AGENCY OPEN FORUM
WEDNESDAY, SEPTEMBER 25, 2019
9:00 A.M. - 11:30 A.M.
LASERS, 4TH FLOOR

WELCOME & INTRODUCTIONS
Maris E. LeBlanc
LASERS Deputy Director

EXECUTIVE DIRECTOR COMMENTS
Cindy Rougeou
LASERS Executive Director

LEGISLATIVE SESSION OUTCOME
Maris E. LeBlanc
LASERS Deputy Director
[Passed Bills & WEP Update]

MEMBER SERVICES INFORMATION
Wendy Demouy
LASERS Retirement Benefits Specialist
[Resources & Education]

DEFERRED COMPENSATION PLAN
Wayne Veal
Retirement Plan Advisor
[Top Reasons to Participate]
Empower Retirement

BREAK (10 MINUTES)

PROPOSED W-4P CHANGES
Casey Jackson
LASERS Accountant Manager
[What to Expect for January 1, 2020]

INVESTMENT PERFORMANCE
Bobby Beale, CFA, CAIA
LASERS Chief Investment Officer
[2019 Fiscal Year End Update]

RSEA UPDATE
Susan Jandle
RSEA Office Manager
[Membership Benefits]

Q&A / WRAP-UP
Maris E. LeBlanc
LASERS Deputy Director

WWW.LASERSONLINE.ORG
LOUISIANA

LEGISLATIVE SESSION

OUTCOME

[ MARIS E. LEBLANC ]
Bills that Failed

- **HB 28** (Ivey) would have created a hybrid plan for new members of all state retirement systems. The LASERS Board of Trustees opposed this bill.

- **SB 14** (Peacock) would have created term limits for retirement system boards of trustees. The LASERS Board already has limits of three consecutive four year terms. The LASERS Board of Trustees was neutral on this bill.
House Bills that Passed

- HB 29 (R. Johnson) removes the increased insurance premiums for Hazardous Duty Services Plan (HAZ Plan) retirees who transfer service and retire with an unreduced retirement benefit, once the retiree reaches regular retirement age. Act 289, effective 6/11/19 for purposes of calculating premiums, otherwise 7/1/19.
  The LASERS Board of Trustees was neutral on this bill.

- HB 392 (Henry) appropriates $9.5 million of surplus funds to the LASERS initial unfunded accrued liability. This appropriation is required by the State Constitution. Act 50, effective 6/11/19.
  The LASERS Board of Trustees supported this bill.

Senate Bills that Passed

- SB 9 (Peterson) excludes future management class employees of the Regional Transit Authority from LASERS membership. Act 264, effective 6/30/19.
  The LASERS Board of Trustees was neutral on this bill.

- SB 15 (Long) changes the definition for Department of Agriculture & Forestry firefighters who may enroll in the HAZ Plan. Act 42, effective 6/30/2019.
  The LASERS Board of Trustees was neutral on this bill.
Windfall Elimination Provision (WEP)

- **H.R. 3934** has been filed in Congress by Rep. Kevin Brady (R-TX) to create a new formula for the WEP.

- It is known as the Equal Treatment of Public Servants Act of 2019.

- The LASERS Board of Trustees has voted to support it.

Others

- **SR 266** (Colomb) requests a study of the payment of retirement benefits when a beneficiary is convicted of murdering the system member or retiree.

- **HCR 20** (Jones) and **SCR 34** (Mizell) ask Congress to consider repealing the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO) that reduce Social Security benefits for persons who also receive a public pension, such as a LASERS benefit. The LASERS Board of Trustees supported these resolutions.
MEMBER SERVICES

INFORMATION

[ WENDY DEMOUY ]
THIS PAGE LEFT BLANK INTENTIONALLY.
Today’s Topics

- LASERS Resources & Education
- Employer’s Guide
- Member’s Guide
- Liaison Memoranda
- Changes in Agency Personnel
- Enrollments
- Retirement Formula
- DROP & IBO
- Unused leave
- Retirement Process: Forms and Applications
- Social Security Protection Act of 2004
LASERS Website Features

- Board of Trustees
- Recent Legislation
- Forms & Publications
- Seminar Registration
- Educational Videos
- Sign up for Emails
- Investment Allocations
- Access Your Account

LASERS Video Library

- What is Your Retirement Plan and Eligibility?
- Purchases of Service Credit
- Annual and Sick Leave: How it Affects Your Retirement
- Preparation for Individual Counseling: Rank-and-File Members

www.lasersonline.org/resources/video-library
Employer’s Guide to Retirement

www.lasersonline.org/employers/publications

- Contains detailed information about service credit, contribution reporting, retirement plans, re-employed retirees, benefit calculations, and much more
- Information broken down by chapter
- FAQ’s and Workflow chart(s) at end of each chapter
- Direct specific questions to AskLASERS by clicking the link on the LASERS website

Chapter 1 - Enrollment

Frequently Asked Questions

Flowchart for Determining Eligibility for Membership
Member’s Guide: Chapter Overview

Resources

www.lasersonline.org/resources/publications

Contains detailed information on:

- **LASERS membership**, including details defining all categories of our plans
- **Initial Benefit Option** (IBO) information
- **Deferred Retirement Option Plan** (DROP) information
- Clear answers to many of the questions members may have about planning for retirement

Table of Contents

1. Member’s Guide
2. Benefits and Plan Information
3. Membership Information
4. Membership Information
5. Initial Benefit Option (IBO)
6. Deferred Retirement Option Plan (DROP)
7. Clear answers to questions

Service Credit

For Part-Time Employees

For Full-Time Employees

**Note:** The retirement plan is defined as a plan that provides a benefit to all employees who meet the eligibility requirements and who elect to participate in the plan. The plan is a qualified plan under Section 401(k) of the Internal Revenue Code. The plan is a tax-qualified retirement plan and is designed to provide benefits to eligible employees. The plan is a tax-qualified retirement plan and is designed to provide benefits to eligible employees.
CPTP: Comprehensive Public Training Program

- Provides retirement education for human resources and payroll personnel, the LASERS Retirement Education Department hosts LASERS agency training courses through CPTP.
- C.H.R.P. Module 4: LASERS Agency Training/RRM Workshop is a one-day workshop for state employees who handle the LASERS program for staff at their agency.
- Workshops are scheduled at the LASERS building in Baton Rouge:
  - Thursday, November 14
- Register for a class through the LEO website or through Civil Service.

CPTP Interest and Feedback

Are you interested in attending LASERS agency training class through CPTP?

What would you most like to get out of the agency training class?

- For those joining through the webinar, take a look at our live poll on your screen at this time to provide your feedback.
- For those in the room, raise your hand if you’re interested in attending a class. Provide additional feedback to the questions above on the back of your evaluation sheet.
Email Notifications

Liaison Memoranda

[Image of Liaison Memoranda]

www.lasersonline.org/employers/liaison-memoranda

- **Emailed to agency contacts** periodically with important updates, upcoming events, reminders, etc.

- Statewide Individual Counseling (IC) sessions are announced through liaison memoranda regularly.
  - **Forward IC memos to your employees ASAP**

- **Archives** are organized by topic and date.

Sign up here:
www.lasersonline.org/employers/liaison-memoranda/subscribe/

---

Additional Workshops

You can request LASERS to conduct the following at your agency:

- PREP - to - Go
- General Session (LASERS Only)
- Early Career
- Wellness Visit

Contact the Retirement Education Department at LASERS.

Members can attend PREP & Early Career at LASERS and throughout the state:

- PREP offered once a month in Baton Rouge and periodically in major cities throughout the state.
- Early Career quarterly
- Click “Register for a Workshop” on the LASERS website for dates and locations.

---

Education

Additional Workshops

You can request LASERS to conduct the following at your agency:

- PREP - to - Go
- General Session (LASERS Only)
- Early Career
- Wellness Visit

Contact the Retirement Education Department at LASERS.

Members can attend PREP & Early Career at LASERS and throughout the state:

- PREP offered once a month in Baton Rouge and periodically in major cities throughout the state.
- Early Career quarterly
- Click “Register for a Workshop” on the LASERS website for dates and locations.

---

Email Notifications

Liaison Memoranda

[Image of Liaison Memoranda]

www.lasersonline.org/employers/liaison-memoranda

- **Emailed to agency contacts** periodically with important updates, upcoming events, reminders, etc.

- Statewide Individual Counseling (IC) sessions are announced through liaison memoranda regularly.
  - **Forward IC memos to your employees ASAP**

- **Archives** are organized by topic and date.

Sign up here:
www.lasersonline.org/employers/liaison-memoranda/subscribe/
Enrollments

• Newly enrolled members should complete Form 01-01: Member Registration
  • Do not submit to LASERS
  • Keep in member’s personnel file

• Newly enrolled members should submit to LASERS:
  • Copy of Social Security card – member and beneficiary(ies)
  • Copy of birth certificate - member and beneficiary(ies)
  • Form 01-06 Designation of Beneficiary

• Refer to Enrollment Chapter in the Employer’s Guide
• Direct specific questions concerning enrollments to AskLASERS
  (located on the LASERS website)
Optional Membership in LASERS

- Three situations when an employee can elect to opt out of LASERS:
  - Employee at least age 55 and have earned 40 credits in SSA, or
  - Employee at least age 60
  - Employee is a retiree from another Louisiana public retirement system

- Employee must make selection on Form 01-01: Membership Registration and should not be enrolled in LASERS, and

- Employee must provide Form SSA-7005: Earnings and Benefits Statement certifying he has met the requirements for optional membership

- See Liaison Memorandum 17-28 for more information and examples

Retirement Formula

Service Credit × Accrual Rate × Final Average Compensation (FAC) = Maximum Benefit
Service Credit

• Service credit is determined by dividing actual earnings by full-time base pay
  • Earnings typically do not include overtime pay, shift differential, per diem, premium pay

• Two types of service credit can be earned:
  • Eligibility
  • Benefit Computation

Final Average Compensation (FAC)

Based on your retirement plan, it is the average earned compensation received during 36 or 60 highest months of successive employment or the highest joined months of employment if service was interrupted.
**Regular Retirement Example**

<table>
<thead>
<tr>
<th>Service Credit</th>
<th>Accrual Rate</th>
<th>Final Average Compensation</th>
<th>Maximum Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 years</td>
<td>2.5%</td>
<td>$2,500.00</td>
<td>$1,875.00</td>
</tr>
</tbody>
</table>

**Important Decision Factors for DROP or IBO**

- How long does member plan on working with the state?
- Does member foresee any significant increases in salary?
  - FAC consideration; 100% FAC
  Future salary increases will not impact DROP benefit; Difficult to reach 100% of FAC. Can more easily reach 100% of FAC with IBO.
- Interested in lump sum? If so, how much?
- How old will member be at time of retirement?
  - Tax implications on lump sum money
  - Re-employment
- Run comparison estimates
Deferred Retirement Option Plan

DROP allows member to defer/save his retirement benefit for a maximum of 36 months while continuing to work and receive a paycheck.

- Upon DROP entry, member selects retirement option, retirement option beneficiary and DROP account beneficiary
  - Retirement option **irrevocable**
  - Retirement option beneficiary 2A - 4B **irrevocable**
  - DROP account beneficiary does not have to be the same as retirement option beneficiary

- Monthly benefit that would have been drawn if member had retired is instead placed in a **DROP sub-account** while member continues employment

Things to Consider During DROP:

<table>
<thead>
<tr>
<th>No employee or employer contributions are paid to LASERS</th>
<th>No service credit is earned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligible for performance adjustments, promotions, demotions, etc.</td>
<td>Benefit is locked in based on years of service and FAC at time of DROP entry</td>
</tr>
<tr>
<td>Eligible to change employers as long as there is no break in service</td>
<td>Upon termination, member is retired</td>
</tr>
<tr>
<td>Lump sum account created</td>
<td>Interest is not paid during DROP participation period</td>
</tr>
<tr>
<td>Continue to accrue and use leave</td>
<td></td>
</tr>
</tbody>
</table>
**Initial Benefit Option**

IBO allows member to receive a lump-sum equivalent of up to 36 months of maximum retirement benefit at time of retirement

- All future monthly benefits will be *reduced* based on member’s age at retirement and the amount of the IBO selected
- IBO can be selected at *regular non-reduced retirement*
- There is no participation window

---

**Unused Leave**

- **At the time of retirement, member may receive additional benefits for unused, accumulated annual and sick leave**
- If retire out of state service, member will not be given credit for unused leave unless eligible for retirement when terminated state service
- Unused leave may **not** be used for retirement eligibility purposes
- The unused leave balance, reported to LASERS, should not include any hours that were paid by agency to member, such as the 300 hours of annual leave paid by most agencies

*Notes:*
- Member is allowed to take leave on last day of employment (termination date)
- Amount of leave a member can take prior to retirement is *agency specific*
Unused Leave Options

Convert Leave to Service Credit:
• Additional service credit for converted leave will be included in the total years of service credit used to calculate retirement benefit

Lump Sum Payment of Leave:
• Amount paid will be at an actuarial rate, and not at member’s regular hourly rate
• Lump sum payments are calculated by multiplying the additional annual benefit, which member would have received if had converted leave, by an actuarial reserve factor based on age at retirement
• Actuarial reserve factor is based on life expectancy and is subject to change

Unused Leave Conversion Table

<table>
<thead>
<tr>
<th>Days of Unused Leave</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-26</td>
<td>.10</td>
</tr>
<tr>
<td>27-52</td>
<td>.20</td>
</tr>
<tr>
<td>53-78</td>
<td>.30</td>
</tr>
<tr>
<td>79-104</td>
<td>.40</td>
</tr>
<tr>
<td>105-130</td>
<td>.50</td>
</tr>
<tr>
<td>131-156</td>
<td>.60</td>
</tr>
<tr>
<td>157-182</td>
<td>.70</td>
</tr>
<tr>
<td>183-208</td>
<td>.80</td>
</tr>
<tr>
<td>209-234</td>
<td>.90</td>
</tr>
<tr>
<td>235-260</td>
<td>One Year</td>
</tr>
</tbody>
</table>

NOTE: There is no limit on the amount of leave for additional benefits.

NOTE: If converted leave will cause retirement benefit to exceed 100% of the FAC, leave in excess of the 100% cap will be paid in an actuarial lump sum payment.

Conversion Table located on page 14.2 of Employer’s Guide & page 23 of Member’s Guide
**Example: Conversion v. Lump Sum**

**Member:** Age 57  |  $2,500 FAC  |  225 days leave or .90 years of SC

### CONVERTED LEAVE

<table>
<thead>
<tr>
<th>Years of Service Credit</th>
<th>Accrual Rate</th>
<th>Average Compensation</th>
<th>Monthly / Annual Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>.90</td>
<td>X</td>
<td>2.5%</td>
<td>$2,500</td>
</tr>
</tbody>
</table>

\[ \text{Average Compensation} \times \text{Accrual Rate} = \text{Monthly / Annual Benefit} \]

### LUMP SUM LEAVE

<table>
<thead>
<tr>
<th>Additional Annual Benefit</th>
<th>Actuarial Reserve Factor</th>
<th>Lump Sum Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>$675.00</td>
<td>X</td>
<td>$7,466.82</td>
</tr>
</tbody>
</table>

\[ \text{Additional Annual Benefit} \times \text{Actuarial Reserve Factor} = \text{Lump Sum Payment} \]

---

**Change of Option After Retirement**

- **Death of Beneficiary** – can “pop up” to Maximum (Option 1 - 4B)
  - Request option change by submitting *Form 10-07: Application for Change in Retirement Benefit due to Death of Beneficiary*
  - Submit copy of beneficiary’s death certificate
  - Effective date will be date of beneficiary’s death

- **Divorce** – can change to actuarially reduced Maximum (Option 2A - 4B)
  - Submit *Form 10-06: Application for Change in Retirement Benefit due to Divorce*
  - Submit certified court order stating former spouse irrevocably relinquishes the survivor benefits under the option selected
  - $150 actuarial fee

**Cannot Name Another Beneficiary for Lifetime Benefit!**
What to Submit

**CAN BE SUBMITTED ANY TIME:**
- Photocopies of birth certificates for member & beneficiary(ies)
- Photocopies of social security cards for member & beneficiary(ies)
- Certified copy of divorce decree or copy of ex-spouse’s death certificate, if applicable
- Photocopy of marriage certificate only if Option 4A is chosen

**NO MORE THAN 6 MONTHS PRIOR TO EFFECTIVE RETIREMENT DATE:**
- Retirement/IBO/DROP Application, whichever applicable
- Form 4-04: Spousal Consent, if applicable
- Form 6-02: Insurance Premium Deduction Authorization
- Form 4-05: Authorization for Direct Deposit
- Form W-4P: Withholding Certificate for Pension Payments

---

Submitting Forms

**RETIEMENT**
- LASERS forms and Non-Legal Documents can be submitted via fax, mail, or hand delivered
  - IF faxed, **do not mail**
  - **DO NOT PRE PRINT FORMS. This may cause forms to be rejected.**

**LEGAL DOCUMENTS**
- Mail or hand deliver only (i.e.: Spousal Consent, JOD, Community Property, POA, etc.)
- Must include proof of certified copy

**SPECIAL NOTES:**
- **TERMINATION DATE:**
  - A member’s termination date should be reported as the last day that the member was employed by their agency. The termination date is not the day after a member ceases to work.
Social Security Protection Act of 2004

• Agencies must notify potential employees about effects of the Windfall Elimination Provision (WEP)

• Member is required to sign *Form 1945: Statement Concerning Your Employment in a Job Not Covered by Social Security* certifying possible effects of the WEP on potential future Social Security benefits

• Watch the Social Security Offsets video on the LASERS website for details

www.lasersonline.org/resources/video-library

---

STAY CONNECTED

*Sign up for Emails*
www.lasersonline.org/email_services

*Facebook*
Facebook.com/laserspension

*YouTube*
Youtube.com/laserschannel

*Twitter*
@LASERSpension
DEFERRED
COMPENSATION
PLAN

WAYNE VEAL
THIS PAGE LEFT BLANK INTENTIONALLY.
Reasons to Participate: Pre-tax and After-tax Roth savings

Pre-Tax
- Reduces taxes now, not counted as taxable income
- Contributions and any earnings taxed as ordinary income when withdrawn, usually at retirement

After-tax Roth
- Made with after tax dollars, making earnings tax free
- Tax-free distributions when qualifying events occur

Tax credit of up to $1,000 depending upon your income
- To learn more about the tax credit, consult tax adviser
- Search “Saver’s Credit” or Form 8880 on www.irs.gov

The tax information contained in this material is based on federal laws existing on the date of its publication. Such laws are subject to legislative change and to judicial and administrative interpretation. Anyone considering the application of this information to his or her own situation should consult with his or her professional tax advisor.
Reason to Participate: Potential Savings Growth

- **Easy saving** with automatic payroll deductions
- **Bridge the gap** between pension plan and what you really need for retirement
- **Retirement Planning** can be done on your own or with a Retirement Plan Advisor

Reason to Participate: Contribute More During DROP

- Put your LASERS employee retirement contribution into your Louisiana Deferred Compensation Plan.
- You have lived without this money since employment with the state, continue to do so during DROP and save MORE while your take-home pay remains the same!
Reason to Participate: Depositing Leave Hours at Retirement

- Deposit first 300 hours of accumulated leave time in DCP account
- Must stay within annual contribution limits
- Accumulated leave over and above the first 300 hours can be rolled over into DCP account

As with any financial decision, you are encouraged to discuss moving money between accounts, including rollovers, with a financial advisor and to consider costs, risks, investment options and limitations prior to investing.

Reason to Participate: Purchase Service Credits

- It’s tax-free!
- Use your Deferred Compensation Plan dollars to purchase time in LASERS.
What is Empower Retirement Advisory Services?

Comprehensive solution offered by Advised Assets Group, LLC, a registered investment adviser

• **My Total Retirement™**
  – A [personalized retirement strategy](#) based on your financial picture that is professionally implemented and managed that can address your savings, investing and retirement income needs
  – Customized [spending assistance](#) to help retirement income last longer

• **Online Advice**
  – [Fund specific recommendations](#) to help you validate or adjust your already developed strategy

There is no guarantee provided by any party that participation in any of the advisory services will result in a profit.

---

Reason to Participate: Account Consolidation

**Consolidate tax-deferred accounts**¹

– Roll into Louisiana DCP

– Roll LASERS Pension assets into DCP

– Roll excess leave balance in DCP at retirement

Request transfer/rollover paperwork from your local representative

---

1 Money from other types of plans or accounts that are rolled over into a 457 plan may still be subject to the 10% federal tax penalty. As with any financial decision, you are encouraged to discuss moving money between accounts, including rollovers, with a financial advisor and to consider costs, risks, investment options and limitations prior to investing.
Advantages of My Total Retirement

- Recommendations implemented and managed specifically for your unique financial situation.
- Retirement spending strategies to help you make the most out of your savings.
- One-on-one access to a team of investment adviser representatives for employees to discuss their strategy.

Advisory Services Fees

<table>
<thead>
<tr>
<th>Annual Cost</th>
<th>Online Advice</th>
<th>My Total Retirement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No additional cost to you</td>
<td>Up to 100k = 0.45%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Next 150k = 0.35%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Next 150k = 0.25%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Over 400k = 0.15%</td>
</tr>
</tbody>
</table>

Examples

| $10,000 Account | No additional cost to you | $45 per year |
| $20,000 Account | No additional cost to you | $90 per year |
Three Questions

- How much do I need to save?
- How do I invest my funds?
- When can I retire?

Presenting Recommendations

- **Move to spend down (Income Sources)**
  - Call out methodology around taxable, pre-tax, and Roth distributions
  - Display where liquidity ceases (if shortfall)
  - Highlight their usage of record-kept account
    - Timing and duration of withdrawals
    - Tie this rationale back into our methodology
Reason to Participate: No Penalty on Distributions Prior to Age 59½ in 457 Plans

**457 plans**
- Eligible for a distribution when you separate from state/government employment
- No age requirement or age penalty
- Must pay ordinary income tax

**Other plan types**
- 10% federal tax penalty on top of ordinary income tax in other plan types when withdrawing before age 59½

Withdrawals may be subject to ordinary income tax. The 10% early withdrawal penalty does not apply to 457 plan withdrawals. If you roll over any 457 dollars to another type of plan or account, withdrawals made prior to age 59½ may be subject to a 10% federal tax penalty.

As with any financial decision, you are encouraged to discuss moving money between accounts, including rollovers, with a financial advisor and to consider costs, risks, investment options and limitations prior to investing. If you roll over funds from other plan types into a 457(b) plan, the rolled over money may be subject to the 10% federal tax penalty.

Reason to Participate: Local Representatives

- We cover the entire State of Louisiana!
- Visit our Baton Rouge office or meet with local representatives in New Orleans, Lafayette or Shreveport
- Contact us at (800) 937-7604.
Recap: Top Reasons to Participate

- Pre-tax savings and After-tax Roth savings
- Potential savings growth
- Contribute more during DROP
- Deposit leave hours
- Purchase service credits
- Account Consolidation
- Empower Retirement Advisory Services
- No Penalty on Distribution Prior to Age 59 ½ in 457 plans
- Local representatives

What Do I Do Next?

- To Enroll Online:
  Visit LouisianaDCP.com
  Click on About Your Plan/Enroll Now

  **In Person:**
  Contact your local representative at 800-937-7604
  or your HR Department for assistance

  **Visit our office:**
  Louisiana Deferred Compensation Plan
  9100 Bluebonnet Centre Blvd. Suite 203
  Baton Rouge, LA  70809
Empower Retirement

- Serves 8.6 million plan participants and administer 38,000+ retirement plans*
- Chosen by the State of Louisiana to provide services to the Louisiana DCP:
  - Administration, education and communication
- Chosen by LASERS to administer the Self-Directed Plan and Optional Retirement Plan
- Helping you with your retirement

THIS PAGE LEFT BLANK INTENTIONALLY.
PROPOSED W-4P CHANGES

[CASEY JACKSON]
THIS PAGE LEFT BLANK INTENTIONALLY.
Changes to Form W4-P

Open Forum 2019

Casey Jackson, Accountant Manager

- Changes effective January 1, 2020
- Draft of Form W-4 has been released
- W4-P to be released later in the year
- Retirees will not be required to complete a new form
- You will need your tax return to complete
LASERS cannot give advice to retirees on completing form

Recommend contacting your tax advisor for assistance
INVESTMENT PERFORMANCE

[BOBBY BEALE, CFA, CAIA]
Performance information and rankings are as of June 30, 2019

Investment Performance

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Mkt. Value ($millions)</th>
<th>Fiscal YTD</th>
<th>2 Years</th>
<th>3 Years</th>
<th>4 Years</th>
<th>5 Years</th>
<th>7 Years</th>
<th>10 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Equity</td>
<td>$2,611.0</td>
<td>3.5</td>
<td>8.9</td>
<td>12.2</td>
<td>9.0</td>
<td>8.7</td>
<td>13.0</td>
<td>14.4</td>
</tr>
<tr>
<td>Non-U.S. Equity</td>
<td>$3,721.3</td>
<td>1.5</td>
<td>4.1</td>
<td>9.8</td>
<td>4.7</td>
<td>2.8</td>
<td>6.7</td>
<td>7.5</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>$1,813.2</td>
<td>6.8</td>
<td>4.7</td>
<td>5.9</td>
<td>5.1</td>
<td>3.8</td>
<td>5.0</td>
<td>7.3</td>
</tr>
<tr>
<td>Alternative Assets</td>
<td>$3,333.3</td>
<td>7.5</td>
<td>9.7</td>
<td>9.7</td>
<td>7.2</td>
<td>6.4</td>
<td>7.5</td>
<td>8.6</td>
</tr>
<tr>
<td>Cash Equivalents/Other</td>
<td>$72.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td></td>
<td>10.4</td>
<td>12.4</td>
<td>14.2</td>
<td>11.5</td>
<td>10.7</td>
<td>14.0</td>
<td>14.7</td>
</tr>
<tr>
<td>MSCI World Ex-USA</td>
<td></td>
<td>1.8</td>
<td>4.7</td>
<td>9.6</td>
<td>4.5</td>
<td>2.6</td>
<td>7.5</td>
<td>7.3</td>
</tr>
<tr>
<td>Bloomberg Barclay’s US Agg</td>
<td></td>
<td>7.9</td>
<td>3.7</td>
<td>2.3</td>
<td>3.2</td>
<td>2.9</td>
<td>2.6</td>
<td>3.9</td>
</tr>
<tr>
<td>TOTAL PLAN</td>
<td>$11,551.2</td>
<td>4.4</td>
<td>6.9</td>
<td>9.8</td>
<td>6.6</td>
<td>5.6</td>
<td>8.4</td>
<td>9.8</td>
</tr>
</tbody>
</table>

Target Allocation

- Alternative Assets 22%
- Risk Parity 7%
- U.S. Equity 23%
- Global Multi-Sector 7%
- Emerging Market Debt 3%
- U.S. Fixed Income 6%
- Non-U.S. Equity 32%

Rankings

<table>
<thead>
<tr>
<th></th>
<th>Percentile*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Year</td>
<td>97</td>
</tr>
<tr>
<td>3 Years</td>
<td>33</td>
</tr>
<tr>
<td>5 Years</td>
<td>85</td>
</tr>
<tr>
<td>7 Years</td>
<td>69</td>
</tr>
<tr>
<td>10 Years</td>
<td>51</td>
</tr>
</tbody>
</table>

*Percentile rankings according to Wilshire’s Trust Universe Comparison Service (TUCS) which provides a universe comparison of market returns for the larger public pension plans in the United States. Rankings are based on returns of public pension plans in the universe with market values greater than $1 billion.
RSEA UPDATE

[SUSAN JANDLE]
An independently led and membership driven non-profit organization that is designed to advocate for retirement and health benefits and improve the lives of members through informational/enrichment programs.

We represent Retired and Active Louisiana state employees and their families.
**Our Mission**

To advance the quality of life of current and future retired state employees who have given of their talents to the State of Louisiana.

**Our Goals**

- Preserve Defined Benefit Retirement Plan and existing Health Benefits Program through lobbying efforts of the Louisiana State Legislature
- Lobby Congress to eliminate federal offset programs and oppose mandatory Social Security
- Ensure continued constitutional protection of retirees’ and state employees’ contractual retirement rights
- Develop and implement sustainable and reliable funding for annual cost-of-living adjustments that will benefit both current and future state retirees.
Can you join?

If you are one of the following you can join –

- Retired or Active State Employee
- Spouse or Beneficiary receiving a retirement benefit
- Individuals who support the cause of RSEA
**Membership Benefits**

- Informational updates through quarterly newsletters, website, Facebook and email blasts
- Timely and pertinent legislative information affecting you
- Added insurance benefits and discount programs through Association Member Benefits Advisors (AMBA)
- Annual RSEA chapter meetings and enrichment program offerings
- Statewide annual RSEA conference

---

**Louisiana RSEA Chapter Map**
Join Today!

Membership Dues - Payment Options:

- Direct Withdrawal - $1.50 monthly
  - Only if you receive a LASERS retirement benefit;
- Check or money order ($18 annually)
- Credit Card ($19 annually - includes $1 fee)
  - Visit rseala.org

Need More Information?

Contact Us!

- Telephone (toll free): 1-866-938-0961
- Website: rseala.org
- Email: rsealouisiana@att.net
- Address:
  9412 Common Street, Suite 7
  Baton Rouge, LA 70809
Contact Information

Location: 8401 United Plaza Blvd. • Baton Rouge, LA 70809

Mail: P.O. Box 44213 • Baton Rouge, LA 70804-4213

Phone: (toll-free) 800.256.3000 • (local) 225.922.0600

Web: www.lasersonline.org