



PERS NEWS

A PUBLICATION OF THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

ISSUE 35

June 2004

PASSAGE OF BILL AFFECTS PAROCHIAL ONLY MODERATELY

With the adjournment of the regular session of the Louisiana Legislature last week, we can report the passage of one bill which affects Parochial, although only moderately. SB 290 was passed by both the Senate and House and awaits the governor's signature.

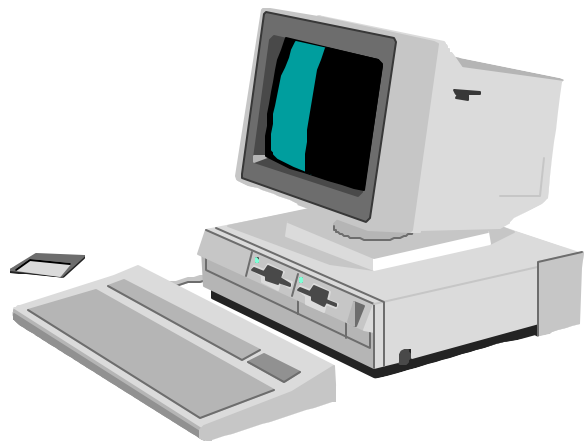
First among the changes brought about by the bill is that all DROP entrants will be entered for the three year maximum. If the employee terminates employment before three years has elapsed, then DROP participation ends, the DROP benefit is payable and monthly benefits begin. This change prevents an employee from initially choosing to participate in DROP for, say, two years, later deciding to participate for three years and learning that participation cannot be extended.

Secondly, our statutes will now permit rollovers from a 403(b) or 457 plan as a source of funds necessary to repay refunded member contributions or to purchase service credit as provided in the statutes.

Thirdly, interest on DROP accounts, which is payable for the period beginning with the end of DROP participation until the actual retirement date, will be at a money market rate for all DROP participants. The actual rate is established in December and paid or credited to accounts in January.

Fourthly, our Board of Trustees will have flexibility in setting the employer contribution rate. In years when the rate is calculated to decline, the Board may choose a level between the old rate and the newly calculated rate.

Finally, a provision inadvertently deleted from the Teachers' Retirement System statutes in 1997 has been restored. There is no longer a choice of remaining in TRSLA for full-time employees of participating Parochial employers.



VISIT OUR WEBSITE

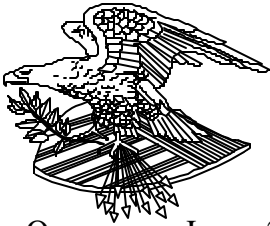
For those of you who have been awaiting the arrival of a website for the Parochial Employees' Retirement System, the time has come. Visit us at www.persla.org.

The site has been designed to serve as an informational site instead of an interactive site. Employers, members and retirees will be able to access the following types of information:

- 1) Copy of the most current Summary of Principal Features
- 2) Copies of selected forms
- 3) Copies of recent newsletters
- 4) Frequently asked questions

We welcome your comments relative to our newest source of information.

RESERVIST EMPLOYEES WHO ARE CALLED TO ACTIVE DUTY



On June 25th our office released a memo to all participating employers concerning the options available to reservist employees who are called to active duty. Louisiana has had a number of its National Guard and reserve personnel activated in recent weeks.

It is important that these employees be aware of their options before they leave for military duty and after they return. An important step that you can take on behalf of these employees is to send our office a copy of the DD-214 for each returning employee. We can use this form (issued by the military to describe the period of service) to calculate the cost of purchasing the service credit for the period of active duty or to use in conjunction with a retirement application that may be received in the future.

The options available to reservists are explained in the June 25th memo. If you have other questions concerning employees called to active duty, please call our office.

REFUNDED CONTRIBUTIONS TO VESTED MEMBERS

Occasionally, our office receives a refund request from a member who is vested in the retirement plan. For a member with perhaps twelve years of service credit and who is only 35 years old, a refund may be a wise economic decision. However, we also see members only two years from receiving a lifetime benefit requesting a refund of contributions upon termination.

The decision to receive a refund of employee contributions instead of waiting some period of time to receive a benefit for life is obviously an important one. To underscore the importance, a benefit estimate is prepared for any vested member requesting a refund of contributions. Further, if the member insists that a refund is preferred, an affidavit acknowledging eligibility for a monthly benefit must be signed by the member and returned to our office.

This affidavit is another reminder of what the member is forgoing in order to receive a return of contributions. It also serves to protect the employer and the retirement system in the event the member later regrets the choice.

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

- _____ Quarterly Reports
- _____ DROP Quarterly Reports
- _____ Refund of Contributions
- _____ Personal History
- _____ Retirement Application

How Many

- _____ Brochures
- _____ Personal History Update Forms
- _____ Election Form for New Employees age 55 and older
- _____ Special Tax Notice

_____ Date

_____ Signature of Appointing Authority

IMPORTANT STUFF!

AUDIT AND ACTUARY REPORTS: This week our office is mailing copies of the audit report for 2003 and the actuarial valuation for 2003 to each participating employer. Please make these available to your auditor. If there are any questions, please call our office.

EMPLOYER CONTRIBUTIONS: In early June we sent out a notice of 2005 employer contribution rates. Beginning January 1, 2005 the Plan A employer contribution rate will rise to 12.75% and the Plan B employer rate will rise to 5.75%. Employee contribution rates will remain 9.50% and 3% for Plan A and Plan B respectively.

EMPLOYER INFORMATION UPDATE: In mid-June our office sent out a short form requesting information from our participating employers. Information such as names of contacts, telephone numbers and addresses are essential to us and it is important that it is accurate. If you have not completed and returned this form, please do so at your earliest convenience. If you have not seen this brief form, please give us a call and we will fax one to you.

QUOTES FOR THOUGHT

“In spite of everything, I still believe that people are good at heart.”

---ANNE FRANK---
(DIARIST)

“Learning makes a man fit company for himself.”

---THOMAS FULLER---
(CLERGYMAN)

BOARD OF TRUSTEES

Reagan Sutton, Chairman	Lincoln Parish
Gwen B. LeBlanc	Ascension Parish
Terrie T. Rodrigue	Jefferson Parish
Thomas Nelson	Police Jury Association
Jerry Milner	Calcasieu Parish
Rep. Pete Schneider	House Retirement
Sen. Lambert Bossiere	Senate Retirement

ADMINISTRATIVE PERSONNEL

Tom Sims, CFA	Administrative Director
Dainna S. Tully	Assistant Director
Becky Fontenot	Benefits Analyst
Bobbie Deloney	Systems Analyst
Jean Sullivan	Bookkeeper
Geraldine Ferguson	Data Entry Specialist

PERS NEWS is a quarterly publication of the Parochial Employees' Retirement System of Louisiana, located at 5420 Corporate Blvd., Suite 103, Baton Rouge, Louisiana 70808.

aTelephone Number (225) 928-1361 aFAX Number (225) 923-0933

Website: www.persla.org

July

2004

Sun

Mon

Tue

Wed

Thu

Fri

Sat

				1 7/1 REFUNDS MAILED	2	3
--	--	--	--	-------------------------	---	---

August

4

5

6

7
2004

8

9

10

	4TH OF JULY HOLIDAY				7/15 REFUNDS	
<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
1	2 8/1 REFUNDS MAILED	3	4	5	6	7

September

2004

Sun

Mon

Tue

Wed

Thu

Fri

Sat

			1 9/1 REFUNDS MAILED	2	3	4
5	6 OFFICE CLOSED FOR REISSUE "LOST" RETIREE CHECKS	7	8	9 CUT-OFF FOR 7/15 REFUNDS MAILED 2ND QTR REPORTS DUE	10	11
12	13 REISSUE "LOST"	14	15 9/15 REFUNDS MAILED	16	17	18
19	20 BOARD MEETING	21	22	23	24	25
26	27 CUT-OFF FOR	28	29	30 RETIREE CHECKS MAILED		
15	16 8/15 REFUNDS MAILED	17	18	19	20	21