

MINUTES
Louisiana Deferred Compensation Commission Meeting
January 23, 2024

The monthly meeting of the Louisiana Deferred Compensation Commission was held on Tuesday, January 23, 2024, in the office of the Service Provider, 9100 Bluebonnet Centre Blvd, #203, Baton Rouge, LA, 70809 at 10:00 a.m.

Members Present

Virginia Burton, Chair, Participant Member
Doug Buras, Co-Designee of Commissioner of Financial Institutions
Stewart Guerin, Designee of the Commissioner of Insurance
Beverly Hodges, Participant Member
Andrea Hubbard, Vice Chair, Co-Designee of the Commissioner of Administration-*via video conference*
Julius Roberson, Designee of the LA State Treasurer
Laney Sanders, Secretary, Participant Member

Members Not Present

Representative Lance Harris, Designee of the Speaker of the LA House of Representatives
Senator Ed Price, Designee of the President of the Louisiana State Senate

Others Present

Brett Robinson, State of Louisiana Attorney General's Office, Baton Rouge
Justin Lester, State of Louisiana Attorney General's Office, Baton Rouge
Marybeth Daubenspeck, Vice President, Government Markets, Empower, Denver-*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 Administrative Support, Empower, Baton Rouge

Call to Order

Ms. Burton called the meeting to order at 10:00 a.m. Ms. Carrigan called roll of Commission members.

Public Comments

Ms. Burton stated that the meeting is accessible to the public and invited anyone who had joined the meeting to participate in the call. There were no public comments.

Approval of Commission Meeting Minutes – December 12, 2023

The minutes of the December 12, 2023, Commission Meeting were reviewed. Ms. Hubbard noted an incomplete sentence in the pre-meeting circulation material. The sentence was corrected prior to the meeting and each member of the Commission received the amended copy prior to voting to accept the minutes. Ms. Hodges motioned to accept the minutes. Mr. Guerin seconded the motion. The Commission unanimously approved the motion.

Plan Document Rules/Legislative Updates

Mr. Robinson distributed a copy of the Rulemaking Timetable for the month of February. Mr. Robinson introduced Chapter 7, 701 “Contributions for Distributions” as an additional item to be included in the amended Plan Document as it relates to Qualified Birth and Adoption Distributions. Mr. Robinson confirmed that the wording of the rule changes is broad enough to take into consideration all the Secure 2.0 guidance/provisions. The IRS postponed the deadline for adopting the Secure 2.0 provisions until 2027. Ms. Sanders moved to include the Secure 2.0 Qualified Birth and Adoption distribution provision in the Plan rule changes being submitted. Ms. Hodges seconded the motion. There was no further discussion and the motion passed.

Records Retention

Mr. Robinson made the Commission aware that they must designate a person to serve as the records retention officer who would function as liaison to the Secretary of State. There is currently no records retention policy on file with the Secretary of State. The deadline to select the officer and submit the designation form to the Secretary of State is July 1, 2024. Mr. Burras motioned to appoint Mr. Dyse as the records retention officer for the Commission. Ms. Sanders seconded the motion. There was no further discussion and the motion passed unanimously.

Ms. Hubbard submitted an email to Mr. Robinson noting suggested edits to the Commission’s Document Management Policy:

2B: Electronic copies of Hardship reports to be saved for three years. Remove “paper” copies from the statement.

2D: Include subsequent contract amendments at the end of the first sentence.

Add to the policy: Annual audit files, professional services contracts, legal opinions, Investment Policy Plan Documents additions and revisions. Ms. Sanders volunteered to provide Mr. Robinson with the LASERS’ Records Retention Policy for comparison. This topic was deferred until the LASERS’ Records Retention Policy could be reviewed and training could be completed by the Secretary of State’s office.

Mr. Robinson introduced Mr. Justin Lester, Assistant Attorney General in the public finance sector, who will be attending Commission meetings and serving as backup to Mr. Robinson.

Board Portal Update – OnBoard

Mr. Dyse reviewed a list of “Fiduciary File Cabinet” documents that can be used to prioritize documents being added to OnBoard. An introductory OnBoard meeting is scheduled for January 30, 2024. There was discussion related to the purchase of tablets for use during Commission meetings once OnBoard is initiated. Ms. Hodges motioned to establish a subcommittee for the implementation of OnBoard consisting of Ms. Hubbard, Ms. Sanders, and Ms. Burton. Mr. Roberson seconded the motion. There was no further discussion and the motion passed unanimously. The OnBoard contract previously signed is a one-year contract. Typically, there is an increase of 8% in the base cost, year-over-year.

Service Provider’s Report

Plan Update as of November 30, 2023, and December 31, 2023: Mr. Dyse reviewed the Plan Update as of November 30, 2023, and December 31, 2023. Assets as of **November 30, 2023:** \$2,133.65 Million; Asset Change YTD: \$151.08 Million. Contributions YTD: \$104.29 Million; Distributions YTD: \$151.41 Million. Net Investment Difference YTD: \$198.20 Million. Assets as of **December 31, 2023:** \$2,201.22 Million; Asset Change YTD: \$218.65 Million. Contributions YTD: \$113.75 Million; Distributions YTD: \$169.72 Million. Net Investment Difference YTD: \$274.62 Million.

UPA – November 2023 and December 2023: Mr. Dyse presented the November and December 2023 UPA reports. The UPA balance at the end of **November 2023** was \$1,693,156.15. The UPA balance at the end of **December 2023** was \$1,695,053.20.

UEW Report – November 2023 and December 2023: Mr. Dyse presented the UEW Report for the months of November and December 2023. **November 2023:** Nineteen requests were submitted and approved. **December 2023:** Twenty-one requests were submitted and approved. As requested, a column was added to the report to include the total amount of UEW distributions monthly.

Plan Updates and Statistics

Ms. Palmer provided positive statistics (enrollments, increases, beneficiary updates and web activity) in response to the Jay Darden email that was sent on October 9, 2023, encouraging employees to engage with the LA Deferred Comp Plan. Ms. Palmer provided a list of e-learning seminars currently available on the Louisiana.com website in addition to a registration page for live-webinars hosted by Retirement Plan Advisors. The February meeting will include a Strategic Planning Presentation to discuss 2024 areas of emphasis. Mr. Massingill presented the year-end 2023 Engagement Activity report noting meeting statistics and online appointment activity. Mr. Massingill noted that all Retirement Plan Advisor positions are filled with a total of seven advisors serving the State of Louisiana. Mr. Dyse presented the Plan Performance Insights report as of December 31, 2023, that will be posted to the website. The benchmark statistics are compared to peer groups comprised of thirty-two 457 plans with assets in the greater than \$500 million range. Mr. Dyse will provide statistics related to funds rolling out of the Plan at retirement and the number of deceased participants on file at the February meeting.

Secure 2.0

Mr. Dyse reported that the elimination of the Same Month Rule has been implemented. Beginning in May 2024, Plan sponsors can offer domestic abuse distributions to eligible participants who are victims of domestic abuse. This is an optional provision of Secure 2.0 which requires Commission approval by April 15, 2024, to be able to extend this distribution option to Plan participants in May.

Commission Election

Ms. Carrigan presented the 2024 Commission Election Schedule of Events through June 21, 2024. The Nominating Committee met on January 5, 2024, and signed a letter nominating Ms. Burton for re-election as a participant member. Notice of election and petition forms were emailed to each payroll department on January 10, 2024, and posted to the website. Petitions from participants wishing to run for the position must be received by Friday, February 9, 2024, at 4:00 p.m. Duplantier, Hrapmann, Hogan & Maher, LLP submitted a proposal detailing the costs associated with counting the ballots received. Ms. Hodges made a motion to accept Duplantier, Hrapmann, Hogan and Maher's proposal. Ms. Sanders seconded the motion. The motion passed unanimously.

December Retreat Review

Ms. Carrigan updated the Commission Meeting schedule to reflect December 17, 2024, for the annual retreat based on the availability of LASERS' board room. Ms. Hodges motioned to accept the revised calendar of Commission meetings. Mr. Roberson seconded the motion. There was no additional discussion and the motion passed unanimously. Mr. Dyse asked the Commission to share any suggestions or comments that would assist Empower in providing a retreat that addresses their preferences.

Adjournment

With there being no further items of business to come before the Commission, Chair Burton declared the meeting adjourned at 11:44 a.m.

Laney Sanders, Secretary