

The LASERS Vision:

Confidence in our service,
assuring financial security
for your future

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Annual Open Enrollment

October 1- December 7

* IMPORTANT NOTICE *

There will be significant changes to the health insurance plans offered through the Office of Group Benefits (OGB) in 2015.

LASERS deducts premiums from retirement payments for retirees, but cannot advise members about which plans to choose.

Both active members and retirees will be required to make a selection during the annual enrollment period of October 1– December 7, 2014. If retirees, with or without Medicare, do not make a selection by December 7, they will be enrolled into the plan that is most comparable to their current plan. Active employees are subject to different enrollment rules and should have received information from their human resources department.

OGB has developed a calculator tool that estimates out-of-pocket costs for each plan. You can find more information at the annual enrollment website, www.annualenrollment.groupbenefits.org/ or by contacting the OGB Call Center at 1.800.272.8451. Extended Call Center hours during annual enrollment are 7:00 a.m. – 7:00 p.m., Monday through Saturday.

Please visit the OGB website for the most updated news and information on annual enrollment.

Article Revised November 7, 2014

LASERS *Restructures Investments Staff*



A restructure of the Louisiana State Employees' Retirement System (LASERS) investments staff was approved by the LASERS Board of Trustees in July. **Darren Fournerat and Laney Sanders**

were internally promoted to Assistant Chief Investment Officers, two new positions created to fill the Deputy Chief Investment Officer vacancy.

Fournerat was previously LASERS Director of Alternatives. He has a Master of Business Administration (MBA) with a concentration in Finance from LSU. He is a Chartered Financial Analyst (CFA) and Chartered Alternative Investment Analyst (CAIA).



Sanders was previously LASERS Manager of Private Equity. She has a Master of Science in Finance from LSU. She is a Chartered Financial Analyst (CFA) and Certified Treasury Professional (CTP).

The Investments Division at LASERS manages approximately one-third of the retirement fund internally, saving millions of dollars a year in fees.

LASERS is recognized as one of the top 10 performing large public pension plans in the nation for the past decade.

LASERS Audit Director Holds APPFA Post



Ryan Babin, LASERS Audit Director, was named President of the Association of Public Pension Fund Auditors (APPFA) in 2014.

Babin will serve a 2-year term.

APPFA was established in 1991 and has grown to over 100 member organizations. Its members are comprised predominately of public employee retirement systems.

Babin became an APPFA member nearly 12 years ago. He served on the Best Practices Committee and as Vice President of the organization prior to

being named President. "APPFA has proven to be an invaluable resource that has aided me in being more effective in my role at LASERS," said Babin. "The exchange of ideas and information with my colleagues has allowed our division to remain on the cutting edge of audit trends and practices within the pension industry. The APPFA motto, *The Power of Association*, sums up the value of this experience for me."

Babin hopes to continue moving APPFA forward during his tenure by offering high quality training to members and improving the website to better facilitate the sharing of information.

Upcoming PREP Seminars

The day you choose to retire is a very important date. The LASERS staff looks forward to assisting you with all of the necessary information in your transition to retirement. Whether you are a new LASERS member or approaching retirement, we advise you to sign up for a Pre-Retirement Education Program (PREP) seminar to receive the latest information in retirement planning.

Visit the LASERS website for exact locations with maps. Register for a PREP seminar on the LASERS website at www.lasersonline.org, and click on "Seminars."

Seminars are held from 8:00 a.m. to 3:30 p.m.

November 20 Baton Rouge

December 2 Shreveport

December 3 Monroe

December 11 New Orleans

December 18 Baton Rouge

An Update On



In the spring 2014 issue of *The Beam*, we wrote a teaser on LASERS new initiative targeted to members between the ages of 20-35 on ways to save for a supplemental retirement benefit and prepare for retirement now.

Since then, the MINT team has been busy developing a campaign plan, branding (including logos and colors), gathering survey feedback, and designing a new page for MINT on the LASERS website.

Our survey, conducted in August, inquired about topics and issues of most interest and concern to our members. The responses were overwhelming, in a good way! Along with confirming some of our ideas for topics to cover, the feedback gave us plenty of new ideas and issues to consider. Members are interested in knowing more about the stability of our System, reducing tax burdens, buying time, deferred compensation, general tips on budgeting, interest earnings, investments, and much more.

The MINT team will soon meet to discuss and plan an editorial calendar to keep content flowing based on relevance, interest, and timeliness.

As always, please submit your questions or content ideas to lasersmint@lasersonline.org or call us at 225.922.0516.



Experience the Power of the Retirement Income Control Panel

Are you looking for guidance to see if you are on track to reach your retirement income goals? Let the Retirement Income Control Panel, a powerful tool offered exclusively on the Great-West website, help you quickly and easily determine if you are on the right path to retirement readiness.

Keep in mind that your use of the Retirement Income Control Panel is strictly voluntary and has no direct connection to your LASERS defined benefit retirement plan. The information generated by this financial tool could be considered in your plan to enhance your nest egg and build a supplement to your regular retirement.

For more information on the Retirement Income Control Panel, visit the *Build Your Nest Egg* section of the LASERS website or Great-West Financial at www.louisianaDCP.com.

The Board Memo



Shannon Templet, 2014 Board Chair

In our cover story this month, you will find general information about OGB's annual enrollment period, occurring during the months of October and November. If you have not already done so, I encourage you to attend one of the OGB meetings located around the state. If you are unable to physically attend, webinars are being offered as an alternative. Many changes are being made to the OGB health plans and it is imperative that you understand your choices. The OGB website contains a wealth of information about annual enrollment, but you may also call the OGB Customer Service Helpdesk and speak to a representative. Extended hours have been added to assist members. Be prepared for any impact that you and your family may be facing.

Trustees of the LASERS Board attended the Louisiana Association of Public Employees' Retirement Systems (LAPERS) seminar in early September. LASERS is one of 20 plus retirement systems in the association, which represents more than a quarter-million employees and retirees in Louisiana. LAPERS provides an opportunity for Trustees to earn required educational hours, but

more importantly, it allows networking time for retirement officials to share ideas and exchange information. I would like to recognize LASERS staff members Maris LeBlanc, current Vice President of LAPERS, and Trey Boudreaux and Cindy Rougeou, who served on this year's seminar committee. LASERS Assistant Chief Investment Officer Laney Sanders and LASERS Deputy Director Maris LeBlanc also served as seminar presenters.

With the holiday season approaching, it is a good time to take a moment to recognize our active and retired LASERS members, and to be thankful for the service they have provided to our state. Retirees continue to help fuel the economy of Louisiana, while active members serve in countless capacities within state government. We really could not function efficiently without both. And as the state employees' retirement system, LASERS benefits Louisiana.



Kicks Off Annual Membership Campaign

Interested in being involved in an organization designed specifically for you? RSEA is an organization that advocates on pension and healthcare benefits for active and retired Louisiana state employees. **Annual dues are only \$18 and retirees have the option to pay on the Direct Withdrawal Plan, with a monthly deduction of \$1.50.** To learn more about joining RSEA, and sign up to receive emails, visit their website, www.rseala.org. A membership form is provided below, but you may also pay online with a credit card on the RSEA website.

9412 Common Street, Suite 7, Baton Rouge, LA 70809, Telephone: 225.930.0961 / 1.866.938.0961 (Toll-Free)

Name: _____ Social Security #: _____

Mailing Address: _____ City/State: _____

Parish: _____ ZIP _____ Telephone: (_____) _____

- | | |
|--|--|
| Check one: <input type="checkbox"/> State Retiree/Beneficiary/Survivor | <input type="checkbox"/> Active State Employee |
| <input type="checkbox"/> State Employee in DROP | <input type="checkbox"/> Associate Member (non-retiree/non-employee) |

Choose one of the following payment methods:

- Direct Withdrawal Plan – Monthly Deduction of \$1.50 (Choose only if you receive a retirement check). You may call 225.930.0961 or 1.866.938.0961 (Toll-Free) and leave your Name, Social Security number, and telephone number with area code to sign up for the Direct Withdrawal Plan.
- Enclosed is my check and/or money order to pay my 2015 RSEA dues \$18.00
In addition, I would like to make a Special Fund Donation in the amount of: _____

TOTAL AMOUNT ENCLOSED: _____

Retiree Workshop in Monroe

Seating is limited. Please register early.

The LASERS Retirement Education Division (RED) has scheduled a retiree workshop in Monroe on Thursday, November 6, 2014, from 9:00 a.m. until Noon.

This workshop is available to retirees only and includes LASERS updates, Social Security, and investment information.

When:

November 6, 2014, 9:00 a.m. – Noon

Where:

Louisiana Delta Community College
Conference Center
7500 Millhaven Road
Monroe, LA 71203

Return this form to:

LASERS
ATTN: Retirement Education Department
P.O. Box 44213
Baton Rouge, LA 70804-4213

You may also register online at www.lasersonline.org, under Seminars, or by calling LASERS at 225.922.0600 or 1.800.256.3000.

Retiree Workshop Registration Form:

Name: _____

Social Security #: _____

Date of Birth: _____

Home Address: _____

City: _____

State: _____ Zip: _____

Daytime Phone: _____

Daytime Fax: _____

Daytime Email: _____

Name of Spouse (if attending): _____

Special Needs: Wheelchair _____ Interpreter _____

Other _____



FOOD DRIVE: Attendees, please bring one non-perishable food item to this Retiree Workshop to support the Food Bank of Northeast Louisiana.

* Important Member Information *

Weekend and Holiday Benefit Payment Reminders

Please note that **November 2014 benefit payments** will have an effective date of November 1 which falls on a Saturday.

January 2015 benefit payments will have an effective date of January 1, which is the Federal Reserve holiday of New Year's Day.

If the first of the month falls on a holiday or weekend, your financial institution may not make the funds available until the following business day after the first. You should address your questions on funds availability to your financial institution.

Changes in Benefit Payment Amounts

Retirees may notice a change in their benefit payment starting January 1 as a result of insurance premium and tax changes. Be aware that premiums could change on insurance policies that are being deducted from your benefit check. Retirees who receive their monthly benefit via Electronic Funds Transfer (EFT) will receive an EFT notice reflecting any changes. As always, LASERS encourages benefit recipients to review their withholdings annually and, if necessary, request a change by filling out a new W-4P form, which can be found on our website, www.lasersonline.org/uploads/w4p.pdf

1099-R Forms

Form 1099-R for 2014 will be mailed to retirees no later than January 31, 2015. Please allow up to two weeks for delivery. 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 LASERS Retired Member Self-Service. To report an error or request a duplicate be mailed to you, please call LASERS at 225.922.0600 or 1.800.256.3000 and ask to speak to a representative in Member Services. Should you have questions regarding your 1099-R, we suggest that you contact your tax advisor.

Insurance Rate Changes

If you have any questions regarding insurance rate changes, please contact the Office of Group Benefits Call Center at 1.800.272.8451. Extended Call Center hours during annual enrollment are 7:00 a.m. - 7:00 p.m., Monday through Saturday.

Did you know this about annual and sick leave?

At the time of retirement, most LASERS members are allowed to convert unused annual and sick leave to retirement credit or receive a lump sum payment for the actuarial value of their leave, in addition to any payment of annual leave by their agency.

However, this rule does not apply to officials appointed by the Governor and whose appointment must be confirmed by the Senate, unless the official is a classified state employee participating in the Senior Executive Exchange Program. This distinction should be made by agencies when certifying leave to LASERS.

Medicare Open Enrollment is October 15 - 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

LASERS Financial Reports Available in November

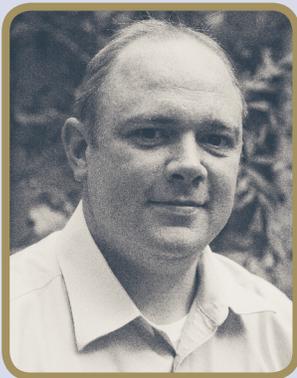
We are pleased to announce that the Comprehensive Annual Financial Report (CAFR) for LASERS fiscal year ending June 30, 2014, will be available on our website in November. LASERS investment return for the fiscal year was 18.8 percent, bringing the total asset value of the System to the highest in its history.

The CAFR, along with the Summary Annual Report or Popular Annual Financial Report (PAFR) may be found on our website at www.lasersonline.org. Just click on the link "Publications & Reports," then "Annual Reports."

Member Forms Now Sortable

The member forms section on the LASERS website recently received a makeover. Forms can now be sorted either in numerical or alphabetical order. For a full description of each form, simply hover your mouse over the form titles. This change was requested via the LASERS "Rate Our Website" survey, so your constructive feedback is much appreciated. Take the survey and let us know if our website is meeting your expectations.

Employee of the 2nd Quarter, 2014



Matt Frederick's knowledge about the inner workings of the various processes within Member Services and the State of Louisiana Retirement Information System (SOLARIS) is very extensive. His willingness to attack any project head-

on, coupled with his attention to detail, makes Matt a valuable resource to Member Services and LASERS as a whole. In his role as a Retirement Benefits Specialist, these skills have been displayed firsthand through his work on the projects to improve the functionality of SOLARIS.

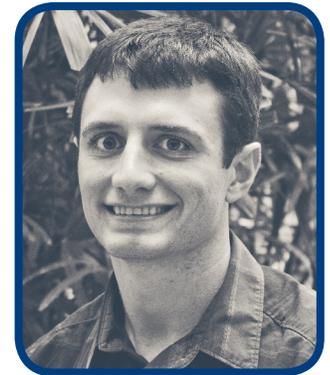
In addition to his work with SOLARIS, Matt has greatly improved our process for the "First Eligible" letters needed by our retirees to establish their exemption from the Windfall Elimination Provision Offset (WEP). Initially, these letters were handwritten and later duplicated in Microsoft Word. The manual process of typing, printing, faxing to SSA, mailing to members, and indexing for scanning into the folder was very time consuming, creating a backlog that required working overtime for a timely response. Working with our Customer Service team, Matt automated the process so that the letters are now accurate, faster, easier, and more enjoyable to complete. His efforts are appreciated by not only the analysts who work these items, but the retirees who are receiving improved service.

Matt also provides training in complex and specialized areas. If there is a question about estimates and/or SOLARIS, Matt is always able to provide a good, clear answer.

In appreciation of and recognition for his many contributions to increase the efficiency of our agency, Matt Frederick is our Employee of the 2nd Quarter.

Employee of the 3rd Quarter, 2014

Hard-working; Team-Player; Reliable; Dedicated. These are just a few words to describe **Wesley Richard.**



Wes started at LASERS as a Fiscal Intern in 2011. As an intern, he was relied upon to maintain the supply room, keep the copy rooms supplied with copy paper, collect and distribute mail, and generally perform any other task requested of him by Fiscal staff or staff from other divisions. Wes never complained and always had a smile on his face, no matter how menial the task. In February of 2012, as a senior at LSU, Wes was offered an Accounting Tech position. He managed to arrange his class schedule so that he could work full-time and complete his course work at LSU; all of which demonstrated his commitment to LASERS and to his own professional development by obtaining his Accounting degree. Upon graduation, Wes was promoted to an Accountant 1 and became Fiscal's Cash Receipts Accountant.

He not only mastered his position in Cash Receipts in a short time but has been assigned purchasing, bank reconciliation and accounting for LASERS fixed assets; all while continually demonstrating a positive, "how can I help" attitude. This attitude and outlook are greatly appreciated by his supervisor, our members, and fellow staff from numerous divisions. Wes consistently takes initiative to seek and perform tasks beyond his job duties and has received many accolades from numerous members while handling the front end of cost quote cash application.

Wes has made the Agency Delinquency process more efficient and streamlined by eliminating unneeded steps and paper reports. This has saved time in processing, along with creating a clearer explanation for the agencies. Wes also had a major role in researching older records in the JD Edwards Fixed Assets module. Currently, he is helping with the new JD Edwards implementation by testing and researching processes to see if changes are needed.

Wesley Richard is a true asset to LASERS and is always there to help anyone with just about anything. Fiscal is extremely proud that he is a part of our team and the LASERS family.



From the Desk of
Cindy Rougeou

LASERS Executive Director

LASERS benefits Louisiana and so do you! The positive financial impact that our active and retired members make throughout Louisiana cannot be overstated. Did you know that one in 12

Louisiana residents is a member of a public retirement system? Did you know that with the \$1 billion in benefits that LASERS paid last year, our retirees are fueling the economy of communities statewide? That \$1 billion supported \$1.27 billion in economic output for Louisiana.

Your retirement System continues to be one of the best performing in the nation. Over the past five years, we have added \$5 billion to the value of our fund which now exceeds \$11 billion; the highest in our System's history. LASERS market return last year was 18.8 percent.

Our Board of Trustees recently voted to reduce LASERS actuarially assumed rate of return to 7.75 percent. This reflects a trend that public pension systems are seeing nationally to adopt a more conservative return assumption. Our Board was very careful with the timing of this change because the reduced rate would increase our unfunded accrued liability. However, that UAL increase is offset by a corresponding decrease in current and future Normal Costs. (Normal Cost is the cost of the accruing benefit). The Board did not want to add additional

financial stress to the state. Therefore, the change was adopted in conjunction with laws passed during the 2014 Legislative Session that decreased System cost. In the upcoming fiscal year, with all of the changes made, we expect the state to contribute about \$60 million less to the System in employer contributions.

This year we have about 40,000 active members, which is 4,000 fewer than last year. The number of LASERS retirees has increased to nearly 47,000. Keep in mind that these changes DO NOT jeopardize our ability to pay retirement benefits. We are actuarially funded. Therefore, as an active member, your benefits are paid for over your working life. LASERS is not a pay-as-you-go System like Social Security.

LASERS Benefits Louisiana is the message that will be a part of all of our future communications efforts. We asked our staff to offer messaging ideas, and Public Information Officer Mallory Sharp's submission was selected as the most representative of LASERS mission and vision.

In August, I was honored to be chosen as President of the Executive Committee of the National Association of State Retirement Administrators (NASRA). The mission of the organization is to serve its members in managing sustainable public employee retirement systems through education, research, and collaboration. My involvement with NASRA will benefit LASERS, as LASERS benefits Louisiana.

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

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