

# 2024

## LASERS BENEFITS LOUISIANA

*The economic impact of LASERS investments on the State of Louisiana*

Photographer: Tammy Heil, LASERS Member



# LASERS

Louisiana State Employees'  
Retirement System

# LASERS INVESTS FOR THE LONG-TERM

## LASERS is well-positioned to meet future goals & objectives.

LASERS is a long-term investor, committed to a broadly diversified portfolio, with comprehensive monitoring of the plan's investment strategy in relation to current market environments.

For the fiscal year ending June 30, 2023, LASERS reported an **11.7% investment return**. As a result, the System's total market value of investment assets exceeds **\$13.2 billion**.

This return places LASERS in the **top eighth percentile** for the one-year period, as compared to other public pension plans with fair values greater than \$1 billion in the Wilshire Trust Universe Comparison Service (TUCS).

In September 2023, LASERS was featured in *Pensions & Investments* as **the top performer** with an 11.7% investment return among 65 U.S. public pension funds tracked by the magazine.

This year's investment return and asset growth is a reflection of our dedicated team who work diligently to navigate the challenges posed by market volatility, economic shifts, and global uncertainties.

It is also worth noting that LASERS manages approximately **one-third** of its investments internally, **saving millions of dollars per year** in professional management fees.

The LASERS Board of Trustees and staff strive to be forward-thinking, disciplined, and efficient while allocating assets for the long-term.



**11.7%**  
investment return  
for fiscal year 2023



**\$13.2 bil.**  
market value of  
investment assets



**TOP  
PERFORMER**  
among 65 U.S. public pension funds  
with assets greater than \$1 billion tracked  
by *Pensions & Investments*



**TOP EIGHTH  
PERCENTILE**  
for the one-year period, compared to  
other public pension plans with fair values  
greater than \$1 billion in the Wilshire TUCS

**LASERS manages approximately  
1/3 of its investments internally.**

**This prudent management saves millions of dollars per year in professional management fees.**



# LASERS MEMBERS TELL OUR STORY

**LASERS administers 24 retirement plans covering over 150,000 members and their families, on behalf of 353 Louisiana employers statewide.**

LASERS is funded by investment earnings, employee contributions, employer contributions, and legislative acts (on occasion).

The LASERS trust fund is the source of all benefits paid to members and their beneficiaries.

Our members include public employees from across Louisiana, including corrections officers, nurses, agricultural inspectors, social workers, enforcement agents, and their beneficiaries.

Nearly **50,000** individuals depend on LASERS to help them achieve a measure of financial security in retirement after a career dedicated to public service.

Approximately **92%** of LASERS retirees live in Louisiana, resulting in an estimated **\$1.6 billion** economic impact on our state and hometown economies.

## 92% of Retirees Stay in State



Photographer: Mark Fradella, LASERS Member



**49,928**  
retirees &  
benefit recipients



**\$1.55 bil.**  
paid in pension benefits  
in fiscal year 2023\*



approximately  
**\$1.4 bil.**  
in benefits paid  
to in-state recipients\*



estimated  
**\$1.6 bil.**  
economic impact on our state  
and hometown economies

*\* Includes a one-time supplemental payment paid to over 45,000 eligible retirees and benefit recipients authorized by Act 656 of the 2022 Legislative Session.*

# LASERS BENEFITS THE LOCAL ECONOMY

**LASERS retirees and benefit recipients play a crucial role in supporting local economies in Louisiana by receiving a steady, monthly income.** This consistent income not only provides financial security for these individuals but also has a ripple effect that benefits communities across the state.

LASERS paid over **\$1.55 billion** in benefits to LASERS members and their families in fiscal year 2023. An estimated **\$1.4 billion** of that stayed in our state, since 92% of LASERS benefit recipients live in Louisiana.

**LASERS retirees and benefit recipients tend to remain in their communities, where they have strong ties and connections.**

Their continued presence in these areas bolsters local businesses and services, helping to sustain jobs and maintain the vitality of the community.

Whether it's dining at local restaurants, shopping at neighborhood stores, or utilizing healthcare services, retirees' contributions support a wide range of businesses, both large and small.

## PENSION BENEFIT MULTIPLIER



**\$1.00**

pension benefits paid to retirees in Louisiana



**\$1.14**

total output



Each **\$1** in state and local pension benefits paid to Louisiana residents ultimately supported **\$1.14** in total output in the state.\*

This "multiplier" incorporates multiple rounds of impacts of retiree spending, as each purchase ripples through the state economy.

\*Source: National Institute on Retirement Security, "Pensionomics 2023: Measuring the Impact of DB Pension Expenditures."

## Studies show that LASERS benefits small towns & rural areas.

**The success of LASERS is critical to working families and retirees across the state, especially those in rural areas and small towns.**

A recent study by the National Institute of Retirement Security (NIRS) showed that pensions are a significant reason that Louisiana's less populated areas are able to survive.\*

Several other studies in previous years, such as *Pensions in the Parishes* by the Louisiana Budget Project, have documented the strong impact that pension benefit dollars have in rural areas. These reports illustrate that pension benefits represent a greater share of personal income in the smaller, more rural parishes.



Pension dollars spent in Louisiana communities stimulate critical economic activity, especially those with shrinking populations and slowing economic growth.

\*Source: Fortifying Main Street: The Economic Benefit of Public Pension Dollars in Small Towns and Rural America, National Institute on Retirement Security, July 2022.

# LASERS BENEFITS EVERY PARISH

## GROSS BENEFITS PAID BY REGION IN FISCAL YEAR 2023

### Acadiana

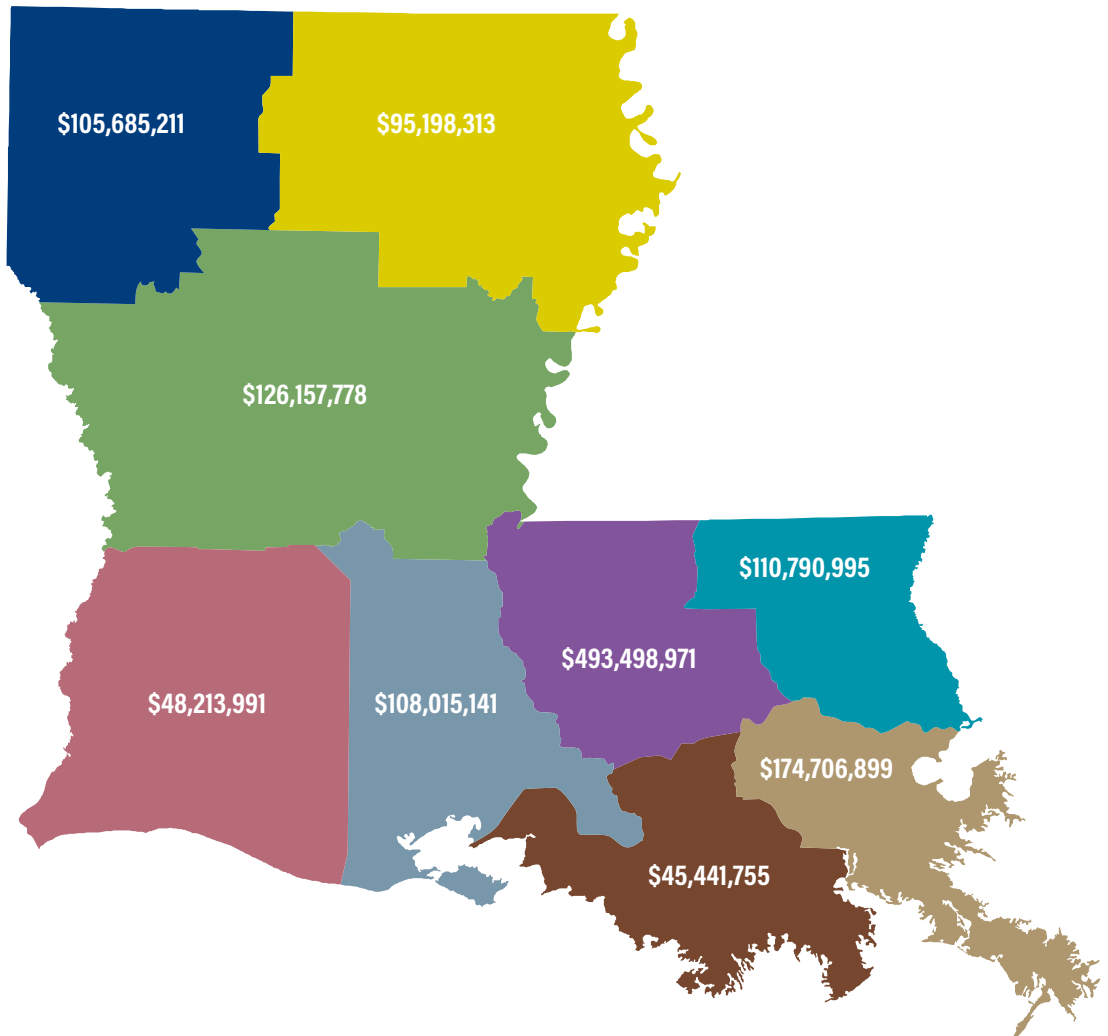
Acadia  
Evangeline  
Iberia  
Lafayette  
St. Landry  
St. Martin  
Vermilion

### Alexandria

Avoyelles  
Catahoula  
Concordia  
Grant  
La Salle  
Natchitoches  
Rapides  
Sabine  
Vernon  
Winn

### Baton Rouge

Ascension  
East Baton Rouge  
East Feliciana  
Iberville  
Livingston  
Pointe Coupee  
West Baton Rouge  
West Feliciana



### Coastal

Assumption  
Lafourche  
St. James  
St. Mary  
Terrebonne

### Lake Charles

Allen  
Beauregard  
Calcasieu  
Cameron  
Jefferson Davis

### Monroe

Caldwell  
East Carroll  
Franklin  
Jackson  
Lincoln  
Madison  
Morehouse  
Ouachita  
Richland  
Tensas  
Union  
West Carroll

### New Orleans

Jefferson  
Orleans  
Plaquemines  
St. Bernard  
St. Charles  
St. John the Baptist

### North Shore

St. Helena  
St. Tammany  
Tangipahoa  
Washington

### Shreveport

Bienville  
Bossier  
Caddo  
Claiborne  
De Soto  
Red River  
Webster

*This chart provides a regional snapshot of benefits paid to retirees during the 2022-2023 fiscal year. It does not include Deferred Retirement Option Plan (DROP), Initial Benefit Option (IBO), and lump sum leave payments.*

# LASERS BENEFITS EVERY PARISH

## GROSS BENEFITS PAID BY REGION IN FISCAL YEAR 2023

Parish	Total Benefits	No. of Recipients
<b>Acadiana</b>		
Acadia	\$ 9,742,718	368
Evangeline	7,774,572	283
Iberia	8,050,081	271
Lafayette	48,419,667	1,616
St. Landry	16,113,408	534
St. Martin	10,387,893	364
Vermilion	7,526,802	263
	<b>\$ 108,015,141</b>	<b>3,699</b>

<b>Alexandria</b>		
Avoyelles	23,882,041	841
Catahoula	2,605,386	102
Concordia	3,028,987	120
Grant	8,965,155	351
La Salle	2,398,446	102
Natchitoches	11,212,687	424
Rapides	60,767,684	2,470
Sabine	4,059,951	157
Vernon	6,513,571	259
Winn	2,723,870	108
	<b>\$ 126,157,778</b>	<b>4,934</b>

<b>Baton Rouge</b>		
Ascension	38,333,468	1,155
East Baton Rouge	296,544,394	9,319
East Feliciana	33,467,152	1,242
Iberville	15,713,193	555
Livingston	64,655,272	2,072
Pointe Coupee	12,353,222	403
West Baton Rouge	16,381,357	520
West Feliciana	16,050,913	488
	<b>\$ 493,498,971</b>	<b>15,754</b>

<b>Coastal</b>		
Assumption	2,372,626	92
Lafourche	19,458,568	706
St. James	3,148,554	108
St. Mary	3,247,486	126
Terrebonne	17,214,521	653
	<b>\$ 45,441,755</b>	<b>1,685</b>

	Total Benefits	No. of Recipients
<b>Total</b>	<b>\$ 1,307,709,054</b>	<b>45,918</b>

Parish	Total Benefits	No. of Recipients
<b>Lake Charles</b>		
Allen	3,863,824	138
Beauregard	5,492,017	220
Calcasieu	33,075,682	1,206
Cameron	630,931	19
Jefferson Davis	5,151,537	205
	<b>\$ 48,213,991</b>	<b>1,788</b>

<b>Monroe</b>		
Caldwell	\$ 3,902,808	172
East Carroll	928,443	44
Franklin	6,781,283	241
Jackson	3,867,274	157
Lincoln	17,715,238	766
Madison	2,454,492	87
Morehouse	4,547,701	178
Ouachita	39,244,056	1,503
Richland	5,850,269	224
Tensas	1,752,120	68
Union	5,983,956	220
West Carroll	2,170,673	81
	<b>\$ 95,198,313</b>	<b>3,741</b>

<b>New Orleans</b>		
Jefferson	73,468,040	2,491
Orleans	82,585,443	3,032
Plaquemines	2,202,737	86
St. Bernard	5,192,251	194
St. Charles	5,290,067	169
St. John the Baptist	5,968,361	215
	<b>\$ 174,706,899</b>	<b>6,187</b>

<b>North Shore</b>		
St. Helena	4,178,631	169
St. Tammany	44,131,950	1,473
Tangipahoa	44,282,250	1,707
Washington	18,198,164	699
	<b>\$ 110,790,995</b>	<b>4,048</b>

<b>Shreveport</b>		
Bienville	4,419,750	186
Bossier	23,942,348	885
Caddo	56,203,372	2,204
Claiborne	5,459,011	208
De Soto	4,501,981	183
Red River	2,592,585	98
Webster	8,566,164	318
	<b>\$ 105,685,211</b>	<b>4,082</b>



# LASERS INVESTS IN LOUISIANA



**LASERS supports Louisiana by investing in companies that impact local economies.**

**For the fiscal year ended June 30, 2023, LASERS invested approximately \$1.9 billion in companies with business in Louisiana.**

These investments contribute to the state's economic development, job creation, and overall prosperity. LASERS investments in various sectors help to create jobs for Louisiana residents. These investments can lead to new employment opportunities and help reduce unemployment rates in the state.

By channeling funds into critical projects and industries, LASERS contributes to the overall economic development of Louisiana. Investments in infrastructure enhance the state's facilities, making it more attractive for businesses to operate and invest in Louisiana.

When LASERS invests in local companies, it provides much-needed capital to businesses within the state, helping them to expand, innovate, and compete on a broader scale.

By diversifying our investment portfolio across different asset classes, LASERS helps reduce the state's economic dependence on any single industry. This diversification can make Louisiana's economy more resilient to economic downturns in specific sectors.

As LASERS generates returns on its investments, it strengthens our ability to fulfill pension obligations to state employees. This, in turn, ensures the financial stability of retired state workers and reduces the burden on the state's budget.

## Louisiana Investments

*as of June 30, 2023*

SECTOR	IN MILLIONS
Information Technology	\$ 784
Consumer Discretionary	\$ 254
Industrials	\$ 216
Energy	\$ 157
Health Care	\$ 147
Consumer Staples	\$ 103
Financials	\$ 89
Communications	\$ 72
Utilities	\$ 57
Materials	\$ 43
Real Estate	\$ 11












Photographer: Tammy Heil, LASERS Member

# LASERS INVESTS IN LOUISIANA



**LASERS invested over \$160 million in Louisiana headquartered companies.**

The table below illustrates the top 10 Louisiana headquartered companies in which LASERS invests for the fiscal year ended June 30, 2023.

COMPANY	LOUISIANA HEADQUARTERS	MARKET VALUE*
VENTURE GLOBAL <b>LNG</b>	Cameron & Plaquemine	\$ 45,100,000
 <b>United Utility</b> POWER SERVICES	New Orleans	\$ 21,576,488
 <b>EPIC</b> PIPING	Baton Rouge	\$ 19,728,563
 <b>LEMOINE</b>	Baton Rouge	\$ 17,209,741
 <b>Brown &amp; Root</b>	Baton Rouge	\$ 10,806,276
THE  <b>GRAY SURETY</b>	Mandeville	\$ 8,328,331
 <b>FLORIDA MARINE FMT</b> Transporting America's Resources	Mandeville	\$ 7,881,147
 <b>AlliedPower</b>	Baton Rouge	\$ 7,498,714
 <b>Republic</b> FINANCE	Baton Rouge	\$ 5,592,680
 <b>GHC</b> GRACE HEBERT CURTIS	Baton Rouge	\$ 4,716,117

\*as of June 30, 2023



# LASERS PROMOTES ECONOMIC SECURITY

## Average Benefit for Rank-and-File Retirees

FISCAL YEAR	MONTHLY BENEFIT
2023	\$ 2,376
2022	\$ 2,338
2021	\$ 2,293
2020	\$ 2,250
2019	\$ 2,214
2018	\$ 2,184
2017	\$ 2,151
2016	\$ 2,116
2015	\$ 2,055
2014	\$ 2,017

## LASERS benefits are critical and protected.

Economic security is crucial to all working Americans because it directly affects their well-being, quality of life, and peace of mind.

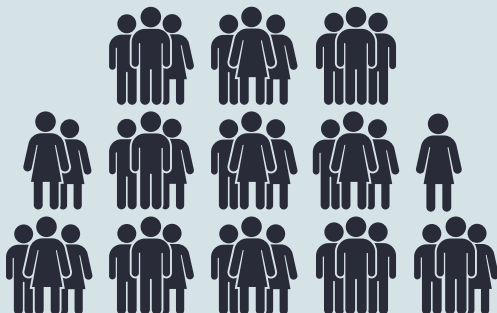
In fiscal year 2023, the average benefit for a LASERS rank-and-file retiree was **\$28,512**.

Since Louisiana state employees do **not** pay into Social Security, most retirees rely solely on their LASERS benefit after retirement.

When this is taken into consideration, it is clear that the average LASERS retiree earns a modest yet reliable benefit.

LASERS retirees can take comfort knowing that their benefits are **protected** after their years in public service.

The security of a LASERS pension ensures that individuals and families have the means to meet their basic needs, plan for the future, and participate fully in our economy and society.



## LASERS serves approximately ONE out of every 37 adults in Louisiana

by providing retirement income to retirees and beneficiaries and offering retirement education, services, and resources to future retirees.

*Source: U.S. Census Bureau, 2022; Membership Census of the LASERS Actuarial Valuation for fiscal year ending June 30, 2023*

# LOUISIANA LEADS IN PENSION REFORM

\* *Legislative steps taken to reduce employer costs and improve funding of the System.*

YEAR	LEGISLATIVE REFORM
1987	<b>Act 947 (Constitutional Amendment, 68% voter approval)</b> <ul style="list-style-type: none"><li>✓ Requires retirement systems to be actuarially sound.</li><li>✓ IUAL (UAL as of 1988) must be paid off by 2029.</li></ul>
1988	<b>Act 81</b> <ul style="list-style-type: none"><li>✓ Increased the rank-and-file employee contribution rate from 7% to 7.5%.</li></ul>
2005	<b>Act 75 Rank-and-File members hired after July 1, 2006</b> <ul style="list-style-type: none"><li>✓ Increased employee contribution rate from 7.5% to 8.0%.</li><li>✓ Limited retirement eligibility to 10 years of service at age 60.</li><li>✓ Increased FAC from three years to five years.</li><li>✓ Salary spiking cap reduced from 25% to 15%.</li></ul>
2007	<b>Act 484 (Constitutional Amendment, 58% voter approval)</b> <ul style="list-style-type: none"><li>✓ Requires retirement provisions with a cost to have a new or additional funding source and be paid within 10 years.</li></ul>
2009	<b>Act 497</b> <ul style="list-style-type: none"><li>✓ Reduced payments in future years.</li><li>✓ Used legislative appropriations and funds from side accounts to reduce the IUAL.</li><li>✓ Used funds from Experience Account to reduce the UAL.</li><li>✓ Prioritized excess investment earnings' application to the debt.</li><li>✓ Increased retiree COLA eligibility from age 55 to age 60.</li></ul>
2010	<b>Act 1048 (Constitutional Amendment, 65% voter approval)</b> <ul style="list-style-type: none"><li>✓ Requires 2/3 legislative approval of retirement provisions with an actuarial cost.</li></ul> <b>Act 992</b> <ul style="list-style-type: none"><li>✓ Created another new Rank-and-File plan.</li><li>✓ Hazardous Duty plans consolidated; benefits adjusted for consistency.</li></ul>
2011	<b>Act 422 (Constitutional Amendment, 59% voter approval)</b> <ul style="list-style-type: none"><li>✓ Provides for a minimum of nonrecurring revenue to be applied toward reducing the UAL.</li></ul>
2014	<b>Act 399</b> <ul style="list-style-type: none"><li>✓ Dedicates additional excess investment returns towards the UAL.</li><li>✓ Restructured COLA granting requirements.</li></ul> <b>Act 226</b> <ul style="list-style-type: none"><li>✓ Increases retirement eligibility age from 60 to 62 for new hires.</li></ul> <b>Act 571</b> <ul style="list-style-type: none"><li>✓ Changes actuarial method from Projected Unit Credit to Entry Age Normal.</li><li>✓ Cut Normal Cost in half (Employer paying 4% instead of 8%).<ul style="list-style-type: none"><li>• Less than Social Security, which is 6.2%.</li></ul></li><li>✓ One-time increase in UAL, but created greater budget stability.</li></ul>

# LOUISIANA LEADS IN PENSION REFORM

\* *Legislative steps taken to reduce employer costs and improve funding of the System.*

YEAR	LEGISLATIVE REFORM
2014	<b>Acts 947 and 399</b> <ul style="list-style-type: none"> <li>✓ Additional excess revenue applied to reduce debt rather than fund COLAs.</li> <li>✓ Size and frequency of COLAs tied to funded level of the System.</li> <li>✓ Debt paid off sooner: <ul style="list-style-type: none"> <li>• IUAL in 2028 (previously 2029)</li> <li>• UAL in 2038 (previously 2040)</li> </ul> </li> <li>✓ For LASERS: \$422.4 M used to reduce the UAL rather than credit the Experience Account.</li> </ul>
2015	<b>Act 56</b> <ul style="list-style-type: none"> <li>✓ Appropriated approximately \$2.7 million to be applied to the initial UAL of LASERS.</li> </ul>
2015	<b>Act 368</b> <ul style="list-style-type: none"> <li>✓ Increases littering fines and distributes 50% of the fines to the retirement system of the law enforcement agency issuing the letter citation.</li> </ul>
2016	<b>Act 94</b> <ul style="list-style-type: none"> <li>✓ Includes non-investment related administrative expenses in calculating the required employer contribution rate.</li> </ul>
2016	<b>Act 95</b> <ul style="list-style-type: none"> <li>✓ Reduces the amortization period for actuarial gains and losses from 30 years to 20 years once the System is 70% funded, and provides for the reamortization of schedules of gains and losses for the 2019-2020 fiscal year and every fifth fiscal year thereafter.</li> </ul>
2016	<b>Acts 679 and 639</b> <ul style="list-style-type: none"> <li>✓ Establishes the Revenue Stabilization Trust Fund, to be funded by certain mineral revenue and certain corporate franchise and income taxes. May provide annual appropriations to pay toward the initial UAL of the System.</li> </ul>
2018	<b>Act 59</b> <ul style="list-style-type: none"> <li>✓ Appropriated \$3,676,833 in surplus funds to LASERS to be applied to the IUAL.</li> </ul>
2019	<b>Act 50</b> <ul style="list-style-type: none"> <li>✓ Appropriated \$9,478,184 in surplus funds to LASERS to be applied to the IUAL.</li> </ul>
2020	<b>Act 225</b> <ul style="list-style-type: none"> <li>✓ Appropriated \$16,661,555 in surplus funds to LASERS to be applied to the IUAL.</li> </ul>
2021	<b>Act 120</b> <ul style="list-style-type: none"> <li>✓ Appropriated \$8,430,687 in surplus funds to LASERS to be applied to the IUAL.</li> </ul>
2022	<b>Act 170</b> <ul style="list-style-type: none"> <li>✓ Appropriated \$21,829,362 in surplus funds to LASERS to be applied to the IUAL.</li> </ul>
2023	<b>Act 397</b> <ul style="list-style-type: none"> <li>✓ Appropriated \$349,741,962 in surplus funds to LASERS to be applied to the IUAL.</li> </ul>
	<b>Act 107 (Constitutional Amendment, 56% voter approval)</b> <ul style="list-style-type: none"> <li>✓ Increased the minimum of nonrecurring revenue to be applied toward reducing the UAL.</li> </ul>

# LASERS BENEFITS LOUISIANA

## ELECTED MEMBERS

<b>Byron Decoteau</b> CHAIR	Director, State Civil Service <i>Active Member</i>
<b>Virginia Burton</b> VICE CHAIR	Retired from the Louisiana Department of Revenue <i>Retired Member</i>
<b>Pam Diez</b>	Deputy Undersecretary, Department of Health <i>Active Member</i>
<b>Beverly Hodges</b>	Retired from the Department of Natural Resources <i>Retired Member</i>
<b>Ternisa Hutchinson</b>	State Director of Planning and Budget, Division of Administration <i>Active Member</i>
<b>Cortny Jarrell</b>	Human Resources Analyst, House of Representatives <i>Active Member</i>
<b>Laura Lapeze</b>	Undersecretary, Department of Revenue <i>Active Member</i>
<b>Amy Mathews</b>	Investment Officer, Louisiana Department of Treasury <i>Active Member</i>
<b>Barbara McManus</b>	Retired from the Department of Social Services <i>Retired Member</i>

## EX OFFICIO MEMBERS

<b>Taylor Barras</b>	Commissioner of Division of Administration
<b>Edward Price</b>	Chairman of the Senate Retirement Committee Louisiana State Senate
<b>Tony Bacala</b>	Chairman of the House Retirement Committee Louisiana House of Representatives
<b>John Fleming, M.D.</b>	State Treasurer of Louisiana



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