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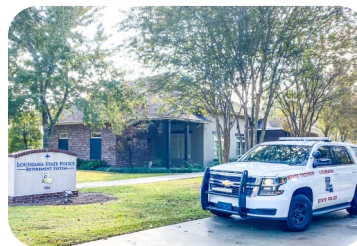
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## FROM THE DIRECTOR'S CHAIR...

On June 8th, Governor Edwards signed Senate Bill 18 into law, becoming Act 184 of the 2023 Regular Legislative Session. Many years of work on behalf of the four state retirement systems has led to this. LSPRS has been working in conjunction with the other state retirement systems and legislators to study and determine the best alternative practices for funding and granting COLA/PBIs. Act 184 will provide a more reliable mechanism for COLA/PBIs that will allow for members, retirees, and employers to understand how it operates.

Under the provisions of Act 184, the employer would contribute a set percentage (up to 2.5% of payroll) to the PBI

Funding Account each year. When the account is sufficiently funded with the amount to grant a two-percent PBI, the LSPRS Board will recommend to the legislature that a PBI be granted. The legislature will still have the final authority to grant a PBI for the retirees. PBIs will



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be payable to retirees who are age sixty-two and have been retired for at least two years. The measure will take time to implement and fund. Prior to being fully implement-

ed, the system will continue to utilize the Experience Account methodology to fund any potential PBIs.

In addition to Act 184, a Constitutional Amendment will be placed on the October 14th ballot that could increase the funding to LSPRS (Act 107/House Bill 47). This Amendment, if passed by the voters, will ensure that LSPRS will receive a portion of any state budget surplus. Previously only State Employees and Teacher's retirement systems have received funding from state budget surpluses. This is a great measure that will further assist LSPRS's funding.



-Margaret Corley Michel  
Executive Director

## New Retirees

Stacy Cole  
Kerry Dangerfield, Jr,  
Steven McGovern  
Stephen Orgeron  
Shannon Simpson  
Thomas Wild

## NOTES:

Be sure to update LSPRS of all changes to:

- Address
- Banking Information
- Beneficiary Information

## INVESTMENT CORNER

During the second quarter, global equities produced a positive return. The uptick was mainly driven by markets in developed countries, particularly the United States. The revised U.S. Q1 GDP growth demonstrated a stronger-than-anticipated expansion at 2% (annualized), outperforming the previous estimate of 1.3%. The Federal Reserve responded to the sturdy growth by raising interest rates by 25 basis points in May, then chose a "hawkish pause" in June, with projections of two more hikes in 2023. U.S. inflation, gauged by CPI, dropped to 0.1% in May, reducing the annual rate to 4.0%, which, combined with solid labor market data, fueled a June market rally. The surge was spearheaded by the Information Technology sector, with rising excitement about Artificial Intelligence boosting the sector's prices.

In the Eurozone, positive returns were witnessed in stocks, led by the financials and information technology sectors. However, indicators of future economic activity, like the purchasing managers' index, slipped from 52.8 to 50.3, hinting at potential stagna-

tion. The European Central Bank reacted by raising rates twice, taking the main refinancing rate to 4.0%. In Japan, a remarkable 14.4% increase was noted in the stock index for the quarter, reaching a 33-year peak, spurred by foreign investors' optimism about governance reforms and a weakened yen.

Emerging Markets saw a minor gain over the quarter, with Brazil, Hungary, Poland, and Greece leading the way. In contrast, China underperformed due to tensions with the U.S. and a less robust recovery than anticipated. Rising rates led to a slump in fixed income, and commodities ended the quarter with negative returns, with industrial metals and energy being the worst hit sectors.

LSPRS retained its global diversification across asset classes. To spread risk, LSPRS took steps to scale back its equity exposure, locking in profits, and redirected towards fixed income to capitalize on higher rates.

## IN MEMORY OF

### RETIREES

James Champagne,  
DOD 04/02/2023

Ronald Furca,  
DOD 06/07/2023

Robert Daniels,  
DOD 06/13/2023

James Bazet,  
DOD 06/16/2023

### SURVIVING SPOUSES/ CHILDREN

Peggy Martin,  
DOD 04/26/2023

### Helpful Contact Information

Insurance Changes:  
Wanda Stewart, HR  
Dept of Public Safety  
(225)925-6004

Group Benefits &  
MedImpact:  
(800)272-8451  
www.groupbenefits.org

LSTA:  
(225)928-2000  
(800)782-5782  
www.latroopers.org

Social Security Office:  
(800)772-1213  
www.socialsecurity.gov

Blue Cross:  
(800)392-4089  
www.bcbsla.com

Vantage Health Plan:  
(888)823-1910  
vantagehealthplan.com

Peoples Health:  
(866)912-8304  
www.peopleshealth.com

Colonial Life:  
(800)325-4368  
www.coloniallife.com

AFLAC:  
(800)992-3522  
www.aflac.com

American Public:  
(800)256-8606  
www.ampublic.com