Louisiana Deferred Compensation Commission
Meeting Minutes
May 19, 2026

The monthly meeting of the LA Deferred Compensation Commission was held on Tuesday, May 19, 2026, at 9:00 a.m. in the office of the Service Provider, 9100 Bluebonnet Centre Blvd, Suite 203, Baton Rouge, LA 70809.

Members Present
Doug Buras, Designee of Commissioner of Financial Institutions
Beverly Hodges, Chairperson and Participant Member
Andrea Hubbard, Vice Chairperson, Co-Designee of the Commissioner of Administration
Julius Roberson, Co-Designee of the LA State Treasurer
Laney Sanders, Secretary, Participant Member
Thomas Travis, Designee of the Commissioner of Insurance

Members Not Present
Cindy Rougeou, Participant Member
Representative Christopher Turner, Designee of the Speaker of the LA House of Representatives
Senator Valarie Hodges, Designee of the President of the Louisiana State Senate

Others Present
Stephen DiGirolamo, CFA – Managing Director, Wilshire Associates
Jason Decker, State of Louisiana Attorney General's Office, Baton Rouge
Chelsea Zachary, State of Louisiana Attorney General's Office, Baton Rouge
Marybeth Daubenspeck, Vice President, Government Markets, Empower, Denver-*via video conference*
William Thornton, Senior Manager, Client Portfolio Svcs, AAG, Empower, Denver-*via video conference*
Carol Holt-Salvi, Senior Consultant, Implementation, Empower, Denver-*via video conference*
Edwin Velis, Project Client Solutions Manager, Empower-*via video conference*
Karen Monaghan, Sr Client Services Manager, Empower, Denver – *via video conference*
Michela Palmer, Communications Strategist Participant Mktg Comm Gov, Empower, Denver-*via video conference*
Shannon Dyse, Relationship Manager, Empower, Baton Rouge
Rich Massingill, Manager, Participant Engagement, Empower, Baton Rouge
Jo Ann Carrigan, Sr. Field Administrator, Empower, Baton Rouge
Jesse Deroche, participant, Baton Rouge – *via video conference.*

Call to Order: Ms. Hodges called the meeting to order at 9:03 AM.

Roll Call of Commission Members: Ms. Carrigan conducted roll call of members. A quorum was confirmed.

Public Comments: Ms. Hodges reported that there were no public comments.

Approval of Commission Meeting Minutes – April 21, 2026: Mr. Roberson motioned to approve the April 21, 2026, minutes as presented. Ms. Sanders seconded the motion. The motion passed unanimously.

<u>Introduction of Attorney General Representative:</u> Mr. Decker introduced his associate, Chelsea Zachary, who was in attendance. Ms. Zachary is one of the attorneys in public finance and contracts with the Attorney General's office.

<u>1Q2026 Stable Value Review</u>

Louisiana Market Overview: Mr. Thornton presented the 1Q2026 Louisiana Market Overview which included the state of the US economy, US Labor Market trends (steady) and Fixed Income Returns. The GDP was 2% 1Q2026. The consensus is that there will not be any further rate reductions in 2026.

Louisiana 1Q2026 CSVF: Mr. Thornton reviewed the State of Louisiana Stable Value Fund 1Q2026 statement. The yield curve has shifted upward with an increase in interest rates in response to inflation. The market-to-book came down slightly as rates rose in March. There was no significant change to duration.

LA Credit Letter: Mr. Thornton reported that there were no changes to the credit letter noting that the recommendation is to continue holding Lehman Brothers Unsecured Notes so that the Plan may benefit from any future distributions. There were no derivative securities being used within the Stable Value portfolio as of the date of the letter. No other securities are below the investment policy.

<u>Service Provider's Report</u>
Plan Update as of April 30, 2026: Assets: $2,650.65M; YTD asset change: $92.69M; Contributions: $44.73M; Distributions: $69.39M; Net appreciation: $117.35M.

Unallocated Plan Account (UPA) – April 2026: Ending balance as of April 30, 2026: $3, 100,791.66. The UPA report now includes information related to the interest earned on the float income referred to as "Investment Sweep."

UEW/Hardships – April 2026: Thirty-five requests; Twenty-six approved and Nine Canceled; $72,991.72 disbursed.

<u>Attorney General Updates</u>
Plan Document: In Lieu of Social Security (Loans and Hardships): Mr. Decker reported that he met with Mr. Dyse, James Thompson of Tarcza & Associates along with other Empower representatives, and it was determined that the best course of action would be to create a separate plan for 3121 In Lieu of Social Security participants. Mr. Decker stated the new Plan will require a rule promulgation to alter the Plan document and create the new Plan. The Commission will not be charged to create the new Plan. The Plan development will begin in June and finish in September or October which will coincide with the completion of the AG's procedural aspects. The implementation project manager for this task will be Carol Holt Salvi. Edwin Velis will be the technical support for creation of the new Plan. Mr. Dyse will research whether the Empower contract must be amended to include the new Plan. Mr. Decker and Mr. Thompson will discuss whether or not withdrawals (loans/hardships) can be taken and if participants may contribute more than 7.5%.

Protective Life Insurance Procedures
Mr. Decker reported that the Empower legal team did not approve the Commission's appointment of Ms. Carrigan as the authorized signer of Protective Life insurance claims. Mr. Decker will speak

with a Protective Life representative to confirm that the Commission may authorize a "position" instead of a specific person to sign.

Loan Default Review

Ms. Carrigan moved the loan default review to a future Commission meeting as additional information is needed before a review can be presented.

Other Business

Participant Request - Make Options Trading Available: The Commission continued their review of a request received from a plan participant that the Self-Directed Brokerage portion of the LA Deferred Comp Plan includes the ability to trade options. Mr. Dyse reviewed an excerpt from the October 15, 2013, Commission Minutes noting Wilshire representative's opinion that the Commission "tread lightly" on offering covered calls/options via Self Directed Brokerage. An email received from Tarcza and Associates stated that if the Commission offers options via Self Directed Brokerage, participants should be required to sign a comprehensive liability waiver acknowledging risk. Mr. Dyse stated that Empower is unaware of any additional tax reporting required if offering options via Self Directed Brokerage. Mr. DiGirolamo reported that in his research, he has not found any retirement plan offering options. The Commission decided not to allow options trading via Self Directed Brokerage.

September 15, 2026, Commission Meeting: Ms. Hodges pointed out a conflict in scheduling between the September meeting and the LAPERS Conference that some Commission members will be attending. Mr. Buras motioned to cancel the September 15, 2026, Commission Meeting. Ms. Hubbard seconded the motion. The motion passed unanimously.

Principal Diversified Real Assets Fund: Ms. Hubbard motioned to add a review of recent managerial changes within the Principal Diversified Real Assets Fund to the Commission agenda. Ms. Sanders seconded the motion. The motion passed unanimously. Mr. DiGirolamo reported that Jessica Bush, one of four Principal Diversified Real Assets Fund portfolio managers, resigned last month. Ms. Bush was not involved in buying/selling securities within the Fund. Ms. Bush is leaving the institutional fund management side of the industry. Mr. DiGirolamo stated that he would not make any changes at this time as Wilshire continues to have confidence in the Fund. Nothing is changing within the fund lineup. Principal Diversified Real Assets Fund representatives will be presented to the Commission in August.

Empower Staffing Update: Mr. Dyse informed the Commission that Mr. Massingill and Ms. Monaghan have accepted new positions within Empower and will be leaving the LA Deferred Comp team. Jennifer Householder will be taking Mr. Massingill's place and Melissa Chiumento will be taking over Ms. Monaghan's responsibilities. Ms. Monaghan and Mr. Massingill shared that they have appreciated working with the Commission throughout the years. The Commission wished Karen and Rich well and thanked them for their years of service.

June 16, 2026, Meeting: Ms. Hodges reported that Ms. Hubbard will be leading the June 2026 Commission meeting as Ms. Hodges will be out of town.

Adjournment

With there being no further items of business to come before the Commission, Chairperson Hodges declared the meeting adjourned at 9:58 a.m.

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Laney Sanders, Secretary