

## From the President A Time for Rebuilding



Sona F. Young

Since that fateful day in August when Hurricane Katrina hit, followed closely by Hurricane Rita, we here in Louisiana have had to "depend on the kindness of strangers."

We have seen the best and the worst in our government, in our neighbors and in ourselves. Now, it is time for us all to move on.

My deepest sympathies to you and the misfortune brought about by the storms and floods. You have suffered much.

We here at RSEA are doing everything we can to: help keep our retirement system financially sound; endorse, encourage and lobby for cost-of-living increases (COLAs), and generally improve the quality of life for state retirees.

You can do your part by attending the RSEA Annual Meetings listed on page 2 and make your voices heard.

Examine the enclosed sample letter and let your elected officials know they have a responsibility to you as a constituent and to the state as a fiduciary. Tell them to stop offering legislation giving special treatment to one class of employees while discriminating against the rest of LASERS membership. Also, urge them to approve the COLA recommended by LASERS Board. (See next column and page 3.)

Let us work together in this next year to rebuild our state, our economic situation and make RSEA your most effective organizational membership. And, to conclude, have a happy and healthy New Year!

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# The New Louisiana Voice



Pictured are: (seated) Sona Young, Marshall McKenzie; (front) Connie Carlton, Frank Jobert, Barbara McCann, Shirley Grand, Glenda Chambers, Russell Culotta, Joy Netherlin, and Dianne Guillot. (back) Kathy Singleton, Andrew Caillier, Louis Quinn, Darlene Richard, Fern Foster, and Benny Harris.

## '06 RSEA Board of Directors Seated

Sona F. Young of Lake Charles, long-time RSEA member, is the 2006 President of the Statewide RSEA Board of Directors. Sona is retired from the Lake Charles Regional office, state Dept. of Transportation. Others officers are:

- Joy Netherlin, Pineville, 1st Vice President. She retired as Human Resource Officer for the Pinecrest State School.

## COLA Recommended: Legislature Is Next Step

A Cost of Living Adjustment (COLA) was recommended by the Board of Trustees for the Louisiana State Employees' Retirement System (LASERS), at the Dec. 16, 2005 meeting. This recommendation is to be forwarded to the President of the Senate and Speaker of the House of Representatives to grant a COLAs to retirees, survivors, and beneficiaries

The COLA, payable annually at a rate of 2.4%, will be effective July 1, 2006, subject to the one year receipt of (Continued on Page 3)

- Dianne Guillot, Monroe, 2nd Vice President. She was an Eligibility Worker prior to her retirement from the Office of Family Services.

- Fern Foster, Lake Charles, Secretary-Treasurer. She retired from McNeese State University, where she was Director of the MSU Bookstore, Post Office and Switchboard operations.

- Marshall McKenzie, Shreveport, Immediate Past President. He was Regional Administrator, Dept. of Health and Hospitals, prior to retirement

All returning Statewide, At Large, Ex Officio and Area chapter leaders were seated at the January meeting.

Darlene Richard is RSEA Executive Director and Judy Calhoun is Office Manager.

### RSEA Anniversary

To commemorate 2006 as the 40th anniversary of RSEA, we have enclosed a business card-type refrigerator magnet with our mailing and web site addresses and phone number. Enjoy!

## 2005 1<sup>st</sup> Extraordinary Legislative Session Update

Governor Blanco called the Louisiana Legislature into a special legislative session which began on November 6 and ended on November 22, 2005. The purpose of the special session was to begin addressing the many challenges that Louisiana faces as a result of Hurricanes Katrina and Rita.

During the fast paced seventeen day legislative session, there were eleven bills that RSEA monitored and/or testified on regarding retirement and health insurance benefits.

In the waning days of the session, two legislative bills (HB 168 by Representative Salter and SB 111 by Senator Butch Gautreaux) were introduced which would have allowed any state employee to take an early retirement if they had attained the age of fifty and had ten years of state service.

Both of the proposed legislative bills would have had a significant negative impact on the state retirement system's unfunded accrued liability; i.e. the state retirement system debt. The estimated impact to the unfunded accrued liability was \$278 million and over a period of thirty years would have cost the state over \$600 million. Because of the tremendous financial impact, RSEA opposed these legislative bills. Both of these bills were **not** approved by the Legislature.

[For a complete list of bills monitored by RSEA, please visit our website at <http://www.rseala.org> or you may call our office (344-5448, Baton Rouge phone number or 1-800-256-1818).]

Following is a partial list of legislative bills that were supported by RSEA and were passed by the Legislature:

### **HB 63 (Act 50) & HB 120 (Act 61) by Representative Schneider**

These two legislative bills allow an active public employee who has or is participating in a Deferred Retirement Option Plan (DROP) to withdraw a maximum of \$100,000 from his/her account without leaving employment

under specified circumstances:

- 1) the employee must have sustained an economic loss by reason of Hurricane Katrina or Hurricane Rita;
- 2) the employee's principal domicile must have been in a parish designated under the Robert T. Stafford Disaster Relief and Emergency Assistance Act; and
- 3) any withdrawal/distribution is made on or after August 25, 2005 and on or before December 31, 2006.

### **HB 97 (Act 57) by Representative Alario & Senator Heitmeier**

This legislation allows any employee that is furloughed or terminated as a result of Hurricane Katrina or Rita and is subsequently rehired by December 31, 2006, to be exempted from State Group Benefits program vesting requirement.

Therefore, furloughed or terminated employees that are subsequently rehired will not suffer any reduction in the state's contribution for the employer portion of health care premiums paid to the Office of Group Benefits.

The legislation also provides that the state may contribute its portion of the health insurance premium for which an employee is on leave of absence without pay due to active military duty or under the provisions of the federal Family and Medical Leave Act.

### **SCR 22 by Senator Butch Gautreaux**

This resolution urges the United States Congress to review the Government Pension Offset (GPO) and Windfall Elimination Provision (WEP) social security benefit reductions and to consider amendments that would lessen or eliminate their effects.

### **Sample Letter Enclosed**

RSEA will be vigilant against any legislative actions that weaken the financial stability of the retirement system. You as a RSEA member can help by utilizing the sample letter (enclosed). Personalize it and send (by snail mail, fax or email) to your legislators informing them of your wishes about this important topic.

## '06 Annual Meetings Scheduled, Confirmed

Below is the schedule of the annual RSEA meetings for 2006. Be sure to mark your calendar now for these very important meetings.

All meeting times, dates and locations have been confirmed:

**Shreveport** - Tuesday, March 7, 2006, 10 a.m., La. Technical College, 2011 North Market St., President: Marshall McKenzie, 318-797-4356

**Monroe** - Wednesday, March 8, 2006, 9:30 a.m., West Monroe Convention Center, 901 Ridge Avenue; President: Dianne Guillot, 318-396-6275

**Alexandria** - Thursday, March 9, 2006, 10 a.m., Community Center, 708 Main Street, Pineville; President: Joy Netherlin, 318-640-2529

**Baton Rouge** - Friday, March 10, 2006, 9:30 a.m., Marriott Hotel, 5500 Hilton; President: Glenda Chambers, 225-767-3921 (**Please note new date and location**)

**Lake Charles** - Tuesday, March 14, 2006, 10 a.m., Contraband Room, Lake Charles Civic Center; President: Fern Foster, 337-477-5250

**Acadiana** - Wednesday, March 15, 2006, 10 a.m., Fezzo's, 100 Lions Club Road, Scott; President: Andrew Caillier, 337-896-9137

**North Shore** - Thursday, March 16, 2006, 10 a.m., Bogue Falaya Room, Greater Covington Center Hall, 317 North Jefferson; President: Kathy Singleton, 225-222-6567

**New Orleans** - Friday, March 17, 2006, 10 a.m., VFW Post #6640, 3314 Richland Ave, Metairie; President: Shirley Grand, 504-887-0592

Notices will be sent to all members for whom the RSEA office has a current mailing address. Be sure your address is updated for your new location, if you moved in the past several months.

# 2005 in Review: Triumphs and Challenges

2005 was a year of triumphs and challenges for the Louisiana State Employees' Retirement System. It was, by any measure, a very good year.

One new member joins the LASERS governing board along with three incumbents. The successful candidates were new active Trustee Lorry S. Trotter, along with veteran board members Louis S. Quinn, retiree representative (See far right column) and active employee Trustees Virginia Burton and Cynthia Bridges

LASERS continued to grow stronger, leaner and better in 2005. The year brought phenomenal growth to the LASERS investment portfolio.

For Fiscal Year 2004-2005, the LASERS trust fund earned a return of 10.18 percent on its investments. This exceeds the legislatively mandated minimum return of 8.25 percent and places LASERS in the top half of plans with more than \$1 billion in assets. The value of the LASERS portfolio stands now at more than \$7 billion.

We made major strides in revamping and revitalizing LASERS' computerized pension administration system. When fully implemented, the new system will allow members to manage all of their LASERS account information online.

Among other new web-based features, you can now view the LASERS Retirement Education Video on our website! The video is a complete introduction to the benefits of LASERS membership.

2005 was not without challenges. The greatest among these were Hurricanes Katrina and Rita which forced tens of thousands of LASERS members from their homes.

LASERS rose to meet the ordeal with determination and creativity. We went into overdrive following Katrina to ensure that retirees in the affected areas had access to their benefits, even if their financial institutions were under water.

LASERS retirees who receive Direct Deposit had fewer problems collecting their benefits.

If you have not taken advantage of Direct Deposit, and would like to, you can access the form on the LASERS website: [www.lasersonline.org](http://www.lasersonline.org). Or, you can call us at 922-0600 in the Baton Rouge area. Statewide, the toll-free number is 800-256-3000.

## COLA Recommended: Legislature Is Next Step

(Continued from page 1)  
benefits restriction described in parts 1 and 2 below. The one year restrictive period begins July 1, 2005.

1. All retirees who have attained the age of 55 and who have received a benefit for at least one year;
2. All non-retiree beneficiaries if benefits have been paid to retirees or the beneficiaries, or both combined for at least one year (and in no event before the retiree would have attained age 55); and
3. All disability retirees or benefits based on the death of disability retirees.

The percentage of each recipient's cost-of-living increase is figured on the first \$79,114 of the annual benefit, based on increases in the consumer price index for previous years.

This recommendation goes to the State's Public Employee Retirement System Actuarial Committee, known as "PERSAC," and if endorsed by them, is forwarded to the Louisiana State Legislature for final approval during the upcoming legislative session scheduled March 27 to June 19, 2006.

**"Passage of this COLA is a top priority for RSEA,"** emphasized Sona Young, RSEA 2006 Board President. "You can help by also contacting your state senators and representatives and urging them to approve the proposed COLA."

## Louis S. Quinn Is Reelected

Louis Quinn, Baton Rouge attorney, was reelected retiree Trustee on the LASERS Board. He has served since 1995.



Louis Quinn

During his 35 years of state service, Quinn held a number of important positions including Secretary/Counsel (a position equivalent to Chief of Staff) for Governor John McKeithen and Secretary of the Louisiana Public Service Commission. He has chaired LASERS Board three times.

There are twelve LASERS Board members. Nine trustees are elected by the membership and three hold ex officio positions. Six of the elected trustees represent active members and three Trustees are retired members.

The three ex officio seats are held by the state treasurer, the chair of the Louisiana House of Representatives Committee on Retirement and the chair of the Louisiana Senate Committee on Retirement. LASERS trustees serve four-year terms. Elections are conducted every two years. More than 16,000 active and retired members cast ballots in the 2005 LASERS Board of Trustees election.

### Tax Time – 1099s

Federal 1099 tax documents are under preparation and were scheduled to be mailed by Jan. 15, 2006.

Please ensure that LASERS has your correct mailing address on file. This is especially important for members displaced by Hurricanes Katrina or Rita.

If you have not received your 1099 by February 5, please contact LASERS and they will re-send it. Contact LASERS also if you have any questions about the information contained in your 1099 tax document.

## Make Good Health a Goal in 2006

Living with a chronic health condition can be frustrating and challenging.

That's why the Office of Group Benefits offers a health management program called "Healthy Together" at no cost to our OGB members enrolled in the PPO, EPO and MCO health plans.

The OGB Healthy Together Program, administered by APS Healthcare, is designed to help those members with: diabetes; cardiac disease (high blood pressure, high cholesterol, congestive heart failure); asthma, and chronic obstructive pulmonary disease (COPD).

The Healthy Together Program provides:

- Your personal health coach – a licensed clinician available to help you understand and manage any health issues you experience.
- Education materials on diseases to inform you about specific health concerns and what to do

to manage your health.

- Internet access to a special site where you can find detailed information regarding many health topics.
- Help making changes in your lifestyle to improve your health.

You can enroll in the Healthy Together Program by calling toll-free 1-877-343-3106, or by asking your physician to refer you by calling 1-877-343-3106.

You also can respond to a call from a Healthy Together health coach who will be calling plan members who have had claims with any of the diagnoses listed above.

The Healthy Together Program is free, voluntary, and confidential. Personal information gathered by APS Healthcare staff is never shared with anyone.

Your OGB colleagues wish you a healthy and happy new year.

## Internet "Phishing" Scams Seek Your Personal Information

Attorney General Charles C. Foti, Jr is warning consumers to beware of hi-tech scams called *Phishing*.

*Phishing* scams use Spam or pop-up messages through email accounts to lure computer users into giving out valuable information, such as credit card numbers, bank account numbers, Social Security numbers, or passwords.

According to the Attorney General's Consumer Protection Section, everyday consumers receive e-mails disguised as a company or financial institution from which they may or may not have an account.

These e-mails request that consumers "verify" or "update" confidential information through return email, a linked Web site, or a pop-up message with the name and logo of the institution.

Typically, *Phishing* e-mails are not personalized and contain misspellings, typos, and urgent requests for your personal information.

If someone receives an email that requests personal information, do not use their return email address or website link. Only use your monthly credit card or bank statement website and phone number to verify information or question an account.

If you believe you may have encountered or been a victim of fraudulent e-mails, contact the Attorney General's Consumer Protection Section at **1-800-351-4889** or visit their website at [www.ag.state.la.us](http://www.ag.state.la.us).

Suspicious e-mails may also be forwarded to the Federal Trade Commission at [spam@uce.gov](mailto:spam@uce.gov).

## Retired State Employees Association of Louisiana The New Louisiana Voice

is the official RSEA publication. The mission of the Association is to advance the quality of life of state employees who have given generously of their talents to the State of Louisiana. The name and distinctive logo of the publication are registered with the Louisiana Secretary of State. Permission is hereby granted for the use of any materials within these pages, provided proper acknowledgment is made.

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## An Important Message From LaCapitol Federal Credit Union

"There is a phishing email – an email that looks official but isn't – alleging to be from the National Credit Union Administration (NCUA) asking members to activate an online account by clicking on a link and providing their credit card number and PIN."



**DO NOT DO IT – IT IS A SCAM AND COULD RESULT IN FRAUD ON YOUR ACCOUNT!**

**IF YOU GET THIS EMAIL, DELETE IT IMMEDIATELY.**