

NEW JERSEY SECURE CHOICE SAVINGS BOARD

Minutes of the Meeting

March 14, 2025

Minutes of the Board meeting of the New Jersey Secure Choice Savings Board (the “Board”) held via Zoom on Friday, March 14, 2025, at 10:04 AM Eastern Time.

MEMBERS OF THE BOARD IN ATTENDANCE

- Todd Hassler, Executive Director, Secretary, New Jersey Secure Choice Savings Program
- Andrea Spalla, Chair Person, Assistant Treasurer of the State of New Jersey, Department of the Treasury
- Kevin Walsh, ex-officio Member; Acting State Comptroller
- Tariq Shabazz, ex-officio Member; Acting Director of the Office of Management and Budget
- Luis O. De La Hoz, Public Member
- Charles Hall, Jr., Public Member

ADDITIONAL ATTENDEES

- Jeffrey Padgett, Deputy Attorney General, Department of Law and Public Safety, Division of Law
- Charles Vellenga, Secure Choice Savings Program
- Peter Moak, Secure Choice Savings Program
- Johanna Colapinto, Secure Choice Savings Program
- Yon Brown, Secure Choice Savings Program

Chair Andrea Spalla presided over the meeting and Todd Hassler, Executive Director, kept the minutes.

Chair Spalla called the meeting to order at 10:04 AM. Chair Spalla introduced herself and made the following statement:

I hereby call the March 14, 2025 meeting of the New Jersey Secure Choice Savings Program Board to order. I am Andrea Spalla Chair of the Secure Choice Savings Program Board as a designee of the State Treasurer.

I also wish to announce that adequate notice of this meeting was provided in accordance with the Open Public Meetings Act. Notice of today’s meeting was filed with the Secretary of State; distributed by press release to at least two daily newspapers in New Jersey; and also posted on the bulletin board for the Secretary of State.

I will now ask Program Deputy Director, Charles Vellenga, to please call the roll.

Charles Vellenga, Secure Choice Savings Program took roll call:

Andrea Spalla

*Tariq Shabazz
Kevin Walsh
Luis O De La Hoz
Charles Hall*

We have a quorum present.

Chair Spalla continued:

We also have present, Secure Choice Program Executive Director, Todd Hassler and many members of his team.

Thank you and welcome to everyone in attendance. If there are any members of the public in attendance who wish to speak at this meeting, please note that the Board will open the floor for public comment at the end of the meeting before we adjourn.

I ask members of the Board to identify themselves before making or seconding a motion because this is a virtual meeting.

First order of business, I would like to request a motion to adopt the Resolution approving the minutes of action taken at the December 13, 2024 board meeting. Those minutes were emailed to the Board approximately March 4, 2025, and a copy of the Resolution and minutes are included in your Board package under "Exhibit 4A & 4A1".

May I have a motion to approve the minutes of the Board meeting held on December 13, 2024 board meeting?

Charles Hall, Jr. moved to approve the minutes.
Kevin Walsh seconded the motion.

There was no discussion from the Board.

The motion passed with all 5 board members in attendance voting to approve the minutes.

Thank you, The Minutes are Approved. I now request a motion to adopt the resolution approving the Minutes of the Executive Session of the Board's December 13, 2024 meeting. Those Executive Session minutes were emailed to the board on or around March 4, 2025. The resolution and minutes of the Executive Session are included in your board packaged under agenda item 4B and 4B.1 respectively. May I have a motion to approve the minutes of the Executive Session of December?

Kevin Walsh. moved to approve the minutes.
Charles Hall, Jr. seconded the motion.

There was no discussion from the Board.

The motion passed with all 5 board members in attendance voting to approve the minutes.

Chair Spalla opened for a motion for executive session for legal questions.

There was no discussion from the Board.

No motion was made to move to executive session.

I would like to invite the Program's Executive Director Todd Hassler to provide the Board and the public with a program update.

Todd Hassler provided a status update on the New Jersey Secure Savings Program:

Thank you Andrea, and thank you all for attending today's New Jersey Secure Choice Savings Program Board, March 2025 meeting.

We're going to be providing our normal updates today regarding the Program's operation, including investments, status of the audit, marketing efforts, and one matter that will require the board's action.

I'd like to begin with our program's operation and program update. It's very exciting. RetireReady NJ has experienced significant growth in both in utilization and assets under management since we last met in December. In our last meeting, RetireReady NJ celebrated its first million dollars in retirement contributions at that meeting. The savings have accelerated as expected and we've reached an impressive three point eight million dollars of assets under management. I'm happy to tell the board about this announcement to the board today.

Moving onto Program Investments, the Program Investment Committee met on January 15, 2025. Advisor Segal Investments have provided a fourth quarter investment report. The reports shows that the program default investments and alternatives are all performing as expected. The Investment Committee maintained a hold recommendation for all of its current investment portfolios.

There is really not a lot of information to show as this is our first year of operation, but we have been able to compare the performance of these investments against the benchmarks that they're intended to follow. We're not seeing any reason right now to consider giving these investment options further examination and so we are maintaining a hold recommendation at this time.

A request was made by the Committee for Segal to provide a comparison analysis of the program's performance relative to other states, so this report is still being developed by Segal and we are expecting to receive information about that.

We are scheduling the second quarter Investment Committee meeting. It should occur in the coming weeks.

From a Program Audit perspective, the Program Audit Committee will be meeting later today to

review the audit, scope and statutory requirements for the program. Our auditor Landmark in the meantime has been very diligent. Engaging with program staff, they have submitted requests for both program governing documents and sample data. These requests were remitted to us on December 20, 2024. We were able to efficiently respond to these requests on or around January 13, 2025.

Landmark will also be engaging a sample group of employers as a part of our audit to test the accuracy of payroll processed versus remittance. This is a very important control audit for us. The program staff has informed the affected Employers of this audit request that occurred on February 28, 2025. We sent that out via email, and Landmark sent formal communication requesting the information on March 3, 2025.

The program audit is on schedule. Landmark has indicated that they expect to be able to supply a draft audit report to us on or before April 15, 2025. So all good news from an audit perspective at this time.

From a marketing perspective, since our December board meeting, we've been very active with social media. This period of time with the holidays and winter there aren't as many opportunities to be out and active personally, but we have leveraged our Internet presence to engage the community. We have had more than fifty social media posts across all three channels, Facebook, LinkedIn, and Instagram. We've also hosted six webinars for both savers and employers during the same period and have stated attending in-person events. The two most recent with West Orange Chamber of Commerce and Eve Shaw Breakfast and Learn, back in February. Additionally, we already have on our calendar eight more in-person events that we will be attending, so I will be very busy over the coming weeks, but that's a good thing. We're very excited to be engaging the community.

In addition, the program has begun developing its own content to expand its outreach. This week, the program published its first article discussing the importance of retirement savings programs and why these programs are important for employers. Why RetireReady NJ is important for employers here in New Jersey. The article was posted on our website, and social media, and has been picked up by several chambers of commerce and we're excited that we're going to be able to start offering this type of content to the employers and employees of New Jersey. We encourage all of you to read the article and also look for future articles. Follow us out there on our social media presences.

From a New Jersey Transit and visual advertisement perspective, we received approval from the board late last year to engage New Jersey Transit with a social and visual advertisement campaign, we promised to give you an update of the performance of that and we are prepared to give you that today. In December of 2024, we began running visual advertisements on the interior and exterior of the New Jersey Transit buses within the Middlesex and Essex counties. At the close of the campaign, the program staff performed a control analysis of the effectiveness of these advertisements.

While the program did receive some benefit, some responses from these advertisements statistically, we did not appreciate a measurable improvement of the adoption rate within these

communities. In either county that we ran the campaign during this period, we do see value in this, and we think there will be opportunities in the future where we can leverage this type of campaign in conjunction with other events that will be running. However, it wasn't showing the statistical results that we had hoped for running independently, we do see successes in the campaign. First and foremost, you know I'd like to congratulate the staff for being able to independently coordinate and run such a large marketing initiative themselves. Staff did a fabulous job in both working through the process of retaining New Jersey Transit as a platform. We were able to get very positive messaging out there. So, this running a campaign of this size, it was impressive to see the staff's coordination independently, without a consultant leading the way, but more importantly is the ability to measure its effectiveness. I think we're proud of that here that we were able to determine the value and the effectiveness of the campaign so we can make decisions on whether to continue or not.

As I said, although we see opportunities where this type of marketing campaign could be valuable in the future, we do not see a need at this point, to continue utilization of this outreach present in our current marketing plan. It was a great initiative, we're proud of it and we're happy with what we were able to accomplish, but we are going to be redirecting our resources into the other areas of marketing going forward.

The effectiveness of all these marketing efforts can be seen in our program's web traffic report, this is another area that I wanted to highlight for the board. As you can see in the graph being presented, RetireReady NJ's web traffic measurements have changed significantly over the past year and it's unbelievable to me that in the past year, because we launched our website and social media around this time last year. Last year, the program launched the site and relied heavily on paid web advertisement. As a result of the paid web advertisement, we received a high volume of clicks or hits to our site, with a very low page utilization. If you look at the graph here, you can see the green line indicates a number of touches that were getting versus the blue line, which is the time individuals are spending on our web page in one short year, the analytics have changed significantly. To begin, the program discontinued the substantial advertisement expense in November of 2024. Since discontinuing this service, our web utilization time has actually remained constant. So we still have as much time of utilization, it's just in a different way. The behaviors have changed and while the program is receiving less traffic, the individuals that are using our web page are staying for longer periods of time. The net result is actually we're at parity essentially with our web utilization from a time perspective, but this is achieved through greater engagement with the user. This and preferred behavior as opposed to a single click and leaving, which we were seeing a lot of last year. We're seeing that we're connecting with our target audience, and they're using our website, our information as intended, so that's a good thing for the program.

Other areas of program analytics the program continues to advance at an impressive rate. Since our last board meeting more than 120 employers have registered with RetireReady NJ. On the chart, as you can see here, during the same period, approximately 4400 new New Jerseyans have started saving for retirement. Our current report shows that we have more than 1100 employees, facilitating RetireReady NJ. For each of these employers, obviously there are several employees who have been received, who began contributing through the program. Presently, we have over 13000 savers that have begun saving and been able to accumulate more than 3.8 million dollars

in retirement savings here in New Jersey, earmarked for these individuals for their retirement, this is great news, it is a great story for us. I think the chart here is a great indication of what we can expect to see going forward, so congratulations to the board and staff on that.

I'd like to add to this, the program will begin producing a forward facing report of these analytics that will be available to the public, this report will be posted on the program's website on a quarterly basis. Our first report will be produced in April for the first calendar quarter of this year.

Two other areas of operation that I would like to quickly touch on here. I am happy to announce that RetireReady NJ has acquired a permanent office location. This was one of the tasks that I was challenged with or assigned to when I first came on. We have secured a lease of a property within the state's existing inventory. The team has worked diligently to develop working floor plans and furnish the office space comfortably. We transitioned to our new office location at the beginning of the calendar year. I would like to thank the team for all their hard work and effort in making this happen, it was not an easy endeavor but we are very happy with our new locations.

Our last area is an area of operation that not only affects New Jersey, but also has the ability to affect all State Auto-IRA programs. In January of this year, Charles Vellenga and myself attended the annual state facilitated Retirement Savings Program Conference. This conference where all state programs attended, we talked about different issues within the industry. During this meeting, we spoke with the other state directors about the criticality of reporting and control for these programs. This includes establishing standardized reports that can be produced by our service providers to efficiently create tools that can systematically identify failures and breaches of our operational standards. This approach will allow the state facilitated programs to leverage each other's best practices instead of developing our own concepts. We can work collectively while creating tools and standards that not only will serve for existing state programs, but will also be available for state programs who launch in the future across the United States. We believe this working collective of all state programs, including New Jersey, will achieve a greater result in the creation of best practices and tools to monitor and manage the program. We are scheduled to meet this month to launch his collaborative effort. I will provide more updates as they are available.

Moving onto matters that require Board Action, we have a memorandum of understanding with the Treasury Department. We're presenting exhibit 7A a resolution by the New Jersey Securities Program Board to approve a memorandum of understanding. This memorandum of understanding between the Treasury Department and New Jersey Secure Choice Savings Program is to provide certain units within the Treasury to provide support to the board and program staff specifically, in the function of Fiscal, Human Resources, and Procurement. This memorandum of understanding before the board today will continue the terms of the previous memorandum of understanding between the board and Treasury. The previous memorandum of understanding was approved by the board at its organizational meeting and is being amended to a new five-year term. The working partnership between Secure Choice Savings Program staff and various members of the Treasury staff has been and continues to be, an essential. It'd be essential to the program's success and ongoing operations. It remains the most cost-effective way to handle these administrative functions for the program, at least for the foreseeable future, and we seek the board's approval to engage in this agreement.

This concludes my updates to the board for today.

Chair Spalla asks for action on Agenda Item 7A, resolution approving memorandum of understanding between the Secure Choice Savings Program Board and the State Treasurer.

Chair Spalla recuses herself

Kevin Walsh moves.

Luis O. De La Hoz seconds.

The motion passes with the remaining four members of the Board currently in attendance voting for it.

Chair Spalla asked about any old or new business from the board.

Luis De La Hoz asks if there are any additional methods in which to help promote the program. Todd responded that direct mailings, chambers of commerce, engagement with other leaders of the industry, and events in the public have been effective methods.

Andrea suggests the program continues to work with Chambers of Commerce, which Todd agreed.

Kevin Walsh suggests that the Division of Consumer Affairs in the Department of Law may be a good resource for employment lists which Todd agreed.

Chair Spalla then opened the meeting up for public comment, of which there was none.

There being no further business, on a motion from Kevin Walsh, which was seconded by Luis De La Hoz, and carried by voice vote from members present voting in favor, the meeting was adjourned at 10:39 AM.