

# RETIREE NEWS

Issue No: 13

July 2011

## BOARD UNABLE TO GRANT COLAS TO RETIREES

As a result of the 2010 actuarial report, the Board of Trustees is unable to grant a cost of living adjustment to retirees effective January 1, 2012. As you may recall, COLA's are not guaranteed to be granted to retirees each year. State statutes that govern our plan include two tests that must be met before a COLA can be paid. One test that must be met involves the rate of return on investments. The plan must have investment returns of 7.5% or greater. The actuarial rate of return for both plans (computed using a five year averaging of returns) was below this rate for 2010. The other test that must be met requires that each plan meet the target ratio as provided by statute. Neither Plan A nor Plan B met their target ratio for 2010. Because these tests were not satisfied, the Board of Trustees could not grant a COLA to retirees.

It is important to understand that increases are not guaranteed each year. The statutory tests described in the previous paragraph must both be met before the Board of Trustees can approve a COLA. It is possible that weak investment returns could prevent benefit adjustments in 2013. Information regarding COLA's for 2013 will not be available until after the actuarial valuation for the year ending 12/31/11 is received by the Board in June of 2012.

## 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.

## KEEP YOUR ADDRESS CURRENT

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 in the newsletter to update your records with us. If your address has not changed, then you do not need to complete this form.



## TIPS FOR RETIREES ON ELECTRONIC DEPOSIT

- If you change banks, please have your new bank fax, on their letterhead, your new bank routing number, your new account number, the names of the signees on the account, along with your Social Security number to our office (225-923-0933). If possible, do not close an old account until after the 1<sup>st</sup> of the month to allow your current electronic deposit to be processed.

- Electronic payments are processed 4 days prior to the end of the month. Any changes need to be reported to our office by the 20<sup>th</sup> in order for changes to be made for the 1<sup>st</sup> of the following month.

- If you have someone other than a spouse listed on your checking or savings account, we will require a Power of Attorney signed by the retiree and the individual listed on the account in the presence of a notary. This Power of Attorney form is available on the website under Retiree Forms.

**VISIT OUR WEBSITE:** We encourage you to visit our website, [www.persla.org](http://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.



## 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.

The U.S. Postal Service has proposed eliminating delivery on a day when mail is light. Possible changes to the delivery schedule for the USPS could impact the delivery of all mail, including retirement checks.

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 previous article.

## 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.

## QUESTIONS ABOUT LIFE AND HEALTH INSURANCE

The Parochial Employees' Retirement System does not handle life and health insurance for retirees. These benefits, if available, are handled through your former employer. Please direct any questions you have concerning life or health insurance to your former employer's human resource office.

### DID YOU KNOW?

Our retiree population continues to grow. At December 31, 2010 we had a total of 6,107 retirees on payroll.

### Board of Trustees

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

### Administrative Personnel

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

## SCHEDULE OF MONTHLY MAILING DATES FOR BENEFIT CHECKS

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

CHECKS DATED:	WILL BE MAILED:	ELECTRONIC DEPOSITS SHOULD BE CREDITED BY MIDNIGHT ON:
August 1, 2011	July 29, 2011	August 1, 2011
September 1, 2011	August 31, 2011	September 1, 2011
October 1, 2011	September 30, 2011	October 3, 2011
November 1, 2011	October 31, 2011	November 1, 2011
December 1, 2011	November 30, 2011	December 1, 2011
January 1, 2012	December 30, 2011	January 3, 2012
February 1, 2012	January 31, 2012	February 1, 2012
March 1, 2012	February 29, 2012	March 1, 2012
April 1, 2012	March 30, 2012	April 2, 2012
May 1, 2012	April 30, 2012	May 1, 2012
June 1, 2012	May 31, 2012	June 1, 2012
July 1, 2012	June 29, 2012	July 2, 2012

## RETIREE CHANGE OF ADDRESS FORM

PLEASE CHANGE MY MAILING ADDRESS:

NAME: \_\_\_\_\_ SOCIAL SECURITY NO: \_\_\_\_\_  
PLEASE PRINT

OLD ADDRESS:

NEW ADDRESS:

\_\_\_\_\_  
STREET OR PO BOX

\_\_\_\_\_  
STREET OR PO BOX

\_\_\_\_\_  
CITY

\_\_\_\_\_  
ZIP-CODE

\_\_\_\_\_  
CITY

\_\_\_\_\_  
ZIP CODE

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)**

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PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM  
OF LOUISIANA  
PO BOX 14619  
BATON ROUGE LA 70898-4619