



DELAWARE RETIREMENT SAVINGS PLAN

**DEFER**

For a brighter tomorrow™



State of Delaware 457b, 401a, and 403b

**4Q17 PLANS MANAGEMENT BOARD**

**MARCH 6, 2018**

Presented by: Natalie Daniels & Sarala Katta

# Agenda

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- Review Of Goals
- Business Metrics as of 12/31
- Engagement & Outreach
- On the Horizon

# Review of Goals

## Goals

- Increase program participation by 2% per year 2017-2019
- Increase the number of participants that would qualify as “retirement ready” by 20% per year (retirement ready is defined by 100% income replacement goal with 15% coming from deferred compensation programs)
- Manage investment offering to ensure overall performance meets or exceeds respective benchmark each year

	Baseline	4Q17
Program Participation Rate	37% 13,906 participants/37,824 eligible	37% 14,040 contributing/38,332 eligible
Retirement Ready	1,367 contributing 457 participants or 13%	1,643 contributing 457 participants or 16%



# Program Snapshot 01/01/17- 12/31/17

	<b>457(b)</b>	<b>403(b)<sup>2</sup></b>	<b>401(a)</b>	<b>Total</b>
Beginning Balance (01/01/17)	\$546,152,376.45	\$43,054,965.62	\$20,090,484.63	\$609,297,826.70
Contributions	\$37,123,574.28	\$20,248,245.30	0	\$57,371,819.58
Distributions	-\$33,447,871.63	-\$2,914,716.16	-\$1,060,939.39	-\$37,423,527.18
Rollovers\Transfer & Adjustments	\$2,179,847.40	\$10,590,101.22	0	\$12,769,948.62
Dividends	\$16,334,396.47	\$2,031,544.18	\$585,697.60	\$18,951,638.25
Appreciation\ Depreciation	\$71,695,928.04	\$7,698,801.78	\$2,667,962.97	\$82,062,692.79
Fees	-\$1,244,198.90	-\$133,189.53	-\$76,384.81	-\$1,453,773.24
End of Period Assets (12/31/2017)	\$638,794,052.11	\$80,575,752.41	\$22,206,821.00	\$741,576,625.52
Participant Accounts <sup>1</sup>	16,133	5,636	10,101	31,870

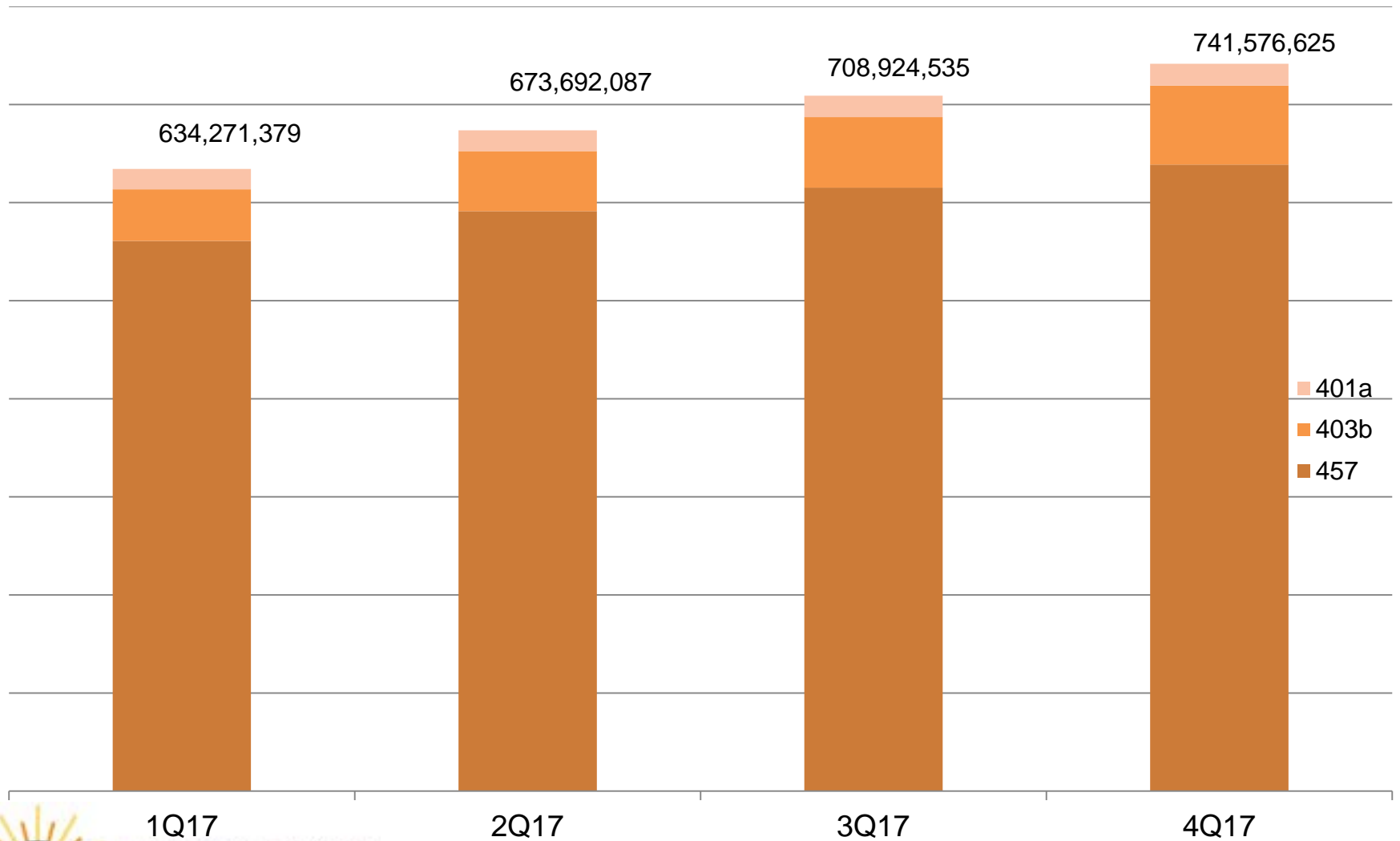
<sup>1</sup> Participant accounts represent actual number of accounts on Voya recordkeeping system and are non -unique. The unique participant count across all plans is 20,462.

<sup>2</sup> Data is as of 12/31/17 and includes Voya record kept assets only – Legacy 403b vendors excluded .



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# Program Assets 2017



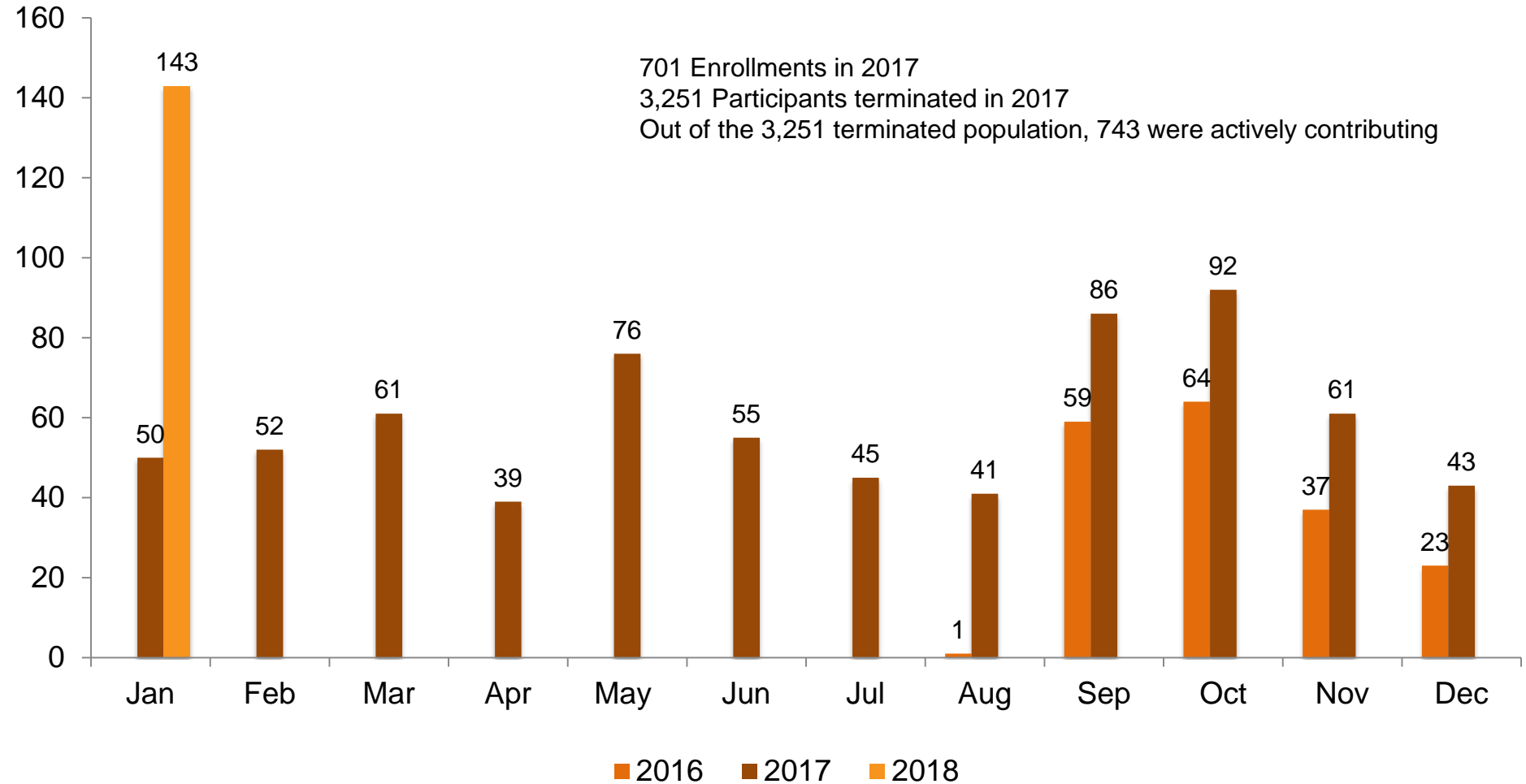
# Assets & Contributions 01/01/17-12/31/17

		457(b)		403(b)		401(a)	
<b>Path 1</b>	<b>Target Date Funds</b>						
	Assets	\$500,554,949.29	78%	\$63,469,842.09	79%	\$20,129,263.80	91%
	Contributions	\$29,437,617.18	79%	\$17,444,929.92	86%	n/a	
<b>Path 2</b>	<b>Core Funds</b>						
	Assets	\$125,810,132.62	20%	\$16,252,552.72	20%	\$1,993,686.84	8.60%
	Contributions	\$7,685,957.10	21%	\$2,803,315.38	14%	n/a	
<b>Path 3</b>	<b>Self Directed Brokerage</b>						
	Assets	\$12,428,970.20	2%	\$853,357.60	1%	\$83,870.36	.40%

# Investment Path Utilization as of 12/31/17

	457(b)	403(b)	401(a)	Total
<b>Participant Count by Plan</b>	16,133	5,636	10,101	31,870
<b>Unique Participants Path 1 – Target Date Funds</b>	14,537	5,142	9,765	29,444
	90%	91%	96%	92%
<b>Participant Count Path 2 – Core Funds</b>	1,596	494	336	2,426
	9%	8.5%	3.5%	7.5%
<b>Participant Count Path 3 - TD Ameritrade Brokerage</b>	199	41	42	282
	1%	>1%	>1%	>1%
<b>Unique Participant Count Across the Plans</b>				20,462
<b>Unique Participant Count Across the Plans Path 1</b>				19,225
				94%

# Program Enrollment Trends



The above chart represents 457 & 403b enrollments combined.





# Participant Profile as of 12/31/17

	2016 457(b)	2017 457(b)	Change YOY	2016 403(b)	2017 403(b)	Change YOY
Average Account Balance	\$33,547	\$39,533	↑	\$8,265	\$14,293*	↑
Average Annual Contribution	\$3,569	\$3,588	↑	\$3549	\$4,394	↑
Average Contribution Per Pay Period	\$137	\$138	↑	\$136	\$169	↑
Average Contribution Per Pay Period -New Enrollee	\$121	\$149	↑	\$179	\$134	↓
Average Age of Participant with a Balance	49	48	↓	44	44	—
Average Number of Investment Options with Target Date Funds	1.2	1.4	↑	1.2	1.4	↑
Average Number of Investments Options without Target Date Funds	3.5	4.4	↑	4.6	5.1	↑
Managed Account Users	66 (0.41%)	107 (0.66%)	↑	17 (0.33%)	38 (0.21%)	↑
Count of Terminated Participants with a Balance	4,952	5,286	↑	119	352	↑



Change since prior period

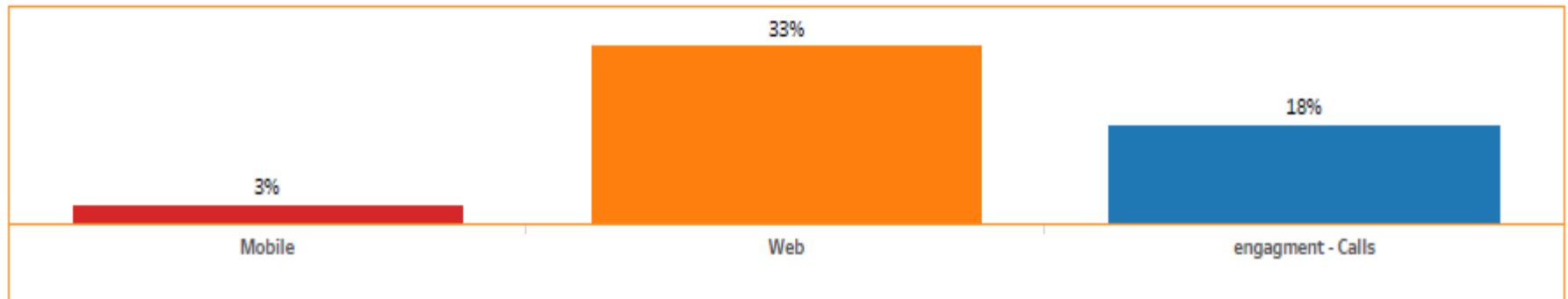
↑ Increase    ↓ Decrease    — No Change



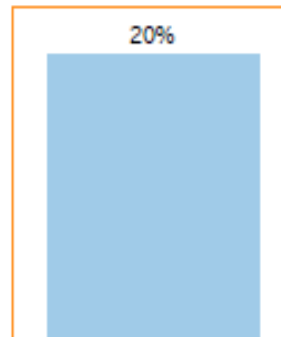
# Program Engagement

41% of plan participants have engaged (used web, mobile, or called\*) over the last 12 months  
33% of plan participants have digitally engaged over the last 12 months

Unique Participant Engagement by Channel



E-Delivery



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# Local Outreach 2017

Employee Engagement	
Appointments	1750
E-Mails	3023
Phone Calls	4192
Group Meetings	60
School Business Managers & Agency Meetings	23

Appointment Survey Results	
Satisfaction Information Received – Extremely / Very Helpful	90%
Satisfaction With Voya Advisor – Excellent / Very Good	89%
Net Promoter Score	67

The Net Promoter Score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others. It is used as a proxy for gauging the customer's overall satisfaction with a company's product or service and the customer's loyalty to the brand.

## Engagement Highlights:

- Partnered w/ Office of Pensions & Benefits – Participated In Pension & Open Enrollment Meetings / Benefit Fairs
- DSEA, DASA, DAEOP
- Established 1on1 Appointment Days – 45 Locations / 555 Appointments
- Strategic Meeting w/ School District Leadership – Established Engagement Strategy – Group Meetings, 1on1s, Technology Days, Professional Days, etc. . . .
- Implemented Agency Outreach – Establish Engagement Strategy



# OST & Voya Outreach Campaign Results

Entity	Number of Employees Covered
Public School Districts (All 19)	17,814
Charter Schools (Business Managers)	2,246
Delaware Technical and Community College (DTCC)	1,138
Delaware State University (DSU)	794
Department of Education (DOE)	61
Department of Corrections (DOC)	2,349
Department of Transportation (DOT)	1,657
Department of Labor (DOL)	418
Department of Natural Resources and Environmental Control (DNREC)	628
Department of Technology and Information (DTI)	273
Department of Finance (DOF)	253
Department of State (DOS)	542
Delaware State Police\Homeland Security (DSP)	967
<b>Total Agencies &amp; Districts Covered</b>	<b>22,053</b>
<b>Total Eligible Population</b>	<b>38,332</b>
<b>Percentage of Eligible Population</b>	<b>58%</b>

# 1Q18 Communication

JAN

OST email blast  
**COMPLETE**



FEB



MAR



403b  
Consolidation  
Campaign

APR



OST enrollment  
email blast

Enrollment Day



Enrollment flyer  
(included with  
eligibility notices  
and 1<sup>st</sup> paychecks)

**COMPLETE**



Enrollment  
mailer



Automation  
increasing emails

Advisor  
Seminars &  
1-on-1s



# On the Horizon ...

- Q1 Market Volatility Statement Stuffer
- Q1 Advisor Enrollment Day Pilot
- Q1 E-mail Campaign – Non Participating Eligible
- Q1 403b Asset Consolidation Campaign
- Q1 Pension Benefit on DC Statement
- Q1 MyOrange\$ tool updated to reflect 100% Income Replacement
- Q2 Targeted Mailing to Non Participating Eligible 50+
- Q2 Voya to Introduce Financial Wellness tools on participant website
- Q2 Marketing Automation “Save More Journey” ...
- Ongoing bi-weekly project calls with Voya and OST
- Ongoing review of trends by location and re-rank Agencies and District
- Ongoing quarterly meetings w. Voya and OST staff to review previous quarter results

# Thank You



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