

For Immediate Release

March 21, 2016

New Study Confirms LASERS Benefits Louisiana

Baton Rouge- The Louisiana State Employees' Retirement System (LASERS) newly released *2015 Economic Impact Study* shows that over \$1.2 billion in benefits were paid to LASERS members and their families in fiscal year 2015, which created \$2 billion in economic stimulus for the state. Ninety-three percent of LASERS beneficiaries live in Louisiana and every dollar paid out in state pension benefits supports \$1.81 in total economic activity.

"We have 44,000 retirees who earn a very modest benefit, averaging \$24,660 per year," said LASERS Executive Director Cindy Rougeou. "LASERS stimulates Louisiana's economy, but we also provide a cost-effective retirement for state employees. Private employers pay 6.2 percent of payroll for employees enrolled in Social Security, while in comparison, the cost to the state for the benefit currently being earned by LASERS members is four percent of payroll. LASERS is a bargain for Louisiana while continuing to provide a sound, sustainable retirement plan for members."

Other key findings in the *2015 Economic Impact Study* reveal that legislative reforms over the last decade are projected to save almost \$3 billion for LASERS alone; LASERS internal management of one-third of its investments saves millions of dollars a year in professional management fees; and LASERS 30-year compounded actuarial average return of 8.35 percent exceeds our expected actuarial rate of return or discount rate of 7.75 percent, which improves the funding of the System. It is also worth noting that our 28-year market return is 8.15 percent.

"LASERS fiscal year 2015 actuarial rate of return is 10.64 percent and the 5-year market return 11.10 percent," said LASERS Chief Investment Officer Robert Beale. "LASERS has multiple investments with companies in Louisiana which support economic activity and enhance the investments of the pension plan."

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