



PERS NEWS

A PUBLICATION OF THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

ISSUE 93

JULY 2020

CONTRIBUTION RATES SET FOR 2021

The employer rate for Plan A will remain at **12.25%** and the employer rate for Plan B will stay at **7.5%** effective January 1, 2021. Employee rates will also remain at current levels for 2021. The employee contribution rate for Plan A is **9.5%** while the employee rate for Plan B is **3.0%**.

ADMINISTRATIVE TRAINING WORKSHOP

Due to limitations on group meetings, we have decided not to host our Administrative Training Workshop in 2020. We look forward to hosting this workshop in **October of 2021**.

Questions concerning our decision regarding this year's administrative workshop should be directed to Dainna Tully at 225.928.361.

SECOND QUARTER CONTRIBUTIONS DUE JULY 15

Quarterly reports for the second quarter of 2020 are due in the retirement system office on July 15, 2020. 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 $1\frac{1}{2}\%$ 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 $1\frac{1}{2}\%$ 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.

SUBMISSION OF MARRIAGE CERTIFICATES

If you are providing a copy of a member's marriage certificate, please include the member's Social Security number on the copy of the certificate. This will assist our office in locating the member's account more easily.

2019 AUDIT AND ACTUARIAL REPORTS APPROVED

At the June 30, 2020 meeting, the Board of Trustees approved the 2019 Audit and 2019 Actuarial Report for the Parochial Employees' Retirement System. The 2021 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 17.8% for Plan A and 17.7% for Plan B for the year ending 12/31/2019. The actuarial rate of return for the year ending 12/31/2019 was 6.4% for both, Plan A and Plan B. The actuarial rate of return utilizes a five year average.

For the 12/31/2019 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 (PRSAC) is necessary to make these rates official for 2021. 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 2021.

You may find the following information contained in this year's reports useful. Assets in Plan A increased from \$3.54 billion at December 31, 2018 to \$4.09 billion at December 31, 2019. Assets in Plan B increased from \$307.8 million at December 31, 2018 to \$360.8 million at December 31, 2019.

COPIES OF AUDIT AND ACTUARIAL REPORTS ONLINE

The Audit and Actuarial reports for the year ending 12/31/2019 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.

REFUND OF CONTRIBUTIONS FOR TERMINATED EMPLOYEES

At the time of termination, a former member can request a refund of his employee contributions. In order to request this refund, a Refund of Contributions Form is completed with the participating employer. Some former employees have asked about direct deposit of a refund. All refunds are paid in check form only. Direct deposit is only available for the payment of monthly benefits to retirees.

July 2020

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

August 2020

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

September 2020

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

RESERVIST EMPLOYEES CALLED TO ACTIVE DUTY

Parish employees who are called to active military duty must be informed of their options regarding retirement credit before they leave for military duty and again when they return.

Prior to reporting for active duty, the member may choose to continue to make employee contributions during his/her absence. The election is made with the employer and all contributions must be remitted through the employer. If this election is made, employer and employee contributions, based on the member's latest pay, would be submitted on the employer's regular payment schedule.

The member may choose not to make these contributions while on military duty. In that case, upon the member's return to employment, the member can apply to pay the contributions for the period of military service with interest. If the member pays the employee contributions and interest due, then the employer is required to pay the employer contributions and interest. Payment of contributions and interest must occur within 4 years of the member's return to active employment.

If the member elects not to make contributions for the period of active duty, no service credit is granted as far as the retirement benefit calculation is concerned. However, the period of active duty can be used to meet retirement eligibility requirements. A copy of the DD-214 must be submitted to the retirement system so that this service can be recorded for eligibility purposes.

We suggest that when discussing options with affected employees, the member should acknowledge the discussion with a signed statement that is maintained by the employer. This statement should be kept in the member's personnel file as documentation of the information presented and the election made by the member.

If any questions arise regarding reservists called to active duty, please contact our office.

LIMITATIONS EXIST FOR RETIREES RETURN 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 which can be accessed online at www.persla.org.

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.

ELIGIBILITY OF ELECTED OFFICIALS LIMITED

With many newly elected officials taking office, it is the perfect time to review 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. Please contact our office if you have questions concerning the eligibility of elected officials in this retirement system.

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
- Purchase "Back" Service
- Reciprocal Recognition of Service

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 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.



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.

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 form 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.

BOARD OF TRUSTEES

Terrie Rodrigue, Chairman
Phillip Bourgoyne
R. Bruce Kelly
Tammy Bufkin
Julia Fisher-Perrier
Rep. Julie Emerson
Sen. Robert Mills

Jefferson Parish
W. Baton Rouge Parish
Rapides Parish
Calcasieu Parish
Police Jury Assn
House Retirement
Senate Retirement

ADMINISTRATIVE PERSONNEL

Dainna S. Tully
Becky Fontenot
Christopher Burke
Janet Landry
Larisa Ellard
Eddie Dimaio
Cari Hill
Joanna Harvey
Virginia Eckert

Administrative Director
Assistant Director
Chief Investment Officer
System's Analyst
Investment Accountant
Data Entry Specialist
Benefits Analyst
Benefits Analyst
Receptionist

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

☎ Telephone Number (225) 928-1361

☎ FAX Number (225) 923-0933

🌐 Website: www.persla.org