

2024

LASERS BENEFITS LOUISIANA

The economic impact of LASERS investments on the State of Louisiana



LASERS

Louisiana State Employees'
Retirement System

LASERS INVESTS FOR THE LONG-TERM

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, 2024, LASERS reported a **14.0% investment return**. As a result, the System's total market value of assets exceeds **\$15.9 billion**.

This return places LASERS in the **top seventh 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).

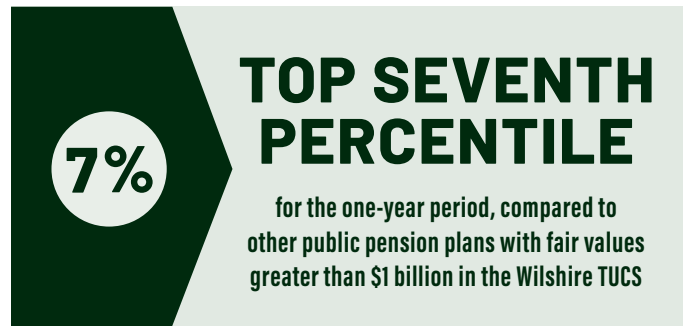
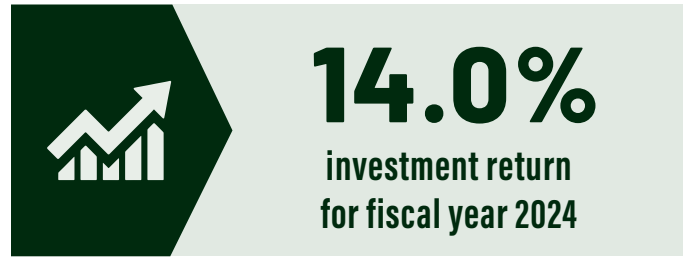
Achieving a 14.0% investment return in today's complex market is a testament to our rigorous investment process and forward-thinking strategies.

In September 2024, LASERS was featured in *Pensions & Investments* as a **top performer** with a 14.0% investment return among 65 U.S. public pension funds tracked by the magazine. This was the second consecutive year our System's performance was recognized by *P&I*, a leading publication focused on institutional investing, pension funds, and financial management since 1973.

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.

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.

LASERS is well-positioned to meet our future goals and objectives.



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.

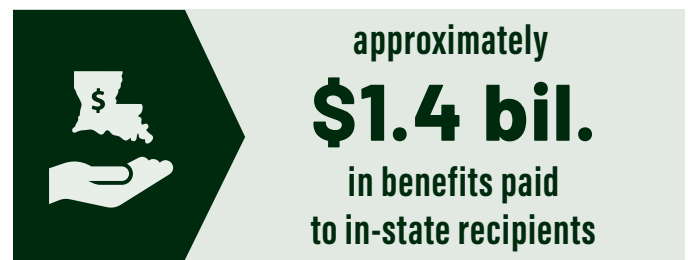
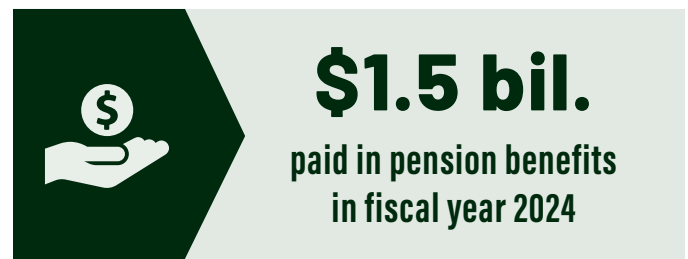
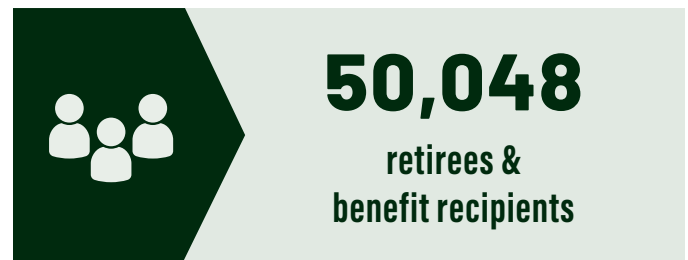
The LASERS trust fund is the source of all benefits paid to members and their beneficiaries.

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

Over **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



LASERS PROVIDES RETIREMENT SECURITY

Average Benefit for Rank-and-File Retirees

FISCAL YEAR	MONTHLY BENEFIT
2024	\$ 2,416
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

LASERS benefits are critical and protected.

In fiscal year 2024, the average benefit for a LASERS rank-and-file retiree was **\$28,992**. 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.

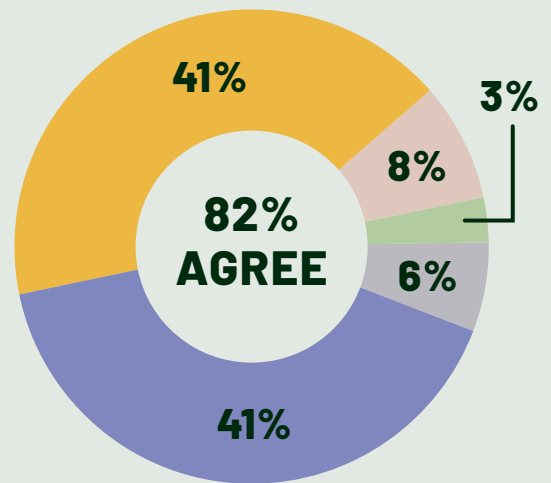
After dedicating years to public service, LASERS retirees can be reassured that their retirement income is safeguarded, as **protections** are in place to ensure that retirees will continue to receive their benefits as promised.

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

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.

The vast majority of Americans say all workers should have a pension for retirement security.

- Strongly Agree - 41%
- Somewhat Agree - 41%
- Somewhat Disagree - 8%
- Don't Know - 6%
- Strongly Disagree - 3%



Source: "Retirement Insecurity 2024: Americans' Views of Retirement," National Institute on Retirement Security, February 2024

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 **\$1.5 billion** in benefits to LASERS members and their families in fiscal year 2024. 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 2024



This chart provides a regional snapshot of benefits paid to retirees during the 2023-2024 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 2024

Parish	Total Benefits	No. of Recipients
Acadiana		
Acadia	\$ 9,433,648	363
Evangeline	7,440,597	279
Iberia	8,012,023	278
Lafayette	47,138,806	1,627
St. Landry	15,640,771	539
St. Martin	10,204,582	371
Vermilion	7,135,055	258
	\$ 105,005,482	3,715

Alexandria		
Avoyelles	\$ 23,402,685	851
Catahoula	2,375,367	97
Concordia	2,741,629	117
Grant	8,479,261	346
La Salle	2,452,575	102
Natchitoches	10,758,957	421
Rapides	58,343,501	2,463
Sabine	4,022,629	158
Vernon	6,351,897	261
Winn	2,607,708	102
	\$ 121,536,209	4,918

Baton Rouge		
Ascension	\$ 38,955,289	1,168
East Baton Rouge	293,268,867	9,336
East Feliciana	32,944,789	1,237
Iberville	15,817,212	571
Livingston	62,429,402	2,066
Pointe Coupee	12,452,903	409
West Baton Rouge	16,174,107	524
West Feliciana	15,761,724	499
	\$ 487,804,293	15,810

Coastal		
Assumption	\$ 2,248,989	93
Lafourche	18,838,955	712
St. James	3,160,627	109
St. Mary	3,117,563	126
Terrebonne	17,411,198	658
	\$ 44,777,332	1,698

Lake Charles		
Allen	\$ 3,643,168	137
Beauregard	5,145,083	218
Calcasieu	31,686,840	1,194
Cameron	613,888	19
Jefferson Davis	5,024,807	204
	\$ 46,113,786	1,772

Parish	Total Benefits	No. of Recipients
Monroe		
Caldwell	\$ 3,586,759	158
East Carroll	863,129	43
Franklin	6,346,843	235
Jackson	3,756,167	159
Lincoln	17,039,152	765
Madison	2,336,749	88
Morehouse	4,405,005	178
Ouachita	37,252,015	1,494
Richland	5,561,855	223
Tensas	1,682,940	67
Union	5,867,743	225
West Carroll	2,073,367	80
	\$ 90,771,724	3,715

New Orleans		
Jefferson	\$ 70,395,477	2,466
Orleans	79,115,525	3,012
Plaquemines	2,344,522	92
St. Bernard	5,051,021	198
St. Charles	5,106,765	169
St. John the Baptist	5,860,732	218
	\$ 167,874,042	6,155

North Shore		
St. Helena	\$ 3,998,828	165
St. Tammany	42,993,517	1,476
Tangipahoa	42,747,334	1,720
Washington	17,974,509	713
	\$ 107,714,188	4,074

Shreveport		
Bienville	\$ 4,222,268	189
Bossier	23,300,945	893
Caddo	53,118,086	2,195
Claiborne	5,195,124	210
De Soto	4,328,315	185
Red River	2,465,500	98
Webster	8,813,486	333
	\$ 101,443,724	4,103

	Total Benefits	No. of Recipients
Total	\$ 1,273,040,780	45,960

LASERS INVESTS IN LOUISIANA



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

For the fiscal year ended June 30, 2024, 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.

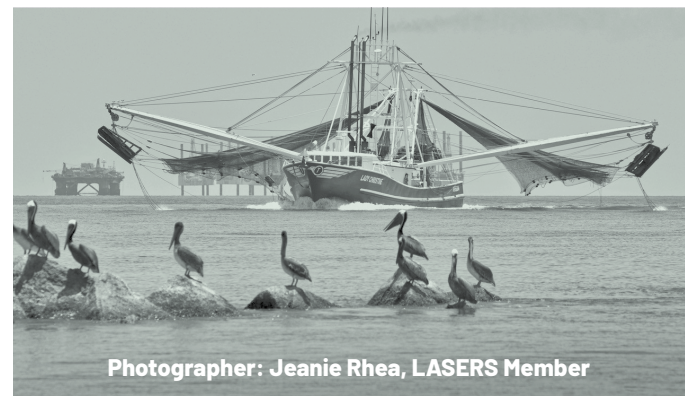
By diversifying our investment portfolio across different asset classes, LASERS helps reduce the state's economic dependence on any single industry. This diversification can make Louisiana's economy more resilient to economic downturns in specific sectors.

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, 2024

SECTOR	IN MILLIONS
Information Technology	\$ 520
Industrials	\$ 320
Consumer Discretionary	\$ 290
Energy	\$ 242
Financials	\$ 180
Consumer Staples	\$ 155
Health Care	\$ 96
Communications	\$ 83
Utilities	\$ 39
Materials	\$ 33
Real Estate	\$ 6













Photographer: Jeanie Rhea, LASERS Member

LASERS INVESTS IN LOUISIANA



LASERS invested over \$200 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, 2024.

COMPANY	LOUISIANA HEADQUARTERS	MARKET VALUE*
 VENTURE GLOBAL LNG	Cameron & Plaquemine	\$ 95,100,000
 United Utility POWER SERVICES	New Orleans	\$ 19,447,779
 EPIC PIPING	Baton Rouge	\$ 17,737,934
 LEMOINE	Baton Rouge	\$ 15,932,584
 Brown & Root	Baton Rouge	\$ 14,076,597
 THE GRAY SURETY	Mandeville	\$ 12,412,108
 AlliedPower	Baton Rouge	\$ 11,383,125
 NATIONAL WATER INFRASTRUCTURE	Baton Rouge	\$ 8,844,340
 FLORIDA MARINE FMT Transporting America's Resources	Mandeville	\$ 6,449,830
 Republic FINANCE	Baton Rouge	\$ 5,798,186

*as of June 30, 2024

LOUISIANA LEADS IN PENSION REFORM

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

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

LOUISIANA LEADS IN PENSION REFORM

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

YEAR	LEGISLATIVE REFORM
2014	Acts 947 and 399 <ul style="list-style-type: none">✓ Additional excess revenue applied to reduce debt rather than fund COLAs.✓ Size and frequency of COLAs tied to funded level of the System.✓ Debt paid off sooner:<ul style="list-style-type: none">• IUAL in 2028 (previously 2029)• UAL in 2038 (previously 2040)✓ For LASERS: \$422.4 M used to reduce the UAL rather than credit the Experience Account.
2015	Act 56 <ul style="list-style-type: none">✓ Appropriated approximately \$2.7 million to be applied to the initial UAL of LASERS.
2015	Act 368 <ul style="list-style-type: none">✓ Increases littering fines and distributes 50% of the fines to the retirement system of the law enforcement agency issuing the letter citation.
2016	Act 94 <ul style="list-style-type: none">✓ Includes non-investment related administrative expenses in calculating the required employer contribution rate.
2016	Act 95 <ul style="list-style-type: none">✓ 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.
2016	Acts 679 and 639 <ul style="list-style-type: none">✓ 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.
2018	Act 59 <ul style="list-style-type: none">✓ Appropriated \$3,676,833 in surplus funds to LASERS to be applied to the IUAL.
2019	Act 50 <ul style="list-style-type: none">✓ Appropriated \$9,478,184 in surplus funds to LASERS to be applied to the IUAL.
2020	Act 225 <ul style="list-style-type: none">✓ Appropriated \$16,661,555 in surplus funds to LASERS to be applied to the IUAL.
2021	Act 120 <ul style="list-style-type: none">✓ Appropriated \$8,430,687 in surplus funds to LASERS to be applied to the IUAL.
2022	Act 170 <ul style="list-style-type: none">✓ Appropriated \$21,829,362 in surplus funds to LASERS to be applied to the IUAL.
2023	Act 397 <ul style="list-style-type: none">✓ Appropriated \$349,741,962 in surplus funds to LASERS to be applied to the IUAL. <p>Act 107 (Constitutional Amendment, 56% voter approval)</p> <ul style="list-style-type: none">✓ Increased the minimum of nonrecurring revenue to be applied toward reducing the UAL.
2024	Act 776 <ul style="list-style-type: none">✓ Appropriated \$9,934,017 in surplus funds to LASERS to be applied to the IUAL.

LASERS BENEFITS LOUISIANA

ELECTED MEMBERS

Byron Decoteau 2024 CHAIR	Director, State Civil Service <i>Active Member</i>
Virginia Burton 2024 VICE CHAIR	Retired from the Louisiana Department of Revenue <i>Retired Member</i>
Pam Diez	Deputy Undersecretary, Department of Health <i>Active Member</i>
Beverly Hodges	Retired from the Department of Natural Resources <i>Retired Member</i>
Ternisa Hutchinson	State Director of Planning and Budget, Division of Administration <i>Active Member</i>
Cortny Jarrell	Human Resources Analyst, House of Representatives <i>Active Member</i>
Laura Lapeze	Undersecretary, Department of Revenue <i>Active Member</i>
Amy Mathews	Investment Officer, Louisiana Department of Treasury <i>Active Member</i>
Barbara McManus	Retired from the Department of Social Services <i>Retired Member</i>

EX OFFICIO MEMBERS

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



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This public document was published at a total cost of approximately \$3.92. Twenty-five of this public document, were published in this first printing at a cost of \$98.00. The total cost of all printings of this document, including reprints is \$98.00. This document was published by the Louisiana State Employees' Retirement System to disseminate plan benefit information to its members and to Louisiana policy makers under authority of La. R.S. 43:31. This material was printed in accordance with the standards for printing by state agencies established pursuant to La. R.S. 43:31.