



Board Meeting

September 11, 2023

Agenda

- Approval of Minutes
- Chair Report
- Executive Director Update
- Decision on MarylandSaves' Administrative Fees
- Quarterly Investment Review
- Marketing & Communications Update
- Committee Reports

May Board Meeting Minutes



DRAFT Board Meeting Minutes

May 1, 2023
2:00 p.m.

Location: Video Conference

Board Members Participating:

Josh Gotbaum, Chair
Sec. Portia Wu
Laura Atas (vice Treasurer Davis)
Phyllis Borzi
Sen. Ben Brooks

Stu Cohen
Jerry Dawson
Paul Green
Marco Priolo
Sen. Jim Rosapepe

Staff: Glenn Simmons, Chris Cullen, Stephanie Davis, Jennifer Hammaker, Meagan Magagna.

Others in Attendance: Angela Antonelli (CRI); Courtney Eccles (Vestwell); Andrea Feirstein (AKF), Matt Golden (Vestwell); Kevin Ruiz (AON).

Open Session meeting called to order at 2:03PM.

Approval of Minutes

The February 6, 2023, minutes were approved.

Chair's Report

Chair Josh Gotbaum introduced Secretary of DOL Portia Wu as newest Board member. He gave a brief summary of the progress of the program. He noted that MarylandSaves could become a national leader in retirement and workplace savings due to the incentive vs penalty model and other features. He reported that discussions are ongoing in relation to partnering with other state programs that are currently in varying development stages.

Executive Director Report

Executive Director Glenn Simmons introduced Meagan Magana as the new Deputy Director. He gave a brief overview of the MarylandSaves program enrollment data compared to other state programs. He shared metrics through Q1 2023. Lastly, Glenn reviewed the timeline for program outreach, Program Design, Revenue projections, and the potential need to change the programs' fee structure.



Marketing Report

Chris Cullen shared 2023 Marketing activities and plans for expanding brand recognition. He reviewed the target market audiences, multicultural outreach, social/digital media, and TV and Radio spots. Continuing with webinars and presentations to Chambers of Commerce and partnership agencies.

Jennifer Hammaker reviewed current social media metrics of MarylandSaves YouTube channel videos and grassroots social media engagement strategies. Glenn Simmons also noted Treasurer and Comptroller social media support.

Committee Reports

Audit and Finance Committee

The Audit & Finance Committee has reviewed and approved the FY24 proposed Budget. Executive Director Glenn Simmons summarizes the FY24 proposed Budget for Board approval.

The budget was unanimously approved.

General Discussion

Board members discussed SECURE Act 2.0 relevance to the state auto IRA plans. The Treasurer's Office requested briefings to the House and Senate. Glenn Simmons and Sen. Jim Rosapepe discussed the timing of updated mandate bill signing along with data sharing from Comptroller's office in coming weeks.

Kevin Ruiz, from AON, reviewed the asset allocation as of March 31, 2023. He summarized the ratings and performance of each fund in the plan.

The meeting was adjourned at 3:02 PM.

Chair's Report

Hon. Josh Gotbaum

Executive Director's Update

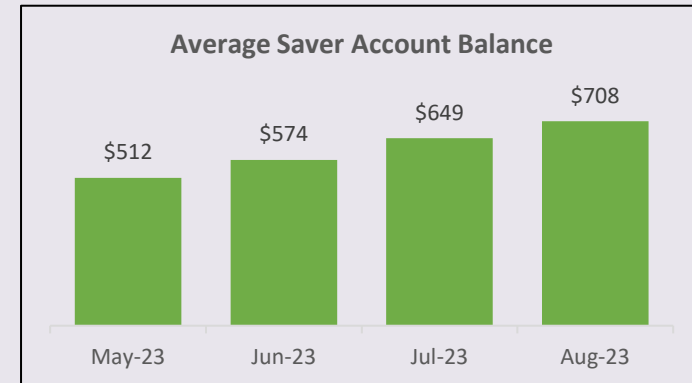
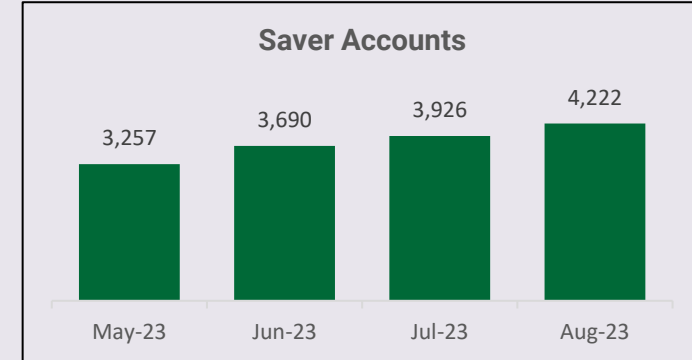
Glenn Simmons

Where we are

Savers	December 31, 2022	August 31, 2023	Change
Total Savers	578	4,222	3,644
Average Account Balance	\$365	\$708	\$343
Average Monthly Savings	\$170	\$170	\$0
Average Saving %	5.2%	5.1%	-0.1%
Multiple Employer Accounts	435	732	297
Total Accounts with a Withdrawal	22	459	437
Average Withdrawal Amount	\$381	\$595	214
Opt-Out Action Rate (0-30 days)	24%	24%	0%

Employers	December 31, 2022	August 31, 2023	Change
Total Registered Employers	1,286	1,995	709
Actively Submitting Payroll (Past 90 Days)	309	655	346

Program	December 31, 2022	August 31, 2023	Change
Total Savings (in thousands)	\$211	\$2,991	\$2,780
Total Monthly Contributions (in thousands)	\$83	\$524	\$441
Total Withdrawals (% of monthly contributions)	3.7%	12.6%	11.2%



Current Activities

- Virtual Business Roundtable with Comptroller Lierman – August 29th
- Follow-up business owner webinar with Comptroller Lierman – October 24
- MarylandSaves Innovation Award announcement in October
- Mailings using Comptroller's Office data planned for by October
- Monthly Employer and Employee webinars
- Continued outreach to Businesses, Associations, and Government Agencies
- Exploring partnerships within the Department of Labor and the Comptroller's Office

Improving MarylandSaves

- Increase business participation
- Increase saving by saving more & withdrawing less
- Decrease dependency on State funding

Increasing Business Participation

Challenge 1: 2,000 employers have registered, but only 1/3 of them are making payroll contributions

- **Research** – Survey employers not making payroll contributions to learn why and what can be done to get them to complete the process.
- **Messaging & Communication** – Communicate directly to employers via email and phone. Set a 90-day deadline for making payroll contributions. If they miss the deadline, they will not receive the SDAT waiver.
- **Timing** – Develop pre-screening and online survey content in September and deploy the survey in October.

Increasing Business Participation

Challenge 2: 98% of Employers have not registered

Despite having a \$300/year enrollment incentive, most businesses have not registered with the program. We need to learn more about how Maryland business owners perceive our value proposition and how we can drive more participation.

Research – Recruit eligible business owners who have heard about MarylandSaves but have not enrolled to participate in a series of focus groups. We need to understand their perceived obstacles so we can refine our messaging and improve our processes. Employer surveys will also be conducted to gather insights and guide messaging.

- **Timing** – Conduct focus groups in late October and November.



Encouraging More Saving & Fewer Withdrawals

Challenge 3: Encouraging Savers to save more & withdraw less

Research – We are developing a study that can help MarylandSaves and the other states learn more about how Savers behave after they are enrolled in the program. What can we do to improve retirement outcomes for our Savers?

Program Design Changes – Work with the Program Design Committee and Vestwell to encourage Savers to limit withdrawals to their emergency savings fund. (Should we make it more difficult to make a withdrawal of more than \$1,000?)

- **Timing** – Plan to make proposals & get funding in Q4 2023. The goal is to have actionable results during 2024.

Decrease Dependency on State Funding

- Increase administrative fees?
- Explore partnerships with other states to save costs

Quarterly Investment Review

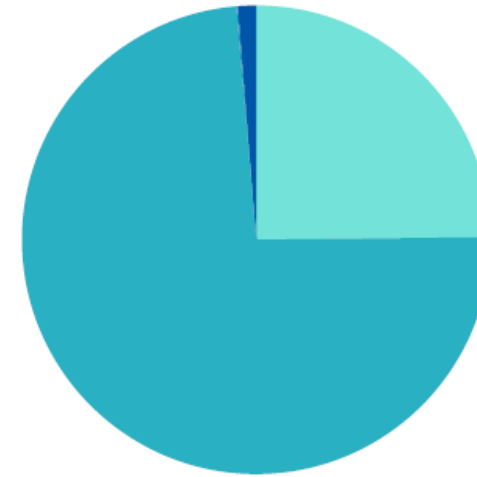
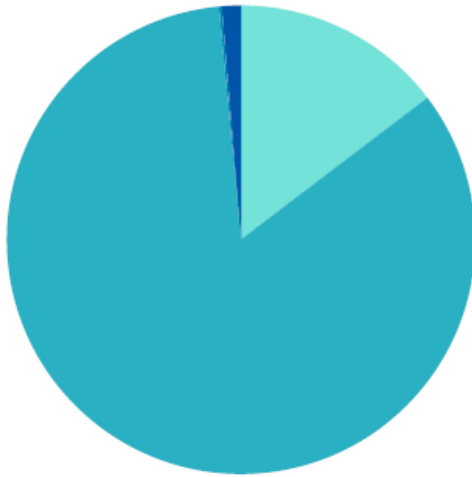
Kevin Ruiz, CFA
Aon

Asset Allocation

Second Quarter 2023

March 31, 2023 : \$988,267

June 30, 2023 : \$2,118,168



	Market Value \$	Allocation %		Market Value \$	Allocation %
Maryland Saves Target Retirement	144,835	14.7	Maryland Saves Target Retirement	526,031	24.8
MarylandSaves Emergency Savings	828,466	83.8	MarylandSaves Emergency Savings	1,563,316	73.8
MarylandSaves Bond Index	2,039	0.2	MarylandSaves Bond Index	2,176	0.1
MarylandSaves Global Growth Stock	12,926	1.3	MarylandSaves Global Growth Stock	26,644	1.3

Investment Options are Meeting MarylandSaves Investment Policy Statement (IPS) Objectives

Fund	Aon Rating
BlackRock Life Path Index Funds	Buy
Lincoln National GIC	A1 / A+ ¹
State Street Aggregate Bond Index	Buy
T. Rowe Price Global Growth Stock Fund	Buy

Lincoln National GIC – Crediting Rate Update

- As of 6/30, the Lincoln Stable Value Fund’s crediting rate was 2.4%
- Effective 10/1, Lincoln has agreed to increase the crediting rate to 4.0%
- This compares very favorably to stable value peers whose 6/30 average crediting rate was 2.7%²

Fee Analysis

As of June 30, 2023

Fund Name	Expense Ratio ²	Universe Median
	%	%
MarylandSaves Emergency Savings Fund	0.10%	0.40%
MarylandSaves Target Retirement Date	0.09%	0.12%
MarylandSaves Target Retirement 2025	0.09%	0.12%
MarylandSaves Target Retirement 2030	0.09%	0.12%
MarylandSaves Target Retirement 2035	0.09%	0.12%
MarylandSaves Target Retirement 2040	0.09%	0.12%
MarylandSaves Target Retirement 2045	0.09%	0.12%
MarylandSaves Target Retirement 2050	0.09%	0.12%
MarylandSaves Target Retirement 2055	0.09%	0.13%
MarylandSaves Target Retirement 2060	0.09%	0.12%
MarylandSaves Target Retirement 2065	0.09%	0.12%
MarylandSaves Target Retirement 2070	0.09%	0.12%
MarylandSaves Bond Index	0.025%	0.10%
MarylandSaves Global Growth Stock	0.67%	0.90%

All fund expense ratios are below their comparable peer group medians

Important Note: The investment fee analysis reported in the table above measures only the relative fee level of your current plan offerings as compared to medians from style-specific institutional mutual fund peer universes, which Aon Investments believes is an appropriate comparison regardless of vehicle-type being utilized. Additional universe statistics including percentile distributions, averages and dollar-weighted metrics are available upon request. Determining whether an investment's expense is reasonable depends on a variety of factors including the level of returns achieved and the method with which administration and operational expenses are paid. Understanding and evaluating the total cost of plan operations, including both investment and administration fees is a critical analysis that should be completed periodically.

²Expense Ratio is intended to represent a fund's total expense ratio which may include investment management fees, 12b-1 fees, custodial fees, trustee fees, revenue sharing components and/or charges for fund or plan administration. Institutional mutual fund fee universes were created by Aon Investments, as of June 30, 2022, using a custom proprietary methodology. Peer universe membership data has been sourced from Investment Metrics. Fund expense information has been sourced from Morningstar. Since fund expense ratios do not change frequently, Aon Investments believes this study to be a relevant comparison for up to a year, at which time it will be updated. For complete information on methodologies, contact your Aon Investments consultant.

Marketing Update

Chris Cullen

MarylandSaves Marketing Q2 & Q3/Q4

- Aggressive Direct Marketing Efforts
- Face to Face
- Cooperative Marketing – Vestwell/Binder
- Large Scale Impressions
- Fall LinkedIn Push
- Focused Minority Marketing
- Grassroots Organic Social Media Initiatives



MarylandSaves Marketing Q2 & Q3/Q4

Face to Face Meetings

(Completed and planned)

- Alleghany Chamber - April 13
- Baltimore County Chamber Breakfast - May 4
- Black Chamber of Commerce Webinar - May 17
- Hunt Valley Business Forum - May 24
- NAST Conference - June 12-13
- B'More Entrepreneurs - June 12
- Comptroller & Stakeholder Roundtable August 29
- US Small Business Association Business Health Information Virtual Conference September 28
- MarylandSaves Lunch & Learn – Oct & Nov
- MD Realtor Webinar - October 12
- Comptroller and Business Owner Session - Oct 24
- Hispanic Chamber Oct 24
- Maryland Health Business Exchange Webinar 10/26



WEBINAR FOR PAYROLL PROCESSING EXECUTIVES 

WITH OUR PARTNER **VESTWELL & MARYLAND SAVES EXECUTIVE DIRECTOR GLENN SIMMONS**

COMPLIMENTARY FOR EMPLOYERS

- ▶ **ZERO SETUP OR ADMINISTRATIVE COSTS**
- EFFORTLESS IMPLEMENTATION
- ▶ **SIMPLE START AND SEAMLESS MANAGEMENT**
- 5% AUTOMATIC CONTRIBUTION
- ▶ **FLEXIBLE OPTIONS TO OPT-OUT OR ADJUST**

WATCH NOW

MarylandSaves Marketing Results Q2

Vestwell/Binder Q2 Cooperative Campaign – **1,801,880 Impressions**

Spring Social Campaign

- **Linked in**



Spend

\$9,863.08

Impressions

68,513

Radio

- Streaming
- Broadcast

\$2,500.00

247,367

\$7,500.00

1,486,000



MarylandSaves Marketing Q3 & Q4 2023

Vestwell/Binder Fall Cooperative Campaign – **2,791,958 Impressions***

Fall Digital Campaign

Radio

- Streaming
- Broadcast

Spend

\$2,500.00
\$5,000.00

Impressions*

167,410
814,292

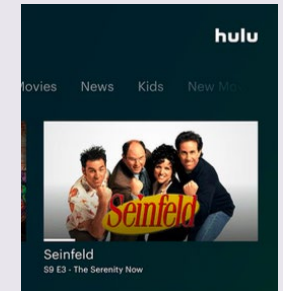
Video

- YouTube
- Hulu

\$7,500.00
\$7,000.00

1,000,000
233,333

*projected



MarylandSaves Large Scale Impressions 2023

MASN Campaign

March 30, 2023 – October 1, 2023

More than 4 million Maryland Impressions

Total Broadcast Spots 51

- Streaming
- Digital
- Mobile

O's ON MASN	AVERAGE VIEWERS (per quarter hour)	% INCREASE (season to date)
HHL	40,467	+89%
18+	60,331	+80%
25-54	15,176	+87%
35-64	24,443	+64%



Marketing LinkedIn Fall Push 2023

Q3/Q4

Focus on Employer Participants

Two flights

- October
- November

Retirement Savings Program for Small Businesses...
Free and Easy Registration

"My employees are the most important ingredient in my business."



-April Williams
Owner Harmony Lemonade
MarylandSaves Participant



www.marylandsaves.com

Retirement Savings Program for Small Businesses...
...Register by December 1 and save \$300

"My business saved \$300.00."



-April Williams
Owner Harmony Lemonade
MarylandSaves Participant



www.marylandsaves.com

Minority Focus Q3/Q4 2023

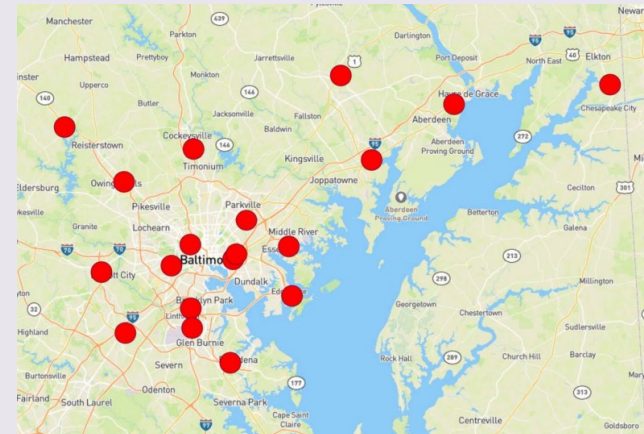
Outdoor – Oversampled to Black and Hispanic Adults

Target Demo – Black Persons 18+ yrs

Market	Media Type	# of Units	Weekly Total Imps	Plan In-Market Imps
Washington DC/Baltimore	Poster	15	393,610	2,998,202
	Totals:	15	393,610	2,998,202

Target Demo – Hispanic Persons 18+ yrs

Market	Media Type	# of Units	Weekly Total Imps	Plan In-Market Imps
Washington DC/Baltimore	Poster	15	80,931	456,358
	Totals:	15	80,931	456,358



Questions?
