

# DEFERRED COMPENSATION PLANS

## BUSINESS UPDATE

PLANS MANAGEMENT BOARD

JUNE 2021 MEETING



# DEFERRED COMPENSATION PLANS– 2021 Q1 BUSINESS REPORT



## Program Summary:

The Delaware Retirement Savings Plans, also known as DEFER, exist to provide retirement security for State of Delaware employees. DEFER consists of the State’s 457(b) plan which is available to full time benefit eligible employees, the 403(b)-plan available to State education employees employed by public school districts, the DOE, and DTCC as well as DSU, and the 401(a)-match plan which is currently suspended. Employees voluntarily elect to have contributions deducted from their paycheck and deposited into a DEFER account. The current vendor for the plans is Voya Financial.

## DEFER goals:

- Increase new DEFER accounts by 2% per year.
- Increase total DEFER plan contributions by 5% per year.
- Transfer 5 million dollars from legacy 403(b) vendors into DEFER.

## Target audience:

State employees and educators

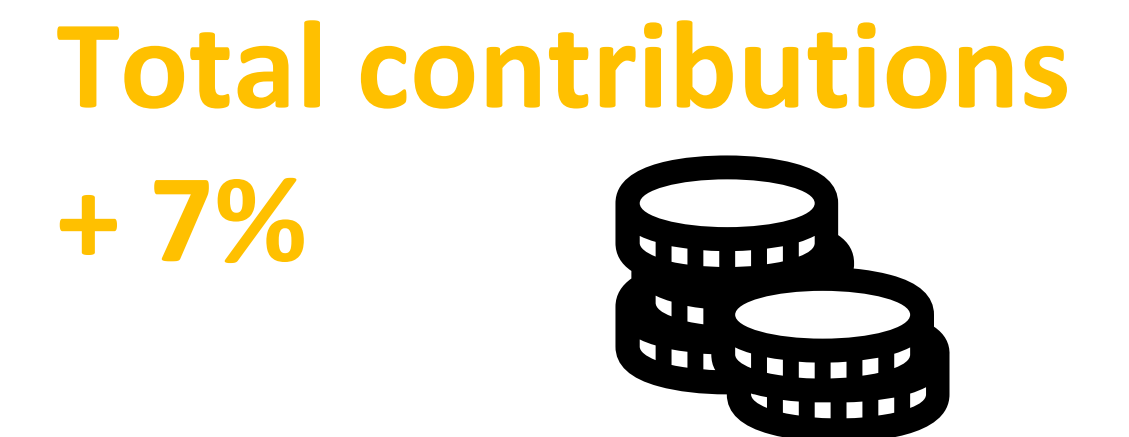
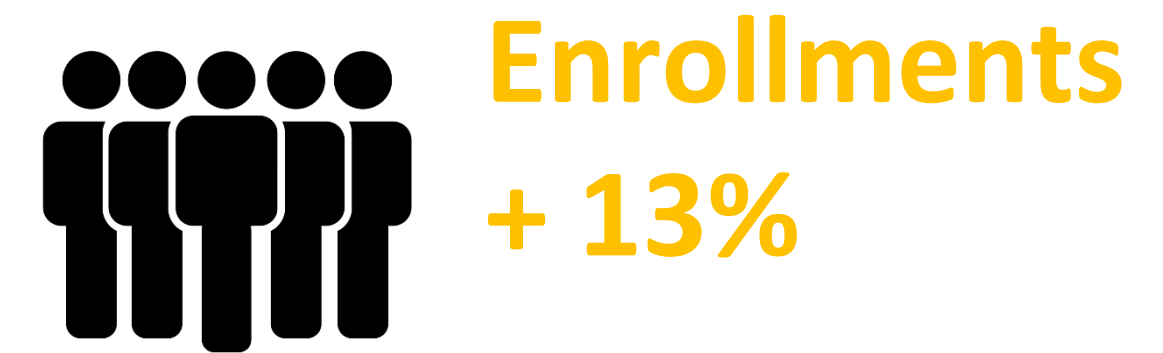
## First Quarter (2021) Highlights:

- **Highest first quarter on record with 368 new enrollments up 13% compared to Q1 20.**
- **Q1 email blast distributed: “America Saves” week in February**
- **74 Consolidations totaling \$2,921,092** compared to 69 consolidations totaling **\$1,562,868 2020 in Q1 2020.**
- **2,432 employee engagement – local Advisors** – (186 Scheduler Appts, 833 Calls, 1,413 Emails) up 1.2% compared to Q1 20.
- **6 group virtual meetings** – 181 Attendees compared to 3 group meetings in Q1 20.
- More than **6,000 unique personalized messaging** emails delivered, with an average open rate of 35%
- More than 1,000 interactions with myOrangeMoney. **27% of those who interacted with myOrangeMoney acted**

## Upcoming Initiatives:

- **Beneficiary outreach** scheduled for Q2 including statement insert, direct mailer and follow-up letter along with local outreach.
- 70% of participants accounts have no beneficiary on file compared to only 17% of new accounts with no beneficiary recorded.
- **Open Enrollment Q2** - Charter School & District Business Managers & HR Roundtable Presentations, OST Email Blast
- **Consolidation communication** scheduled for Q3 to promote benefits of the Delaware Defer plan.
- **RFP** for deferred compensation plans and **Board strategic discussion** in Q4

## Q1 2021 vs Q1 2020



- Total contributions include \$16.2 million in recurring contributions and 2.4 million in nonrecurring contributions



- Does not include 403(b) legacy vendor assets which are valued at approximately \$307.6 million as of 03.31.2021

