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# PERS NEWS

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A PUBLICATION OF THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

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## **EMPLOYER RATES REMAIN UNCHANGED FOR 2012**

The Public Retirement Systems Actuarial Committee (PRSAC) approved the system's actuarial valuation, thereby making employer rates previously announced official. As mentioned in previous correspondence, the employer rates for 2012 will remain the same for both Plan A and Plan B. Effective January 1, 2012 the employer contribution rate for Plan A will be 15.75% and the employer contribution rate for Plan B will be 10.00%. The employee contribution rates for Plan A and Plan B remain unchanged at 9.5% and 3% respectively for 2012 as well.

## **BOARD OF TRUSTEES' NEWS**

At the December 12, 2011 meeting of the Board of Trustees of the Parochial Employees' Retirement System, the results of the recent election were promulgated. Mr. Tim Ware has been re-elected to serve a six year term beginning in January of 2012. Mr. Ware has served on the Board since January of 2005. He currently serves as the Chief Financial Officer/Treasurer of Rapides Parish.

## **ADMINISTRATIVE TRAINING A SUCCESS**

On October 4, 2011, we held our annual Administrative Training Workshop at the Baton Rouge Marriott. Representatives from employers across the state were in attendance to hear timely presentations including a review of the actuarial report for the year ending 12/31/2010, an update on the system's investment portfolio and administrative questions and answers. Thank you to all who took time from their busy schedules to spend a half day with us in Baton Rouge.

This training workshop will be held each year in October. We will send information concerning our 2012 workshop in the fall of next year.

## **POSTAL CUTS TO DELAY MAIL DELIVERY**

The post office has announced cuts to first-class mail which are proposed to take place next spring. Next day mail delivery will no longer be available. First class mail will now be delivered within two to three business days. This will affect the delivery of quarterly reports and other time sensitive reports mailed to our office. In addition, retirees who receive their monthly payments in the form of a check will have to wait an additional day for delivery of their monthly benefit. We will continue to keep you informed of the changes proposed by the U.S. Postal Service.

## **FOURTH QUARTER CONTRIBUTIONS DUE JANUARY 15**

Forms to be used for remission of quarterly reports have been mailed under separate cover. These forms are also available on our website ([www.persla.org](http://www.persla.org)) under the Forms tab.

As a reminder, quarterly reports for the fourth quarter of 2011 are due in the retirement system office on January 15, 2012. This deadline applies to both regular reports and DROP reports. R.S. 11:2014 C states that payments shall be considered delinquent when not **received** by the system within fifteen days after the close of each fiscal quarter. This statute also provides that a penalty of 1 ½% per month shall be assessed on delinquent payments.

Please make certain that your quarterly report is signed by the appointed authority before remitting to our office. In addition, we ask that each employer verify that the totals on the summary page equal the total on the supplementary pages attached before submitting the quarterly report to our office. Finally, it is imperative that each member's name corresponds with the correct Social Security number. If an incorrect Social Security number is used, it may result in an incorrect disbursement of funds to another individual at termination of service. The appointed authority signing this form certifies that the information contained with the report is correct. The retirement system accepts that certification and posts salary and contributions using the Social Security numbers provided by the employer. Any error resulting from an incorrect Social Security number is the responsibility of the employer.

**Your report must be received in our office by January 15, 2012, in order to avoid a late penalty. If you are using a delivery service, delivery must be received by Friday, January 13, 2012 in order to avoid the late penalty. Delivery of reports received on or after Monday, January 16, 2012 will be considered late and a late penalty will be assessed.**

## **1099 FORMS AND NOTICES OF DEPOSIT**



1099-R forms will be mailed to all retirees and to all of those former employees who received a refund in 2011. We are required to postmark these tax forms by January 31, 2012.

Notices of Deposits reflecting employee contribution balances as of December 31, 2011 will be prepared and sent to each participating parish or agency for distribution. This is a lengthy process that we strive to have completed by April 30, 2012.



# January 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	OFFICE CLOSED FOR NEW YEAR	1/3/12 REFUNDS MAILED	4	5	6	7
8	9	10	11	Cut-off for 1/16 Refunds	13	14
15	1/16 Refunds Mailed	17	18	19	20	21
22	23	24	25	26	Cut-Off for 2/1 Refunds	28
29	30	31				

# February 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			2/1 Refunds Mailed	2	3	4
5	6	7	8	9	Cut-Off for 2/15 Refunds	11
12	13	14 	2/15 Refunds Mailed	16	17	18
19	20	Closed for Mardi Gras 	22	23	24	25
26	Cut-Off for 3/1 Refunds	28	29			

# March 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				3/1 Refunds Mailed	2	3
4	5	6	7	8	9	10
11	Cut-Off for 3/15 Refunds BOARD MEETING	13	14	3/15 Refunds Mailed	16	17 St Patrick's Day 
18	19	20 	21	22	23	24
25	26	27	Cut-Off for 4/2 Refunds	29	30	31

### REFUND OF CONTRIBUTIONS FOR TERMINATED EMPLOYEES

At the time of termination, a former member can request a refund of his employee contributions. In order to request this refund, a Refund of Contributions Form is completed with the participating employer. Some former employees have asked about direct deposit of a refund. All refunds are paid in check form only. Direct deposit is only available for the payment of monthly benefits to retirees.

### LIMITATIONS EXIST FOR RETIREES RETURNING TO WORK

When a retiree of this retirement system returns to work for a participating employer, statutory limitations exist. Before you rehire a Parochial retiree, you should contact our office to review the limitations that may affect the rehired retiree. You can review a brief description of our return to work provisions contained in Section 10 of our Summary of Principal Features.

### ELIGIBILITY OF ELECTED OFFICIALS LIMITED

With many newly elected officials taking office, it is the perfect time to review which elected officials are eligible to enroll in PERS. Parish presidents, justices of the peace, and coroners are the only **newly** elected officials that are eligible to enroll in PERS.

Parish elected officials who are currently enrolled remain members until they terminate service as an elected official. Please contact our office if you have questions concerning the eligibility of elected officials in this retirement system.

### RESERVIST EMPLOYEES CALLED TO ACTIVE DUTY

Parish employees who are called to active military duty must be informed of their options regarding retirement credit before they leave for military duty and again when they return.

Prior to reporting for active duty, the member may choose to continue to make employee contributions during his/her absence. The election is made with the employer and all contributions must be remitted through the employer. If this election is made, employer and employee contributions, based on the member's latest pay, would be submitted on the employer's regular payment schedule.

The member may choose not to make these contributions while on military duty. In that case, upon the member's return to employment, the member can apply to pay the contributions for the period of military service with interest. If the member pays the employee contributions and interest due, then the employer is required to pay the employer contributions and interest. Payment of contributions and interest must occur within 4 years of the member's return to active employment.

If the member elects not to make contributions for the period of active duty, no service credit is granted as far as the retirement benefit calculation is concerned. However, the period of active duty can be used to meet retirement eligibility requirements. A copy of the DD-214 must be submitted to the retirement system so that this service can be recorded for eligibility purposes.

We suggest that when discussing options with affected employees, the member should acknowledge the discussion with a signed statement that is maintained by the employer. This statement should be kept in the member's personnel file as documentation of the information presented and the election made by the member.

If any questions arise regarding reservists called to active duty, please contact our office.

### 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:

\_\_\_\_\_ Refund of Contributions

\_\_\_\_\_ DROP Applications

\_\_\_\_\_ Retirement Application

\_\_\_\_\_ Brochures

**The following forms can be printed from our website:**

- Quarterly/Monthly Reports—Regular and DROP
- Personal History Update Forms
- Personal History Forms
- Election Form for New Employees age 55 and older
- Special Tax Notice
- SSA 1945 Statement concerning Employment in a Job not covered by Social Security

**USE ONLY PERS GENERATED FORMS:** When submitting forms to PERS (including quarterly report, Personal History, and Refund Forms) it is important that you utilize the forms that have been generated by the retirement system office. Occasionally our office receives forms that have been redesigned by an employer group and if these forms are not an exact replica, delays in processing may result. Our forms are designed to include all necessary information required for processing and many times the order that the data is requested corresponds with our data entry into the computer system. For this reason, we ask that you use only forms supplied by our office or forms that are downloaded directly from our website ([www.persla.org](http://www.persla.org)).

**PROPERLY COMPLETED ENROLLMENT FORMS:** Before submitting Personal History forms to our office for newly hired employees, please review the form to make certain that all blanks are properly completed. We ask that the information on the form be either printed or typed. The Social Security number of the member must be included on this form so that we can create a member record. This form must be signed by the member and the appointed authority designated by the parish or agency. In addition, we have noticed that several employers have not been including a copy of SSA-1945 (Statement Concerning Your Employment in a Job Not Covered by Social Security) with the Personal History form. Your help in reviewing this information will alleviate the need to return incomplete forms.

**CONTRIBUTIONS PROHIBITED ON CERTAIN TYPES OF PAYMENTS:** Louisiana Revised Statute 11:233 B (2) provides specific types of payments that are excluded from "earnable compensation" for purposes of this retirement system. Lump sum payments made in lieu of unused annual or sick leave, car allowance, bonuses, and severance pay are among the payments that are excluded. Employee and employer contributions cannot be withheld from any of the types of payments listed in this section of the law.

In addition, our definition of earnings contained at R.S. 11:1902 (11) states "earnings shall not include fees or commissions." Employee and employer contributions cannot be withheld on fee or commission payments.

If you have any questions about whether a type of payment qualifies as earnings or earnable compensation for retirement purposes, please contact Dainna Tully or Becky Fontenot.

### DID YOU KNOW?

**81%** of Americans believe that all workers should have access to a pension plan to be independent and self-reliant in retirement.

**83%** of Americans say those with pensions are more likely to have a secure retirement.

More than **80%** of Americans believe that recent economic downturn exposed the risks of America's retirement system.

Nearly **three-quarters** of Americans believe that stock market volatility makes it impossible to predict how much money they will have in their nest egg when they retire.

**75%** of Americans believe the disappearance of pensions has made it harder to achieve the "American Dream."

**72%** of Americans with pensions are confident it will be there at retirement.

*Source: National Institute on Retirement Security*

#### BOARD OF TRUSTEES

Terrie Rodrigue, Chairman	Jefferson Parish
Gwen B. LeBlanc	Ascension Parish
Tim Ware	Rapides Parish
Jerry Milner	Calcasieu Parish
Robert F. Manuel	Police Jury Assn
Rep. J. Kevin Pearson	House Retirement
Sen. Butch Gautreaux	Senate Retirement

#### ADMINISTRATIVE PERSONNEL

Tom Sims, CFA	Chief Investment Officer
Dainna S. Tully	Administrative Director
Becky Fontenot	Assistant Director
Bobbie Deloney	Systems Analyst
Jean Sullivan	Bookkeeper
Geraldine Ferguson	Data Entry Specialist
Eddie Dimaio	Benefits Analyst
Virginia Eckert	Receptionist

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☎ Telephone Number (225) 928-1361

☎ FAX Number (225) 923-0933

🌐 Website: [www.persla.org](http://www.persla.org)