



PERS NEWS

A PUBLICATION OF THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

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January 2008

NEW PLAN A EMPLOYER RATE EFFECTIVE 1/1/08

As mentioned in previous correspondence, the employer rates for 2008 will decrease slightly for Plan A. Please make note that effective January 1, 2008 the employer contribution rate for Plan A will be 12.75% and the employer contribution rate for Plan B will remain at 6%. The employee contribution rates for Plan A and Plan B remain unchanged at 9.5% and 3% respectively.

RETIREMENT ESTIMATES LIMITED

Due to the large number of requests for estimates processed by our office, the Board of Trustees established a policy at the December 17, 2007 meeting relative to the number of estimates that will be provided to members on an annual basis. A member who is within 3 years of retirement eligibility must submit a written request for retirement or DROP estimates. A member will be limited to one benefit estimate in a twelve month period.

Although this is generally not a problem, we occasionally have members who will request multiple estimates or ask for revisions in estimates every 3 to 6 months. In an effort to service all members in a timely manner, the Board has implemented a policy that is similar to the policies in existence at other state and statewide retirement systems relative to limitations on estimates.



Happy Holi-

FOURTH QUARTER CONTRIBUTIONS DUE JANUARY 15

Quarterly reports for the fourth quarter of 2007 are due in the retirement system office on January 15, 2008. 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 may be assessed on delinquent payments.

Please keep this deadline in mind to avoid being charged a late penalty. Note that the statute states that the payments shall be received by the retirement system within fifteen days after the close of the fiscal quarter.

ELIGIBILITY OF ELECTED OFFICIALS LIMITED

With many new elected officials taking office, we feel it is timely to discuss 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. If a parish elected official was serving on 1/1/97 and was a member of PERS on that date, it is possible for that individual to qualify for enrollment in PERS if re-elected. Please contact our office if you have questions concerning the eligibility of elected officials in this retirement system.

January 2008

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		 Office Close	2 1/2/08 Refunds mailed	3	4	5
6	7	8	9 Cut-off for 1/15 Refunds	10	11	12
13	14	15 1/15 Refunds mailed - Quarterly reports Due	16	17	18	19
20	21	22	23	24	25	26
27	28 Cut-off for 2/1 Refunds	29	30	31 2/1 Retiree checks mailed		

February 2008

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1 2/1 Refunds mailed	2
3	4	Closed For Mardi Gras 	6	7	8	9
10	11 Cut-off for 2/15 Refunds	12	13	14 	15 2/15 Refunds mailed	16
17	18	19	20	21	22	23
24	25	26 Cut-off for 3/3 Refunds	27	28	29 3/1 Retiree checks mailed	

March 2008

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3 3/3 Refunds mailed	4	5	6	7	8
9	10	11 Cut-off for 3/17 Refunds	12	13	14	15
16	17 Board Meeting 3/17 Refunds mailed	18	19	20	21 Office Closed For Good Friday	22
Easter Sunday 	24 Quarterly reports mailed	25	26 Cut-off for 4/1 Refunds	27	28	29
30	31 4/1 Retiree checks mailed					

DIVIDED REFERENDUM FOR MEDICARE COVERAGE

Act 280 of 2004 allows a divided vote referendum for Medicare coverage for those employees hired prior to 4/1/86 who currently do not pay Medicare. Under a divided referendum, only those who vote “yes” will pay the Medicare tax of 1.45% and the employer will pay the matching 1.45%.

Why would these employees vote to pay Medicare? In order to receive Medicare Part A at no cost, you must have 40 quarters of Medicare coverage. With at least 30 quarters of Medicare coverage, Medicare Part A would cost \$226.00 per month. With 0 – 29 quarters of Medicare coverage, Medicare Part A would cost \$410.00 per month.

If you are interested in conducting a divided referendum for employees hired prior to 4/1/86 who currently do not pay Medicare, contact Linda Yelverton at the State Treasurer’s Office at (225) 342-0026.

Did You Know? The Parochial Employees’ Retirement System’s annual retiree payroll exceeded \$71 million in 2007. With a majority of retirees residing in Louisiana, our retirement system does positively impact the economy in our state.

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.

RETIREES TO RECEIVE COLA IN 2008

The Board of Trustees has granted a COLA to retirees effective January 1, 2008. In order to be eligible for the COLA, a retiree must be age 62 on or before 12/31/07 and they must be retired for one full year on or before 12/31/07. For those retirees who meet these requirements, an increase of 2.5% will be granted on the January 1st benefit payment.

Retiree COLA’s are not guaranteed each year. In order to grant a COLA, the plan must meet two statutory tests. The first test requires that the investment return of the plan must meet or exceed 8%. The second test requires the plan to meet or exceed its target funding ratio.

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
- _____ Personal History Update Forms
- _____ Refund of Contributions
- _____ Personal History
- _____ Retirement Application
- _____ DROP Application
- _____ Brochures

How Many

- _____ DROP Quarterly Reports
- _____ 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

_____ Date

_____ Signature of Appointing Authority

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 2007. We are required to postmark these tax forms by January 31, 2008. Notices of Deposits reflecting employee contribution balances as of December 31, 2007 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 March 31, 2008.

MONTHLY SUBMISSION OF CONTRIBUTIONS: The retirement system welcomes monthly reporting of contributions. If your parish or agency is interested in submitting contributions on a monthly basis, simply make copies of our reporting form. With monthly reporting, we ask that you provide your information on the paper forms and on disk. The format for remitting the data on disk can be obtained by contacting Ms. Geraldine Ferguson at (225) 928-1361. By reporting on a monthly basis you will facilitate processing of refunds and the release of first retirement checks and DROP distributions.

SUBMISSION OF ACCURATE INFORMATION A MUST: Employers should review all forms submitted to the retirement system for accuracy. In particular, all information blanks on the Personal History Form and the Refund Request Form should be completed. When an incomplete form is received, it must be returned to the employer. This can delay the processing of a payment to a terminated member or the enrollment of a new hire. Before placing forms in the mail to our office, confirm that all blanks are completed and the signature of the member and the signature of the appointing authority are on each form. As always, if you have any questions when completing forms, please contact our office for assistance.

SUBMISSION OF QUARTERLY REPORT DATA VIA DISK: Our office is contacting all employers with 50 or more employees and requesting that their quarterly report data be submitted to our office on disk. We are able to accept data in an Excel spreadsheet or from your current payroll system. Instructions for submitting data in this manner can be found on our website www.persla.org under the Forms tab. With disk submission, our staff is able to quickly download the data contained with your quarterly report. This allows us to process our work more efficiently and decreases the number of errors that can occur in manual posting. We would like to thank all employers who have answered our call to report via disk. You have helped us to make quarterly report submission processing much more efficient.

ADMINISTRATIVE TRAINING A SUCCESS: On October 2, 2007, we held our first Administrative Training Workshop at the Baton Rouge Marriott. The attendance at this workshop exceeded 100 representatives from employers across the state. Those in attendance heard presentations on the system's actuarial report, the investments of the system and administrative issues. Thank you to all who took time from their busy schedules to spend a half day with us in Baton Rouge.

Since the number of employer representatives present at this year's workshop exceeded the numbers that we are able to meet with when we travel across the state, we have decided to make the administrative training an annual event here in Baton Rouge. You will receive more information on our 2008 workshop in the fall of next year.

BOARD OF TRUSTEES

Terrie Rodrigue, Chairman	Jefferson Parish
Gwen B. LeBlanc	Ascension Parish
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Jerry Milner	Calcasieu Parish
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Eddie Dimaio	Receptionist

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