revenues and earnings, but companies need time to move from training models to production before accurate assessments can be made, and results aren't required yet. Meanwhile, AI infrastructure providers—such as those supplying chips, memory and servers—are producing massive cash flows. We also like the overall stability of large companies as a buffer against global economic and geopolitical uncertainties and we believe they continue to offer a compelling risk/reward opportunity.

**Exhibit 5: U.S. earnings expected to rise ...**

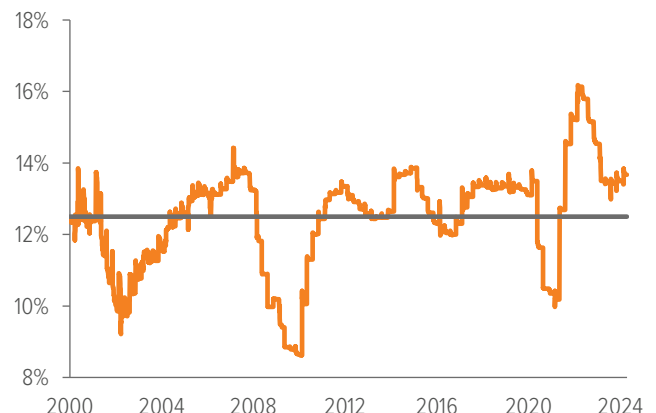
S&P 500 EPS, quarterly



As of 07/16/24. Source: FactSet, Bloomberg, U.S. Bureau of Labor Statistics, Voya IM.

**Exhibit 6: ... as profit margins stabilize**

S&P 500 operating profit margins



As of 07/16/24. Source: FactSet, Bloomberg, U.S. Bureau of Labor Statistics, Voya IM.

<sup>2</sup> As of 07/12/24. Capex estimates from Goldman Sachs.

Offsetting our continued U.S. large cap overweight is a persistent underweight to REITs. Higher interest rates have driven this stance, as increased borrowing costs have pressured REIT performance. Additionally, the volume of commercial real estate debt due for refinancing poses a substantial financial risk at these higher rates, particularly for the office and retail sectors, which are still grappling with structural challenges. Furthermore, the volatility and potential overvaluation of publicly traded REITs (compared with their net asset value) create concerns about their ability to generate returns in the current environment. Given these factors, we believe more attractive investment opportunities exist elsewhere.

**International equities: Challenges outweigh optimism and hope**

Although bright spots exist, international stocks aren't attractive right now overall.

**Japan's economic dilemma: Mixed impact from a weak yen creates policy challenges**

Japan is still contending with a weak currency while attempting to normalize monetary policy. It has benefited from outflows from China and its currency has helped export-oriented segments of the economy. However, risks to an extremely weak currency exist. Policymakers are attempting to provide support with modest increases in interest rates, which typically bolster the domestic currency. Meanwhile, interest rate differentials favor other developed markets. This has put Japan in a precarious position, as it can't afford to raise rates to a level that would curtail domestic consumption and corporate investment.

However, Japan is getting relief from the recent rate cut in the eurozone and cooling inflation prints in the U.S., which

raise the odds of a September Fed rate cut. BoJ officials want to raise rates multiple times before year-end and move toward a healthier, more sustainable monetary policy. However, they face obstacles from the rapid unwinding of a longstanding carry trade which may create near-term headwinds by negatively impacting earnings (due to the country's economic cyclical and export orientation).

**Europe's economic strain: High costs, political shifts and geopolitical tensions limit growth prospects**

Europe's high labor costs, stubborn core inflation and tighter fiscal policies while energy support measures phase out are expected to keep real GDP growth sluggish. The region won't be rescued by a pickup in external demand as long as restrictions on exports to Russia and China remain in place for certain technologies. Exposure to geopolitical issues, such as the war in Ukraine and instability in the Middle East, continues to be an overhang. Domestic politics have turned increasingly negative, particularly with the recent government changes in France, the European Union's second-largest economy. These developments are likely to lead to outcomes that are less favorable for investors.

**U.K.'s political shift: Citizens and investors welcome change**

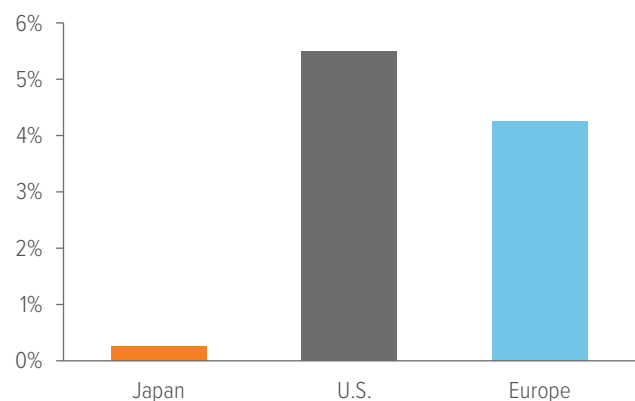
Recent political developments in the U.K. have been perceived much more favorably. An overwhelming victory for Sir Keir Starmer's Labour Party followed a tumultuous period of Conservative governance. The relative stability of the U.K. is a welcome development. Along with its position as one of the cheapest markets globally, macro data are improving, the BoE is expected to cut rates, and earnings revisions look set to increase, making the region a more compelling proposition for investors.

**Exhibit 7: The Japanese yen has depreciated versus the U.S. dollar by about 40% over the last 5 years**

USD / JPY



Short-term policy interest rates



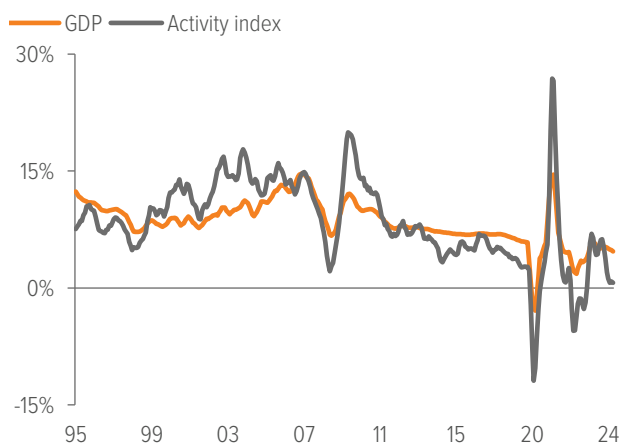
As of 07/31/24. Source: Bloomberg.

**China: Worst has probably passed, but not necessarily sunny days ahead**

Chinese stocks rallied in the second quarter on the back of stabilization in some key economic readings. Manufacturing and infrastructure investment were the key drivers, while exports and PMI appeared to have bottomed. Earnings may also be bottoming, and valuations are attractive. Buybacks and dividends have reached all-time highs. Production of electric vehicles, industrial robotics and solar technology continue to be strengths.

**Exhibit 8: China Activity Index suggests growth is set to slow meaningfully in the coming year**

China real growth rate (% YoY 3-mo moving average)



As of 06/30/24. Source: EM Advisors.

The Chinese Communist Party’s Third Plenum and the subsequent Politburo meeting in late July focused on reaffirming long-term strategic goals centered around innovation, green energy, and increased domestic consumption as drivers of economic growth. This shift toward long-term sustainability and self-sufficiency, combined with recently announced \$42 billion stimulus package designed to support consumer spending and provide a more immediate boost to economic growth

have the potential both in the near term with respect to investor sentiment and long term as plans for fiscal and economic reforms unfold. While China has turned a corner, activity indicators suggest that a sustained pickup in economic growth will be difficult (Exhibit 8). Also, significant risks associated with geopolitics and ongoing deleveraging from the property crisis remain, especially given the wide range of U.S. election implications regarding trade policy and relations.

**Fixed income: Comfort in quality**

We maintain our preference for higher quality within fixed income. Despite limited upside potential due to already tight spreads, the supportive macroeconomic environment underpins solid corporate fundamentals, making the additional yield from investment grade bonds a worthwhile risk. Securitized credit products, particularly consumer-oriented asset-backed securities and residential mortgage-backed securities, appear attractive. Additionally, a beaten-down commercial mortgage-backed securities (CMBS) sector appears to offer value opportunities for savvy security selectors. Despite higher interest costs beginning to weigh on credit quality in the high yield space, defaults and credit stress remain limited. However, increasing tail risks keep us neutral.

We don’t have strong conviction on the near-term direction of rates, but do hold a modest long-duration posture in more aggressive, equity-heavy portfolios to provide added ballast to higher beta. We prefer nominal bonds over real bonds to hedge against the downside in equity returns. With some foreign central bank rate-cutting cycles already underway, certain countries’ bond markets look interesting; however, when considering the support for a strong U.S. dollar and the potential negative currency impacts, we remain underweight non-U.S. bonds.

### A note about risk

Certain of the statements contained herein are statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. All investments are subject to market risks as well as issuer, credit, prepayment, extension, and other risks. The value of an investment is not guaranteed and will fluctuate. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (1) general economic conditions, (2) performance of financial markets, (3) interest rate levels, (4) increasing levels of loan defaults, (5) changes in laws and regulations and (6) changes in the policies of governments and/or regulatory authorities.

### Disclaimers

**Past performance does not guarantee future results.** This market insight has been prepared by Voya Investment Management for informational purposes. Nothing contained herein should be construed as (i) an offer to sell or solicitation of an offer to buy any security or (ii) a recommendation as to the advisability of investing in, purchasing or selling any security. Any opinions expressed herein reflect our judgment and are subject to change.

# Slowing Yet Steady Economic Growth

## Executive summary

- The U.S. economy has demonstrated resilience with an average real annual GDP growth of 3.4% since 2021, despite ongoing inflation and significant monetary policy tightening. However, growth is expected to slow for the rest of the year.
- U.S. equities are supported by earnings quality, growth potential and stability amid global economic uncertainties. Meanwhile, high-quality fixed income all-in yields continues to be attractive.
- With U.S. corporate earnings once again positive, Global Perspectives portfolios remain in base positioning.

## Second quarter 2024 review

**U.S. stock and bond markets faced challenges at the beginning of the second quarter**, as hot inflation readings dampened expectations for Fed rate cuts. Towards the end of the quarter, however, the outlook improved as favorable May inflation data increased investor confidence in potential Fed rate reductions by September. This, along with continued strength in the labor market and rising earnings optimism, helped broad equity markets post gains for the period. Large cap stocks outperformed small caps, and growth beat value. Within the S&P 500 Index, technology, communication services and utilities sectors led, while materials, industrials and energy lagged.

### International stocks also moved higher, with emerging markets (EM) outperforming developed.

China and India, the two largest countries within the EM equity index, both performed well. Chinese equities were helped by government support for the real estate sector and improving industrial production, while Indian equities saw strong performance continue after general elections concluded and Prime Minister Modi secured his third term in office. Japanese stocks underperformed in the period primarily due to uncertainty surrounding the Bank of Japan's monetary

## Exhibit 1. U.S. large cap stocks continue to lead in 2024

| Index                  | YTD        | 2023        | 2022          | 3 years      | 5 years    |
|------------------------|------------|-------------|---------------|--------------|------------|
| <b>Equity</b>          |            |             |               |              |            |
| S&P 500                | 15.3       | 26.3        | (18.1)        | 4.9          | 11.8       |
| S&P midcap             | 6.2        | 16.4        | (13.1)        | 2.4          | 9.0        |
| S&P smallcap           | (0.7)      | 16.1        | (16.1)        | (0.0)        | 8.2        |
| Global REITs           | (3.2)      | 10.9        | (24.4)        | (2.8)        | 0.9        |
| EAFE                   | 5.7        | 18.9        | (14.0)        | 1.5          | 5.8        |
| Emerging mkts          | 7.7        | 10.3        | (19.7)        | (7.0)        | 2.0        |
| Average                | 5.2        | 16.5        | (17.6)        | (0.2)        | 6.3        |
| <b>Fixed income</b>    |            |             |               |              |            |
| Corporate              | (0.5)      | 8.5         | (15.8)        | (2.9)        | 0.7        |
| U.S. Treasury 20+      | (5.9)      | 2.7         | (31.1)        | (9.7)        | (3.7)      |
| Global aggregate       | (3.2)      | 5.7         | (16.2)        | (4.5)        | (1.4)      |
| High yield             | 2.6        | 13.4        | (11.2)        | 0.8          | 3.4        |
| Average                | (1.7)      | 7.6         | (18.6)        | (4.1)        | (0.2)      |
| <b>Overall average</b> | <b>2.4</b> | <b>12.9</b> | <b>(18.0)</b> | <b>(1.7)</b> | <b>3.7</b> |

As of 6/30/24. Source: FactSet, FTSE NAREIT, Voya IM. The overall average model allocation includes 10 asset classes, equally weighted: S&P 500, S&P MidCap 400, S&P SmallCap 600, MSCI U.S. REIT Index/FTSE EPRA REIT Index, MSCI EAFE Index, MSCI BRIC Index, Bloomberg Barclays U.S. Corporate Bonds, Bloomberg Barclays U.S. Treasury Bonds, Bloomberg Barclays Global Aggregate Bonds, Bloomberg Barclays U.S. High Yield Bonds. Returns are annualized for periods longer than one year. **Past performance is no guarantee of future results. An investment cannot be made in an index.**

policy normalization and the expected appreciation of the yen, which raised concerns about the competitiveness of Japanese exports.

### Fixed income markets had mixed performance but declined in aggregate as the U.S.

Treasury yield curve rose slightly. High yield bonds performed well due to strong corporate earnings, which pulled spreads tighter. As with international equities, emerging market bonds outperformed developed market issues, as French government bonds dropped on political uncertainty.

**Macro environment: Slower but steady at the surface**

Following persistent inflation and significant monetary tightening, the stamina of the U.S. economy has been remarkable. Since 2021, real annual GDP growth has averaged 3.4%, versus the 2.4% from 2010 to 2019. At the same time, the unemployment rate has averaged 4.3% in the post-pandemic period, versus 6.3% in the post-GFC period.

However, the demand-side effect of high interest rates is becoming increasingly apparent as excess savings have been depleted (Exhibit 2) and evidence continues to support our view that growth will be below trend and exert downward pressure on prices.

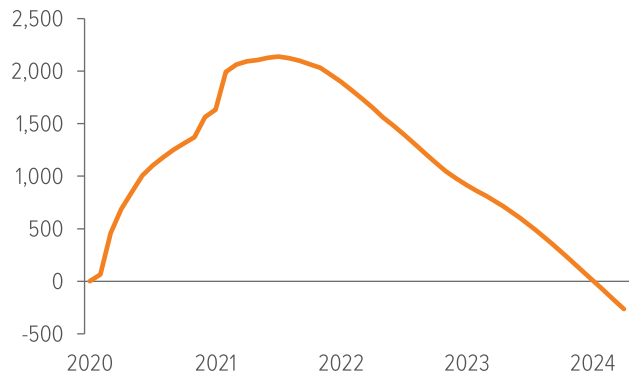
U.S. real GDP growth declined to 1.4% in 1Q24 from 3.4% in the prior quarter, and the unemployment rate rose for the fifth consecutive quarter to 4.1% in June (Exhibit 3).

Contracting employment components in ISM PMIs also indicated employment’s softening trend, but a surprising increase in job openings to 8.1 million in May suggested cooling rather than a fast freeze. Moreover, a weaker labor market’s effect on the consumer could be somewhat offset by the resumption of disinflationary trends, which should support real incomes at a level consistent with 2% inflation.

Fortunately, after several hotter-than-expected readings in the first quarter, inflation has resumed its descent; the Consumer Price Index (CPI) fell for the fourth straight month—to 3.0% YoY—in June (Exhibit 4). Core CPI declined to 3.3%, as goods inflation turned negative, but remained above pre-pandemic levels on elevated services prices. Importantly, shelter prices, the biggest driver of services inflation, experienced their smallest monthly increase since August 2021. This welcome news seemed to confirm the efficacy of the Fed’s policy and align with our economic forecasts.

**Exhibit 2: Savings no longer support the consumer**

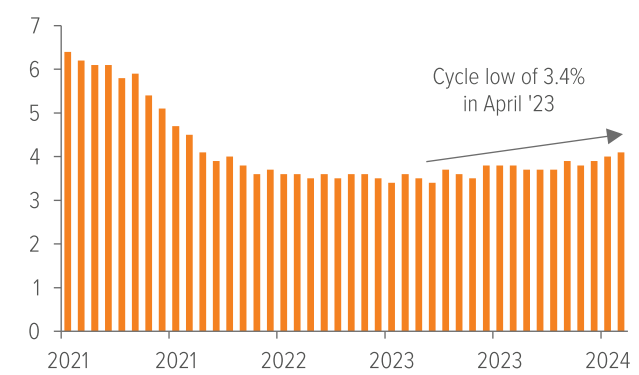
Cumulative excess savings



As of 05/01/24. Source: Federal Reserve Bank of San Francisco, Bloomberg, U.S. Bureau of Labor Statistics, Voya IM.

**Exhibit 3: Unemployment trending higher**

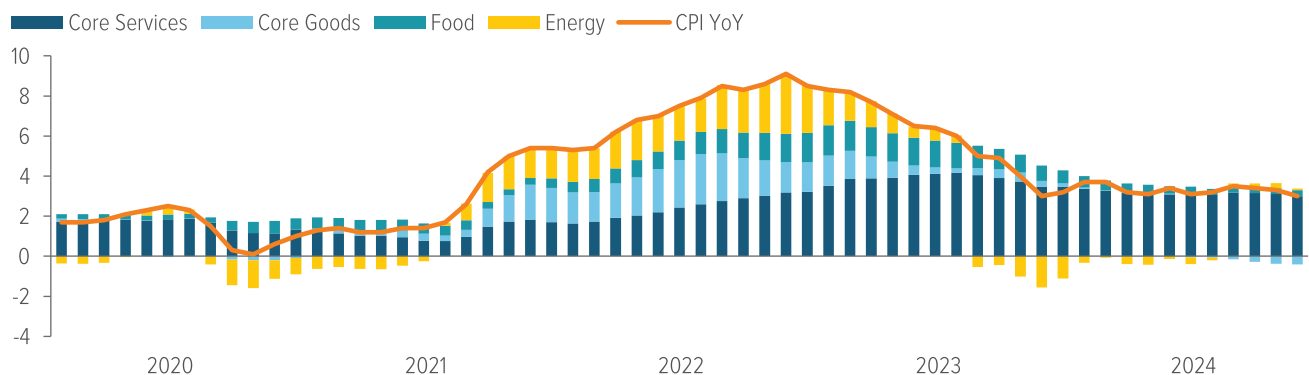
U.S. unemployment rate total in labor force seasonally adjusted



As of 06/30/24. Source: Bloomberg, Voya IM.

**Exhibit 4: Disinflation has resumed, but shelter remains a hot spot**

Headline CPI and components of CPI YoY



As of 06/30/24. Source: Bloomberg, U.S. Bureau of Labor Statistics, Voya IM.



Given the normalization in supply chains and a rebalanced labor market toward pre-pandemic levels, we believe prices will drift lower without unemployment leaping higher. We expect the U.S. to continue to grow and stay out of a recession over the next 12 months. Our belief is that pullbacks will be short-lived and a significant decline in equity markets isn't likely. However, this view doesn't suggest that there is significant upside to equities markets in the near term. In fact, the impending U.S. election may cause a pickup in equity volatility from currently low levels (Exhibit 5).

As U.S. investors grapple with potential economic crosscurrents characteristic of a late-cycle environment, we maintain a neutral posture between stocks and bonds that balances their competing inherent risks.

**1Q 2024 YoY S&P 500 corporate earnings stay positive—GP portfolios remain in base allocations**

S&P 500 first-quarter earnings grew by 8.2% year-over-year, with 8 of the 11 sectors showing increases from a year before. The communication services, consumer discretionary and technology sectors led the way, with earnings rising by 43%, 28% and 26%, respectively, compared with 1Q last year. Energy, materials and healthcare sectors' earnings all declined

during the period. In aggregate, earnings came in better than expected with 79% of companies beating. **With U.S. corporate earnings once again positive, Global Perspectives portfolios remain in base positioning (Exhibit 6).**

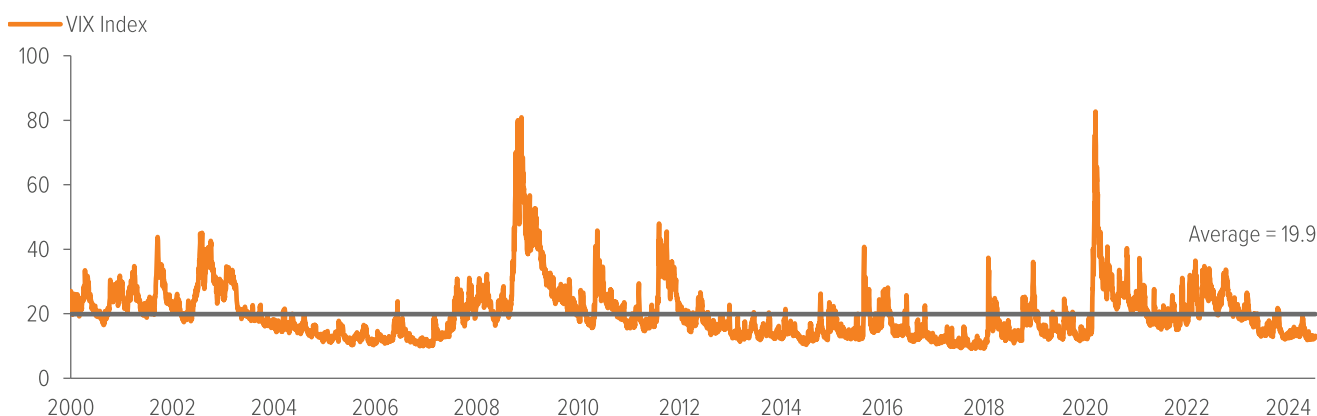
**U.S. equities: Back to the well as winners poised to keep winning**

The current global economic landscape and market dynamics suggest strategic positioning that favors U.S. assets—specifically large cap stocks. The U.S., which is in a better economic situation than much of the rest of the world, has become a global destination for investor flows. Given its relatively stable economic conditions, technological innovation and strong financial markets, we have good reason to believe this will continue. As a result, the U.S. is our favored region.

We think large cap stocks are particularly appealing due to their earnings quality, growth potential and momentum. However, we recognize that earnings expectations are somewhat extended (Exhibit 7). With nominal GDP growth falling, meaningful upside to sales growth will be difficult, but solid profit margins (Exhibit 8) and high returns on equity should continue to support valuations.

**Exhibit 5: Equity market volatility typically rises heading into election season**

VIX index



As of 07/16/24. Source: Bloomberg, U.S. Bureau of Labor Statistics, Voya IM.

**Exhibit 6. Global Perspectives Strategies remain in Base positioning**

| Product                    | Base positioning              | Defensive positioning         |
|----------------------------|-------------------------------|-------------------------------|
| Global Aggressive Growth   | 80% equity / 20% fixed income | 40% equity / 60% fixed income |
| Global Moderate Growth     | 60% equity / 40% fixed income | 30% equity / 70% fixed income |
| Global Conservative Growth | 40% equity / 60% fixed income | 20% equity / 80% fixed income |
| Global Income              | 100% fixed income             | 100% fixed income             |

While pressure to maintain their earnings growth trajectory is high, U.S. technology mega-caps are facing scrutiny on artificial intelligence spend. For example, hyperscalers—including Amazon, Meta, Microsoft and Alphabet—have spent about \$360 billion over the past year.<sup>1</sup> Eventually, these firms will need to prove their investments will generate revenues and earnings, but companies need time to move from training models to production before accurate assessments can be made, and results aren’t required yet. Meanwhile, AI infrastructure providers—such as those supplying chips, memory and servers—are producing massive cash flows. We also like the overall stability of large companies as a buffer against global economic and geopolitical uncertainties, and we believe they continue to offer a compelling risk/reward opportunity.

**International equities: Challenges offset optimism and hope**

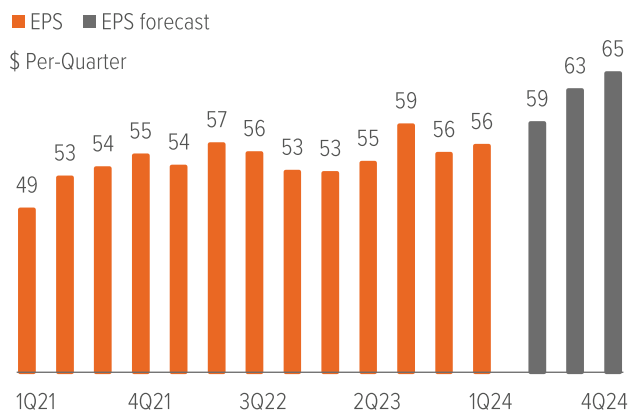
International stocks present mixed prospects.

Japan is struggling with a weak currency and challenges in normalizing monetary policy, despite potential rate hikes influenced by easing U.S. inflation and European Central Bank cuts.

Europe faces sluggish growth due to high labor costs, persistent core inflation and geopolitical tensions, exacerbated by domestic political instability (particularly in France).

In contrast, the U.K. appears more stable and attractive to investors, buoyed by political shifts (victory for the Labour Party under Sir Keir Starmer), anticipated Bank of England rate cuts, and favorable macroeconomic data.

**Exhibit 7: U.S. earnings expected to rise...**  
S&P 500 EPS quarterly



As of 07/16/24. Source: FactSet, Bloomberg, U.S. Bureau of Labor Statistics, Voya IM.

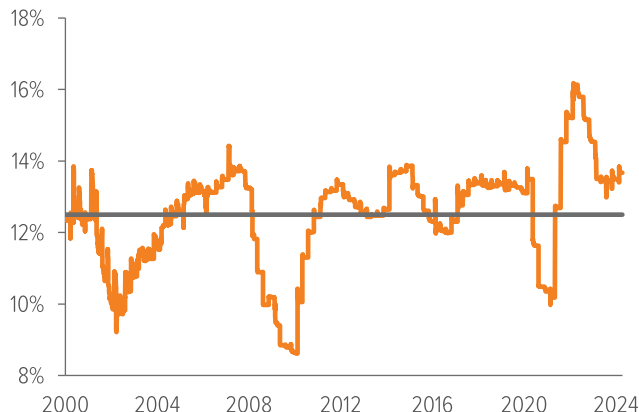
Meanwhile, China’s stock market has rallied, driven by strong GDP growth and healthy manufacturing sectors (e.g., electric vehicles and industrial robotics). However, significant risks linger due to its ongoing property crisis and sensitive international relations, especially with the U.S.

**Fixed income: Comfort in quality**

We maintain our preference for higher quality within fixed income. Despite limited upside potential due to already tight spreads, the supportive macroeconomic environment underpins solid corporate fundamentals, making the additional yield from investment grade bonds a worthwhile risk. Securitized credit products, particularly consumer-oriented asset-backed securities and residential mortgage-backed securities, appear attractive. Additionally, a beaten-down CMBS sector appears to offer value opportunities for savvy security selectors. Despite higher interest costs beginning to weigh on credit quality in the high yield space, defaults and credit stress remain limited. However, increasing tail risks keep us neutral.

We don’t have strong conviction on the near-term direction of rates but do hold a modest long duration posture in more aggressive, equity-heavy portfolios to provide added ballast to higher beta. We prefer nominal bonds over real bonds to hedge against the downside in equity returns. With some foreign central bank rate cutting cycles already underway, certain countries’ bond markets look interesting, however, when considering the support for a strong U.S. dollar and the potential negative currency impacts, we remain underweight non-U.S. bonds.

**Exhibit 8: ...as profit margins stabilize**  
S&P 500 operating profit margins



<sup>1</sup> As of 07/12/24. Capex estimates from Goldman Sachs.

#### A note about risk

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*An investor cannot invest directly in an index, and index performance does not reflect the deduction of any fees, expenses or taxes. Index comparisons have limitations, as volatility and other characteristics may differ from a particular investment.* The S&P 500 Index is an unmanaged index that measures the performance of securities of approximately 500 of the largest companies in the United States. The S&P MidCap 400 Index is an unmanaged index that measures the performance of the mid-size company segment of the U.S. market. The S&P SmallCap 600 Index seeks to measure the small-cap segment of the U.S. equity market. The MSCI U.S. REIT Index is a free float-adjusted, cap-weighted index composed of equity real estate investment trusts (REITs), representing about 99% of the U.S. REIT universe. The MSCI EAFE Index is designed to measure the equity market performance of developed markets outside the U.S. and Canada. MSCI BRIC Equity Index is a market capitalization weighted index of about 320 companies located in Brazil, Russia, India and China. The Bloomberg U.S. Corporate Index measures the performance of investment grade, USD-denominated, fixed-rate, taxable corporate bond market securities. The Bloomberg U.S. Treasury Index is an unmanaged index that includes public obligations of the U.S. Treasury, Treasury bills and certain special issues, such as state and local government series (SLGS) bonds, as well as U.S. Treasury TIPS and STRIPS, are excluded. The Bloomberg U.S. Aggregate Bond Index is an unmanaged index composed of securities from Bloomberg's Government/Corporate Bond Index, Mortgage Backed Securities Index and Asset Backed Securities Index; it includes securities that are of investment grade quality or better and have at least one year to maturity. The Bloomberg Global Aggregate Index is an unmanaged index that provides a broad-based measure of global investment grade fixed-rate debt markets. The Bloomberg U.S. High Yield Index covers the universe of fixed-rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets are excluded, but Canadian and global bonds of issuers in non-EMG countries are included.

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## Communication & Education

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Optimize your plan and strategic marketing initiatives with insightful information in the Communication & Education Section. Within this section, you can view marketing literature along with several other educational and communications topics.

# 2024 Cost of Living Adjustments Announced

The cost of living dollar amounts for retirement plans, health account solutions, and the taxable wage base have been published for 2024, and are outlined in this document for ease of reference.

On November 1, 2023, the Internal Revenue Service issued Notice 2023-75, providing the cost of living dollar limits for retirement plans:

| <u>LIMIT</u>                                                                                                                                                                                                                                                                                                                                       | <u>2024</u> | <u>2023</u> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>Defined Benefit Plan</b>                                                                                                                                                                                                                                                                                                                        |             |             |
| The lesser of the maximum dollar limitation for annual benefits under defined benefit plans under Internal Revenue Code (IRC) Section 415(b)(1)(A) or 100% of the participant's average compensation for his high 3 years.                                                                                                                         | \$275,000   | \$265,000   |
| <b>Defined Contribution Plan 415 Dollar Limit</b>                                                                                                                                                                                                                                                                                                  |             |             |
| The lesser of the dollar limitation for annual additions under defined contribution plans under IRC Section 415(c)(1)(A) or 100% of compensation.                                                                                                                                                                                                  | \$69,000    | \$66,000    |
| <b>401(k)/403(b)/Existing SARSEP Elective Deferral Limit</b>                                                                                                                                                                                                                                                                                       |             |             |
| All elective deferrals (including designated Roth contributions) in a tax year made by a participant to 401(k), 403(b) tax deferred annuity, simplified employee pension, and SIMPLE retirement plans are aggregated under IRC Section 402(g).                                                                                                     | \$23,000    | \$22,500    |
| <b>457 Deferral Limit</b>                                                                                                                                                                                                                                                                                                                          |             |             |
| The lesser of the limitation on vested contributions to 457 plans under IRC Section 457(e)(15) or 100% of includible compensation.                                                                                                                                                                                                                 | \$23,000    | \$22,500    |
| <b>403(b) Limit, Including 15 Years of Service Catch-up</b>                                                                                                                                                                                                                                                                                        |             |             |
| The maximum available 402(g) elective deferral limit plus the special catch-up election for employees participating in a 403(b) tax deferred annuity who have had at least 15 years of service with an educational organization, hospital, home health agency, health and welfare service agency, church or convention or association of churches. | \$26,000    | \$25,500    |
| <i>Note: The additional 403(b) special catch-up of up to \$3,000 per year cannot exceed cumulatively \$15,000 over the lifetime of the 403(b) participant.</i>                                                                                                                                                                                     |             |             |

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**LIMIT****2024****2023****Special 457 Catch-up Limit**

The special catch-up election for employees participating in an eligible 457 deferred compensation plan who have elected the special catch-up available in the three years prior to the year of normal retirement age. The annual additional amount available under a Special 457 Catch-up for an eligible participant is the lesser of (1) twice the current deferral limit, or (2) the sum of the current deferral limit plus the underutilized amount from prior years.

\$46,000

\$45,000

*Note: The participant in a governmental 457(b) plan may make catch-up contributions in a year equal to the greater of (1) the amount permitted under the Age 50+ Catch-up, or (2) the amount permitted under the Special 457 Catch-up.*

**Age 50+ Catch-up Limits (401(k), 403(b), and Governmental 457(b) Plans)**

The special catch-up available under IRC Section 414(v) for individuals at least 50 years old in 2024 and make eligible pre-tax (and/or designated Roth) contributions to 401(k), 403(b), and governmental 457 plans.

\$7,500

\$7,500

**\*Important note with respect to participants who reached a threshold of 3121(a) wages in the prior year (2023) by the employer sponsoring a 401(k), 403(b), or governmental 457(b) plan (the “Wage Threshold”):** SECURE 2.0 requires that Age 50+ catch-ups made by participants that have met the Wage Threshold can be made only as Roth contributions in the current year. The IRS announced that it will delay the enforcement of this requirement for Age 50+ contributions made prior to 2026.

N/A

N/A

**IRA Annual Contribution Limit**

Total annual contributions may be made by an individual, aggregating all traditional and Roth IRAs they own.

\$7,000

\$6,500

*Note:* Federal individual income tax filing status and adjusted gross income determine the deductibility of annual contributions to a traditional IRA and eligibility to contribute to a Roth IRA.

**Age 50+ Catch-up Limit (IRAs)**

The special catch-up available under IRC Section 219(b) for individuals at least 50 years old.

\$1,000

\$1,000

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**LIMIT****2024****2023****Definition of Key Employee**

The compensation threshold used for determining key employees under IRC Section 416(i)(1)(A)(i).

\$220,000

\$215,000

**Definition of Highly Compensated Employees**

The compensation threshold used for determining highly compensated employees under IRC Section 414(q)(1)(B).

\$155,000

\$150,000

**Compensation Limit**

The annual limit of compensation that may be taken into account for contribution purposes in accordance with IRC Section 401(a)(17).

\$345,000

\$330,000

The annual limit of compensation that may be taken into account for contribution purposes in accordance with IRC Section 401(a)(17) (certain governmental plan participants who first became participants in that governmental plan before the 1996 plan year).

\$505,000

\$490,000

**Adjusted Gross Income Limit for Saver's Credit**

The highest adjusted gross income (based on federal income tax filing status) taken into account for eligibility for the Saver's Credit under IRC Section 25B.

\$76,500 (joint)

\$73,000 (joint)

\$38,250 (single)

\$36,500 (single)

\$57,375 (head of household)

\$54,750 (head of household)

**SIMPLE Retirement Accounts**

Annual contribution limit for employee deferrals to a SIMPLE retirement plan described in IRC Section 408(p)(2) or 401(k)(11).

\$16,000

\$15,500

**SIMPLE Retirement Accounts (continued)**

The special catch-up is available for individuals who are at least 50 years old in 2024 and make eligible pre-tax contributions to a SIMPLE plan described in IRC Section 408(p)(2) or 401(k)(11).

\$3,500

\$3,500

**Compensation for SEPs**

Compensation taken into account to determine eligibility for simplified employee pensions (SEPs).

\$750

\$750

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The following are the cost of living dollar limits for health account solutions, based on Revenue Procedure 2023-23, released on May 16, 2023, and Revenue Procedure 2023-34, released on November 9, 2023:

| <u>LIMIT</u>                                                                                                                                                            | <u>2024</u>                                                           | <u>2023</u>                                                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|
| <b>Health Spending Account (HSA) Contribution Limit</b>                                                                                                                 |                                                                       |                                                                       |
| The annual dollar limit on deductions under IRC Section 223(b)(2) under a high deductible health plan.                                                                  | \$4,150 (self-only coverage)<br>\$8,300 (family coverage)             | \$3,850 (self-only coverage)<br>\$7,750 (family coverage)             |
| <b>HSA Contribution Limit Including Age 55+ Catch-up</b>                                                                                                                |                                                                       |                                                                       |
| The maximum annual HSA contribution limit plus the \$1,000 catch-up under IRC Section 223(b)(3) for individuals at least 55 years old.                                  | \$5,150 (self-only coverage)<br>\$9,300 (family coverage)             | \$4,850 (self-only coverage)<br>\$8,750 (family coverage)             |
| <b>Definition of High Deductible Health Plan</b>                                                                                                                        |                                                                       |                                                                       |
| The annual minimum deductible of a high deductible health plan as defined under IRC Section 223(c)(2)(A).                                                               | \$1,600 (self-only coverage)<br>\$3,200 (family coverage)             | \$1,500 (self-only coverage)<br>\$3,000 (family coverage)             |
| <b>Maximum Out-of-Pocket Expenses for a High Deductible Health Plan</b>                                                                                                 |                                                                       |                                                                       |
| The maximum annual out-of-pocket expenses (deductibles, co-payments, and other amounts, but not premiums).                                                              | \$8,050 (self-only coverage)<br>\$16,100 (family coverage)            | \$7,500 (self-only coverage)<br>\$15,000 (family coverage)            |
| <b>Flexible Spending Accounts (FSAs)</b>                                                                                                                                |                                                                       |                                                                       |
| The maximum annual dollar limit under IRC Section 125(i) for employee pre-tax contributions to a health FSA.                                                            | \$3,200                                                               | \$3,050                                                               |
| The maximum annual dollar limit under IRC Section 125(i) for employee pre-tax contributions to a limited purpose FSA for medical expenses not covered by insurance.     | \$3,200                                                               | \$3,050                                                               |
| The maximum annual dollar limit (not subject to annual cost of living adjustments) under IRC Section 129(a) for employee pre-tax contributions to a dependent care FSA. | \$2,500 (married filing separately)<br>\$5,000 (all other tax filers) | \$2,500 (married filing separately)<br>\$5,000 (all other tax filers) |

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**LIMIT**

**2024**

**2023**

**Commuter Benefit Spending Accounts**

The monthly dollar contribution limit under IRC Section 132(f)(2)(A) for transportation in a commuter highway vehicle or mass transit pass.

\$315

\$300

The monthly dollar contribution limit under IRC Section 132(f)(2)(B) for qualified parking.

\$315

\$300

On October 12, 2023, the Social Security Administration released its cost of living information for 2024:

**Taxable Wage Base**

**2024**

**2023**

Maximum amount of earnings subject to payroll tax.

\$168,600

\$160,200

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> Investment Information > Fund Performance

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> Investment Information > Investment Option Descriptions



**You should consider the investment objectives, risks, and charges and expenses of the variable product and its underlying fund options; or mutual funds offered through a retirement plan, carefully before investing. The prospectuses/prospectus summaries/information booklets contain this and other information, which can be obtained by contacting your local representative. Please read the information carefully before investing.**

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