

# **Massachusetts Defined Contribution CORE Plan**

## **Minutes of the Not-for-Profit Defined Contribution Committee June 4, 2024**

The Not-for-Profit Defined Contribution Committee (the “Statutory Committee”) for the Massachusetts Defined Contribution CORE Plan (the “Plan”), met, pursuant to notice, via webcast, on June 4, 2024. Present were Treasurer Deborah B. Goldberg, Statutory Committee Chair, and Statutory Committee members Jim Klocke, Noreen McMahon, and James “Chet” Riley, all being voting members of the Statutory Committee. Voting member Donna Bonaparte was absent.

Also present were Jessica Ashe, Henry Clay, Adrien Denis, Emily Kowtoniuk, David Lynch, Sandra DeSantis Lynch, Joel Massa, Alexa Michon, Natasha Ralph, Laura Rooney, and Mary Sarkis from the Commonwealth of Massachusetts Office of the Treasurer and Receiver General (“Treasurer’s Office”); Greg Bowen, Lisa Cardinal, John Fellin, Karl Kroner, and Tony Lipizzi of Empower Retirement Services (“Empower”); Chris Behrns and Beth Halberstadt of Aon Investments USA Inc. (“Aon Investments”); and Tamara Langham of Aon Consulting, Inc. (“Aon Consulting”).

The meeting was open to the public. Present were Victoria Schmidt of Georgetown University and Andrew Blevins and Kim Olson of The Pew Charitable Trusts.

The following materials were distributed via email to the members of the Statutory Committee in advance of the meeting. Copies of these materials are attachments 1 – 3, respectively, to these minutes.

- 1) Minutes from the March 21, 2024 Not-for-Profit Defined Contribution Committee Meeting (the “Minutes”);
- 2) Quarterly Investment Review, Commonwealth of Massachusetts, First Quarter 2024 (the “Quarterly Investment Review”); and
- 3) Massachusetts Defined Contribution CORE Plan, Q1 2024 Statutory Committee Meeting, June 4, 2024 (the “Empower Report”).

With a quorum present, Treasurer Goldberg called the meeting to order at 12:00 p.m. ET.

Treasurer Goldberg noted that the meeting is being conducted via video- and teleconference call in accordance with Chapter 2 of the Acts of 2023 signed into law by Governor Healy on March 29, 2023. She noted the recording parameters under the Open Meeting Law M.G.L. c.30A, §§18-25 and applicable regulations. Treasurer Goldberg inquired if anyone present was recording the session, and no one identified themselves as making a recording. She advised all parties that should they be unable to hear during the meeting, they should bring that to her attention.

On a motion by Mr. Klocke, seconded by Ms. McMahon, the Statutory Committee approved the Minutes, and then confirmed via roll call: Mr. Riley, Mr. Klocke, Ms. McMahon, and Treasurer Goldberg.

Mr. Behrns directed the Statutory Committee to the Quarterly Investment Review and reviewed the state of the overall economy, the domestic and international equity markets, and the bond markets. He led a discussion of the investments offered in the Plan, noting situations in which there are exceptions to, or comments on, the targeted performance, company structure or other relevant aspects of the funds offered against the Plan's Investment Policy Statement.

Mr. Behrns reviewed the management fees for the investments in the Plan, comparing them to those of the applicable peer groups.

Mr. Behrns informed the Committee that the management of the custom target date funds' glide path transitioned from Aon Investments to Alliance Bernstein on June 1, 2024. He further noted that Aon Investments continues to manage the asset class implementation and manager selection.

Mr. Felin presented the "Executive Overview" of the Empower Report, outlining the Plan's asset growth, participation rates, transaction activity, and utilization of Plan services and features.

Ms. Cardinal reviewed the "Sales Update" section of the Empower Report and reported that six employers adopted the Plan in the first quarter of 2024. She discussed factors that led to the wins, and where feedback was available, noted why other prospects decided not to adopt the Plan. She also highlighted education and rollover activity for the Plan.

Mr. Klocke left the meeting, with a quorum still present.

Referring to the "Q1 Employer Outreach" section of the Empower Report, Mr. Kroner reviewed activity related to new plan orientations and existing plan account reviews. Mr. Lipizzi provided an overview of outreach activities to prospective employers, including discussion topics, feedback received, and follow up tasks.

Mr. Kroner and Mr. Bowen reviewed the "Marketing Plan Results" section of the Empower Report, highlighting topics addressed through webinars, presentations, prospect emails, social media ads, and the Plan's microsite throughout the first quarter of 2024. Mr. Kroner and Mr. Bowen also reported on outcomes from these marketing efforts, including attendance at webinars and presentations and open rates of emails.

Treasurer Goldberg informed the Statutory Committee that the next meeting is scheduled for September 10, 2024 at 12:00 p.m. ET.

There being no further business to come before the Statutory Committee, the meeting was adjourned at 12:48 p.m. ET on a motion from Ms. McMahon, seconded by Treasurer Goldberg and then confirmed via roll call: Ms. McMahon and Treasurer Goldberg.