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## VT Saves Advisory Board

January 14, 2025

### **Vermont Saves Board Members Present:**

LouAnn Beninati – *Program Director, Let's Grow Kids*

Sena Meilleur – *Managing Principal, One Digital*

Karen Wischart – *Director of Operations, Windjammer Group*

Kasey W. Franzoni – *V.P Trust & IRA Administration, Trust Company of Vermont*

Pam Nemlich – *V.P of Human Resources, The Orvis Company, Inc.*

Sara Teachout – *Director, Blue Cross Blue Shield VT*

Kim Souza – *Owner, Revolution*

Mel Hall – *Owner, Global Village Foods*

Ongyel Sherpa – *Founder, US Sherpa*

Paul Trahan – *V.P Asure Software*

### **Also Attending:**

Mike Pieciak – *Vermont State Treasurer*

Becky Wasserman – *Office of the Vermont State Treasurer, Director of Economic Empowerment*

Erin Whitman – *Vestwell*

Kim Olson – *Pew Charitable Trusts*

Juliana Crist – *AKF Consulting*

Grace Sullivan – *Davis & Harman*

### **Members Not Present:**

Michael Karode – *Office of Engagement, University of Vermont Leahy Institute for Rural Partnerships*

Holly Testut – *HR Benefits Specialist, Jay Peak Resorts*

Joie Lehuoillier – *Owner, Foote Brook Farm*

Colleen McQuade – *Chair/Owner, Cannabis Retailers Association of VT/Juniper Lane*

### **Call to Order:**

Becky Wasserman called the meeting to order at 2:03 pm. Treasurer Pieciak welcomed the Board members to the meeting and briefly updated the Board on the Vermont Saves launch.

### **ITEM 1: Approval of November 12, 2024 Minutes**

Paul Trahan made a motion to approve the minutes from November 12, 2024, which was seconded by LouAnn Beninati. The motion carried unanimously, and the minutes were approved by the Board.

### **ITEM 2: Director's Report**

Becky Wasserman provided updates on the Vermont Saves launch and upcoming plans. Becky began the report by sharing updates on the pilot program. All seven pilot employers are now registered with the Program and have begun making payroll contributions. The Program launched statewide in the beginning of December and the Office is already seeing funded accounts from non-pilot participants.

Becky continued with the report by providing a legislative update to the Board. She explained that the Treasurer's Office would be submitting the Vermont Saves Annual Report to the Legislature on January 15<sup>th</sup>, 2025. In addition, she noted the proposals the Office is bringing to the Legislature during this upcoming session. These include amending the auto-escalation provision to a maximum of 10% and amending the definition of "covered employer" to remove the requirement that an employer have a workplace retirement plan for the previous two years. She also discussed a proposal to amend the definition to allow new employers to join the Vermont Saves Program as the current definition requires an employer to have been in business during the current and previous calendar years.

### **ITEM 3: Vestwell Program Updates**

Erin Whitman presented program updates from Vestwell. First, Erin discussed the program registration timeline and noted to the Board when the pre-deadline communications would be sent to covered employers. She also discussed the March 1 registration deadline and mentioned that two post-deadline communications would also be sent. Erin noted that based on activity in

other states, they expect a surge of activity two weeks before March 1st, with significant saver activity around late March or early April.

Next, Erin discussed the registration and onboarding process. She noted that the registration process includes creating an account, adding bank information, and uploading employee census. Employees then have a 30-day decision-making period, after which default options kick in if no action is taken. She also noted that employers only start making payroll contributions once an employee passes a Know Your Customer process. Erin mentioned that employers will receive nudges from Vestwell about upcoming payroll dates or past due contributions.

Erin moved on to discussing employer and employee updates. As of the Board meeting, Vestwell is seeing nearly double the number of employers submitting payroll compared to the previous report. In addition, employee saver accounts and assets nearly doubled since the end of the year. The average account balance stands at \$209, the average contribution rate is 4.85%, and the average monthly contribution rate is \$154.

Erin then provided some additional program updates. She discussed Vestwell's payroll process and stated that they currently have integrations with 30 payroll providers. They also hold regular payroll webinars for employers, including a live Q&A. These webinars are also posted on their website and can be viewed at any time. Erin also mentioned that the Program has added a new domestic equity fund, which will be available to savers by late January or early February. Finally, Erin noted that the annual audit is scheduled for mid-April.

Paul Trahan inquired about the timeline for employee account verification after the employer registration is complete. Erin clarified that the process begins the next day after payroll and employee census lists are added. Mel Hall asked if providers could make deposits directly into employee accounts. Erin confirmed that Vestwell captures and remits contributions after they are received from employers.

Becky asked Erin to explain more about the KYC process to the Board. Erin explained that sometimes it is difficult to verify an employees identity, especially for younger employees or those who move frequently. Erin explained that Vestwell would communicate with employees about how to resolve KYC issues, which may involve submitting supporting documentation.

Kim Souza asked about tax reporting for contributions. Erin confirmed that Roth IRA are post-tax contributions and are not included in W2 forms. However, they are reported through Form 5498. Kasey inquired about the timing for sending Form 5498. Erin confirmed it will be sent by the partner bank in May.

Paul Trahan asked about how tipped wages are handled and suggested adding an FAQ for tipped wages.

#### **ITEM 4: Marketing and Outreach**

Becky reviewed the Program's marketing and outreach initiatives. Alongside direct communications from Vestwell to eligible employers, the Vermont State Treasurer's Office has conducted extensive outreach to promote Vermont Saves. She noted that efforts to promote Vermont Saves to date include setting up booths at key business conferences, hosting a four-part webinar series tailored to different sectors of Vermont's economy, and launching a monthly newsletter to keep employers informed. The Office also rolled out a digital ad campaign featuring videos and graphics on social media platforms. Becky showed one of the video ads to the Board.

Looking forward, Becky noted that in January and February, outreach efforts will emphasize both earned and paid media. The Vermont Saves digital ad campaign will continue running through the enrollment deadline, using enrollment data to refine ad targeting.

Paul Trahan noted that he thought it would be helpful to have flyers to share with his community, with a simplified message for better understanding. LouAnn suggested sending links to Board members to boost marketing efforts. Mel Hall proposed sending a quick write-up or a fact sheet from the employee's perspective for the Board to distribute. Ongyel Sherpa offered to share any available flyers. Karen Wisheart requested a press kit for outreach. Becky indicated that she would share the Saver Fact Sheet and the Vermont Saves media kit with Board members.

Paul Trahan asked about enforcement measures for missed deadlines. Becky clarified that employers will receive two communications if they miss the deadline. The Treasurer's Office will focus on getting employers enrolled before imposing any fines.

#### **ITEM 5: Future Meetings**

Becky outlined plans for the next meetings in March and May. A Doodle poll will be resent to Board members to schedule those meetings.

#### **ITEM 6: Public Comment**

There was no comment from the public.

#### **ITEM 7: Adjournment**

The meeting was adjourned at 3:15 PM.