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## Staff Directory

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## From The Director's Chair...

Keeping my remarks brief, as our staff has several more salient topics and issues to convey.

The US economy has rebounded somewhat from the lows experienced in the first and second quarters of 2020, when measured by the US seasonally adjusted annualized rate of Gross Domestic Product (GDP). For 2020, GDP has been -5.0% Q1, -31.4% Q2, +33.4% Q3. While the unemployment rate skyrocketed in the first half of the year, peaking at 17.1% or 22.8 million workers, it has moderated to the most current levels being 5.5 million or 3.6%. The various US stimulus packages and programs have provided a safety net for many, while resulting in some difficulty in hiring of those who were making less than approximately \$35k per year. It appears it is more beneficial for those earning less than \$35k per year to continue to receive unemployment benefits, plus the supplemental unemployment benefits, versus returning to the workforce where jobs are available.

Our investment portfolio's returns over the fiscal year to date period ending November 30, 2020 have been quite strong. Our core domestic equity has increased 20.47%, international equity is up by 19.32%, and fixed income is up by 5.01%. The results for the overall portfolio being up by 12.37%.

Regarding the financial markets, we do harbor some concerns as the recent greatest increase in domestic stocks is concentrated in only approximately fifteen or so individual companies' stocks. Much of the increase is coming from technology and pharmaceutical companies. While this relatively narrow level of individual stock participation is not clearly reflected in most market indices, the broader financial markets, nor domestic or global economies. Additionally, the market increases appear to be closely tied to "the next stimulus package," versus more sustainable broader increases in the overall economy or GDP growth. Furthermore, the funds to pay for the stimulus packages ultimately comes from the taxpayer, you and me, as there is no financial fairy godmother.

Claire Guidry, our retirement benefits analyst, will touch on a project she has been deeply involved with regarding Pension Benefit Increase (PBI) aka Cost of Living Adjustment (COLA). Tausha Facundus will further illuminate the LSPRS' DROP Rate, the forthcoming new year, tax tables, and OGB health insurance premiums. Additionally, Ms. Facundus will provide insight into this increasingly COVID-19 fluid working environment along with some of the steps we are taking toward keeping the LSPRS staff healthy and serving our members.

May you and yours have a Healthy & Happy New Year!

*Kevin P. Reed*





**Louisiana State Police  
Retirement System Building  
located at  
9224 Jefferson Highway  
Baton Rouge, LA 70809**

### Retiree Election Update

As of the printing of the last newsletter, LSPRS was in the midst of a retiree election. It is our pleasure to welcome Mr. Walter Smith, the retiree representative on our Board of Trustees. Many of you will remember Mr. Smith as the former Executive Director of this system. He will serve a five-year term beginning January 1, 2021 and ending December 31, 2025. We look forward to working with him as your retiree representative.

### COVID 19 – Notice to Visitors

The LSPRS office is open by appointment only. Appointments may be held with an LSPRS representative through videoconferencing or phone. Walk-in appointments are not permitted at this time. Please call 800.256.5210 (toll-free) or 225.295.8400 (Baton Rouge), or, email us at [info@lsprs.org](mailto:info@lsprs.org) to schedule an appointment. Your call or email will be returned within two business days.

### DROP Account Interest

LSPRS has posted 5.06% interest to all eligible DROP accounts prior to year-end. DROP interest is payable to all old DROP accounts held by LSPRS and based on your June 30<sup>th</sup> balance. If you have not received your DROP Statement you may request a copy by contacting the office at (225)295-8400.

#### **Send Us Your Email Address!**

It is most advantageous, especially during these times of business and social distancing, to communicate with members of LSPRS via email. Please take this opportunity to email us at [info@lsprs.org](mailto:info@lsprs.org) with your preferred email address and other contact information.

***Reminder: Monthly benefit payments are made on the last business day of each month. Please contact the office prior to the 20<sup>th</sup> of the month if changes are needed to your banking information.***

### Legislators Eyeing COLA Method

During the 2020 Legislative session, the House and Senate Committees on Retirement asked the four state retirement systems to submit a report regarding alternative ways to fund cost-of-living adjustments (COLAs) for retirees. The Executive Directors of the four retirement systems then presented the report to the committee members on December 17, 2020.

The presentation reviewed current law and criteria for granting COLAs, and it evaluated five alternative methods for providing COLAs. The retirement systems highlighted the many reforms that the Legislature has made to ensure the sustainability of the systems, but also recognized the challenges of providing a reliable, consistent COLA. Overall, it was a very informative, positive meeting that we hope continues until the legislature ultimately develops a more consistent way to pay COLAs. We will keep you updated as we receive additional information.

#### Helpful Contact Information

- Insurance Changes:  
Wanda Stewart  
HR, Dept of Public Safety  
(225)925-6004
- Group Benefits and MedImpact:  
(800)272-8451  
[www.groupbenefits.org](http://www.groupbenefits.org)
- Blue Cross: (800)392-4089  
[www.bcbsla.com](http://www.bcbsla.com)
- Vantage: (888)823-1910  
[www.vhpla.com](http://www.vhpla.com)
- Peoples Health: (866)912-8304
- AFLAC: (800)992-3522  
[www.aflac.com](http://www.aflac.com)
- American Public: (800)256-8606  
[www.ampublic.com](http://www.ampublic.com)
- Colonial: (800)325-4368  
[www.coloniallife.com](http://www.coloniallife.com)
- LSTA: (225)928-2000  
(800)782-5782
- Social Security Office:  
(800)772-1213  
[www.socialsecurity.gov](http://www.socialsecurity.gov)



## Change of Address

Moving? Be sure to let us know your new mailing address!

### Office of Group Benefits Announces Health Insurance Premium Increase

Effective January 1, 2021, the monthly premiums for the Blue Cross Blue Shield of Louisiana plans offered by the Office of Group Benefits (OGB) – Pelican HRA1000, Pelican HSA775, Magnolia Local, Magnolia Local Plus and Magnolia Open Access – will increase by 5.5%. Additionally, the Vantage Medical Home HMO plan premiums will increase by 6%.

### 2021 Tax Information

Those of you who have been retired for many years are familiar with the adjustments in federal taxes that take place each year. At the beginning of each calendar year the federal government releases the new tax tables. As required LSPRS applies those new tables to your benefit payments and this may cause your check to fluctuate, which means your taxes have either gone up or down. This fluctuation normally occurs in January/February of each year.



#### *In Memory of...*

##### RETIREES

*Lawrence L. Antoine, DOD: 12/18/2020*

*L.J. Bertrand, DOD: 11/08/2020*

*Leland Denison, DOD: 10/24/2020*

*Michael G. Harrell, DOD: 10/17/2020*

*Michael C. Jewell, DOD: 10/15/2020*

*Wilbert Sanders, DOD: 11/01/2020*

##### SURVIVING SPOUSES/CHILDREN

*Bobbie J. Bowie, DOD: 11/25/2020, Spouse of Abraham H. Bowie, Jr.*

*Joan Ledoux, DOD: 10/16/2020, Spouse of Reginald Ledoux*

*Fay B. Miller, DOD: 12/17/2020, Spouse of Frank E. Miller*

*Bonnie Seaverson, DOD: 12/17/2020, Spouse of Charles O. Seaverson*

*Brenda Spurgeon, DOD: 10/13/2020, Spouse of Edward L. Spurgeon*

*Mavis T. Wise, DOD: 12/04/2020, Spouse of Gary A. Wise*



**Reminder: As required by law, LSPRS will mail your 1099R by January 31<sup>st</sup>. If you have not received your 1099 by the end of February, please contact the office to request a duplicate**