

THE BEAM

MEMBERSHIP NEWSLETTER

The LASERS Vision: *Confidence in our service, assuring financial security for your future.*

MANAGE YOUR ACCOUNT ONLINE WITH myLASERS

LASERS will launch a new online retirement account management tool, myLASERS, in December. **This new site requires all LASERS members to create a new account and set up Multi-Factor Authentication (MFA).**

There are **two** main steps to creating a myLASERS account.

Step 1: Create a secure LASERS account.

Step 2: Register for access to the myLASERS site.

The two-step process is explained in more detail on our website.

So What's New?

With myLASERS, members and benefit recipients will be able to check the status of applications and requests, upload documents, utilize the message center, and request an appointment with a LASERS representative. Certain features will be available upon launch, while others will be released periodically throughout 2021.

The most important aspect of myLASERS is the improved security with the use of MFA. In addition to a password, a new **second factor security code** will be needed to log in. The code will be sent to your phone via text or voice. This modern security feature protects your account by requiring a password (something you know) and a code sent to your phone (something you have).

Update Your Contact Information

It is critical to have current contact information in our system. To allow for quicker access to your myLASERS account, you should first ensure your physical address, phone number, and email address are up-to-date with LASERS.



Active members must update contact information with their employing agency (both HR and Payroll).

Retirees should submit *Form 01-02: Change of Address* to LASERS to update their address, phone number, and email address.

To ease the transition to myLASERS, the existing Member Self-Service system will continue to be available for a short time. Our Customer Service representatives are also available Monday - Friday, 8:00 a.m. - 4:30 p.m. by calling **225.922.0600** (local) or **800.256.3000** (toll-free).

A Member Connection email will be sent when myLASERS is live. If you do not already receive our emails, go to **lasersonline.org** and click on **Sign Up for Emails.** ■

BOARD OF TRUSTEES

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225.342.6630

Beverly Hodges

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225.342.8844

Virginia Burton

225.753.5527

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225.937.7363

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318.767.6095

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337.433.8910

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225.342.7012

Sen. Edward Price

225.644.6738

Hon. John Schroder

225.342.0055

Shannon Templet

225.342.2455



Cindy Rougeou, LASERS Executive Director

“As always, our goal is to protect and preserve your retirement.”

LASERS ACTUARIAL VALUATION YIELDS POSITIVE NEWS

This year has been one that most of us will never forget. Circumstances have not been ideal to say the least, with the continuing impact of COVID-19, numerous hurricanes in the state, and dramatic fluctuations in the financial markets due to the pandemic. However, I do have some positive news to share with you. LASERS most recent **2020 Actuarial Valuation report confirmed the stability of our System**. For the 11th consecutive year, our actuarial value of assets has increased, now totaling **\$12.6 billion**.

Also of significance, the LASERS Board of Trustees made important conservative assumption changes, further enhancing the ongoing sustainability and financial soundness of the System. This big change involved a three-step discount rate reduction from the current rate of 7.55 percent to a projected rate of **7.4 percent**. This means that, instead of expecting our long-term investment returns to be 7.55 percent, we are adjusting that down to 7.4 percent. Clearly, the market swings and future investment return forecasts are not as high as they used to be. We believe that lowering the rate will increase the expectation of investment gains and the greater likelihood of future cost-of-living increases.

When we lower the amount LASERS is expected to earn over time, this usually results in the state having to increase the amount of employer contributions it would otherwise have to pay. Fortunately this time, we were able to make meaningful changes, and still expect the state to pay a half million dollars less than they ultimately owed last year in employer contributions. The reduced cost is a reflection of legislative reforms and level debt payments.

Consistent with the lower return expectation, we also lowered our inflation assumption from 2.5 percent to 2.3 percent.

Unfortunately, with an Experience Account balance of just \$12.3 million, and an actuarial return of 3.94 percent, the turbulent markets have not produced a large enough gain to fund a Cost-of-Living Adjustment (COLA).

This leads me to a discussion of the **LASERS Board of Trustees list of significant issues** identified as being of critical importance to System members.

The first is identification and implementation of a legislatively enacted mechanism for the funding and granting of an annual **COLA** for eligible System retirees in a reliable and dependable manner. In the 2020 Regular Legislative Session, the chairs of both the Senate and House retirement committees, Senator Price and Representative Harris, passed study resolutions to re-examine possible legislative changes for funding COLAs. **We will be making recommendations to those committees later this year.**

The three remaining significant Board issues include:

- **Preservation of the defined benefit plan** for current and future LASERS members;
- **Preservation of Board autonomy** as well as its primary composition of elected active and retired members;
- While continuing to oppose mandatory Social Security participation, **seek the reduction or elimination of the federal offsets, the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO)**. For more information, visit lasersonline.org/social-security-offsets/, and watch the updated Social Security Offsets video.

The Executive staff will continue to diligently work with our Trustees and legislators on these significant issues. As always, our goal is to protect and preserve your retirement. ■



BAYOU MANCHAC

Lyn Godwin, Office of State Procurement

COVID-19 Update: LASERS OPEN BY APPOINTMENT ONLY

In compliance with occupancy limits currently in effect, LASERS office is open by appointment only. **Appointments will be with a LASERS representative through video or phone. Walk-in appointments are not permitted at this time.** Please call 800.256.3000 (toll-free) or 225.922.0600 (Baton Rouge) to schedule your appointment.

Members may drop off **documents** at the front security desk in the building lobby Monday – Friday, 8:00 a.m. – 4:30 p.m. Documents may also be mailed or faxed.

If you are feeling ill, have been exposed to COVID-19, or experiencing symptoms, please reschedule your visit.

Current LASERS building safety protocol in place:

- **Face masks** are required in the building at all times;
- Practice **6 foot social distancing** from all individuals;
- Two people are limited to an **elevator** at one time;
- Wash your hands, use our **hand sanitizing** stations, and avoid touching your face;

We appreciate your cooperation while visiting LASERS. Our goal is to protect the well-being of our staff and members while continuing to deliver exceptional service.

Thank you! OVER 300 LOUISIANA PHOTOS SUBMITTED BY LASERS MEMBERS

LASERS active and retired members answered our call to submit their best photos reflecting Louisiana culture, business, or industry. Over 300 images were submitted, and this issue of *The Beam* gives a sampling of what you can expect in our publications over the next few years.

Credit will be given to photographers when their work is used on the LASERS website, in print publications, digital documents, email communications, social media, and much more.

We appreciate your talent, creativity, and participation in helping to make LASERS brand unique! ■



FOUNTAINBLEAU BEACH PIER

Rob Wood, State Civil Service



2020 Second Special Legislative Session Recap

The 2020 Second Special Session of the Louisiana Legislature adjourned October 23 with minimal retirement legislation up for consideration. Only two bills were introduced with an impact to our retirement system. The LASERS Board of Trustees took neutral positions on both.

HB 97 (Formerly HB 36) - Failed to Pass ✕

HB 97, sponsored by Rep. Bacala, was a substitute bill for HB 36. It provided relative to reemployment of retirees during a declared emergency and authorized such reemployment without suspension or reduction of retirement benefits. This measure was involuntarily deferred in the Senate Retirement Committee.

SB 26 - Passed ✓

SB 26, sponsored by Sen. Peterson, removes employees of the Regional Transit Authority from LASERS and State Civil Service. This bill passed unanimously on the Senate and House floors and was signed by the Governor, becoming Act 8, and is effective October 22, 2020.

For specific details on the 2020 Second Special Session measures, visit the LASERS website. ■



Get the Numbers

Annual Valuation

At its September meeting, the LASERS Board of Trustees adopted the results of the actuarial valuation of assets and liabilities, as well as funding requirements for LASERS as of June 30, 2020. It awaits final approval by the Public Retirement Systems' Actuarial Committee (PRSAC).

View the complete report or the summary sheet on the LASERS website.

Comprehensive Annual Financial Report (CAFR)

The CAFR provides a detailed financial overview of LASERS, consisting of management representations concerning the System's finances as reviewed by external auditors, as well as annual progress made by individual divisions.

Popular Annual Financial Report (PAFR)

The PAFR is a condensed version of the CAFR, which includes a summary of financial statements, an actuarial summary, and a snapshot of our membership and benefits paid.

View the CAFR and PAFR on the LASERS website.

Investment Performance

Investment performance summaries are updated monthly on the *Investments* section of our website. Target and actual asset allocations are located on the *Asset Allocation* page. ■

GET TO KNOW

LASERSSTAFF



TINA VICARI GRANT:

LASERS Executive Management Team Member

Executive Counsel Tina Vicari Grant joined LASERS in 2007, having previously served as Assistant Attorney General and Director of the Civil Division for the Louisiana Department of Justice. Tina is a graduate of Loyola University Law School and has an undergraduate degree in International Trade & Finance from Louisiana State University.

As Executive Counsel, she leads the Legal Division at LASERS. Tina's division represents the agency in all litigation, and is responsible for processing all agency contracts and public records requests. In addition, Legal works with every division at LASERS to offer advice regarding member issues and statutory interpretation. Tina's team also plays a significant role in each legislative session by assisting with the drafting of proposed legislation and/or amendments to legislation.

Tina's achievements are many in her 13 years at LASERS. She successfully argued before the Louisiana Supreme Court, recouping over \$200,000 in overpayments for the retirement system. She improved the internal legal opinions process as well as the contract monitoring process. Tina and her staff regularly meet with LASERS Member Services and

Fiscal divisions to address legal issues, often solving problems before they begin.

"LASERS pays benefits in excess of \$1.3 billion each year," said Tina. "As a native Louisianian, I am proud to be a part of such a great economic boost to Louisiana."

In addition to her legal expertise, Tina is also a valued member of the Executive Management Team at LASERS along with LASERS Executive Director Cindy Rougeou, Chief of Staff Trey Boudreaux, and Chief Investment Officer Bobby Beale. Each team member has specific responsibilities that coincide with their knowledge base, but they function cohesively in advancing LASERS mission and strategic direction.

"This year, Tina has taken on additional responsibilities as our Legislative Coordinator and Ethics Liaison," said Cindy Rougeou. "Tina's successful track record as a litigator reflects the wealth of knowledge and experience she gained from having practiced law in both the public and private sector. On a personal note, I particularly appreciate that she has a wonderful sense of humor and is a great story teller. It is really a pleasure working with her."

Tina's value to LASERS is immeasurable, but she also makes her mark in the Baton Rouge community. She has taught Law part-time at her high school alma mater, St. Joseph's Academy, since 2015. Tina and her family are also active members at Our Lady of Mercy Catholic Church. ■

“Tina’s successful track record as a litigator reflects the wealth of knowledge and experience she gained from having practiced law in both the public and private sector.”

THE BOARDMEMO



Thomas Bickham, 2020 Board Chair

“ We do our very best to keep both members and agencies informed, so there are no surprises at the time of retirement. ”

LASERS EDUCATES MEMBERS & AGENCIES

A major focus at LASERS is educating our members in preparing for retirement. LASERS has initiated programs such as:

- **MINT: Millennials Investing Now for Tomorrow** targeting our younger members,
- **Retirement Readiness** which is dedicated to helping put the retirement puzzle pieces – financial security, healthy living, and happiness and engagement – together,
- **Pre-retirement Education Program (PREP)** workshops to assist members well in advance of their retirement, and much more.

We have an incredibly knowledgeable education team at LASERS to answer your questions and provide information on many retirement topics. In addition, the LASERS website has a wealth of retirement resources, so I encourage you to check it out.

We also provide retirement education to our state agencies, particularly their Human Resources (HR) staff, so they can better assist members through the retirement process. We recently held our annual Agency Open Forum with nearly 100 HR reps in attendance online. LASERS Executive Director Cindy Rougeou, and LASERS staff members Wendy Demouy and Casey Jackson presented information on the current financial stability of the System, the latest updates from Member Services, calculating fiscal year earnings for rehired retirees, and cybersecurity tips on how to prevent phishing. All of the information from the workshop is available on the Employers section of the LASERS website, and other resources are also available.

We do our very best to keep both members and agencies informed, so there are no surprises when the time comes for retirement. Please contact LASERS with any suggestions or ideas on ways we can improve our educational program. ■



HOLIDAY CLOSURE NOTICE



Please note that LASERS will be closed on **Friday, December 25, 2020** and **Friday, January 1, 2021** for the Christmas and New Year's holidays. ■



PELICAN

Ashley Ledbetter

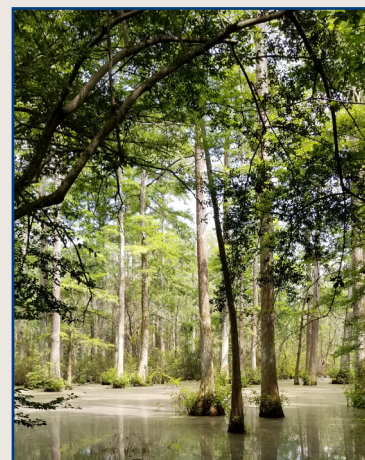
Dept. of Children & Family Services



FRENCH QUARTER

Scott Smith

Retired from Dept. of Children & Family Services



SECLUDED BAYOU

Julie Campbell

Dept. of Wildlife & Fisheries



MEDICARE OPEN ENROLLMENT ENDS DECEMBER 7

Counselors with the Louisiana Department of Insurance Senior Health Insurance Information Program (SHIIP) can assist you with understanding your Medicare options.

Visit www.lidi.la.gov/SHIIP or call 1.800.259.5300. ■

UPDATE YOUR MAILING ADDRESS

Form 1099-R for 2020 will be mailed to retirees no later than January 31, 2021. Make sure your mailing address is current with LASERS before the end of December.

You can check your mailing address or make updates online in myLASERS. Please allow up to two weeks for delivery of your 1099-R.

If you have not received it by February 7, or if you need to request a duplicate copy, you may access your 1099-R information in myLASERS.

To report an error or request a duplicate, please call LASERS at 225.922.0600 or 800.256.3000 and ask for a Member Services representative. If you have questions about your 1099-R, we suggest that you contact your tax advisor. ■

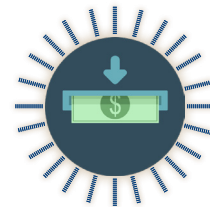
ATTENTION RETIRED MEMBERS

BENEFIT PAYMENT INFORMATION FOR JANUARY 1

The **January 1, 2021** benefit payment date falls on a holiday, which could affect receipt of your funds.

Direct deposits are guaranteed to be in your bank or credit union on the **first day** of the month. Be aware that if the first falls on a weekend or holiday, funds may not be available until the following business day. In these cases, please contact your financial institution directly for information on when your funds will be made available to you. **That decision is made by your financial institution, not LASERS.**

If you have not received your monthly benefit payment by the first business day of the month, contact LASERS at **225.922.0600** (local) or **800.256.3000** (toll-free). ■



You may notice a change in your benefit payment starting January 1 as a result of **tax changes** and/or changes in **OGB health insurance premiums**. If you receive your monthly benefit via Electronic Funds Transfer (EFT), an EFT notice will be sent reflecting any changes. ■

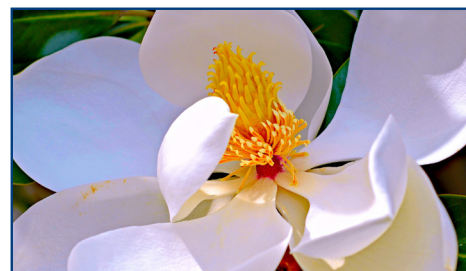
WHY DO HEALTH INSURANCE PREMIUM RATES INCREASE?

Effective January 1, 2021, monthly premiums for the Blue Cross Blue Shield of Louisiana plans offered by the Office of Group Benefits – Pelican HRA1000, Pelican HSA775, Magnolia Local, Magnolia Local Plus and Magnolia Open Access – will increase by 5.5%. Additionally, the Vantage Medical Home HMO plan premiums will increase by 6%.

There are many factors that go into the reason for a premium increase: rising medical/pharmaceutical costs, a growing and aging population, and disease prevalence. Learn more about these factors at: <https://bit.ly/3mISaZy>. ■



SHRIMPING IN GRAND ISLE
Tammy Heil, Retired from LSU Ag Center



SOUTHERN MAGNOLIA
Billy Good, Retired from Dept. of Natural Resources

ATTENTION ACTIVE MEMBERS

NEW! ATTEND A PREP WORKSHOP VIRTUALLY

LASERS Pre-Retirement Education Program (PREP) workshop is for active members and covers valuable information you need to plan your journey to retirement. Our new virtual format allows members to attend the seminar anywhere with internet access on a computer, tablet, or smartphone.

PREP participants will learn about a variety of topics, including

- **Eligibility requirements for retirement;**
- **Purchases of service credit;**
- **The different types of retirement**, including Actuarially Reduced, Deferred Retirement Option Plan (DROP), and the Initial Benefit Option (IBO); and
- **Unused leave.**

Check out the upcoming Virtual PREP Workshop dates for December by going to lasersonline.org and clicking on *Register for a Workshop*. Available dates for 2021 will be posted on our website and announced through email. ■

SOCIAL SECURITY OFFSETS (WEP & GPO): HAVE YOU WATCHED THE UPDATED VIDEO?

This six-minute video explains how the federal offsets, the **Windfall Elimination Provision (WEP)** and **Government Pension Offset (GPO)**, can affect your Social Security benefit if you receive a LASERS pension.

The video is located on the **Video Library** section of the LASERS website. ■



RETIREMENT SECURITY MONTH HIGHLIGHTS VALUABLE RESOURCES FOR ACTIVE MEMBERS

October was National Retirement Security Month. LASERS used each week of October to highlight valuable resources available to active members to assist in the retirement planning journey through email and social media.

Our retirement security topics included the Deferred Compensation Plan, finding your LASERS retirement plan, and attending a Virtual PREP Workshop.

Find all of the retirement security month information on our website at lasersonline.org/actives/millennials-investing/. ■



EMPOWERTM
RETIREMENT

IS THE STABLE VALUE FUND RIGHT FOR YOU?

If you are in the LASERS Self-Directed DROP program, administered by Empower Retirement, you are required to choose investment options, each with different risk and return profiles. For those who do not make a selection, your money is invested in the **Stable Value Fund**.

Approximately 87% of the LASERS Self-Directed DROP funds are invested in the Stable Value Fund. As the name implies, this is a low returning and low risk option. However, this investment may not be right for everyone.

Participants in this plan should consider the following:

- **What is your return target?**
- **What is your risk tolerance?**
- **What is your time horizon, in other words, when do you plan to withdraw these funds?**
- **How do you plan to use these funds?**

LASERS encourages you to speak with your trusted investment advisor to determine the asset allocation that is right for you. ■

BEAM-ME-UP *Your Questions Answered*

Q: Can I borrow or withdraw from my retirement plan?

A: A LASERS member cannot borrow or withdraw against their employee contributions unless they have separated from state service. If you leave state service and remain out of state service for at least 30 days, you may be eligible to refund your employee contributions. Most refunds are paid within 60 days. Please note that refunds of contributions automatically cancel all service credit in LASERS. In other words, a refund cancels your membership in the retirement system, and renders you ineligible for benefits. The refund will only include your contributions, not your employer's contributions, and will not include interest.



Q: I completed DROP and I am still working. Can I withdraw part of my DROP account from EMPOWER Retirement while employed?

A: No, you must be retired from LASERS to have access to the DROP account. Once retired, you may contact EMPOWER Retirement to request a withdrawal from the account.

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