

CROSSROADS



A Publication of the Louisiana School Employees' Retirement System

APRIL 2014

LSERS pushes bill to provide retirement benefit increase

A bill to provide LSERS members with a permanent benefit increase is among the bills being actively recommended by LSERS in the Regular Legislative Session that kicked off on March 10, 2014.

Senator Elbert Guillory, Chairman of the Senate Committee on Retirement, agreed to author the three bills that were requested by the LSERS Board of Trustees. These bills include:

SB 19 by Senator Guillory, which provides a permanent benefit increase of 1.5% to eligible retirees and beneficiaries of the system paid from available funds in the Experience Account.

SB 14 which provides for



outstanding amortization bases of LSERS to be consolidated and reamortized over a 30-year period with level dollar payments. The purpose is to assist the school boards in their budgeting process

by eliminating the increasing payment schedule that is currently in effect, and providing a new schedule incorporating level dollar payments.

SB 25 which provides for tech-

nical corrections requested in the interest of administering the plan.

The Board of Trustees has reviewed and taken positions on the prefiled bills affecting LSERS to be debated during this Legislative Session. For a complete list of the bills and board positions please visit our website and click on the "Legislation" tab.

If you are interested in receiving regular updates on the various bills and their movement through the legislative process we encourage you to enter your email address in the "Email Subscription Sign-up" box located in the bottom right of the LSERS website page.

Ruling in privatization case upheld

St. James, Pointe Coupee, and Evangeline Parish School Boards filed suit to enjoin LSERS from collecting on privatization pursuant to La. R.S. 11:1195.1 and 1195.2. The case was tried on December 13, 2012. Judge Hernandez dismissed the plaintiff's claims ruling in favor of LSERS. The plaintiff school boards appealed the ruling. On February 14, 2014, the First Circuit Court of Appeal affirmed the ruling of the lower court and assessed the costs of the appeal against the school boards, specifically writing in their opinion, "After a thorough review of the record and the arguments presented, we find no merit to the school boards' assignments of error and affirm the judgment of the trial court."

Board of Trustees election set this Spring

An election for the LSERS Board of Trustees Division 1 Retiree seat will be held this Spring. Ballots will be mailed by May 2, 2014 to all retirees along with postage-paid, self addressed envelopes for the return of the ballots. Members will also have the option of casting their vote via telephone or internet if they choose to do so. The deadline for returning the ballots is June 4, 2014. Official results of the election will be revealed before the June 23, 2014 Investment Committee Meeting.

The four-year term begins on January 1, 2015 and ends December 31, 2018. The seat is currently held by Betty

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Form 1099-R now available online

As of March 1, 2014 retirees can now print their tax Form 1099-R online for the calendar years 2011 through 2013. Go to the Login page on www.lasers.net and access your online retirement record, then select "1099-R" from the list above the Member SSN field.

We suggest contacting your tax advisor for any questions regarding the information on your Form 1099-R.

Reminder:

- LSERS retirement benefits are not subject to Louisiana state income taxes for residents filing a Louisiana income tax return.

Form 1099-R form explanations:

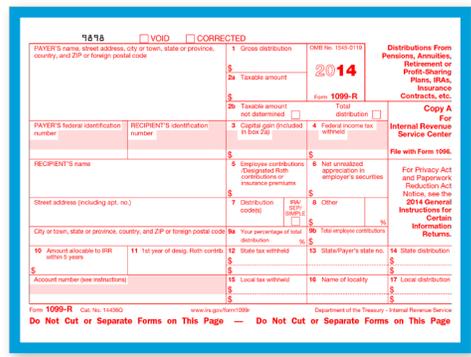
- **Box 1 Gross distribution:** Total amount you received for the calendar year 2013

- **Box 2 Taxable amount:** Taxable amount to be reported for Federal income tax purposes.

- **Box 4 Federal income taxes withheld:** Federal income taxes withheld from your payments in 2013.

- **Box 5 Employee contributions:** Tax-free portion of retirement benefits you received during the calendar year. This is NOT the amount of your insurance premium. It represents unsheltered contributions withheld from your salary before July 1, 1994 that had already been taxed. This amount is the difference between the Gross distribution in Box 1 and the Taxable amount in Box 2a. If you have no amount in Box 5 – your entire benefit is taxable.

Note: Disability retirees will not have tax-free benefits reflected in Box 5 until they reach their normal retirement eligibility age.



LONG TIME BOARD MEMBER PASSES...

Betty Jo Bradley Jacobs, who served on LSERS Board of Trustees for 28 years, passed away on February 4, 2014. She retired in 2005 after 31 years of service as a school bus driver with the East Baton Rouge Parish School System. She was the longest-serving elected LSERS board member during which time she served as Chairperson of the Investment Committee. She spent countless hours educating members of the Louisiana Legislature and Congress on various issues related to LSERS. Mrs. Jacobs was a member of the LA School Bus Operators Association and served on their Legislative Committee. Her dedication to the members of LSERS and eternal optimism is truly an inspiration.

FROM JANITOR TO PRINCIPAL

Sonnier's inspiring story makes national news

Port Barre Elementary School Principal and LSERS member Joseph "Gabe" Sonnier has become quite a celebrity – making national TV news for his unusual route to the principal's position. Sonnier has been with the school 33 years – and spent more than 20 of those years as head custodian.

A word of encouragement and determination

changed all that. One day, former Principal Wesley Jones told custodian Sonnier that he should be grading papers rather than picking them up. Taking that comment to heart, Sonnier enrolled in LSU Eunice while still working and raising two sons.

With Principal Alvin August providing some scheduling assistance and Sonnier sleeping only a few hours a night, he

earned his teaching degree in 2008 and became a teacher at Port Barre. He later attained a master's degree by taking on-line courses with Arkansas State University.

The St. Landry Parish School Board unanimously selected Sonnier for the principal's position in 2013, commenting on his inspirational example of raising and educating his sons first and also educat-

ing and bettering himself.

The former custodian still works long hours. It's a habit, along with encouraging kids. He said the news reports about his success have given him "celebrity status" with the children, and he is happy to inspire them. "I tell them, 'Don't let your situation that you're in now define what you're going to become later. It's not where you start, it's how



Joseph "Gabe" Sonnier

you finish."

Information for this article compiled from The Advocate, ABC News and Mr. Sonnier

Board of Trustee elections

Continued from page 1
Crain whose term ends on
December 31, 2014.

Division 1 Retiree Election

Eugene Rester, Jr.,
a current LSERS board

member and Boyd “Zeke”
Zitzmann, a former LSERS
board member, have quali-
fied for the Retiree Board
seat.

Rester has served as a
Trustee on LSERS Board
for the past 7 years and has



LANDRY & FAULK SWORN IN...

Ms. Kathy L. Landry and Mr. Jeffrey Faulk, Sr. were sworn in for their terms as Active-Member representatives for the District 4 and Retiree Division 2 seats respectively. Their four-year terms began January 1, 2014.

DROP interest rate approved

The Public Retirement Systems’
Actuarial Committee (PRSAC) met on
Thursday, March 6, 2014 and approved
the Deferred Retirement Option Plan
(DROP) interest rate of 11.54% for
fiscal year ending June 30, 2013. This
rate applies for members who were
eligible to participate in DROP be-
fore January 1, 2004. Interest will be
reflected on the April 2014 Quarterly
Statement.

Check Mailing Dates

Visit our website at www.lasers.net for
check mailing dates. Regular monthly
benefit checks are mailed on the last
working date of the month and DROP/
IBRP checks are mailed on the last
working date of the month before the
5th of the month.

served as Chairman of the
Board Investment Commit-
tee since 2012. He is a life-
long resident of Washington
Parish and was a bus driver
for 23 years. He has served
as president of the Bogalusa
City School Bus Operators
Association and has been an
active member of the Loui-
siana School Bus Operators
Association Board of Direc-
tors for 13 years. He is also
a board member of Healthy
Start, Inc.

Zitzmann was a mem-
ber of the LSERS Board of
Trustees for 14 years as an
active member representing
the New Orleans region.
His LSERS Board of Trust-
ees service included 6 years

as vice-chairman pro-tem.
He worked for the Orleans
Parish School Board for 25
years. He served 3 years
as an active and 3 years
as a retired member of
the Louisiana School Bus
Operators Association. He
has 28 years of service in
the U.S. Army, from which
he retired with honors.
He relocated to Lafayette
Parish from St. Bernard
Parish following Hurricane
Katrina.

District 2

Congratulations Colleen
Barber, who was unopposed
in her candidacy for the Dis-
trict 2 active member seat.
She will replace Eugene

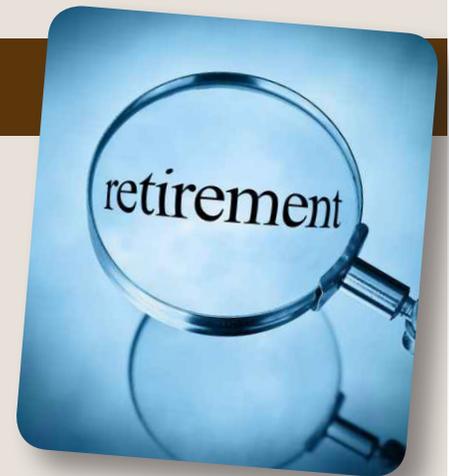
Rester, Jr., who has retired.

Ms. Barber has been a
member of LSERS since
1996. She began her career
as a “child specific” bus
attendant in 1996 and held
that position until 2001.
She became a bus operator
in Washington Parish in
2001, where she actively
serves. Barber holds a seat
on the Executive Board of
the Louisiana School Bus
Operators Association as
well as the distinction of
being the president of her
local association in Wash-
ington Parish.

If you are a retiree,
watch your mailboxes for
the ballots and be sure to
vote! **Your vote counts!**

DID YOU KNOW:

Unused leave can increase retirement benefits



Did you know your unused annual and sick leave may be used to increase your monthly retirement benefit when you retire? After you reach eligibility to retire, unused leave may be used when calculating your benefit. If a person has not reached 100% accrual which is usually reached at 30 years, then unused leave greater than 0.10 of a year (at least 18 days for a 9-month employee) may be included in the benefit calculation. Unused leave days are converted to service credit by taking the number of unused days and dividing by the number of days in a full contract year.

For example, a 9-month employee on a 180-day contract with 90 days of unused leave would get an additional half of a year service credit (90/180). If this person reached retirement eligibility with 25.00 years of service credit at age 55, then his or her retirement benefit would actually be calculated with 25.50 years (25.00 + 0.50). Unused leave is a good thing!

Getting to LSERS is Simple

LSERS office is off Essen Lane between I-10 and I-12. The street address is 8660 United Plaza Blvd. in Baton Rouge.

From I-10, exit on Essen Lane. Turn right if coming from the south and left if coming from downtown or the north. Turn right on United Plaza Blvd. LSERS is the first building on the left.

From I-12 east, exit on Drusilla Lane and turn left. Turn right on Jefferson Highway and left on Essen Lane. Take the second entrance to United Plaza Blvd. on the left. LSERS is the first building on the left. From I-12 west, exit on Essen Lane. Take a right on Essen Lane, then the second entrance to United Plaza Blvd. on the left. LSERS is the first building on the left.

Louisiana School Employees' Retirement System
P.O. Box 44516
Baton Rouge, Louisiana 70804-4516

Location: LSERS Building
8660 United Plaza Blvd. - First Floor
Baton Rouge, Louisiana 70809-7004

Telephone 225.925.6484, Toll-free 1.800.256.3718
Office Hours: 8:00 a.m. to 4:30 p.m., Monday-Friday
Visit LSERS' website at: www.lasers.net

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Jeffrey Faulk, Sr., Chairman

Retiree Representative, 337.893.3315

Betty Crain, Vice Chair

Retiree Representative, 985.735.5359

Philip B. Walther, Vice Chair Pro Tem

1st Retirement District, 504.443.4005

Eugene Rester, Jr.

2nd Retirement District, 985.516.0369

Judith McKee

3rd Retirement District, 318.649.7696

Kathy Landry

4th Retirement District, 337.477.6161

Ex Officio Members:

Tom Schedler

Secretary of State, 225.922.2880

John Kennedy

State Treasurer, 225.342.0010

Elbert L. Guillory

*Chairman, Senate Committee on Retirement
225.342.0656*

J. Kevin Pearson

*Chairman, House Committee on Retirement
225.342.2445*

Henry J. Yearby

*President, LA School Bus Operators Association
318.649.6521*

Kristy H. Nichols

*Commissioner of Administration
225.342.7000*

Charles P. Bujol

LSERS Executive Director

Carolyn N. Forbes

LSERS Assistant Director

Alison Kessler

Executive Staff Officer

LSERS Member Change of Address

Be sure to notify LSERS if your address has changed recently. Please complete this change of address card and mail it to LSERS, P.O. Box 44516, Baton Rouge, LA 70804. Please print all information except for your signature.

Name _____ Home phone _____

Address _____

City/State/Zip _____

Membership status (check one) Active _____ Retired _____

Signature _____ Date of Birth _____
(required)

Board Meeting Schedule

Upcoming meetings are on May 19-20, June 23, July 21.

For a complete listing of all board meeting dates and times, visit our website at: www.lasers.net.

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