2008 INVESTMENT MARKET OVERVIEW

In 2008 there was almost no place for investors to hide. Widely diversified portfolios such as Parochial's are expected to offer protection through the absence of risky concentrations in one or two sectors. However, 2008 did not fare that way as, except for U.S. Treasury issues, virtually all asset classes produced negative results.

News of the current recession continues to be of the headline variety, as it deserves. Whether it is a bankruptcy filing, unemployment figures, or the Federal budget deficit, the weakened economy is receiving substantial attention from the media and from the general public.

On a positive note, since February, there has been a nice recovery; particularly in stocks. This development has enabled us to post positive returns of about 4.3% for the first two quarters of 2009. Although there are still many hurdles in front of a widespread economic recovery, Parochial's financial condition remains healthy with a strong cash flow built of contributions and investment income.

MARKET RETURNS HINDER COST OF LIVING ADJUSTMENTS IN 2010

With the recent presentation of the actuarial valuation for 2008, it was determined that the Board of Trustees will be unable to make a cost of living adjustment (COLA) in the benefits paid to retirees in 2010.

State statutes that govern our plan include two tests that must be met before a COLA can be paid. The first test requires that the plans' portfolios must meet or exceed 7.5%. The second test requires both plans to meet or exceed their target ratios as prescribed by state law. Neither Plan A nor Plan B met either of these two tests.

Because of the negative returns of the investment markets in 2008, it is likely that the Board’s ability to grant a COLA under current statutory requirements will be hindered for years to come. This information will not be available until after the actuarial valuation for the year ending 12/31/09 is prepared next spring.

Our Board of Trustees has demonstrated its willingness to make these adjustments when the statutes governing COLA’s are satisfied. When market conditions return to a level that enables us to meet the requirements for these payments, our Board will give strong consideration to granting a COLA.

DELIVERY OF MONTHLY BENEFIT CHECKS

It is important for retirees who choose this method of payment to understand that our checks are delivered by the U.S. Postal Service (USPS). Each month our staff prepares these checks to be delivered to the post office on the last business day of the month. Once the checks are delivered to the post office, we no longer control delivery. It is at this point that the post office takes control of the delivery of the checks.

Possible changes to the delivery schedule for the USPS could impact the delivery of all mail, including retirement checks. Postmaster General John E. Potter testified before the U.S. Senate and requested that Congress lift the requirement that the USPS deliver mail six days a week. The USPS is looking at the possibility of skipping a day when mail flow is light.

Our policy requires that we allow the USPS 10 business days to deliver retirement checks. Only after 10 business days have elapsed will we place a stop pay on the lost check and issue a replacement check.

We understand the importance of prompt receipt of your benefit payment. You can be assured that all benefit checks are delivered to the post office on the last business day of each month and are mailed first class.

If you would like to begin receiving your monthly benefit by electronic deposit, please complete the form included in this newsletter and send to our office for processing. More information on electronic deposit is included in the article on page 2.

DID YOU KNOW?
The Consumer Price Index (CPI) for All Urban Consumers rose 0.1% in 2008. This was the lowest rate of inflation since a 0.7% decline in 1954.
## ELECTRONIC DEPOSIT OF MONTHLY BENEFIT CHECKS

Electronic deposit is a service that is offered to retirees as a means of reliable and timely payment of their monthly retirement benefits. Currently, over 77% of our retirees utilize this method of payment. There is no charge by Parochial for this service and many banks offer free checking if you agree to the use of electronic deposit for payroll purposes.

If you are not already utilizing electronic deposit, please join the 77% of our retirees who are. Simply complete and return the following form with a voided check attached to our office. If we receive your request by the 15th of the month, we will be able to make your deposit electronically on the 1st of the following month. If this form is received later than the 15th, we may not be able to make the change to electronic deposit by the first of the following month.

If you are already receiving your benefit by electronic deposit, then you **do not need to complete this form.**

### PAROCHIAL EMPLOYEES’ RETIREMENT SYSTEM OF LOUISIANA
APPLICATION/AUTHORIZATION FOR ELECTRONIC DEPOSIT OF RETIREMENT BENEFITS

I hereby authorize the Parochial Employees’ Retirement System, hereafter called **THE SYSTEM**, to initiate credit entries and to initiate, if necessary, debit entries and adjustments for any credit entries in error to my account (select one)

| ______________ Checking | ______________ Savings |

indicated below and the depository (bank) named below, hereafter called **DEPOSITORY**, to credit and/or debit the same to such account.

**DEPOSITORY (BANK) NAME:**
**CITY** ______________ **STATE** ______________ **ZIP CODE** ______________
**BANK TRANSIT/ABA#** ______________ **MY ACCOUNT NUMBER** ______________

This authority is to remain in full force and effect until THE SYSTEM has received written notification from me of its termination in such time and in such a manner as to afford THE SYSTEM and the DEPOSITORY a reasonable opportunity to act on it.

**NAME** ______________ **SOCIAL SECURITY #** ______________
**SIGNATURE** ______________ **DATE** ______________

**IN ORDER FOR THIS APPLICATION TO BE ACCEPTED AND TO CONFIRM ACCOUNT NUMBERS, WE MUST HAVE THE FOLLOWING:**
- **FOR CHECKING** - A “VOIDED” CHECK FROM YOUR PERSONAL CHECKBOOK WHICH MUST INCLUDE YOUR “PRE-PRINTED” PERSONAL INFORMATION (ie=Account Name, Address, etc) **THE MEMBERS NAME MUST BE INCLUDED ON THE CHECK AS WELL AS THE CHECKING ACCOUNT AS A SIGNEE!! WE DO NOT ACCEPT ANY CHECKS, ESPECIALLY COUNTER CHECKS, WITH “HAND PRINTED” PERSONAL INFORMATION. PLEASE DO NOT SEND A DEPOSIT SLIP FOR A CHECKING ACCOUNT
- **FOR SAVINGS** - A “DEPOSIT SLIP” WITH “PRE-PRINTED ACCOUNT INFORMATION”
- **IF YOU CANNOT PROVIDE A COPY OF A VOIDED CHECK OR DEPOSIT SLIP AS REQUESTED, YOU MAY REQUEST YOUR BANK TO PROVIDE THIS INFORMATION ON THEIR BANK LETTER-HEAD AND HAVE IT FAXED TO US AT 225-923-0933.**

***PLEASE NOTE: A NOTARIZED “POWER-OF-ATTORNEY” IS REQUIRED ON ACCOUNTS WITH SIGNEES OTHER THAN THE MEMBER AND HIS/HER SPOUSE.*** (Please send with this application)

****These forms can be provided for your convenience upon request to our office****

---

**Telephone number:** ____________________ **Relatives:** ____________________

**IN ORDER FOR THIS APPLICATION TO BE ACCEPTED AND TO CONFIRM ACCOUNT NUMBERS, WE MUST HAVE THE FOLLOWING:**
- **FOR CHECKING** - A “VOIDED” CHECK FROM YOUR PERSONAL CHECKBOOK WHICH MUST INCLUDE YOUR “PRE-PRINTED” PERSONAL INFORMATION (ie=Account Name, Address, etc) **THE MEMBERS NAME MUST BE INCLUDED ON THE CHECK AS WELL AS THE CHECKING ACCOUNT AS A SIGNEE!! WE DO NOT ACCEPT ANY CHECKS, ESPECIALLY COUNTER CHECKS, WITH “HAND PRINTED” PERSONAL INFORMATION. PLEASE DO NOT SEND A DEPOSIT SLIP FOR A CHECKING ACCOUNT
- **FOR SAVINGS** - A “DEPOSIT SLIP” WITH “PRE-PRINTED ACCOUNT INFORMATION”
- **IF YOU CANNOT PROVIDE A COPY OF A VOIDED CHECK OR DEPOSIT SLIP AS REQUESTED, YOU MAY REQUEST YOUR BANK TO PROVIDE THIS INFORMATION ON THEIR BANK LETTER-HEAD AND HAVE IT FAXED TO US AT 225-923-0933.**

***PLEASE NOTE: A NOTARIZED “POWER-OF-ATTORNEY” IS REQUIRED ON ACCOUNTS WITH SIGNEES OTHER THAN THE MEMBER AND HIS/HER SPOUSE.*** (Please send with this application)

****These forms can be provided for your convenience upon request to our office****

---

**IN ORDER FOR THIS APPLICATION TO BE ACCEPTED AND TO CONFIRM ACCOUNT NUMBERS, WE MUST HAVE THE FOLLOWING:**
- **FOR CHECKING** - A “VOIDED” CHECK FROM YOUR PERSONAL CHECKBOOK WHICH MUST INCLUDE YOUR “PRE-PRINTED” PERSONAL INFORMATION (ie=Account Name, Address, etc) **THE MEMBERS NAME MUST BE INCLUDED ON THE CHECK AS WELL AS THE CHECKING ACCOUNT AS A SIGNEE!! WE DO NOT ACCEPT ANY CHECKS, ESPECIALLY COUNTER CHECKS, WITH “HAND PRINTED” PERSONAL INFORMATION. PLEASE DO NOT SEND A DEPOSIT SLIP FOR A CHECKING ACCOUNT
- **FOR SAVINGS** - A “DEPOSIT SLIP” WITH “PRE-PRINTED ACCOUNT INFORMATION”
- **IF YOU CANNOT PROVIDE A COPY OF A VOIDED CHECK OR DEPOSIT SLIP AS REQUESTED, YOU MAY REQUEST YOUR BANK TO PROVIDE THIS INFORMATION ON THEIR BANK LETTER-HEAD AND HAVE IT FAXED TO US AT 225-923-0933.**

***PLEASE NOTE: A NOTARIZED “POWER-OF-ATTORNEY” IS REQUIRED ON ACCOUNTS WITH SIGNEES OTHER THAN THE MEMBER AND HIS/HER SPOUSE.*** (Please send with this application)

****These forms can be provided for your convenience upon request to our office****
KEEP YOUR INFORMATION UPDATED

Our ability to contact you is only as good as the information that we have on our records. Please keep your mailing address current so that you will receive correspondence from our office in a timely manner.

Checks issued by this office are not able to be forwarded by the post office. If you change your address with the post office, but fail to do so with our office, your check will be returned to Parochial where it will be held until you provide written notification of your address change. A separate notice of an address change must be submitted to the retirement system before we can update your records.

A correct address is also required to assure the timely delivery of the annual Retiree Newsletter and Federal Form 1099-R. If your address has changed, you can utilize the Change of Address Form included on page 4 of this newsletter to update your records with us. If your address has not changed, then you do not need to complete this form.

WRITING TO OUR OFFICE

On occasion, you may need to contact our office to request information or to report a change. When writing to our office, please include your name, your Social Security number, your phone number and your return address on your letter. With this information included on your correspondence, we will be able to contact you with a response.

PAROCHIAL RETIREMENT BENEFITS
NOT SUBJECT TO LOUISIANA STATE INCOME TAX

On occasion, we receive calls from retirees with questions concerning state taxes on their retirement benefits. State law provides that benefits from the Parochial Employees' Retirement System are not subject to state income tax. If your tax preparer or the State's Revenue Office need more information on this, direct them to Louisiana Revised Statute 11:1905.

VISIT OUR INTERNET SITE

We encourage you to visit our internet site, www.persla.org. This site contains information for retirees, active members and employers. Retirees can access forms to sign up for electronic deposit, change an address, or complete a new Federal withholding form (W-4P). You can also view and download copies of our newsletters from the website.

SCHEDULE OF MONTHLY MAILING DATES FOR BENEFIT CHECKS

Below is a schedule of mailing dates for the coming year.

CHECKS DATED:    \hspace{1cm} \text{WILL BE MAILED:} \hspace{1cm} \text{BY MIDNIGHT ON:}
September 1, 2009   \hspace{1cm} August 31, 2009  \hspace{1cm} September 1, 2009
October 1, 2009     \hspace{1cm} September 30, 2009 \hspace{1cm} October 1, 2009
November 1, 2009    \hspace{1cm} October 30, 2009   \hspace{1cm} November 2, 2009
December 1, 2009    \hspace{1cm} November 30, 2009 \hspace{1cm} December 1, 2009
January 1, 2010     \hspace{1cm} December 31, 2009 \hspace{1cm} January 4, 2010
February 1, 2010    \hspace{1cm} January 29, 2010  \hspace{1cm} February 1, 2010
March 1, 2010       \hspace{1cm} February 26, 2010 \hspace{1cm} March 1, 2010
April 1, 2010       \hspace{1cm} March 31, 2010   \hspace{1cm} April 1, 2010
May 1, 2010         \hspace{1cm} April 30, 2010   \hspace{1cm} May 3, 2010
June 1, 2010        \hspace{1cm} May 28, 2010   \hspace{1cm} June 1, 2010
July 1, 2010        \hspace{1cm} June 30, 2010   \hspace{1cm} July 1, 2010
August 1, 2010      \hspace{1cm} July 30, 2010   \hspace{1cm} August 2, 2010

ELECTRONIC DEPOSITS
SHOULD BE CREDITED
BY MIDNIGHT ON:

Board of Trustees
- Terrie Rodrigue -Chairman, Jefferson Parish
- Gwen Le Blanc -Ascension Parish
- Robert F. Manuel -Police Jury Assm
- Sen. Butch Gaatreaux - Senate Ret

Administrative Personnel
- Tom Sims, CFA-Chief Investment Officer
- Becky Fontenot-Assist. Director
- Jean Sullivan-Bookkeeper
- Eddie Dimiao- Benefits Analyst
- Dainna Tully-Admin. Director
- Bobbie Deloney-Systems Analyst
- Geraldine Ferguson-Data Entry Specialist
- Virginia Eckert-Receptionist
# RETIREE CHANGE OF ADDRESS FORM

**PLEASE CHANGE MY MAILING ADDRESS:**

<table>
<thead>
<tr>
<th>NAME:___________________________</th>
<th>SOCIAL SECURITY NO:___________________________</th>
</tr>
</thead>
</table>

**OLD ADDRESS:**

<table>
<thead>
<tr>
<th>STREET OR PO BOX</th>
<th>ZIP CODE</th>
<th>CITY</th>
</tr>
</thead>
</table>

**NEW ADDRESS:**

<table>
<thead>
<tr>
<th>STREET OR PO BOX</th>
<th>ZIP CODE</th>
<th>CITY</th>
</tr>
</thead>
</table>

**RETIREE'S CURRENT TELEPHONE NUMBER (____)___________________________**

**NAME OF NEAREST RELATIVE________________ PHONE NO:_________________**

**SIGNATURE OF RETIREE:____________________ ________________________**

**DATE**

---

**RETIREE NEWS** is a publication of the Parochial Employees' Retirement System of Louisiana, located at 7905 Wrenwood Blvd, Baton Rouge, Louisiana 70809.

Telephone: (225) 928-1361 Fax: (225) 923-0933 Website: [www.persla.org](http://www.persla.org)