

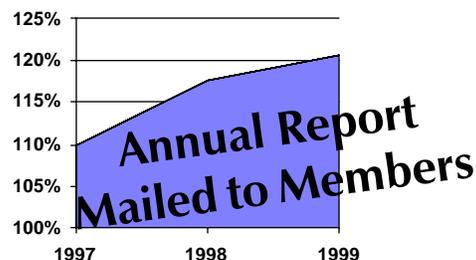
## Board Grants COLA to Retirees

The Board of Trustees of the Louisiana School Employees' Retirement System (LSERS) approved a cost-of-living increase (COLA) payable to any retiree who retired by January 1, 1999.

Remember, COLAs are only granted to those retirees who retired on or before January 1, 1999; therefore, if you retired after January 1, 1999, you are not eligible for a COLA at this time but would be eligible for a COLA if one is approved for January 2001.

This year's COLA was calculated as follows: you received one dollar for each year you worked and paid into the retirement system; plus one dollar for each year since retirement, plus one dollar multiplied times the number of years of service in excess of 30 years.

Also, those members age 65 and older are entitled to an additional COLA equal to 2% of the benefit being received at the time the COLA is granted. ☒



LSERS is proud to have published its first Annual Report which was sent to members in January 2000. This document summarizes system information from July 1, 1998 through June 30, 1999 as provided to LSERS by the auditing firm of Duplantier, Hrapmann, Hogan & Maher, L.L.P. and system actuary Hall Actuarial Associates.

The Annual Report is published as an informational service to our members. If you did not receive a copy, please contact our office. ☒

## Proposed Federal Legislation Gains National Momentum

As mentioned in previous "Crossroads" newsletters, there are two bills pending in the U.S. Congress that would affect members of LSERS. We are pleased to report that one of the bills, which deals with the Social Security government pension offset, has gained considerable national support in the past year from 5 bill co-authors to 196 co-authors.

The federal bills are explained here for your review. For your information, both social security offset bills were authored by Congressman William Jefferson (District 2) of New Orleans, LA.

As of January 2000, members of Louisiana's congressional delegation that have signed **in support** of the government pension offset bill are: Senator Mary Landrieu and Representatives Richard H. Baker (Dist. 6) and Chris John (Dist. 7).

Those that **have not signed** in support of this bill are: Sen. John Breaux and Representatives David Vitter (Dist. 1),

Billy Tauzin (Dist. 3), James McCrery (Dist 4) and John Cooksey (Dist. 5).

Congressman Jefferson's proposed bills are as follows:

**Government Pension Offset - H.R. 1217, S. 717.** This bill would allow a spouse to receive a spousal benefit from Social Security without reduction if the spousal Social Security benefit and the spouse's



retirement benefit do not exceed \$1,200.00 per month. LSERS **supports** this bill.

**Windfall Elimination Provision - H.R. 860.** This bill would allow LSERS members to receive their full Social Security benefit, without reduction, if their Social Security benefit and retirement benefit is less than \$2,000.00 per month. LSERS **supports** this bill.

LSERS encourages YOU, our members, to take an active role in the legislative process and contact your congressional representatives with concerns about this legislation. ☒

**D**ON'T MISS: Election Announcement & DROP Interest Rate.....2  
Q & A (about retirement).....3

# Election Announcement - 3rd Retirement District

**This election announcement/statement of qualifications serves as official notification to all LSERS members of the upcoming board of trustees election for the Third Retirement District.**

An election will be held for a member of LSERS Board of Trustees to represent the Third Retirement District. This is a four-year term beginning January 1, 2001, and ending December 31, 2004. The seat is currently held by Joe Seymour, with the term ending Dec. 31, 2000. All **active** members of the Third Retirement District are eligible to qualify for this election provided the following conditions are met.

To qualify, you must:

1. Reside in the Third Retirement District which consists of the following parishes: Bienville, Bossier, Caddo, Caldwell, Catahoula, Claiborne, Concordia, DeSoto, East Carroll, Franklin, Jackson, LaSalle, Lincoln, Madison, Morehouse, Ouachita, Red River, Richland, Tensas, Union, Webster, West Carroll, and Winn.

2. Submit a written request for an official Nominating Petition to: Patrick Cosper, Director, P.O. Box 44516, Baton Rouge, LA 70804, or fax it to 225-922-0350.

3. Obtain the signature, social security number, and address of at least ten (10) **active** members of the Louisiana School Employees' Retirement System who also reside in the Third Retirement District.

**This information must be submitted on an official Nominating Petition and be verified by this office before you officially qualify.**

4. Submit a completed, notarized Nominating Petition to this office **no later than 4:30 p.m., June 1, 2000**, via U.S. mail or hand deliver to 8660 United Plaza Blvd., 1st Floor, Baton Rouge, LA. Fax copies will NOT be accepted.

A notice of official qualification will be mailed to you upon verification of your Nominating Petition.

**see Election, back cover**

# LSERS Board News

At the November meeting of LSERS' Board of Trustees, the trustees voted on board officers as follows: Joe Seymour will continue to serve as Chairman of the Board, Boyd "Zeke" Zitzmann will serve as Vice-Chairman, and Betty Jacobs will serve as Vice-Chair Pro-Tem. The board officers' terms began January 1, 2000 and end December 31, 2001.

## Legislative Update

The 2000 legislative session, beginning in March, is a fiscal-only session; therefore, LSERS will not be proposing new legislation until next year.

*Joe Seymour, representing the 3rd Retirement District, will continue to serve as LSERS' Board of Trustees Chairman.*

*Re-elected Boyd "Zeke" Zitzmann was sworn in as board trustee, representing the 1st Retirement District, by LSERS General Counsel Randy Roche at the November meeting. Roche was assisted by Stacy Sharpe, Secretary of State's office.*

## COLA Granted

The Board approved a cost-of-living increase (COLA) at its November meeting. Details about this COLA are found on the front cover of this newsletter.

## LSERS Goes to Washington

Board members Howard Broussard, Joe Seymour and "Zeke" Zitzmann; system director Patrick Cosper; Cooper Harrell, State Treasurer's office, and Warren Ponder, Secretary of State's office, traveled to Washington, D.C. in January to lobby for the government pension offset bill and windfall elimination provision.

The LSERS board members also asked Congress to consider changing the way bus drivers' operational expense reimbursements are treated for federal

**see Board News, back cover**

*Betty Jacobs, representing the 2nd Retirement District, will serve as Vice-Chair Pro-Tem of LSERS board for 2000-2001.*

## DROP Account Earns 16.05%

In February, LSERS received notification from the Legislative Actuarial Committee that the DROP interest rate of 16.05% for the fiscal year ending June 30, 1999, was approved.

The DROP interest rate will be posted to the applicable DROP accounts and the DROP annual statements will be mailed

to DROP retirees by April 1, 2000. Remember, your DROP account begins to earn interest once deposits stop and you have finished your participation in DROP, even if you continue to work.

Also, your DROP account continues to earn interest as long as there is any money remaining in your account. ☒

# State Employees Group Benefits Plan News

If you are a member of the State Employees Group Benefits Program (SEGBP), the following information is important to you. If you have questions about this article, you must call the Group Benefits Plan office in your area. **LSERS cannot answer any questions about insurance coverage.**

SEGBP must consider options for controlling costs because health care expenses are increasing at a startling pace. The SEGBP Board of Trustees continuously strives neither to raise

premiums, nor to cut benefits. Benefits will remain the same for the 2000-2001 plan year, although an increase in premiums is being considered.

One primary reason for the inflation in health care costs is the skyrocketing prices of prescription drugs. Drug costs have increased between 15 and 25 percent in one year.

The SEGBP Board of Trustees established a new program for payment of prescription drugs. It is called a "three-

**see Plan, back cover**

**Members: If you plan to visit LSERS for retirement counseling, please call 1-800-256-3718 to make an appointment with a Benefits Analyst.**

## Q & A

(Frequently asked questions about retirement)

### Q: How much money have I contributed toward retirement?

A: The amount you have contributed to the retirement system is shown on your annual member statement. The member statements are mailed to active members each year after the end of the school year. If you are retired, you do not receive a member statement.

The statements are usually mailed beginning in September through January, and are printed as each parish's records are balanced. If you did not receive a member statement for the year ending June 30, 1999, you should notify our office in writing.

You can also find out the amount you have contributed to the retirement system by sending a written request to the system.

### Q: Will income tax be withheld from my retirement check?

A: Your filing status, number of exemptions, and the amount of your retirement check will determine if federal income tax will be withheld from your retirement check.

When you retire, we require that you complete a form W-4p. The W-4p contains your filing status and number of exemptions. If you want to change the amount withheld from your check, you need to complete a new form W-4p.

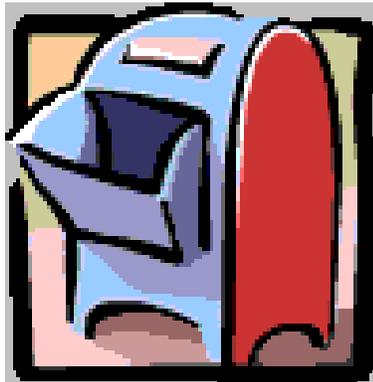
You should consult a tax advisor if you need help in determining the amount you should have withheld from your retirement check. Based on current laws, your retirement benefit is NOT subject to state income taxes. Money will not be withheld from your check for state income taxes. ☒

## Address Update Under Way at LSERS

We are in the process of updating our member data files and need your help to complete this successfully.

If you had a change of address within the last **TWO** years, please fill out the Change of Address card below with your current address and mail it to our office.

Remember, LSERS needs your current address in order to notify you of retirement eligibility, system laws and other information that may affect your retirement planning.



Thank you for your assistance in helping LSERS provide better service to you. ☒



If your address has changed recently, please take a moment to complete this change of address form and **mail it to LSERS office** in order to update our files.

### LSERS Member Change of Address

Name \_\_\_\_\_

Address \_\_\_\_\_

City/St./Zip \_\_\_\_\_ Soc. Sec.# \_\_\_\_\_

Membership Status: (check one) ACTIVE \_\_\_\_\_ RETIRED \_\_\_\_\_

Signature \_\_\_\_\_

*Required to process change*

**LSERS  
BOARD OF TRUSTEES**

**Joe Seymour  
Chairman**

3rd Retirement District, 318-728-2729

**Boyd Zeke Zitzmann  
Vice-Chairman**

1st Retirement District, 504-682-3512

**Betty Jacobs  
Vice-Chair Pro-Tem**

2nd Retirement District, 225-925-5667

**J. Howard Broussard**  
Retiree Representative, 337-662-5436

**Sylvia Myers**  
4th Retirement District, 337-478-7162

***Ex Officio Members***

**Larry Wilmer**

President, La. School Bus Operators  
Association, 318-964-2869

**W. Fox McKeithen**

Secretary of State, 225-342-4479

**John Kennedy**

State Treasurer, 225-342-0010

**Lambert Boissiere, Jr.**  
Chairman, Senate Retirement  
Committee, 225-342-2062

**Pete Schneider**

Chairman, House Retirement  
Committee, 225-342-2445

**Patrick Cospier**  
Director

**Debra Dudley**  
Assistant Director

**Paula Shortess**  
Communications Director/Newsletter Edit.

A total of 24,600 copies of this newsletter was published at a total cost of \$2,117 by Franklin Press to provide members of LSERS with information concerning changes and policies of the system. This information is not a substitute for, nor provides any rights or benefits, except as contained in the LSA Revised Statutes governing LSERS. This newsletter was printed in accordance with R.S. 43:31B.

**Board News, from page 2**

income tax purposes. Currently, the reimbursements are treated as wages, with expenses deductible only as itemized deductions. The board members explained that bus drivers must have the ability to deduct all of their bus expenses fully, to accurately reflect their true taxable income. ☒

**Election, from page 2**

If more than one (1) person qualifies for the election, a ballot containing the names and profiles of all qualified candidates will be mailed on September 15, 2000, to all **active** members residing in the Third Retirement District along with a postage-paid, self-addressed envelope for the return of the ballot. The ballot **must be received in this office no later than 4:30 p.m., October 16, 2000**, in order to be counted.

The ballots will be counted at the November 20, 2000, regular board meeting. If you have any questions regarding this election, please contact Michelle Reeves at 1-800-256-3718. ☒

**Plan, from page 3**

tier system," because plan members will have three levels of copayments. The chart below lists the copayments for the EPO and the PPO programs. Please remember this is for the 2000-2001 plan year, which commences on July 1, 2000.

Type of Drug	EPO	PPO
1. Generic Drugs	\$6	\$8
2. Brand name drugs on a special list (called a "formulary")	\$20	\$25
3. Brand name drugs NOT on a special formulary list	\$30	\$40

Louisiana School Employees' Retirement System (LSERS)  
P.O. Box 44516 - Capitol Station  
Baton Rouge, Louisiana 70804-4516  
**Location:**  
LSERS Building  
8660 United Plaza Blvd. - First Floor  
Baton Rouge, Louisiana 70809

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' Web site at: [www.lasers.state.la.us](http://www.lasers.state.la.us)

**Mailing Dates for  
Monthly Benefit Checks**

**Retirement Checks for:** **Will be Mailed Out On:**

<b>March</b>	<b>February 29</b>
<b>April</b>	<b>March 31</b>
<b>May</b>	<b>April 28</b>
<b>June</b>	<b>May 31</b>
<b>July</b>	<b>June 30</b>

Please note: The "Mailed Out" dates above show when LSERS mails retirement benefit checks to members. LSERS must allow (7) seven working days for the U.S. Postmaster to deliver your check before we can stop payment and issue another check.

If you regularly receive your check in an untimely manner, you may want to consider setting up electronic funds transfer (EFT), also known as direct deposit. Please contact our office to sign up for EFT. ☒

The Board agreed to leave in place the provision whereby plan members can purchase a 90-day supply of maintenance drugs for one copayment. Many of you have stated that the 90-day supply is vitally important to you. Your maintenance drugs must be on the list approved by our Prescription Drug Consultant. This list will be available in the year 2000.

If you have questions, please contact SEGBP board retiree representative Dr. Merline Broussard or the Group Benefits Customer Service Staff (1-800-272-8451). ☒

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