MINUTES
Louisiana Deferred Compensation Commission Meeting
May 20, 2025

The monthly meeting of the Louisiana Deferred Compensation Commission was held on Tuesday, May 20, 2025, in the office of the Service Provider, 9100 Bluebonnet Centre Blvd, #203, Baton Rouge, LA, 70809 at 9:00 a.m.

Members Present
Doug Buras, Designee of Commissioner of Financial Institutions
Beverly Hodges, Participant Member
Andrea Hubbard, Vice Chair, Co-Designee of the Commissioner of Administration
Julius Roberson, Co-Designee of the LA State Treasurer
Cindy Rougeou, Participant Member
Laney Sanders, Secretary, Participant Member

Members Not Present
Representative Tony Bacala, Designee of the Speaker of the LA House of Representatives
Melissa Gibson, Designee of the Commissioner of Insurance
Senator Valarie Hodges, Designee of the President of the Louisiana State Senate

Others Present
Stephen DiGirolamo, CFA – Managing Director, Wilshire Associates-*via video conference*
Justin Lester, State of Louisiana Attorney General's Office, Baton Rouge
Jason Decker, 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, 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
Shannon Wheeler, Retirement Plan Advisor, Empower, Baton Rouge
Jo Ann Carrigan, Sr. Field Administrative Support, Empower, Baton Rouge

Call to Order
Ms. Hodges called the meeting to order at 9:02 a.m.

Roll Call of Commission Members
Ms. Carrigan called roll of Commission members in attendance noting that there was a quorum.

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

Approval of Commission Meeting Minutes – April 15, 2025
The minutes of April 15, 2025, Commission Meeting were reviewed. Ms. Rougeou motioned to accept the minutes as presented. Ms. Hubbard seconded the motion. The motion unanimously passed.

1Q2025 Wilshire Performance Review

Mr. Di Girolamo reviewed the 1Q2025 investment performance noting key economic factors influencing performance. Mr. DiGirolamo noted no major concerns in the portfolio or positioning. The Plan is well diversified.

Recordkeeper RFP – Update

Mr. DiGirolamo reported that three recordkeepers (Voya, Nationwide and Empower) have submitted RFP proposals/data for review. The RFP Sub-Committee consisting of Ms. Sanders, Ms. Rougeou and Ms. Hubbard have read the RFP questionnaire responses and fee quotes received. Mr. DiGirolamo will forward the same information to each of the remaining members of the Commission for review. Mr. DiGirolamo will attend the June Commission Meeting where he will present Wilshire's compare and contrast report of the three proposals to assist the Commission in making their decision. The Commission may or may not choose to extend invitations to representatives from any or all three companies to give virtual presentations at the July Commission meeting. Mr. Lester shared that the awarding of the RFP must be executed by the end of the calendar year. If the Commission awards the RFP to a company other than Empower and additional time is needed to implement services, a temporary extension with Empower is permissible covering the transition period.

Attorney General Updates

Executive Order JML 25-038-Admin Rules and Regulations: Mr. Lester presented an overview of Governor Landry's Executive Order JML 25-038 noting that the executive order requires all Boards, Commissions and agencies to review any rules that have been promulgated over a specific period of time to determine:

- Is the rule still necessary and consistent?
- Is there any undue burden or cost to anyone?

The deadline to submit a formal response to both the Governor's office and the appropriate legislative oversight committee is by year-end 2025. Mr. Lester found 7-8 items related to the LA Deferred Comp Plan that needed review. Seven of the rules are administrative in nature and require no update as they include such topics as guidelines, processes and authority of the Commission. One of the items listed is likely to be amended when the rule promulgation is completed. Mr. Lester asked the Commission to review the list of items and provide any suggestions/concerns to be discussed at the June meeting so that he may submit responses to the appropriate governmental offices.

Rule Promulgation: Mr. Lester reported that Mr. Thompson of Tarcza and Associates has completed the draft of the rule promulgations for updating the Plan Document. No new sections are needed, and some sections only require adding language to a rule that is already in place. A few of the changes submitted to Mr. Thompson have already been added to the Plan in a previous rule promulgation revision. Mr. Lester asked the Committee to review the draft of the rule promulgations for discussion at the June meeting. The deadline for filing the fiscal and impact statements is Friday, June 20, 2025.

Loans After Default Policy Language: Mr. Lester presented a draft of the revised loan default policy bringing it more in line with the Plan Document as well as memorializing factors/guidelines for the Commission to consider in determining eligibility. After discussion, minor revision was made to the draft. Ms. Sanders motioned to accept the revised wording of the loan policy. Mr. Roberson seconded the motion. The motion unanimously passed.

1Q2025 LA Market Overview

Mr. Thornton shared the 1Q2025 Economic Review and Outlook noting:

- Markets were caught off guard by the magnitude of initial tariffs
- Trade policy uncertainty and prolonged doubt poses downside to GDP Growth

- Payrolls are solid but with lower labor supply
- Labor markets are in an uneasy equilibrium
- Core inflation has stalled
- Consumer sentiment is declining
- Fixed income yields remain attractive.

1Q2025 LA CSVF: Mr. Thornton reported that the quarterly statement reflected a reduction in the market-to-book in the first quarter, but this is slowly improving. There have been no changes in duration. Volatility has provided investment opportunities for better value/yields.

1Q2025 Credit Letter: Mr. Thornton reviewed the credit letter noting that the portfolio manager recommends that the Lehman Brothers Unsecured Fund continue to be held to benefit from any future distributions.

Service Provider's Report

Plan Update April 2025: Mr. Dyse reviewed the Plan Update as of April 30, 2025. Assets as of April 30, 2025: $2,309.83 Million; Asset Change YTD: -$46.28 Million. Contributions YTD: $39.16 Million; Distributions YTD: $70.96 Million. Net Investment Difference YTD: -$14.48 Million.

UPA – April 2025: Mr. Dyse presented the April 2025 UPA report. The UPA balance at the end of April was $2,753,486.99. Additions and deletions were reviewed.

UEW Report –April 2025: Mr. Dyse presented the UEW Report for the month of April 2025. There were 16 approved applications and 7 declined applications totaling 23 applications submitted for approval.

Commission Travel and Expense Card

Mr. Dyse reported that US Bank is moving forward with issuing a ghost card (no physical card) which should become available within the next month.

Other Business

Mr. Dyse reported changes in a governmental agency to a non-profit. The agency hopes to begin offering a 401(k) to its employees. Mr. Dyse will continue discussions with the agency regarding Plan eligibility.

Adjournment

With there being no further items of business to come before the Commission, Chairperson Hodges declared the meeting adjourned at 10:23 a.m.

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Laney Sanders, Secretary