

# PERS NEWS

A PUBLICATION OF THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

ISSUE 89

JULY 2019

## CONTRIBUTION RATES SET FOR 2020

The employer rate for Plan A will increase to **12.25%** and the employer rate for Plan B will remain **7.5%** effective January 1, 2020. Employee rates will remain at current levels for 2020. The employee contribution rate for Plan A is **9.5%** while the employee rate for Plan B is **3%**.

## ADMINISTRATIVE TRAINING WORKSHOP

Our office will host the annual administrative training workshop in Baton Rouge on Tuesday, October 8, 2019 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 7, 2019 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 2019 are due in the retirement system office on July 15, 2019. 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.

## RETIREE DEATHS

Our office would appreciate receiving notification when a former employer is notified of the death of a retiree. Although most families contact our office to report a death, some do not. This can result in an overpayment of benefits if the retirement system continues to pay a monthly benefit. Our office can confirm if the retiree chose an option that would provide a benefit to a survivor at the time of notification. The retirement system does employ a death verification service to assist in acquiring this information, but these services do not capture all death records.

## 2018 AUDIT AND ACTUARIAL REPORTS APPROVED

At the June 18, 2019 meeting, the Board of Trustees approved the 2018 Audit and 2018 Actuarial Report for the Parochial Employees' Retirement System. The 2020 employer contribution rates were approved at **12.25%** of payroll for Plan A and **7.5%** of payroll for Plan B.

The market rate of return was -5.6% for Plan A and -5.7% for Plan B for the year ending 12/31/18. The actuarial rate of return for the year ending 12/31/18 was 4.7% for Plan A and 4.8% for Plan B. The actuarial rate of return utilizes a five year average.

For the 12/31/18 valuation, salary increases were below projected levels and resulted in a cost savings to the plan. Our actuary assumes that the salary scale for the membership will increase 4.75% 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 (PR SAC) is necessary to make these rates official for 2020. For budgeting purposes, employers are urged to utilize the rates approved by the Board of Trustees. Our office will notify you as soon as PR SAC has approved the rates for 2020.

You may find the following information contained in this year's reports useful. Assets in Plan A decreased from \$3.82 billion at December 31, 2017 to \$3.54 billion at December 31, 2018. Assets in Plan B decreased from \$325.6 million at December 31, 2017 to \$307.8 million at December 31, 2018.


## COPIES OF AUDIT AND ACTUARIAL REPORTS ONLINE

The Audit and Actuarial reports for the year ending 12/31/2018 are posted on the retirement system's website ([www.persla.org](http://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.

## RETIREMENT ANNOUNCEMENT

With over 24 years of service to the members and retirees of the Parochial Employees' Retirement System, Geraldine Ferguson has retired effective June 1, 2019. Prior to her retirement, Geraldine served as the System Analyst for PERS. Many retirees will miss Geraldine's ability to help with any issue that needed to be addressed. Geraldine has plans to enjoy time with her husband, her children and grandchildren along the Amite River. Although we will miss her, we wish Geraldine the very best retirement!

# July 2019

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

# August 2019

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

# September 2019

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

**Parochial Employees' Retirement System  
Administrative Training Session  
October 8, 2019**

**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.	Review of Plan Investments
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 **September 30, 2019**.

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, Baton Rouge. A special group room rate (plus applicable taxes) will be available. 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 9/07/19. 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
- Disk Submission Instructions

## SUBMISSION OF DATA THROUGH SECURE FTP

The retirement system has established a secure FTP site that employers can use to submit their monthly or quarterly report data. If your office is interested in submitting the data for your reports via the FTP site, please complete the following information and return it to the retirement system. We will then contact you and provide you with a user name, password and instructions to use for the submission of data. Please understand that you will still be required to submit your report along with your check to the office. You will not be required to submit a CD or disk if you choose to submit your data online.

NAME OF EMPLOYER \_\_\_\_\_

CONTACT NAME \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

PHONE NUMBER \_\_\_\_\_



### 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](http://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](http://www.persla.org)) under the Forms tab.

### REMINDERS FOR ENROLLMENT OF NEW MEMBERS

- An original Personal History form must be submitted for new employees.
- All information requested on the Personal History form must be completed.
- Members of Plan A must submit the SSA 1945 along with the completed Personal History form..
- The Forfeiture of Retirement Benefits Attestation must be completed by all new employees hired 1/1/13 and later. The original of this form must be maintained by the employer. Do not submit this form to PERS.
- The Opt Out from is only to be completed by new hires who are age 55 or older at the time of employment and who have 40 quarters of Social Security coverage. If an employee opts out of PERS, a Personal History form is not submitted. All forms are available at [www.persla.org](http://www.persla.org).



### CONTRIBUTIONS PROHIBITED ON CERTAIN TYPES OF PAYMENTS

LA 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, please contact Dainna Tully or Becky Fontenot.

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