

1946

LASERS

2026

*Louisiana State Employees' Retirement System
A Component Unit of the State of Louisiana*

SUMMARY ANNUAL FINANCIAL REPORT

For Fiscal Years Ended June 30, 2026 & 2025



2026 Snapshot

Facts and Figures as of June 30, 2026



18.7%
Investment Returnⁱ



\$19.8 Billion
*Market Value of Assets
(Net Position Restricted for Pensions)*



38,809
*Members Actively
Contributing to LASERS*



342
Employers



77.8%
Funded Status



\$1.9 Billion
*Invested in Companies
with Business in Louisiana*



50,178
Retirees & Benefit Recipients



\$1.6 Billion
Paid in Pension Benefits

ⁱThe 18.7% return covers only the portfolio managed by the LASERS Investment Division. The ACFR for fiscal year 2026 reports an Annual Money-Weighted Rate of Return, Net of Investment Expense, of 18.0%. That rate also includes self-directed DROP accounts, the System's office building and operating cash. The ACFR is available at www.lasersonline.org/publications/annual-reports/.

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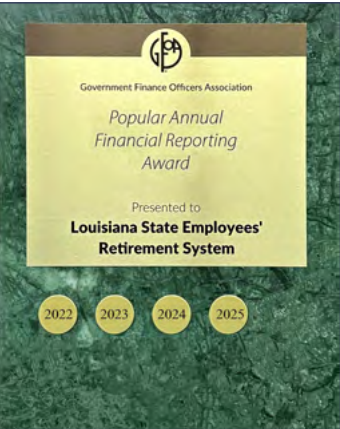
About this PAFR

Responsible Financial Reporting

This Popular Annual Financial Report (PAFR), also known as **LASERS Summary Annual Financial Report**, is derived from information contained in LASERS 2026 Annual Comprehensive Financial Report (ACFR), but does not contain detailed financial information, nor is it presented in a manner to conform to Generally Accepted Accounting Principles (GAAP).

For a complete set of financial definitions included in this summary report, please refer to the LASERS ACFR, which is prepared in conformity with GAAP and may be obtained by visiting the LASERS website, www.lasersonline.org, or by contacting LASERS to request a copy.

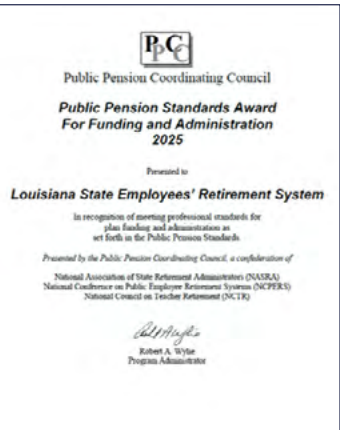
Awards: GFOA & Public Pension Standards



GFOA Award

The Government Finance Officers Association of the United States of America and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to LASERS for its Popular Annual Financial Report for the fiscal year ended June 30, 2025.

This prestigious national award recognizes excellence for readily understood financial reports that are less technical in nature, while providing interesting financial, actuarial, and historical information. This is the 27th consecutive year that LASERS has received this award.



Public Pension Standards Award

LASERS received the Public Pension Coordinating Council's (PPCC) 2025 Public Pension Standards Award in recognition of achieving high professional standards in the areas of plan design and administration, benefits, actuarial valuations, financial reporting, investments, and disclosures to members.

LASERS is proud to have received this award for the 22nd consecutive year.

Letter from the Executive Director



Trey Boudreaux
Executive Director

Dear Members,

October 22, 2026

It is with great pleasure that I present the Louisiana State Employees' Retirement System (LASERS) *Summary Annual Financial Report* for the fiscal year ended June 30, 2026. This report provides information derived from our *Annual Comprehensive Financial Report* (ACFR) on the financial status of your retirement system while highlighting changes that occurred during the year. The ACFR, prepared in accordance with generally accepted accounting principles, provides information that is more detailed. It is available on our website at www.lasersonline.org/publications/annual-reports/.

After three 0.25% rate reductions in late 2025, the Federal Reserve held the Fed Funds Interest Rate steady at 3.50% to 3.75% for the remainder of the fiscal year. Markets turned volatile in early 2026 as geopolitical tension, rising oil prices, and tariff uncertainty weighed on returns, then recovered as trade tensions eased. For the second consecutive year, every asset class contributed positively, and gains were again led by equity markets, with the S&P 500 returning 22.3% for the fiscal year. **For the fiscal year ended June 30, 2026, LASERS total investment portfolio realized a gross-of-fees, time-weighted return on investment assets of 18.7%.** The Plan earned an annualized return of 15.0% for the three-year period, 9.5% for the five-year period, and 10.5% for the ten-year period. The 30-year compounded average return on the actuarial value of assets, net of investment expenses, is 7.35%, exceeding our 7.25% target. Additionally, the Plan's **funded ratio** increased by 3.3 percentage points to **77.8%**.

It is important to remember that LASERS is a **long-term investor**, relying on detailed actuarial analysis. The Net Position Restricted for Pensions totaled **\$19.8 billion**, having increased by \$9.1 billion over the last decade. Over the past several years, LASERS has also reduced the discount rate from 8.25% to 7.25% and changed the actuarial cost method from projected unit credit to entry age normal. If not for these changes, our funded ratio would be approximately 85.1%. The improved financial stability of the Plan affected by these changes resulted in the reduction of potential future contribution rate increases. If all actuarial assumptions are realized, our funded ratio is expected to steadily increase as unfunded liabilities are amortized in accordance with the plan's funding policy.

We would like to recognize the teamwork and contributions of our experienced and dedicated staff. They continue to keep the best interests of our members as their top priority. As we look toward the future, we will continue to invest both prudently and opportunistically in efforts to maximize returns and minimize employer contributions. We will also continue to develop innovative programs to improve the value of the services provided to our members. LASERS success is critical to working families and retirees across the state. *LASERS Benefits Louisiana.*

Sincerely,

A handwritten signature in dark ink, appearing to read 'B. Boudreaux', written in a cursive style.

Bernard E. "Trey" Boudreaux, III
Executive Director

Financial Statements

At June 30, 2026, LASERS Net Position Restricted for Pensions totaled **\$19.8 billion** - an increase of \$2.6 billion (14.9%) from June 30, 2025, and \$3.8 billion (23.9%) from June 30, 2024. Asset growth over the periods presented has been driven principally by strong investment returns, while contribution income covered approximately 70% of benefit payments, with investment earnings funding the remainder. Growth in fiduciary net position was also supported by legislative appropriations, including **Act 961** of the 2026 Louisiana Regular Legislative Session,

which provided **\$145.4 million** to reduce the System's unfunded accrued liability. The Summary of Fiduciary Net Position presents LASERS financial position as of June 30, 2026, 2025, and 2024 by reporting the System's assets, deferred outflows, liabilities, deferred inflows, and resultant net position restricted for the payment of pension benefits. The Summary of Changes in Fiduciary Net Position presents LASERS results of operations for the same periods by reporting the additions to and deductions from fiduciary net position.

Summary of Fiduciary Net Position

	2026	2025	2024
Cash and Cash Equivalents	\$ 326,374,162	\$ 155,547,390	\$ 151,035,155
Receivables	178,959,329	147,267,712	175,586,154
Investments	19,404,354,605	16,986,733,220	15,706,538,331
Securities Lending Collateral ⁱ	782,512,260	1,295,674,514	835,926,581
Capital Assets (at cost) - Net	10,466,789	4,397,562	4,960,178
Total Assets	\$ 20,702,667,145	\$ 18,589,620,398	\$ 16,874,046,399
Deferred Outflows of Resources	1,991,852	2,165,625	2,264,613
Payables	135,040,678	70,156,670	69,760,654
Securities Lending Obligations ⁱ	782,251,073	1,295,377,133	835,732,249
Total Liabilities	\$ 917,291,751	\$ 1,365,533,803	\$ 905,492,903
Deferred Inflows of Resources	2,485,176	3,040,814	4,623,811
Net Position Restricted for Pensions	\$ 19,784,882,070	\$ 17,223,211,406	\$ 15,966,194,298

Summary of Changes in Fiduciary Net Position

	2026	2025	2024
Employer Contributions	\$ 848,717,022	\$ 860,497,177	\$ 966,275,149
Employee Contributions	203,203,126	196,825,655	186,150,061
Legislative Acts Income (Loss)	145,446,122	(1,031,292)	30,121,925
Net Investment Income	2,988,647,739	1,796,819,283	1,847,213,745
Other Income	18,874,355	14,616,568	14,356,874
Total Additions	\$ 4,204,888,364	\$ 2,867,727,391	\$ 3,044,117,754
Retirement Benefits	1,585,385,241	1,553,431,878	1,519,526,833
Refunds and Transfers of Contributions	41,483,206	37,321,400	37,896,771
Admin., OPEB ⁱⁱ , and Depr. Expenses	16,349,253	19,957,005	19,493,641
Total Deductions	\$ 1,643,217,700	\$ 1,610,710,283	\$ 1,576,917,245
Net Increase	2,561,670,664	1,257,017,108	1,467,200,509
Net Position Beginning of Year	17,223,211,406	15,966,194,298	14,498,993,789
Net Position End of Year	\$ 19,784,882,070	\$ 17,223,211,406	\$ 15,966,194,298

ⁱSecurities lending, or stock lending, refers to the lending of securities by one party to another. The terms of the loan are governed by a "Securities Lending Agreement," which requires that the borrower provide the lender with collateral, in the form of cash, government securities, or a Letter of Credit of value equal to or greater than the loaned securities. ⁱⁱOPEB - Other Postemployment Benefits

Investment Performance

The fiscal year began with continued momentum in financial markets, building on 2025's strong equity run, which included dozens of record closing highs for the S&P 500. LASERS diversified portfolio delivered the stability our members depend on. The Federal Reserve delivered three 0.25% rate cuts in September, October, and December 2025, settling at a target range of 3.50% to 3.75%, and held rates steady for the remainder of the fiscal year. Volatility resurfaced in early 2026 as geopolitical tensions escalated, oil prices spiked, and tariff policy uncertainty returned, driving a sharp intra-year pullback in equity markets before a rebound as trade tensions eased. Amid that turbulence, the Plan's diversified positioning helped deliver positive returns across every asset class for the fiscal year-end. Inflation and economic growth trends remained a close focus as the fiscal year came to a close, but LASERS steady, long-term approach kept the Plan firmly on course.

For the fiscal year ended June 30, 2026, LASERS earned **18.7%** gross-of-fees time-weighted return on investments, bringing the total investment value of the fund to nearly **\$18.8 billion**, which excludes Self-Directed and Optional Retirement Plans.ⁱ For the one-year period, this return places LASERS in the **top sixth percentile** as compared to other public pension plans with values greater than \$1 billion, and in the top ninth percentile as compared to plans with values greater than \$10 billion, in the Wilshire Trust Universe Comparison Service (TUCS)ⁱⁱ.

Longer-term annualized rates of return are **15.0%** and **10.8%** for the three- and seven-year periods respectively, ranking LASERS in the top sixth and fifth percentiles for those periods. The five-year return of 9.5% ranks LASERS in the third percentile. LASERS ranks in the top quartile of plans in all longer-term time periods. As always, LASERS maintains its commitment to a broadly diversified portfolio and seeks to achieve results greater than its actuarial discount rate of return of 7.25% with the least possible amount of risk. Carefully underwritten and conservative assumptions for future expected returns have been adopted, and the investment portfolio is structured to optimize the risk/return trade-off. The charts illustrate our investment returns and asset allocations.

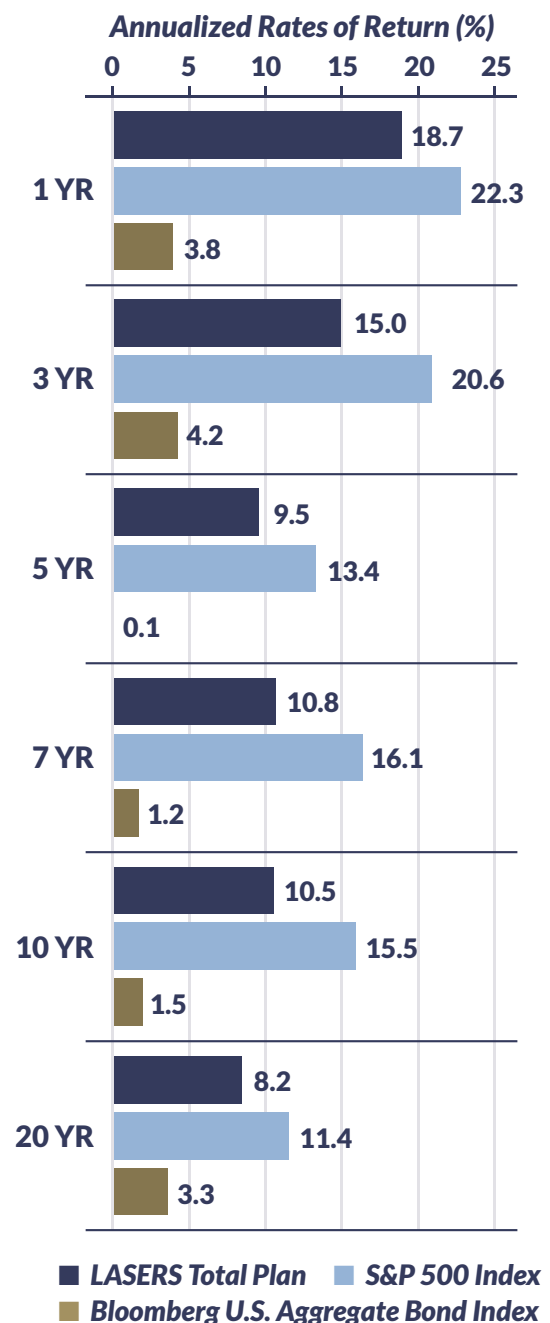
Disclaimer language for index vendors utilized may be found here: www.lasersonline.org/investments/disclaimer. ⁱLASERS custodian bank serves as book of record and calculates investment performance on behalf of the Plan. ⁱⁱBased on Wilshire's TUCS Rankings dated September 3, 2026. ⁱⁱⁱInvestment Performance calculated for periods exceeding one year use monthly returns geometrically linked to calculate annualized "time-weighted" rates of return. All returns presented are calculated gross-of-fees one quarter in arrears. Investment Performance does not include Self-Directed Plan and Optional Retirement Plan funds. ^{iv}Bloomberg U.S. Aggregate Bond Index is a commonly used index for measuring the performance of the U.S. bond market.

Annualized Investment Returnsⁱⁱⁱ

As of June 30, 2026

Years	LASERS Total Plan	S&P 500 Index	Bloomberg U.S. Aggregate Bond Index ^{iv}
1	18.7%*	22.3%	3.8%
3	15.0%	20.6%	4.2%
5	9.5%	13.4%	0.1%
7	10.8%	16.1%	1.2%
10	10.5%	15.5%	1.5%
20	8.2%	11.4%	3.3%

*Reference footnote on page 2.



Investing in Louisiana

LASERS supports Louisiana by investing in companies that impact local economies. For the fiscal year ended June 30, 2026, LASERS invested approximately **\$1.9 billion** in companies with business in Louisiana. The table below illustrates the top ten companies with business in Louisiana in which LASERS invests.

Company	Location of Main Operations	Market Value
 Delta Utilities	New Orleans	\$ 95,805,792
VENTURE GLOBAL LNG	Cameron & Port Sulphur	\$ 51,115,105
 LEMOINE	Lafayette	\$ 37,210,599
UWH UNITED WELD HOLDINGS	Baton Rouge	\$ 21,178,879
 NATIONAL WATER INFRASTRUCTURE	Prairieville	\$ 16,740,566
 AlliedPower	Baton Rouge	\$ 14,251,415
 GRACE HERBERT CURTIS ARCHITECTS	Baton Rouge	\$ 5,759,646
 LAMAR	Baton Rouge	\$ 4,230,522
LUMEN	Monroe	\$ 3,339,340
 POOLCORP	Covington	\$ 3,030,090

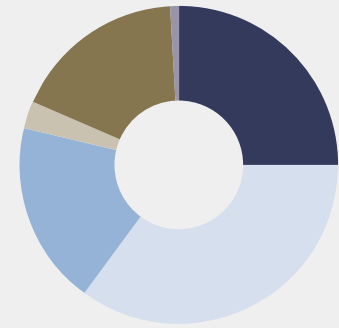
Asset Allocation

As of June 30, 2026

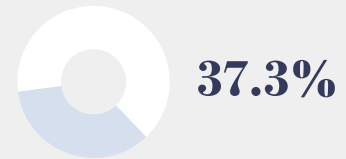
Asset Class	Target	Actual
Cash	0%	0.7%
Domestic Equity	34%	37.3%
International Equity	17%	19.7%
Domestic Core Fixed Income	3%	2.7%
Global Multi-Sector/Opportunistic	19%	17.0%
Alternative Investments ⁱ	27%	22.7%
Total	100%	100%

Note: Columns may not sum to 100% due to rounding.

ⁱTraditional assets include investments such as stocks, bonds, and money market accounts. Alternative investments include all non-traditional investments and are often made through hedge fund or private market structures. Examples include investments in commodities, energy, real estate, start-up companies, and hedged strategies.



Domestic Equity



Alternative Assetsⁱ



International Equity



Global Multi-Sector Opportunistic



Domestic Core Fixed Income



Cash



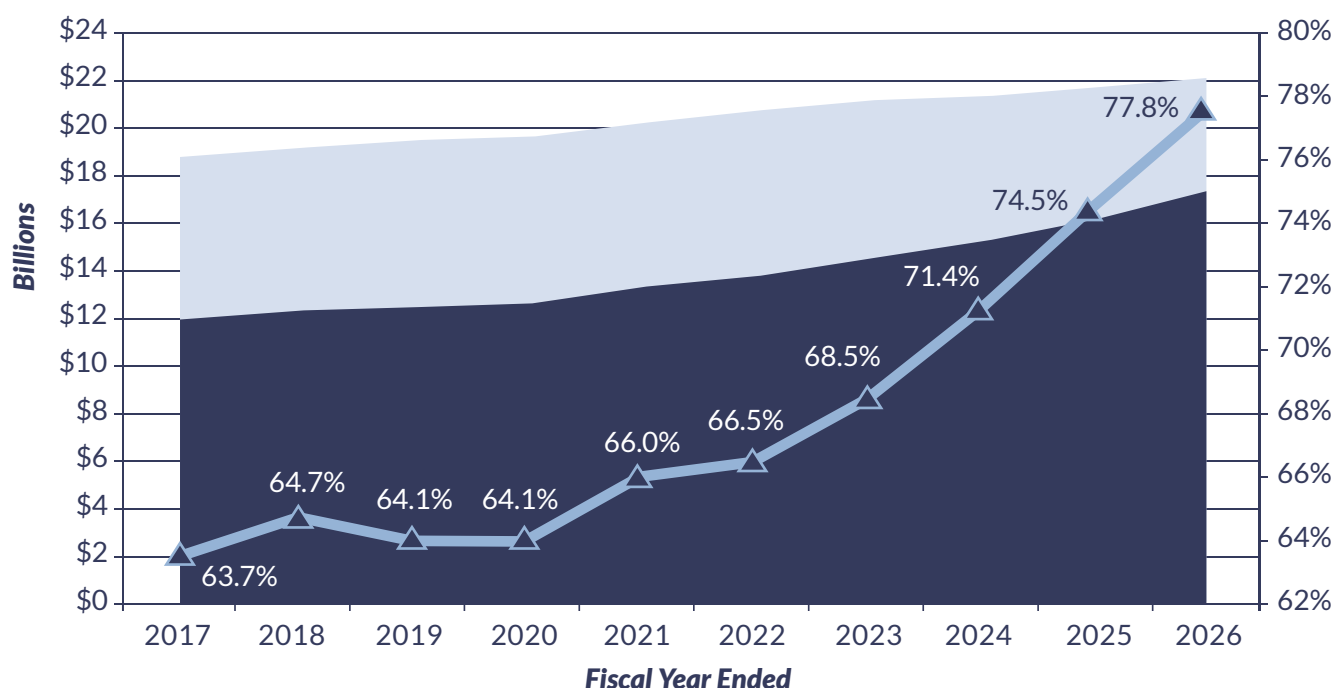
Actuarial Summary

Your retirement benefits are funded by employee contributions, contributions from the State of Louisiana, and cumulative investment earnings. In order to ensure your benefits are available to you, LASERS is constantly evaluating the plan's assets relative to the value of the liabilities. Accrued liabilities are obligations which have been incurred but not yet paid. For fiscal year ended 2026, our **funded ratio increased to 77.8%** and the System's unfunded actuarial accrued liability (UAL) decreased to \$4.9 billion. The improvement is attributable primarily

to (1) amortization payments made under the System's funding policy, (2) actual investment experience exceeding the 7.25% net actuarial assumed rate of return, (3) the fiscal 2026 legislative acts income applied to the UAL, and (4) continued employer contribution amounts in excess of the actuarially determined minimum. The funded ratio is measured by the plan's valuation assets divided by the total actuarial accrued liability. The ratio is a measure for evaluating the sufficiency of plan assets to cover the estimated cost of the plan's obligations.

Funding the Retirement Plan

■ Valuation Assets ■ Unfunded Liability ▲ Funded Ratio



Employers' Net Pension Liability

Total Pension Liability is the actuarial present value of projected benefit payments attributed to past periods of member service. The **Employers' Net Pension Liability** is the portion of Total Pension Liability not covered by plan assets (Plan Fiduciary Net Position). It is the liability of contributing employers to members for benefits provided through LASERS, and is reported by each participating employer rather than by the System. **Plan Fiduciary Net Position** is total plan assets plus deferred outflows less liabilities and deferred inflows. Plan Fiduciary Net Position as a Percentage of Total Pension Liability measures how much of the pension benefits earned to date is covered by assets already set aside. A higher percentage means a greater share of those benefits is funded; at June 30, 2026, the System held **88.7 cents** in assets for every dollar of Total Pension Liability, up from 74.6 cents in 2024. The net pension liability of LASERS employers as of June 30, 2026, 2025, and 2024 was as follows:

	2026	2025	2024
Total Pension Liability	\$ 22,294,511,861	\$ 21,731,329,104	\$ 21,404,414,095
Plan Fiduciary Net Position	19,784,882,070	17,223,211,406	15,966,194,298
Employers' Net Pension Liability	2,509,629,791	4,508,117,698	5,438,219,797
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	88.7%	79.3%	74.6%

Membership Summary

Members Snapshot

June 30, 2026 Actuarial Valuation

Active Members	
Average Age	45.4
Average Years of Service	10.2
Average Annual Salary	\$62,359
DROP Accrual	
Average Age	58.0
Average Annual Benefit	\$43,047
Regular, Disability, & Survivor Retirees	
Average Age	72.6
Average Annual Benefit	\$29,712
Total Membership	
Active Members	38,809
Regular Retirees	42,132
Disability Retirees	1,589
Survivors	6,457
Terminated-Vested	4,046
Terminated-Nonvested	63,707
DROP Accrual	861
Total	157,601

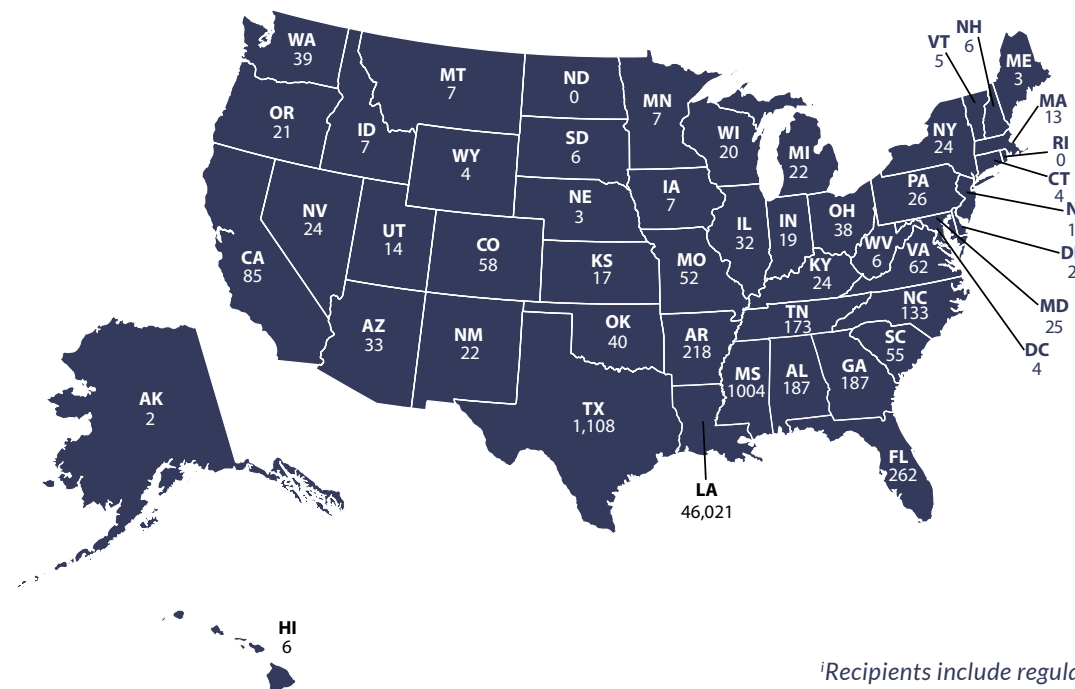
Membership Retiring

During the Fiscal Year Ended June 30, 2026

Years Credited by Service	Average Monthly Benefit	Final Average Monthly Compensation	Number of Retirees
<5	\$ 1,042	\$ 1,978	1
5-10	748	4,281	94
10-15	1,404	4,785	192
15-20	2,040	4,826	214
20-25	2,834	5,582	283
25-30	3,920	5,920	362
30+	4,977	6,654	407
All Members	3,235	5,658	1,553



Location of LASERS Benefit Recipientsⁱ



2026 Legislative Update

The 2026 Regular Session of the Louisiana Legislature resulted in the passage of the following legislation, which affects the Plan administered by LASERS.

Act 19

Extends authorization for legislative staff to attend retirement system **executive sessions** from one to four years.

Act 25

Makes technical and cleanup changes in **LASERS statutes**.

Act 198

Renames the State Employee Retired **license plate** to the Retired State Employees Association (RSEA) plate and redirects proceeds from LASERS to RSEA.

Act 226

Decreases required **educational hours** for members of retirement system boards of trustees.

Act 230

Terminates additional **amortization hurdles** after an original amortization base is liquidated.

Act 263

Provides reemployment rules for LASERS retirees filling **critical shortage positions** in the Department of Public Safety and Corrections.

Act 266

Allows certain **district and parish court employees** to join Parochial Employees' Retirement System of Louisiana (PERS) and make an irrevocable election to transfer from LASERS or other systems.

Act 267

Provides relative to **retired judges** who return to work on assignment.

Act 269

Creates an exception, so the **Gaming Control Board Chair** is eligible for LASERS membership.

Act 280

Grants a **2% cost-of-living adjustment** to eligible retirees and beneficiaries payable July 1, 2026.

The actuarial cost of \$223.7 million was funded from the Experience Account, as described in the Notes to the Financial Statements.

Act 606

Proposes a **constitutional amendment** to remove the requirement that surplus funds be applied to the oldest UAL.

Act 609

Revises Municipal Police Employees' Retirement System (MPERS) benefits and **transfers eligible nonhazardous employees** from LASERS to the MPERS nonhazardous subplan.

Act 705

Creates a **Back-Deferred Retirement Option Program** for certain judges in LASERS.

Act 961

Provides a \$145 million **supplemental appropriation** to LASERS to reduce the UAL.



2026 Board of Trustees

Elected Members



Ternisa Hutchinson
Board Chair
Active Member



Byron P. Decoteau, Jr.
Board Vice Chair
Active Member



Virginia Burton
Retired Member



Pam Diez
Active Member



Beverly Hodges
Retired Member



Cortny Jarrell
Active Member



Laura Lapeze
Active Member



Amy A. Mathews
Active Member



Shannon Templet
Retired Member

Ex Officio Members



Comm. Taylor F. Barras
Division of Administration



Sen. Edward Price
Chair, Senate Retirement
Committee



Rep. Christopher Turner
Chair, House Retirement
Committee



John C. Fleming
State Treasurer

The LASERS Mission

Mission

To provide a sound retirement plan for our members through prudent management and exceptional service.

Vision

Confidence in our service, assuring financial security for your future.

Core Values

Highest Ethical Standards, Integrity, and Prudent Management.

R E T I R

icated staff amounting to \$1,775,000 from June 30, 1973 to June 30, 1974 from 45,817 to 45,817. Refunds of accumulated contributions to \$4,247,906 in 1974. RETIREMENT--benefit recipients received \$8,048 in 1973 to 9,050 in 1974. Total benefits paid in 1973 amounted to \$20,689,257 and in 1974 these payments increased to \$26,623,617. Regular retirements increased 15.98%; disability retirement 14.15%, and survivor's benefits 13.31% during the fiscal year 1973-1974. The Board of Trustees approved a cost of living adjustment for all retirees and beneficiaries of record on January 1, 1973 consisting of an additional 3% of base retirement benefit to be payable July 1, 1974 and thereafter. Cost of living increases for 1974 amounted to \$1,767,014. LEGISLATION--There were few legislative changes for 1974: Legislative transfer regardless of any age requirement; purchase service credit in our system for service rendered as an employee of the Caddo Levee District; purchase of service credit for Legislators who serve a term of less than four years; number of Trustees on the Board be increased from nine to ten members, the tenth member to be a retiree of the system and to be appointed by and serve at the pleasure of the Executive Board of the Retired State Employees' Association. In accordance with the provisions of Act 100, Duclos now serves on the Board of Trustees. The Board of Trustees met at least twelve times.



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