Maine Retirement Savings Board
Date: June 18, 2025
Cross State Office Building
111 Sewall Street, Augusta, ME 04333

Minutes

Chair Perry called the meeting to order at 1:03 PM. This meeting was conducted in person at the Burton Cross State Office Building, 111 Sewall Street, August, Maine and virtually through Zoom.

Welcome and Ascertainment of Quorum

Treasurer Perry opened the meeting and welcomed those attending in person and virtually.

Board Members present:

- Joseph Perry, Chair
- Rebecca M. Wyke, Vice Chair
- Gigi Guyton-Thompson
- Jessica Linzer
- Nate Moody
- Daniel Piltch
- Tina Wilcoxson
- Deborah Adams Neuman

Board Members absent:

- Matthew Colpitts

A quorum was present.

Staff present:

- Elizabeth Bordowitz, Executive Director
- Ariel Carron, Program and Communications Manager

Others Present:

- Courtney Eccles, Vestwell (Virtual)
- William Duryea, Meketa (Virtual)
- C.R. Olschwang, Meketa (Virtual)
- Carlie Cope, AKF Consulting (Virtual)
- Jessica Curtin, Paychex (Virtual)
- Reesa Bhowmik, Georgetown Center for Retirement Initiatives (Virtual)
- Caitlin Shea, State Street Global Advisors (Virtual)
- Grace Sullivan, Davis & Harmon (Virtual)

Approval of Minutes of the February 19, 2025 Board Meeting.

Treasurer Perry asked if there is a motion to approve the minutes of the April 16, 2025 Board meeting.

It was noted that the spelling of Ms. Guyton-Thompson's name needed correction.

Ms. Linzer moved approval of the April 16, 2025 Board meeting minutes as corrected. The motion was seconded by Ms. Linzer. The minutes were approved unanimously.

Executive Director's Report

Chair Perry invited Beth to give the Executive Director's Report.

Beth advised the Board that Minnesota had voted to join the partnership just the day before. They are planning to launch their program in January 2026. Their addition will help us reach break points sooner. Under their statute, they will be rolling the program out in waves over several years. The Nevada Program has had its first registrations.

Beth provided a brief update on the advertising campaign. The letters from Treasurer Perry to employers who should have registered and started making payroll contributions in 2024 will be mailed shortly. They may motivate some employers to take action. We have been trying to reach them in other ways including direct emails. We will be evaluating the success of the various strategies. Our program is now listed on the DECD website and we are working collaboratively with DECD on other communications. We are continuing to work on getting the structure in place so that we can roll out the MERIT portal in additional languages.

Beth introduced the new dashboard to measure our progress towards meeting our goals. Because the goals are based on time, we need to break the numbers into cohorts to see if we are effectively reaching each cohort. There was discussion about the dashboard. It was noted that the enrollment goal should be measured from June 2024 when the first cohort of businesses were supposed to be compliant with MERIT. Mr. Piltch noted that the dashboard does not have a chart showing the exemptions. Staff will add a chart showing exemptions to the dashboard for the August meeting.

There was discussion about the average account balance exceeding $1000 and a note that as more employees sign up as part of the 2025 cohort and are just starting accounts, the average balance may go down. Board members complimented Ariel on the design of the dashboard showing our progress towards meeting our goals. There was a discussion about whether we can break employee data down by cohort. There was discussion about the number of new employees registering for MERIT.

Beth advised the Board members that at the last minute Landmark let her know that they would not be able to attend the Board meeting to present their audit. Beth has let Landmark know that failing to attend the meeting as arranged is unprofessional and unacceptable. They say they will be available at the August meeting.

Beth noted that we will be significantly over budget on the Legal Counsel line. The expenses are related to the review of the Program Description, review of the ads we are doing and the disclosure around translated materials. The Internal Controls Policy requires that staff get approval from the Board Chair by email if an item is more than $2500 over the budgeted amount. I spoke to the Board Chair and he suggested that the board discuss it at the meeting.

Dr. Wyke moved that the Legal Service line in the budget be increased to $11,000 with the expectation that the amount will be made up with reductions in other budget lines. The motion was seconded by Ms. Guyton-Thompson and approved unanimously.

Continuing with Internal Controls, Beth noted that the adopted Internal Controls Procedures require that the Executive Director provide the Board with monthly financial statements. The reports have been provided quarterly. Beth asked whether the Board would like the financial statements monthly or would like to amend the Internal Controls Procedures. Dr. Wyke reminded the members that she reviews the General Ledger monthly. There was informal consensus among the members that with the monthly review by the Vice Chair, receiving the statements quarterly is sufficient. Beth will bring a proposed amendment to the Internal Controls Procedures to the next Board meeting.

Beth updated the Board on the status of legislation concerning MERIT. The bill that would have made the program opt in and the bill that would have repealed MERIT are both dead. The Committee made several amendments to the bill that we proposed to obtain a unanimous report on the bill. Beth reviewed the amendments. That bill is now on the special appropriations table. There are many more bills waiting for funding than there are funds available. The legislators have some hard choices to make, so we don't know whether the bill will be funded.

There was discussion about the annual reenrollment provision that is removed by the adopted amendment. Board members expressed concern that we will not have another opportunity to reach employees who have opted out. Beth noted that we will be broadening the focus of our marketing to have some employee focus, which may help employees to reconsider. We can elevate stories of employees who are successfully saving with MERIT. Beth added that when an employee moves to another MERIT employer they will be enrolled in the program and have the opportunity to either participate or opt out. Ms. Eccles joined the discussion to add more detail about the process at Vestwell. She noted that an employee associated with more than one employer could either be working at two different employers or they could be two consecutive employers. Ms. Eccles stated that Vestwell could provide the breakdown of how many employees are with two employers and how many have had more than one MERIT employer.

Program Update - Vestwell

Chair Perry invited Ms. Eccles to prove the Program Administrator's update.

Ms. Eccles reviewed the status of communications to the 2025 cohort of employers. The final pre-deadline communication will go out next week ahead of the June 30th deadline. Vestwell expects most of the activity to happen in the next couple of weeks. Vestwell is also continuing to send targeted communications such as emails to registered employers with active employees who have not started making payroll contributions and to employers who have a payroll provider that we have an integration with to make sure that they know that the integration is available.

Ms. Eccles reviewed the current program numbers. Vestwell expects that there will be strong employer growth as we get closer to the deadline. She noted that there are 1000 new employees in the program, which is good movement. The average account balance is now over $1000. She suggested that we provide information on the average account balance for employees who have been in the program for a period of time, such as six months, twelve months and so on, as the average is likely to go down as new employees enter the program and are just starting to save.

Mr. Moody asked if Vestwell can provide benchmarking against other state programs. Ms. Eccles replied that Vestwell has prepared a report along those lines for the partnership states, which we will receive quarterly. As a rule Vestwell does not report on data from other states in a public meeting, but the partnership has agreed to share the data, which will give us some insight into how we compare with other states on key metrics. Beth noted that she has been sharing some comparative data monthly. The difficulty will be that each of the programs had different launch dates, so the data may not be easily comparable.

Ms. Eccles noted that like most states our withdrawal amounts have gone up. It does level off eventually. Most states have an increased level of withdrawals when employees receive their quarterly statement.

Ms. Eccles reported that the Partnership has received a clean audit. Ms. Eccles previewed the data warehouse. MERIT staff should have access to it this summer.

Ms. Eccles responded to questions from the Board about whether the average funded account amount includes closed accounts - it includes only active accounts - and whether employees making withdrawals get tax forms - they do.

There were questions about the contribution rates and auto-escalation.

Chair Perry thanked Ms. Eccles for her report.

Review and Approval of 2024 Audited Financial Statements Prepared by Landmark for the Partnership for a Dignified Retirement

The Representative from Landmark was unable to attend the Board meeting at the last minute. The Board will take this up in August.

Q1 Investment Update

Chair Perry invited Mr. Duryea to make the presentation on behalf of Meketa.

Mr. Duryea provided an update on the markets. There was a rotation into value stocks in the first quarter of 2025 and away from the equity stocks that had been leading the market in 2023 and 2024. U.S. equities were down and international equities were up. Some of this movement was caused by the development of Deep Seek, a less pricey AI model developed by a Chinese company. Much of the market movement in April was the result of changing trade policy and tariffs. Notwithstanding the volatility, equities ended April down just under 1%.

Mr. Duryea moved on to discuss performance. Most of the MERIT assets are invested in the Target Date Funds, which have held up well in 2025, tracking their benchmark. All of the portfolios are above their cohort Median year to date. The overweight in the portfolios to international stocks has been beneficial to date in 2025.

The other portfolios have a small amount of assets and continue to perform in line with expectations.

Mr. Duryea reviewed the expense ratios of the program funds. All of the expense ratios for the SSGA target date funds are below the Median of their peers.

Mr. Duryea responded to board member questions about the fees and when the SSGA 2025 portfolio will roll into the retirement portfolio.

Chair Perry thanked Mr. Duryea for his presentation.

Q1 Financial Statements

Beth presented the Board's Q1 financial statements. The financial statements are generally on target. The full expense of the audit has been paid. There was an additional $825 set up fee that was not included in the budget, so that line is a little over budget, but there will be no further expenditures. The largest marketing expense to date has been the production of the Vermont Language Justice Project videos. With the campaigns Ariel will be giving more detail on later, we will be incurring most of the marketing expense.

As discussed earlier, the legal fees are significantly over budget.

Amendment to Section 125 Plan

Beth is seeking an amendment to the Section 125 Plan to reflect the increase in costs associated with participating in the State health insurance plan. The costs reflected on the draft provide for the same employee contribution to health insurance that State employees pay. The increase overall is just under 6%. We budgeted for an increase.

Chair Perry asked if there were any questions. There being none, he asked for a motion.

Mr. Piltch made a motion to amend the Schedules to the Board's Section 125 Plan as proposed. The motion was seconded by Ms. Wilcoxon and approved unanimously.

Update on Marketing Initiatives

Ariel thanked the members for their assistance in recording and reviewing the text of our marketing initiatives. Ariel reviewed the email campaign focused on seasonal employers. This was in part fact finding to determine which employers are seasonal employers for future communications. We had a good open and response rate to the campaign. This was a small test group to gather information.

The brand awareness campaign has launched with digital ads and a broadcast ad featuring Treasurer Perry. This campaign covers all of the touchpoints in every part of the State. We will run the campaign from mid-June until the end of July and again in September for another six weeks with a pause in August. During August an Ask the Expert segment that we recorded with Nate Moody will run.

Ariel showed the Board the broadcast TV ad with Treasurer Perry and the digital display ads featuring MERIT employees and employers then played the radio ad. There will be a couple of versions of the radio ad.

Ariel responded to board member questions about the campaign. Deb Neuman identified several opportunities we can work with her on including shooting a segment of the Chamber Connect show she hosts and produces and a meeting with the Maine Chamber Executives.

Ariel asked members to let her know if they see the ads.

Chair Perry announced that the Board would be meeting in Executive Session and there would be no more formal actions of the Board taken.

Dr. Wyke made a motion to enter Executive Session to discuss personnel matters. The motion was seconded by Mr. Piltch and approved unanimously.

The Board entered Executive Session at 2:50 and came out of Executive Session at 3:00

Chair Perry asked for a Motion to Adjourn

Mr. Moody made a motion to adjourn the meeting. The motion was seconded by Ms. Linzer and approved unanimously.

The meeting adjourned at 3:00.