

# THE BEAM

## MEMBERSHIP NEWSLETTER

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

## 2021 BOARD OF TRUSTEES ELECTION RESULTS

LASERS is pleased to announce the results of the 2021 Board of Trustees Election.

Three Trustees were elected to serve four-year terms on the LASERS governing Board. More than 2,200 active members voted by mail, telephone, and Internet in this year's election. Election results were certified by the Board of Trustees at its November 18 meeting.

The three active member candidates elected are: **Byron P. Decoteau, Jr.**, Director of State Civil Service; **Ternisa Hutchinson**, State Director of Planning & Budget, Division of Administration; and **Amy Mathews**, Investment Officer with the Louisiana Department of the Treasury.

A retiree election was not conducted this year as one nomination for **Barbara McManus** was received to fill the one open retiree position. McManus, retired from the Office of Family Support, Department of Social Services, is completing her 13th term as a Trustee and has the distinction of being the longest-serving member of the LASERS Board in the System's 75-year history.

The 13-member policy-making Board has fiduciary oversight over LASERS. Members include six elected by active members, three elected by retired members, and four ex officio members including the State Treasurer, the Commissioner of Administration, Chair of the Senate Committee on Retirement, and member of the House Committee on Retirement appointed by the Speaker of the House, or their designees.

Congratulations to our newly elected Trustees. The new Board Members will be sworn in prior to the January 2022 regular meeting. The next Board of Trustees election will be held in 2023. ■



**Byron P. Decoteau, Jr.**  
*Active*



**Ternisa Hutchinson**  
*Active*



**Amy Mathews**  
*Active*



**Barbara McManus**  
*Retired*

### BOARD OF TRUSTEES

**Beverly Hodges**

*2021 Board Chair*

225.505.3330

**Barbara McManus**

*2021 Board Vice Chair*

337.433.8910

**Thomas Bickham**

225.342.6739

**Virginia Burton**

225.753.5527

**Charles Castille**

225.937.7363

**Comm. Jay Dardenne**

225.342.7101

**Rep. Lance Harris**

318.767.6095

**Judge William Kleinpeter**

225.346.4702

**Janice Lansing**

225.342.4698

**Sen. Barrow Peacock, Designee**

318.741.7180

**Lori Pierce**

225.344.4758

**Sen. Edward Price**

225.644.6738

**Hon. John Schroder**

225.342.0055

**Shannon Templet**

225.342.2455

# FROM THE DESK *of*



Cindy Rougeou, *LASERS Executive Director*

2021 has been an incredible year for LASERS to celebrate our 75th anniversary. The highlight is our fiscal year-end investment return of 35.6 percent, which is the highest in the history of the System.

During this one fiscal year, we added over \$3 billion to our fund, thereby increasing the total market value of LASERS assets to more than \$14.7 billion. What a great way to end this year-long celebration!

*LASERS Actuarial Valuation* was completed and adopted by the Board of Trustees at its September meeting. The report will be presented to the Public Retirement Systems Actuarial Committee (PRSAC) in December for approval. The valuation revealed positive news for the System. The Unfunded Accrued Liability (UAL) decreased by over \$200 million to \$6.8 billion with principle being paid for the 10th year in a row, and our funded ratio increased to 66 percent. Members may be interested to know that absent multiple discount rate reductions and the change of the actuarial cost method, our funded ratio would be 73 percent and the UAL balance at \$4.9 billion. These changes have

contributed to the overall strength and sustainability of the LASERS fund.

Information Technology (IT) Director Dan Bowden retires in December after 19 years of service to LASERS. Under Dan's leadership, data security was a top priority, disaster recovery underwent extensive improvements, and new tools and services were developed to improve our customer experience. One of his greatest accomplishments was recruiting and retaining our highly skilled, professional IT staff. Congratulations to Dan on a long and happy retirement.

At its November meeting, LASERS Board of Trustees was asked to consider a draft of legislation that would authorize a one-time supplemental payment to eligible retirees, contingent upon legislative approval. Under this proposal, the amount of the one-time payment will be **the lesser of** the retiree's or beneficiary's current monthly benefit or \$3,000. Due to the amount of funds in our Experience Account, LASERS Board is supporting a one-time payment in lieu of a regular general cost-of-living adjustment. Please sign up for LASERS emails on our website to receive an update on this and other important matters. ■

“ 2021 has been an incredible year for LASERS... ”

## Get the Numbers



**LASERS Achieves Historic Investment Return: 35.6%**

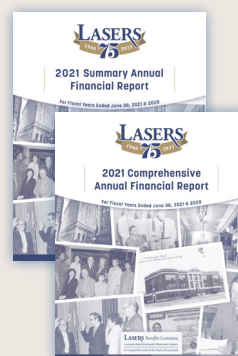
Read our [press release](#) for more information. ■

## Find Investments Performance on our website:

Investment performance summaries are updated monthly. Click on the *Investments* tab, then *Performance*.

View our actual asset allocation and target allocation by clicking on the *Investments* tab, then *Asset Allocation*. ■

## Financial Reports and Actuarial Valuation Now Available Online



The *Annual Comprehensive Financial Report* (ACFR) and *Summary Annual Financial Report* (PAFR) for LASERS fiscal year ending June 30, 2021 are now available.

The ACFR is a detailed financial overview of LASERS. The PAFR is a summary of financial statements, an actuarial summary, and a snapshot of our membership and benefits paid.

These award-winning reports feature archival photographs throughout each chapter to provide a glimpse of our 75-year history.

The *Actuarial Valuation* presents the valuation of assets and liabilities, as well as funding requirements for LASERS. ■

# THE BOARD MEMO



Beverly Hodges, 2021 Board Chair

*“...LASERS is financially strong, and the System is in great hands with our newly elected Trustees.”*

## EXPERIENCES AS A TRUSTEE

At the end of December, I will complete my third term as a LASERS Trustee and third term as Chair of the Board. It has been my honor to serve our members for the past 12 years and I am proud of our accomplishments to make the System better.

During my tenure, LASERS launched the Member Connection email service, a new website, a new imaging system, and replaced Member Self-Service with myLASERS. These achievements dramatically improved the customer service experience for our members. We have also improved the overall sustainability of LASERS by lowering our discount rate, adopting new strategic asset allocations on an annual basis, reduced the assumed inflation rate, and improved efficiency while reducing operational costs.

There have been highs and lows during my three terms on the Board, but we have always come together as Trustees to make the best decisions possible to protect and sustain the growth of plan assets to provide benefits to current and future retirees. As I exit the Board, I wish to assure our members that LASERS is financially strong, and the System is in great hands with our newly elected Trustees. ■

## LASERS RECEIVES AWARDS FOR EXCELLENCE

Please join me in congratulating the Fiscal and Public Information Divisions for their award-winning work on our Popular Annual Financial Report (PAFR). For the 22nd year, the Government Finance Officers Association (GFOA) of the United States and Canada has recognized LASERS for excellence in financial reporting for the fiscal year ended June 30, 2020. The PAFR presents, in a less technical manner, some of the major financial, actuarial, and other interesting information for the reporting year. Congratulations to our team for an excellent job!

LASERS was also awarded the Public Pension Standards Award for Funding and Administration. This award is given in recognition of meeting professional standards for plan funding and administration as set forth in the Public Pension Standards. This is the 18th consecutive year LASERS has received this award. ■



## JOIN OR RENEW RSEA MEMBERSHIP TODAY

For years, RSEA has been working to make sure Louisiana state employees enjoy the retirement they deserve. RSEA members are provided pension protection, access to benefits, social opportunities, and other advantages. Membership is a small cost that makes a big impact.

You may join for the first time or renew online, or by calling 877.514.0660. Monthly dues of \$1.50 may also be deducted from your LASERS retirement benefit payment. Total annual dues are only \$18. To learn more about joining RSEA, visit their website at <https://rseala.org/index.php/membership/join>. ■



## Attend a Virtual PREP or Early Career Seminar Online or In-Person



No matter where you are in your career, it's important to have a plan for your future retirement. LASERS provides two seminars for active members to help you plan your journey to retirement.

**PREP Seminar** participants will learn about eligibility requirements for retirement, purchases of service credit, unused leave, the different types of retirement, and much more. Any active LASERS member can attend PREP, and it is encouraged for those approaching retirement.

New to state employment? LASERS offers an **Early Career Seminar** to members hired on or after January 1, 2011 and **not** eligible for retirement in the next five years. This seminar introduces members to LASERS and the defined benefit plan and provides ways to supplement your future retirement.

You can attend a seminar either online or in-person. Dates are continually added to our website. Register for a seminar by going to [lasersonline.org](https://lasersonline.org) and click on 'Register for a Seminar'. ■



*Throughout 2021, we recognize people who have made significant contributions to LASERS to ensure the long-term sustainability of the System.*

## [SUZANNE ADAMS]



LASERS beloved Member Services Director, Suzanne Adams, retired in 2011 after 11 years of service, but the mark she made on our System has been long-lasting. She came to LASERS from the Teachers' Retirement System of Louisiana (TRSL) where she had worked for

almost 20 years. Adams brought a wealth of knowledge with her.

"Working in the retirement field, I knew I'd found my passion," she said. "I'd heard what a wonderful agency LASERS was, so when a position became available, I immediately applied. It was truly one of the best decisions of my career."

Adams credits the LASERS staff with most, if not all, of the System's accomplishments during her leadership of Member Services (MS). She recalled some of the milestones between 2000 and 2011:

- Replaced paper files with an imaging system,
- Brought a new computer platform online that allowed for automatic workflow,
- Reorganized MS to shorten the work processing timeline,
- Implemented a new retirement plan for the Department of Corrections employees,
- Developed a field section in MS that created individual counseling for members across the state,
- Developed solutions to assist Hurricane Katrina retirees,
- And implemented new legislation each year.

When describing LASERS value to the state, Adams said, "LASERS provides an opportunity for its members to

receive a guaranteed pension upon retirement. In this day and time, that is a tremendous comfort. The staff of LASERS are well-versed in retirement concerns and are able to provide valuable information to active employees throughout their career, so that they can make the best decisions to maximize their retirement pensions."

After more than 36 years in state government, Adams is enjoying retirement. "I love being retired, but do miss the wonderful people I worked with," she said. "One person who had a tremendous impact on my career at

LASERS was Cindy Rougeou. She has a passion for LASERS and its membership that is contagious. She continues to fight every day to protect LASERS benefit structure and we're fortunate to have her."

Many processes instituted by Adams continue today at LASERS. Her influence in MS has impacted and enhanced the overall excellence of LASERS customer service.

Adams commented, "For those of us who have been fortunate enough to work in State Government

and contribute to LASERS, we know what a wonderful retirement system it is. I'm thankful for the passion of those at LASERS who protect the system and the benefits it provides." ■



(L-R) Trey Boudreaux, Suzanne Adams, Cindy Rougeou



VIDEO on  
75-Year History  
of LASERS!



Pull out the popcorn and candy to view LASERS new documentary on the 75-year history of the System. Take a stroll down memory lane beginning in the 1940s, and experience LASERS progression into today's modern, essential agency. ■

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## [ROBERT W. "BOBBY" BEALE]

**CFA, CAIA, Chief Investment Officer**



Bobby Beale joined the Investment Division staff at LASERS in May 1997. He is one of the longest-serving chief investment officers in LASERS history with more than 24 years on the job. His success is unmatched, with LASERS total market value of assets growing from \$4 billion at the beginning

of his employment to \$14.7 billion today.

Beale's talents are reflected in LASERS 35.6 percent investment return for the 12-month period that ended June 30, 2021, the highest return in our history, and one of the best nationwide among large public pension systems.

During Beale's tenure, there have been major challenges to overcome. He commented that big market negative events such as the 2001 Tech Bubble in the 9/11 era, the 2008 Financial Crisis, and the COVID-19 pandemic last year are all very difficult situations. "They are both different and the same in a way," he explained. "One benefit of being a long-term investor is that you can find opportunities when these events happen. Being patient, not reactive,

but also making adjustments where warranted is key."

With more than 30 years of investment experience, Beale has received attention on the national level with his success at LASERS:

- In 2017, *Pensions & Investments* magazine recognized LASERS as one of the best one-year net returns, which Beale attributed to public equity, particularly international and emerging markets.
- *Top 1000 Funds*, a news and analysis site for the world's largest institutional investors, profiled LASERS in 2017 as one of the best performers among U.S. public pension funds, and interviewed Beale regarding LASERS investment strategies.
- In 2016, *Trusted Insight* magazine highlighted him in the top 30 list of pension chief investment officers whose portfolios outperformed peers.

Investment income is the main source of revenue for benefits paid to our members and their beneficiaries. Beale and his staff understand their responsibility to the tens of thousands of members who depend on their expertise in providing for their retirement.

He commented, "The value of LASERS rests with the staff everywhere in the agency because they care about our members and what we do here." ■

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## [SHELLEY JOHNSON]

**LASERS Actuary**



Shelley Johnson has been LASERS lead actuary since 2007, playing an integral role in determining the present value of future benefits that the retirement system will pay to retirees.

The complex work that Johnson completes for LASERS is not always easy to explain or understand. She develops assumptions, makes recommendations to the Board of Trustees, and determines funding requirements for the System. She prepares the Annual Valuation report which shows the health of LASERS, provides guidance to the Board on costs of legislation and how it will affect the retirement system, and often testifies before the legislature on behalf of the Board regarding those costs.

Johnson said, "I believe educating the Board, staff, and legislators regarding the actuarial impact of their decisions is especially important. All are stakeholders with a goal of providing secure retirement benefits to LASERS members while balancing the cost to taxpayers. The more

all stakeholders understand about the impacts of their decisions, the better the policy decisions that are made."

In Johnson's 15 years with LASERS, many changes have occurred that helped improve the sustainability of the System. "The Legislature and Board of Trustees have both taken their responsibility very seriously to shore up the System," she said. "Legislators have focused on paying down the debt, made some difficult decisions regarding cost-of-living adjustments (COLAs), yet adopted a nice balance. The Board has been diligent in approving more conservative actuarial assumptions which increase the probability of future gains and decrease the probability of future losses, increase the likelihood of future COLAs, and improve the stability of the System."

From an actuarial perspective, the future of LASERS is exciting. Johnson explained, "Over the next 20 years, LASERS may be nearly 100 percent funded. Of course, there are unknowns, such as what the investment market will do. However, using reasonable assumptions, the impact from legislation combined with Board changes have placed the System in a better position to have the debt completely funded."

Shelley Johnson's actuarial knowledge and guidance to LASERS are essential and well-respected. Her influence and contributions are major factors in the stability of the fund and assuring financial security for future retirees. ■



## Let's Recap: National Retirement Security Month

Throughout the month of October, LASERS highlighted valuable resources available to active members for National Retirement Security Month.

Retirement security resources include creating and utilizing a myLASERS account, enrolling in the Deferred Compensation Plan, and attending a virtual PREP or Early Career Seminar.

Learn more about each topic at [lasersonline.org/actives/mint](http://lasersonline.org/actives/mint). ■



## Have You Created a myLASERS Account?

myLASERS provides an easy way for members and benefit recipients to access their LASERS account information at any time, anywhere, and from any device.

Create an account or log in to view your membership summary, setup notifications, upload important documents, create benefit estimates, submit eForms, check the status of submitted applications and forms, view DROP/IBO activity, and more.

Get started creating your account at [www.mylasers.org](http://www.mylasers.org). ■

## GET TO KNOW

# LASERSSTAFF

## MEET JOHNATHON SPROUSE, LASERS NEW IT DIRECTOR



LASERS recently promoted and named Johnathon Sprouse as the new Information Technology (IT) Director. Sprouse began at LASERS in 2009 as an IT Applications Programmer and was promoted in 2016 to IT Applications Manager. His primary responsibilities have included LASERS member management software, the imaging system, and the accounting software for the System.

Prior to joining LASERS, Sprouse worked as a software developer for a vendor that developed business software for a variety of industries from e-commerce to architecture, and supply chain management. He graduated from Southeastern Louisiana University with a B.S. in Computer Science and is a Microsoft Certified Professional Developer. His career has centered on software engineering and architecture. Sprouse explained, "I have a passion for building reliable, innovative, and cost-effective solutions that have a customer focus."

With his new position as IT Director, Sprouse looks forward to providing new digital services that complement and enhance LASERS customer service for our members. "My vision for IT is to be a trusted partner for technology services with an emphasis on collaborative partnerships, proactive leadership, strategic innovations, continuous improvement, and excellent customer service," he said.

Sprouse's IT plans for LASERS are exciting. He commented, "In 10 years, LASERS will have a full range of digital services that will allow our members a variety of choices when it comes to managing their retirement."

In his spare time, Sprouse enjoys spending time with his wife and three children. On weekends, if not on the soccer field, they take road trips to far off destinations. Last summer, they traveled over 3,700 miles through the southwest visiting landmarks in Texas, New Mexico, and Arizona.

Congratulations to Johnathon Sprouse as he begins his new adventure as IT Director. ■



*The LASERS softball team completed its inaugural summer season with great enthusiasm and impressive fan turnout.*



# ATTENTION RETIRED MEMBERS

## MARK YOUR CALENDAR: JANUARY 1, 2022 IMPORTANT BENEFIT PAYMENT INFORMATION

Please note that the January 1, 2022 benefit payment date falls on a Saturday, which is also the New Year's holiday. This 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 (Saturday or Sunday) 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, please contact LASERS in Baton Rouge at **225.922.0600** or toll-free at **800.256.3000**. ■

## CHANGES IN BENEFIT PAYMENT AMOUNTS

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. ■

## INSURANCE RATE CHANGES

Starmount and Transamerica will implement rate increases effective January 1, 2022 for **some of their policies**. You will receive a notification letter from the vendor if your policy will be affected by the rate change. If you have further questions regarding rate changes, please contact Starmount at 888.729.5433 or Transamerica at 800.400.3042. ■

## NEW FORM W-4P

The IRS will release a new Form W-4P, *Withholding Certificate for Periodic Pension or Annuity Payments*, in January. This new form will need to be completed if you wish to make changes to your taxes. If you need assistance in completing this form, please consult with your tax advisor. ■

## 1099-R FORMS: ADDRESS UPDATES AND NEWS FROM EMPOWER RETIREMENT

Form 1099-R for 2021 will be mailed to retirees no later than January 31, 2022. **Make sure your mailing address is current with LASERS before the end of December.** You can check your mailing address 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 online through myLASERS. To report an error or request a duplicate be mailed to you, please call LASERS at 225.922.0600 or 1.800.256.3000. Should you have questions regarding your 1099-R, we suggest that you contact your tax advisor.

Please note that you can view/print copies of 1099-R forms from Empower Retirement for distributions from the Self-Directed or Optional Retirement plans by logging into your account on their website at [empower-retirement.com](https://empower-retirement.com). ■



## For those with Medicare:

**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](http://www.lidi.la.gov/SHIIP) or call 1.800.259.5300. ■



## Postal Service Increases Delivery Time

On October 1, 2021, the post office increased their delivery time for letters and packages from two days to five days for anything mailed outside the local area. This includes your benefit payment if you receive a paper check. With this new change and any unforeseeable delays, such as hurricanes or floods, we encourage our retirees who receive paper checks to complete form ERBER11: *Authorization for Direct Deposit*. You can complete this form by logging into your myLASERS account. Signing up for direct deposit ensures you would have your monthly benefit by the first; otherwise, expect for it to be delayed. ■



## “ Comments from our Members

“ Adrian [Ackermann] clearly answered all my questions, did not rush through the session, and offered follow up assistance if I have any additional questions before I retire. ”

“ Danielle [Henning] was fantastic, thorough, and very pleasant. I did not have a clue about retirement, and she made it very easy to understand. ”

## COVID-19 Update

LASERS continually monitors recommendations and mandates from the Governor's Office and updates our visitor and building restrictions accordingly. Please check the LASERS website before visiting to confirm current building restrictions by going to [www.lasersonline.org/covid19](http://www.lasersonline.org/covid19).

## Board Honors Babin



(L-R) **Chris Lissard**, Assistant District Administrator (ADA) and **Roland Babin**, Engineering Technician 7, both from District 3 (Lafayette) with the Department of Transportation and Development. Babin was recognized by the LASERS Board of Trustees at its August 26 meeting as the longest serving, active LASERS member with over 66 years of service to the State of Louisiana.

The Louisiana State Employees' Retirement System (LASERS) distributed this document digitally. No publication costs were incurred.

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