



PERS NEWS

A PUBLICATION OF THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

ISSUE 33

December

PARTICIPATION REQUIREMENTS FOR ELECTED OFFICIALS

Recent elections in the state prompt us to remind administrators of the participation requirements for elected officials. A constitutional amendment passed in 1996 which became effective 1/1/97 limited participation of elected officials. Newly elected police jurors, school board members, parish councilmen and constables are no longer eligible to enroll in the retirement system.

Parish presidents, justices of the peace and coroners are permitted to enroll in Parochial. Parish presidents and justices of the peace must make application within one year of taking their oath of office, but participation is optional. Coroners may enroll at any time at their option.

Your help in notifying newly elected parish presidents, justices of the peace and coroners of their eligibility will help in avoiding misunderstandings later.

Elected officials who were participating in the plan as of January 1, 1997 are allowed to continue their participation.

In a few instances elected officials who had previously participated and left funds on deposit may be eligible to participate again when re-elected. You should contact our office to confirm eligibility for re-elected officials on a case by case basis.

CHANGE IN CONTRIBUTION RATES EFFECTIVE JANUARY 2004

It is never too late to remind administrators of the change in contribution rates effective January 1, 2004. Although employee contributions remain unchanged at 9.50% in Plan A and 3.0% in Plan B, employer rates will go to 11.75% and 5.25% in Plan A and B respectively. These new levels will affect payments made for service credit earned in 2004. They do not affect fourth quarter 2003 contributions.

NEWLY ELECTED BOARD MEMBER

Mr. Joe Arabie of the West Baton Rouge Parish council is completing a six year term on Parochial's Board of Trustees at the end of this month. Joe has been a significant contributor to the retirement system through his contacts among legislators and parish officials around the state. Joe's efforts on behalf of the plan will be missed as he has chosen not to seek re-election to the board. The trustees and the staff thank him for his efforts in the past six years and wish him well.

The results of an election to fill this board position were promulgated at the December 1 meeting and Jerry Milner of Calcasieu Parish was determined to be the winner. Mr. Milner's six year term begins in January.



**HAPPY
HOLIDAYS**

INTEREST ON ACCUMULATED DROP BENEFITS

As was done last year, PERS will pay interest on accumulated DROP benefits during the period between the conclusion of DROP participation and termination of employment.

The rate of interest for 2003 was established as 1.674% by our trustees at their December meeting. Like last year, this rate was derived by averaging the yield at which two year treasury notes were sold at auction in each of the last twelve months.

For those continuing to work, the appropriate interest amount will be posted to their account. For those who worked beyond their DROP participation, but received their DROP benefit in 2003, a payment will be issued in January.

Our office will provide a statement and a letter explaining this benefit to each affected retiree or member. Should any questions arise, however, please contact our office.

WEBSITES HELPFUL IN KEEPING UP WITH SOCIAL SECURITY ISSUES

Social Security is never gone for long as a political issue in Washington. We've noted on many occasions in the past the importance of opposing the proposal to make Social Security mandatory for new hires in Louisiana's public sector.

Now there are proposals being considered that would alter the effect of government pensions on Social Security benefits. In some cases this legislation would benefit some of our members. In order to keep up with these issues, we suggest two websites:

National Conference on Public Employee Retirement Systems

www.NCPERS.org

Coalition to Preserve Retirement Security

www.retirementsecurity.org

These two organizations monitor the Social Security issues as well as many others. You may find these websites helpful in keeping abreast of developments affecting your employees.

"PROCRASTINATION IS THE THIEF OF TIME."
—EDWARD YOUNG (ENGLISH POET)
"YOU CANNOT CREATE EXPERIENCE; YOU UNDERGO IT."
—ALBERT CAMUS (FRENCH NOVELIST)
"THE PATH IS SMOOTH THAT LEADETH ON TO DANGER."

ORDER FORM

Parochial Employees' Retirement System

Please mail the following forms to: _____
(Name of Employing Parish)

We are in: Plan "A" ___ Plan "B" ___

How Many

- _____ Quarterly Reports
- _____ DROP Quarterly Reports
- _____ Refund of Contributions
- _____ Personal History
- _____ Retirement Application

How Many

- _____ Brochures
- _____ Personal History Forms
- _____ Election Form for New Employees age 55 and older
- _____ Special Tax Notice

IMPORTANT STUFF!

COMBINING SERVICE CREDIT WITH ANOTHER RETIREMENT SYSTEM:

Among the various public retirement systems in Louisiana there are provisions for transferring service credit and for arranging reciprocal agreements which are another means of combining service credit in two plans. If you are aware that a newly hired employee has prior service in another plan, you should encourage that person to inquire about the possibility of combining that service with service in Parochial. Contacting our office is a good place to start.

STATEWIDE MEETINGS:

In October Dainna Tully, Becky Fontenot and Tom Sims held meetings with plan administrators at seven sites around the state. These meetings are a useful means of acquainting newly appointed administrators with Parochial as well as getting specific questions answered. We thank all who attended and hope that even more will do so next year.

MAXIMUM DEFERRAL IN 2004 FOR 457 PLAN:

Since most of our participating employers also offer a 457 plan, we want to point out that the maximum deferral in 2004 will rise from \$12,000 to \$13,000. For limitations on "catch-up" deferrals, we suggest that you contact the plan administrator.

1099's AND NOTICES OF DEPOSIT TO BE MAILED:

The new year brings a lot of activity to the retirement system. By the end of January Form 1099's will be sent to all retirees and to former members who received a refund during 2003. Later in the quarter, likely in March, notices of deposit will be prepared for all individuals with balances in the system. These notices will be sent to each participating employer for distribution.

BOARD OF TRUSTEES

Reagan Sutton, Chairman Lincoln Parish
 Joseph C. Arabie W Baton Rouge Parish
 Gwen B. LeBlanc Ascension Parish
 Terrie T. Rodrigue Jefferson Parish
 Thomas Nelson Police Jury Association
 Rep. Pete Schneider House Retirement
 Sen. Lambert Bossiere Senate Retirement

ADMINISTRATIVE PERSONNEL

Tom Sims, CFA Administrative
 Director
 Dainna S. Tully Assistant Director
 Becky Fontenot Benefits Analyst
 Bobbie Deloney Systems Analyst
 Jean Sullivan Bookkeeper
 Geraldine Ferguson Data Entry Specialist

PERS NEWS is a quarterly publication of the Parochial Employees' Retirement System of Louisiana, located at 5420 Corporate Blvd., Suite 103, Baton Rouge, Louisiana 70808.

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January

2004

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
				Retiree electronic checks available CLOSED FOR NEW YEAR	2 CLOSED FOR	3
4	5 1/1 Refunds mailed	6	7	8	9 Cut-off for 1/15 refunds	10
11	12	13	14	15 1/15 Refunds mailed 4th Qtr reports due	16	17
18	19	20	21	22	23	24
25	26	27 Cut-off for 2/1 refunds	28	29	30 F1099 Deadline Retiree checks mailed	31

February

2004

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
1	Retiree electronic checks available 2/1 Refunds mailed	3	4	5	6	7

March

2004

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
	Retiree electronic checks available 3/1 Refunds mailed	2	3	4	5	6