

From the President More Challenges



Sona F. Young

Shortly before this newsletter went to press, much attention was given to the one year anniversary of Hurricanes Katrina and Rita's devastating impact on the Gulf coast.

RSEA and its members are still trying to return to a semblance of normalcy. The next year holds many challenges for us all.

Since so many of our members were displaced and their finances put in disarray, there was a ripple effect for RSEA. We could not contact many of you, and, dues did not come in at the normal rate. It is important that you complete the enclosed membership card and send in your dues. We appreciate your interest and participation.

During the next fiscal-only Legislative session, it is also possible that retirement-related legislation will be introduced. It is vital that we work together to contact our legislators by all means possible and make our opinions known to them. They do pay attention!

Working together on important issues by the RSEA leadership and membership, aided by our capable staff, is the reason we have been so effective in lobbying for items such as the recent Cost of Living Adjustment (COLA). Again, thanks to Executive Director Darlene Richard for her effective interactions with the legislature and LASERS to facilitate the COLA.

Last, I wish you and your family the most wonderful of holiday seasons. Also, have a Happy New Year!

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The New Louisiana Voice

October--November--December 2006

Volume 14/Number 4

Low Cost Meds Protected

Vitter Amendment Is Passed

U.S. Sen. David Vitter secured a major victory in the U.S. Senate for drug reimportation with adoption of his amendment to the Homeland Security appropriations bill. Vitter's amendment passed 68 to 32.

"This is a major victory in our fight to bring lower prescription drugs to all Americans. Our seniors are paying too much for their prescription drugs and are turning toward Canada, simply because it's cheaper. With passage of this bipartisan amendment, American citizens will be able to buy their medicines in Canada without the fear of our own customs and border agents seizing them," said Vitter.

"Now while this is good news, we still have to secure this amendment in the upcoming House-Senate Conference. You can be assured that the big drug companies will not let our victory go unnoticed and will do everything in their power to strip this provision in conference," said Vitter.

"One of my top priorities when I came to the U.S. Senate in 2004 was to help lower the cost of prescription medications. As I held town hall meetings across the state, many seniors recounted stories of their struggles to afford the high price of prescription medications in our country. I believe one way to put affordable prescription drugs within the reach of all Americans is to allow the reimportation of prescription drugs from Canada and other countries.

"We had an important victory in this fight to bring cheaper prescription drugs to all Americans when the U.S. Senate passed an amendment I authored to break down an artificial barrier preventing our residents from



Sen. David Vitter

getting cheaper prescription medicines.

"My amendment will stop Customs and Border Protection agents from confiscating prescribed drugs

at our borders. Medicines that have passed rigorous testing and clinical trials by the FDA and are accompanied by a valid prescription should not be taken away from our citizens upon their return to the United States.

"And our customs and border officials should be concentrating on the real issues of stopping dangerous criminals and terrorists from entering the country and stopping them from bringing harmful weapons and illegal drugs to the United States. Protecting American citizens should be their top priority, not seizing a senior's heart medication.

"For years, while America bears the cost of producing prescription drugs, many Americans – most of whom are seniors – have chosen to buy their medications from licensed Canadian pharmacies. These FDA approved medications are available for significantly lower prices than they would (continued on page 2)

Please complete the enclosed 2007 Membership Application and mail it in the courtesy envelope. (A stamp must be added.) Annual dues are only \$15 and may be paid by personal check or money order, or you can select Easy-Pay, with only \$1.25 deducted monthly from your retirement benefit check.

Vitter Amendment Is Passed

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otherwise be in the United States.

"It is no secret that Americans pay more for necessary medication than any other industrialized nation. For example, constituents tell me their Lipitor, a cholesterol-lowering drug, is 40 percent less expensive in Canada than it is in the United States. Moreover, the ulcer medication Prevacid costs 50 percent less when purchased just a few miles north of our border.

"These prescription drugs would not be permitted to pass through our borders in mass quantities to be sold in our country. My amendment will aid individual Americans that deserve better access to necessary medication

prescribed to them. Similar legislation has also been passed in the U.S. House of Representatives, and I will be working with my colleagues to make sure it is included in the final bill.

"I am interested in hearing your thoughts on how the U.S. Senate can make prescription drugs more affordable and accessible. Please contact me with your ideas at any of my state offices or in my Washington office by mail at U.S. Senator David Vitter, U.S. Senate, 516 Hart Senate Office Building, Washington, D.C. 20510, or by phone at 202-224-4623. You can also reach me on the web at <http://vitter.senate.gov>."

Investment Scams: If a Deal Sounds Too Good to be True, It Probably Is!

Have you ever gotten a "great offer" or a "hot tip" on an investment? It might come from someone you know, someone you are related to—or it might just be a phone call you get out of the blue, an e-mail, or a pop-up ad online. The offers can be tempting.

Maybe it is getting in on the ground floor of the next big box office hit. It could be a complex-sounding international monetary exchange deal. Maybe it is about an annuity, an oil lease, or even some rare coins that are sure to grow in value.

Before you hand over your hard-earned money, do your homework. Brush up on the warning signs that you should watch out for, and follow some steps before you invest.

Warning Signs

Investment scams can take many shapes and they will be really tempting. Whatever the scam, scammers use some of the same tactics to get you hooked. Listen for phrases like these. When you hear any of these pitches, heed the warning that you are looking at a scam:

- Your profit is guaranteed
- It's an amazingly high rate of return
- There is no risk
- You can get in on the ground floor
- You would be a fool to pass this by
- This offer is only available today
- I'll get you the paperwork later
- Just make your check out to me

These lines are tricks of the trade for scammers. Even if you know that there are no guarantees in life—much less in investing—scammers use these lines and promises every day to convince unsuspecting investors to part with their money.

It is their business to convince you to part with your money. These lines help them do it. If you hear any of these lines, or feel pressured, STOP! Take your time and check it out. A good deal (that's is a real deal, not a scam) will still be there.

And, most importantly, remember and heed that old saying, "If a deal sound just too good to be true, it probably is!

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Annual Meetings Scheduled for '07

Below is the schedule of the annual RSEA meetings for 2007. Be sure to mark your calendar now for these very important meetings.

All meeting times, dates and locations have been confirmed:

Shreveport - Tuesday, April 10, 2007, 10 a.m., La. Technical College, 2011 North Market St., President: Marshall McKenzie, 318-797-4356

Monroe - Wednesday, April 11, 2007, 9:30 a.m., West Monroe Convention Center, 901 Ridge Ave.; President: Dianne Guillot, 318-396-6275

Alexandria - Thursday, April 12, 2007, 10 a.m., Community Center, 708 Main Street, Pineville; President: Joy Netherlin, 318-640-2529

Lafayette/Acadiana - Friday, April 13, 2007, 10 a.m., Fezzo's, 100 Lions Club Road, Scott; President: Andrew Caillier, 337-896-9137.

Lake Charles - Tuesday, April 17, 2007, 10 a.m., Contraband Room, Lake Charles Civic Center; President: Fern Foster, 337-477-5250.

North Shore - Thursday, April 19, 2007, 10 a.m., Bogue Falaya Room, Greater Covington Center Hall, 317 North Jefferson; President: Kathy Singleton, 225-222-6567.

New Orleans - Friday, April 20, 2007, 10 a.m., VFW Post #6640, 3314 Richland Ave, Metairie; President: Benny Harris, 504-888-7638.

Baton Rouge - Wednesday, April 25, 2007, 9:30 a.m., Marriott Hotel, 5500 Hilton; President: Allen Reynolds, 225-622-3770.

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.

Senior Citizens: Walking for Better Health

“Once begun, people tend to stick with walking programs”

Walking isn't such a difficult thing – most of us have been doing it since we were very young. But starting and maintaining a regular walking program can be daunting, especially for senior citizens, even though the benefits have been well documented.

Caroline R. Richardson, M.D., assistant professor in the Department of Family Medicine at the University of Michigan Medical School, has some suggestions for people who want to get started. She also offers reminders of the myriad benefits of beginning an exercise program.

“Walking programs can be very effective in helping people get into shape, improve their cardiovascular fitness levels and, to some degree, lose weight,” she says, adding that one key benefit is that people tend to stick with walking programs. “Walking does seem to be better than more vigorous activities for adherence.”

Richardson's five tips for starting a walking program are:

1. Find a buddy with whom you can walk regularly. A friend can encourage you to walk on days when you aren't motivated and can help you continue walking at a good pace.

2. Use a pedometer. This will help keep track of your steps and can be an excellent motivator. “Perhaps the most important thing to do is to get yourself a pedometer. Pedometers really help you see how much you're walking and see when you're successful,” Richardson says. Studies at the U-M Health System and Veterans Affairs are exploring the benefits of pedometer use.

3. Schedule regular walks in a Personal Digital Assistant (PDA) or calendar. This helps to ensure that you have a set time every day for walking, Richardson notes.

4. If you have chronic medical problems such as heart disease or diabetes, you might want to check with

your doctor to make sure a walking program is safe for you.

5. Start slowly if you need to – just get started. “Just get up and walk around the block,” Richardson says. “Somewhere between three to four miles an hour should be your goal, but if you have to work up to that gradually, it's better to walk slowly than doing nothing.”

Seven health benefits of walking:

- Improvement of cardiovascular function and possibly a reduction in the chances of having a heart attack
- Potential weight loss or weight control
- Reduction in blood pressure
- Has been found to be helpful in the prevention and treatment of depression
- Has a positive impact on the health of people with diabetes
- Helps build endurance and muscle strength
- Helps build and maintain bones and muscles

Richardson – who also is a research scientist at the Veterans Affairs Health Services Research & Development Service in Ann Arbor and at U-M's Institute for Research on Women and Gender – is involved in studies looking at walking. Most of the projects involve using pedometers to help people start walking programs. The studies focus on people who have an illness or risk factor for an illness, such as diabetes or heart disease.

Many of the programs at U-M and the VA use enhanced pedometers – that is, pedometers that automatically upload step-count data to the Internet – that can help users see graphs and feedback that assist with goal-setting on a personalized Web page.

“An enhanced pedometer can really help you keep track of your walking goals and your successes,” she notes.

Source: Senior Journal: Today's News and Information for Senior Citizens & Baby Boomers

<http://www.seniorjournal.com/NEWS/Fitness/6-05-01-FiveTipsToHelp.htm>

Health and Well Being: Retirement Lifestyle

(Editor's Note: This is the first of two articles containing suggested ways you can enhance and better enjoy your retirement.)

Most of us look forward to retirement as a period of new beginnings when we can make a fresh start.

But, how well do we plan for this change? What challenges will we face? Are we really prepared? As with any change, there is an element of uncertainty when approaching retirement, but what are some of the critical issues that retirees face as they deal with this state of their life?

Grief and Loss of Work Role

For many people, their paid employment has been the most important

aspect of their lives, and so it is very difficult to adjust to retirement. Loss of work and work friendships can lead to a loss of self esteem and feelings of self worth. These feelings are normal reactions to retirement. However, the development of other interests, both before and after retirement, can bring enjoyment, mental stimulation, new friendships, activities and increased self-esteem.

Keep Involved

Most of us are social beings and need to be involved with others to fully enjoy life. Keeping involved in meaningful activities with people and groups – family, friends, church, community, etc. is vital to your well-being. It is important that you:

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New Management Team Members

Maris E. LeBlanc and Jennifer N. Templet are the newest members of the LASERS executive management team.

Ms. LeBlanc joins LASERS as Deputy Director.

She worked previously as Executive Counsel for the Louisiana Division of Administration. She brings a wealth of experience in state government to her new duties.

Her exceptional career in public service began in 1985, following her graduation from the LSU law school.



Maris LeBlanc

Jennifer Templet

Ms. LeBlanc also served as Deputy General Counsel at the Louisiana Ethics Administration, where she led enforcement of the state's lobbying, campaign finance, and ethics laws.

Jennifer N. Templet is now serving as Acting Assistant Director of LASERS.

She served previously as the retirement system's Director of Policy and Research.

She exercises direct supervision over several agency divisions as well as many of LASERS most critical ongoing projects, including the annual budget.

Ms. Templet, who holds a bachelor's degree in biological engineering, also has an MBA specializing in Finance from LSU.

COLA and Other Significant Legislation

Senate Concurrent Resolution 94 – Effective July 1, 2006, SCR 94 granted a Cost-of-Living Adjustment (COLA) of 2.4 percent to eligible LASERS retirees and their beneficiaries.

To be eligible for the COLA, a retiree must have reached the age of 55 as of June 30, 2006, and must have been retired since June 30, 2005. A beneficiary is eligible for the COLA if the deceased retiree would have been 55 years old as of June 30, 2006, and if retiree or survivor benefits have been paid since June 30, 2005.

Act 642 of 2006 - Allocates a payment of \$13,600,000 toward the LASERS initial Unfunded Accrued Liability (UAL). The UAL is the difference between the projected cost of providing retirement benefits to LASERS members and the funds available to pay those benefits.

Act 672 of 2006 - Also known as the Early Retirement and Payroll Reduction Act of 2006, the Act allows LASERS members who have reached the age of 50, and who have earned at least 10 years of service credit, to take early retirement with an actuarially reduced benefit. Positions vacated under this Act are eliminated, with specified exceptions for the

Dept. of Social Services, the Dept. of Public Safety and Corrections and the LSU health care services division.

Act 678 of 2006 - Allows certain DROP participants to resume participation if their employment was interrupted due to hurricanes Katrina or Rita.

Act 770 of 2006 - Clarifies that DROP or IBO retirees are prohibited from returning to work as a rehired retiree under Option 2. Option 2 is characterized by the ability of a retiree to restore service credit in LASERS by repaying all benefits and contributions, along with actuarially calculated

interest. Act 770 also reiterates the requirement that disability retirees must convert accumulated annual and sick leave to retirement credit, rather than receive the dollar value of this leave as a lump-sum payment. The Act limits to three years the amount of time LASERS can pursue undue paid benefits, except in cases of fraud. In cases of fraud, the collection window remains ten years.

Act 835 of 2006 - Creates a new retirement plan for peace officers employed by the Office of State Police. Eligible participants will pay a contribution rate of 9 percent and will enjoy an accrual rate of 3 percent.

Great Investment Returns on LASERS' Portfolio

The LASERS investments portfolio delivered a phenomenal 11.9 percent return for the fiscal year ended June 30, 2006. This performance exceeds the actuarially expected return of 8.25 percent. The LASERS trust fund has for the first time in our history, grown to more than \$8 billion.

Additionally, the allocation strategy

approved by our Board of Trustees and implemented by our in-house team of investment experts has earned LASERS a place among the best-performing programs nation-wide. Among public pension plans with assets of at least \$1 billion, LASERS ranks consistently in the top 20 percent over the past five years. (See the table below:)

| Reporting Period by Fiscal Year (as of June 30, 2006) | Returns by Percentage | Rank by Percentile |
|---|-----------------------|--------------------|
| 1 Year | 11.9 % | Top 20 |
| 3-year Average | 13.2 % | Top 15 |
| 5-year Average | 7.4 % | Top 19 |

Direct Deposit Best for Benefit: Paycard Also Being Considered

LASERS strongly encourages all of our retirees to begin enjoying the benefits of direct deposit.

Currently, more than 7,000 of you still receive your retirement benefits by paper check. This is an inefficient and some-times unreliable payment method, as many LASERS members learned in the aftermath of hurricanes Katrina and Rita.

During those tragic days and weeks, when storm survivors needed their money more than ever, mail was undeliverable to many communities in Louisiana and throughout the Gulf south. Retirees from affected areas, who were counting on their benefit checks, had to make their way to the LASERS Baton Rouge office to collect them.

Meanwhile, members who received their benefits by direct deposit had immediate access to the funds they needed to begin rebuilding their lives.

LASERS wants to eliminate the uncertainty that goes with the paper check system. To this end, **we are considering** an alternate method of payment for those of you who either do not have bank accounts, or who choose not to use them for direct deposit.

For those retirees, paper benefit checks would be replaced with the **LASERS Paycard**, which resembles a credit card. It is actually a bank debit card.

Every month, your retirement benefit payment would be deposited into a special LASERS Paycard account. You could then use the card at any store which accepts credit or debit cards, or you could use it to withdraw cash at any participating ATM. Each time you used your Paycard, it would draw down on the balance until you are paid again the next month.

Before LASERS makes the decision to implement the Paycard system,

we hope all of our members will begin taking advantage of direct deposit for their hard-earned retirement benefits.

It is easy to sign up for direct deposit. You will find the Authorization for Direct Deposit form on the "Forms" page of LASERS' website at www.lasersonline.org. Complete the form and mail it to us. If you have questions about LASERS direct deposit, please call one of our helpful Member Services representatives at (225) 922-0600 in the Baton Rouge area. State-wide, the number is (800) 256-3000.

Post-Retirement Workshop

Register now for the LASERS Post-Retirement Workshop, to be held on November 8, 2006, from 9 to 11:30 a.m. The program includes Social Security information, investment information and social networking.

To register by phone, call Retirement Education Consultant Janet Harris at (225) 922-0819, or e-mail her at jharris@lasersonline.org. The Workshop will take place in the fourth floor conference room of the Louisiana Retirement Systems Building, 8401 United Plaza Blvd., Baton Rouge. Seating is limited, so please register early.

Desktop Publisher Wins

Sue Ellen Lewis Scharein, desktop publisher of this newsletter, won two recent awards as Managing Editor of the *San Antonio Crime Victims' Advocate (SACVA) NEWS* bimonthly newspaper.

The Texas Dept. of Criminal Justice selected the SACVA NEWS as the outstanding news medium statewide for informing and educating crime victims. In addition, the Alamo Area Council of Governments named the SACVA NEWS as 2006 Community Project of the year. Sue Ellen retired in Jan., 2004, after 25 years in state government, the last 9 as LASERS' Communications Director/Consultant.

Retirement Lifestyle Offers New Growth, Other Opportunities

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- ◆ are involved in activities with people whose company you enjoy
 - ◆ derive satisfaction from these activities
 - ◆ mix with people of various ages and backgrounds
 - ◆ seek new challenges by trying new activities or learning new skills to do a familiar activity differently, (e.g.: try a new walking route, or join a reading group)
 - ◆ find local activities by calling the local Council on Aging or community health center
- Consider carefully the social aspect of your life. It is an important component of a retirement lifestyle.

Volunteering

A positive activity that retired people may wish to consider is becoming involved in their community as a volunteer. There is a wide range of possibilities and the level of volunteer work undertaken by older people and the value it adds to retirement living cannot be underestimated.

The opportunities include joining others to re-vegetate native areas, as members of community committees, working as tutors for literacy or continuing education programs, or guides at the zoo, museum or art gallery. Other well-known areas of volunteering are Meals on Wheels, hospitals, or the Red Cross.

Continuing Education

Retirement opens new and exciting opportunities for learning new skills or improving existing ones. Learning is an enriching, rewarding and challenging experience - 'an integral part of life itself' - the emphasis on 'growing' rather on the 'old' in growing old. You may choose to undertake academic study, or a continuing education course through your local high school, college or university. Education courses cover topics such as travel, languages, literature, or computing. Many older people have discovered the advantages of using a computer and exploring the Internet. (To be continued in the next issue.)

Office of Group Benefits Update

OGB and Medicare

As you or your spouse approach age 65, it is very important that you contact your local Social Security office to determine whether or not you are eligible for Medicare.

You can receive a reduction in your Office of Group Benefits health care premium if you are enrolled in **both** Medicare Part A, which is free, **AND** Part B, which has a monthly fee.

It is OGB's policy to pay benefits to you as if you are enrolled in Medicare A and B.

If you are not eligible for Medicare coverage, you must send OGB a copy of a letter from the Social Security Administration stating this.

You can contact the Social Security Administration in several ways:

- You can visit the Social Security website at www.ssa.gov
- You can call Social Security toll-free at 1-800-772-1213 Monday through Friday between 7 a.m. and 7 p.m. Have your Social Security number handy. The lines are busiest early in the week and early in the month.
- You can call or visit your local Social Security office.

Remember, in order to receive your OGB premium reduction, you must be enrolled in both Medicare A and B.

'eSubscribe' Is Benefit of RSEA Membership

Have you signed up for the free RSEA 'eSubscribe' web site news service? It is a benefit of your membership.

Just go to the site's Home Page at: www.rseala.org. Click on the icon which looks like that below.



It will take you to a section to subscribe to the service, with your choice of: Urgent Messages, Leg-

islative Updates, or Newsletter.

You can select one, two or all three topics. There is a section where you can "unsubscribe" if you find you no longer wish to receive this information. Last is your choice of chapter affiliations to receive localized news.

RSEA pledges that your name and email address are kept confidential and not sold or shared with any third parties. Sign up for eSubscribe now!

If It Sounds Too Good to Be True, It Probably Is!

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Check Before You Invest

No matter what the "great opportunity" is--or who who offers it to you--there are steps you should take before you invest your money. It doesn't matter whether the offer comes from a financial professional, a pop-up ad, your brother-in-law, or a stranger on the phone. The steps are the same:

✓ Check out the product. Most investments are securities and must be registered with your state securities regulator or with the Securities and Exchange Commission (SEC). If

your potential investment is not, you won't want to invest. And, is it the right kind of investment for you in terms of the level or risk, access to your funds, and length of time before you will see a return?

✓ Check the person. Is the person selling you this investment licensed in your state or with the SEC? If not, beware!

For more information on prudent and careful investing, go to: www.aarp.org/money/financial_planning/

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.

Editorial office--1200 S. Acadian Thruway, Suite 213, Baton Rouge LA 70806
800/256-1818-225/344-5448
FAX 225/344-7866
Web: www.rseala.org
Darlene Richard--Editor
Judy Calhoun--Editorial Assistant
Sue Ellen Lewis Scharein of Rent-A-Writer/Purple Prose (Desktop Publisher)

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SHREVEPORT--Marshall McKenzie-318/797-4356

AT-LARGE

Frank Jobert--New Orleans-504/241-7487
Sona Young--Lake Charles-337/439-9529

EX-OFFICIO

Connie Carlton--Baton Rouge 225/928-4265
Barbara M. McCann--Lake Charles 337/433-8910
Louis Quinn--Baton Rouge 225/766-3245
Russell Culotta--Baton Rouge 225/766-1733

Phone Numbers Office of Group Benefits

(Local number first; then the toll-free)

Baton Rouge Headquarters
225-925-6625; Toll-Free 1-800-272-8451
Alexandria Area Field Office
318-487-5731; Toll-Free 1-800-813-1578
Lafayette Area Field Office
337-262-1357; Toll Free 1-800-414-6409
Lake Charles Area Field Office
337-475-8052; Toll Free 1-800-525-3256
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318-362-3435; Toll Free 1-800-335-6206
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504-838-5136; Toll Free 1-800-335-6208
Shreveport Area Field Office
318-676-7026; Toll Free 1-800-813-1574