

PERS NEWS

A PUBLICATION OF THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

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July 2015

CONTRIBUTION RATES SET FOR 2016

The employer rate for Plan A will decrease to 13.0% and the employer rate for Plan B will decrease to 8.0% effective January 1, 2016. Employee rates will remain at current levels for 2016. The employee contribution rate for Plan A is 9.5% while the employee rate for Plan B is 3%.

2014 AUDIT AND ACTUARIAL REPORTS APPROVED

At the June 23, 2015 meeting, the Board of Trustees approved the 2014 Audit and 2014 Actuarial Report for the Parochial Employees' Retirement System. The 2016 employer contribution rates were approved at 13.0% of payroll for Plan A and 8.0% of payroll for Plan B.

Our assumed rate of return is 7.25%. The market rate of return was 4.94% for Plan A and 4.96% for Plan B for the year ending 12/31/14. Although this rate of return is below our assumed rate of return, the actuarial rate of return, which uses a five year average, was above 7.25%.

For the 12/31/14 valuation, salary increases were within the assumed ranges and resulted in a cost savings to the plan. Our actuary assumes that the salary scale for the membership will increase 5.75% from one year to the next. When salaries increase in excess of this assumption, this results in a cost to the plan. When salaries increase at or below this assumption, plan savings result.

Although the employer rates have been approved by the Board of Trustees, approval by the Public Retirement Systems' Actuarial Committee (PRSAC) is necessary to make these rates official for 2016. For budgeting purposes, employers are urged to utilize the rates approved by the Board of Trustees. Our office will notify you as soon as PRSAC has approved the rates for 2016.

You may find the following information contained in this year's reports useful. Assets in Plan A increased from \$3.04 billion at December 31, 2013 to \$3.17 billion at December 31, 2014. Assets in Plan B increased from \$237.4 million at December 31, 2013 to \$253.5 million at December 31, 2014.

COPIES OF AUDIT AND ACTUARIAL REPORTS ONLINE

The Audit and Actuarial reports for the year ending 12/31/14 are posted on the retirement system's website (www.persla.org). Each employer should download the reports or share our website with your auditors as needed. Hard copies of these reports will not be mailed, but will remain available on our website.

BOARD UNABLE TO GRANT COLA'S TO RETIREES

In accordance with R.S. 11:243, the Board of Trustees may only grant a COLA to retirees age 62 and older every two years. Since a COLA was granted to retirees effective January 1, 2015 the Board cannot grant a COLA in 2016.

RETIREMENT & DROP APPLICATIONS

Both the retiree and his or her spouse are required to sign the retirement application or DROP application in the presence of the notary. If your office does not have the current form with both signing in the presence of notary, please contact our office. We will not accept outdated forms that do not provide for both signatures to be notarized.

ADMINISTRATIVE TRAINING WORKSHOP

Our office will host the annual administrative training workshop in Baton Rouge on Tuesday, October 27, 2015 at the Renaissance Hotel. This session is designed specifically for those who work with the retirement system in your parish or agency. This training is not appropriate for employees with questions on their own retirement account.

A registration form is included on page 3 of this newsletter. Each attendant must complete a registration form in order for us to prepare for the correct number of attendees. Information on hotel rooms for the night of October 26, 2015 is included on the registration form as well as a tentative agenda.

Questions concerning the administrative workshop should be directed to Dainna Tully at (225)928-1361.


SECOND QUARTER CONTRIBUTIONS DUE JULY 15

Quarterly reports for the second quarter of 2015 are due in the retirement system office on July 15, 2015. 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.

If you will be sending your report close to the deadline, you may want to utilize an overnight delivery service. Although the charges for overnight delivery do exceed first class mail delivery, it will assure that your report is received in our office by the required deadline and will likely be much less expensive than the penalty of 1 ½% of the total remittance.

Administrative Training Session - October 27, 2015 - Registration Form on Page 3


July 2015

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1 7/1 Refunds Mailed	2	3 Office Closed	4 
5	6	7	8	9	10 Cut-Off for 15th Refunds	11
12	13	14	15th Refunds Mailed	16	17	18
19	20	21	22	23	24	25
26	27	28	29 Cut-Off for 8/3 Refunds	30	31	

August 2015

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3 8/3 Refunds Mailed	4	5	6	7	8
9	10	11	12 Cut-Off for 17th Refunds	13	14	15
16	17th Refunds Mailed	18	19	20	21	22
23	24	25	26	27 Cut-Off for 9/1 Refunds	28	29
30	31					

September 2015

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1 9/1 Refunds Mailed	2	3	4	5
6	7 Office Closed 	8	9	10 Cut-Off for 15th Refunds	11	12
13	14	15th Refunds Mailed	16	17	18	19
20	21	22 Board Meeting	23	24	25	26
27	28 Cut-Off for 10/1 Refunds	29	30			

**Parochial Employees' Retirement System
 Administrative Training Session
 October 27, 2015
 Renaissance Hotel 7000 Bluebonnet Blvd**

Tentative Agenda

8:30-8:55 a.m.	Registration
9:00-10:00 a.m.	Actuarial Funding & Valuation
10:00-11:00 a.m.	GASB 68
11:00-Noon	Administrative Review

This session is designed for those at the parish or agency level who administer the retirement plan. In order to properly plan for those in attendance, the following form must be completed for each attendee and mailed to PO Box 14619, Baton Rouge LA, 70898 by October 21, 2015.

NAME _____

TITLE _____

EMPLOYER _____

ADDRESS _____

WORK# _____ FAX# _____

Please list below any questions you would like addressed during this training:

Accommodations:

A block of rooms is being held at the Renaissance Hotel. The rate for this block is \$139 per night (not inclusive of applicable taxes). Please contact the Renaissance Hotel directly at (225)215-7000 or 1-866-469-5448 to make hotel reservations and request the block for the Parochial Employees' Retirement System. The block will be released on 9/14/15. After this date, accommodations will be subject to availability and rates may increase.

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
- Forfeiture of Retirement Benefits Attestation

OFFICIAL QUARTERLY/MONTHLY REPORT FORMS REQUIRED

When submitting salary and contribution data to our office, we require all employers to utilize the quarterly or monthly report forms that we provide prior to the end of each calendar quarter. If you require additional forms, please download the current quarterly or monthly report form from our website www.persla.org under the Forms tab. Using an old form can result in payment of an incorrect employer contribution amount. In addition, employers are not allowed to make an adjustment to a quarterly or monthly report for an overpayment in a prior period. If an overpayment has occurred, you must submit a written request for the return of funds.

Quarterly report forms are mailed once each quarter to all participating employers. These forms are also available on our website (www.persla.org) under the Forms tab.

PERSONAL HISTORY UPDATE

A revised Personal History Update form has been added to our website. Please use this updated form for any changes to an active member's information. The main change is the notarized consent of the member's spouse to a beneficiary change. According to Federal law, a spouse must consent to the change of beneficiary if still married to the member at the time the change is made. If the old form is submitted to our office, it will be returned and the member will be asked to complete the new form. If the member is divorced, then a copy of the divorce judgment must be attached to the change form. If the member's spouse is deceased, then a copy of the death certificate must be attached to the change form. If you have any questions concerning this new Personal History Update form, please contact Dainna Tully.

ACTUARIAL TRANSFER OF SERVICE

Once a member has six months of service credit in the Parochial Employees' Retirement System, he can apply to transfer service credit from another Louisiana state or statewide retirement system. The member must submit the Application for Actuarial Transfer of Service, which can be found on our website www.persla.org. **An application fee of \$100 must accompany all transfer applications submitted to the retirement office.**

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.

REPORTING RETIREE INFORMATION

When reporting the death of a retiree to our office, please be prepared to confirm the mailing address of the beneficiary and the Social Security number of the beneficiary. This information is necessary for us to contact the retiree's beneficiary and to properly report any payments on Form 1099-R.

Retirees who wish to change the receipt of their monthly benefit from a check to an electronic deposit should send the Electronic Deposit Form to our office by the 15th of each 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.

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.

BOARD OF TRUSTEES

Terrie Rodrigue, Chairman	Jefferson Parish
Gwen B. LeBlanc	Ascension Parish
Tim Ware	Rapides Parish
Jerry Milner	Calcasieu Parish
Sandy Treme	Police Jury Assn
Rep. J. Kevin Pearson	House Retirement
Sen. Elbert Guillory	Senate Retirement

ADMINISTRATIVE PERSONNEL

Dainna S. Tully	Administrative Director
Troy Searles, CFA	Chief Investment Officer
Becky Fontenot	Assistant Director
Geraldine Ferguson	Systems Analyst
Jean Sullivan	Bookkeeper
Eddie Dimaio	Data Entry Specialist
Eliska Lynch	Benefits Analyst
Virginia Eckert	Receptionist

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

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