

# PERS NEWS

A PUBLICATION OF THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

ISSUE 71

September 2013

## ADMINISTRATIVE TRAINING WORKSHOP

Five years ago we implemented a training workshop for all participating employers. The attendance at each workshop has been outstanding. With such a positive response from our employers, we will host the 5th Annual Administrative Workshop in Baton Rouge on Tuesday, October 1, 2013 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.

At the time this newsletter went to print, we had over 50 attendees registered for this year's workshop. For those of you who have not registered, 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 on October 1, 2013. Information on hotel rooms for the night of September 30, 2013 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.

## THIRD QUARTER CONTRIBUTIONS DUE OCTOBER 15

Forms to be used for remission of quarterly reports have been mailed under separate cover. These forms are also available on our website ([www.persla.org](http://www.persla.org)) under the Forms tab.

As a reminder, quarterly reports for the third quarter of 2013 are due in the retirement system office on October 15, 2013. 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.

Please make certain that your quarterly report is signed by the appointed authority before remitting to our office. If you are preparing your report close to the deadline, you may want to consider utilizing an overnight service to deliver your report. The cost of a delivery service is typically much less than the penalty that is assessed for a delinquent report. **Your report must be received in our office by October 15, 2013, in order to avoid a late penalty.**

## EMPLOYER CONTRIBUTION RATES FOR 2014

As previously announced in our July 2013 PERS News, the employer rate in Plan A will decrease to 16.00% for 2014. The Plan B employer rate will decrease to 9.25% for 2014. The employee contribution rates for Plan A and Plan B also remain unchanged at 9.5% and 3% respectively. These rates have been approved by the Board of Trustees. Our actuarial valuation was approved by the Public Retirement Systems' Actuarial Committee (PRSAC) on September 4, 2013, making these rates effective January 1, 2014.

## AGE 55 OPT OUT

R.S. 11:1921 C provides for optional membership for **new** hires who are age 55 or older and have 40 quarters of Social Security coverage at their date of employment. The option for these employees must be exercised within 90 days of the date of employment. Until an employee makes the election, the employer should withhold Social Security. If the employee makes an election to participate in PERS, a Personal History form along with the Opt Out form must be submitted to PERS. Contributions to PERS must begin when the election to participate is made. If the employee makes an election to opt out of PERS, then the Opt Out form, along with Social Security Form SSA 7005, must be completed and sent to PERS. An employer will not withhold PERS contributions if an employee opts out of PERS.

Please remind employees who qualify for this provision that this is a one time irrevocable election. Once an employee makes an election, it cannot be changed. The election will stand if the employee terminates and then is subsequently rehired.

This opt out provision does not apply to retirees of PERS who are subsequently rehired by a Parochial employer.


## SUMMARY OF PRINCIPAL FEATURES

An updated version of the Summary of Principal Features has been sent to the printer. These new summaries will be mailed out to participating employers for distribution to all **active** members during the month of October. These booklets contain a general summary of the features of both Plan A and Plan B through the 2013 Regular Legislative Session. We ask that you promptly provide copies to all active members of PERS once your shipment is received.



# October 2013

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1 TRAINING WORKSHOP REFUNDS MAILED	2	3	4	5
6	7	8	9 CUT-OFF FOR 10/15 REFUNDS	10	11	12
13	14 CLOSED FOR COLUMBUS DAY	15 REFUNDS MAILED	16	17	18	19
20	21	22	23	24	25	26
27	28	29 CUT-OFF FOR 11/1 REFUNDS	30	31		

# November 2013

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1 REFUNDS MAILED	2
3	4	5	6	7	8	9
10	11	12 CUT-OFF FOR 11/15 REFUNDS	13	14	15 REFUNDS MAILED	16
17	18	19	20	21	22	23
24	25 CUT-OFF FOR 12/2 REFUNDS	26	27	28 Closed for 	Thanksgiving	30

# December 2013

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2 REFUNDS MAILED	3	4	5	6	7
8	9 Board Meeting	10	11 CUT-OFF FOR 12/16 REFUNDS	12	13	14
15	16 REFUNDS MAILED	17	18	19	20	21
22	23	24 closed 	Merry Christmas	26 CUT-OFF FOR 1/2/14 REFUNDS	27	28
29	30	31 closed 				

**PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM  
ADMINISTRATIVE TRAINING SESSION  
OCTOBER 1, 2013  
Renaissance Hotel                      7000 Bluebonnet Blvd**

**Tentative Agenda**

8:30-8:55 a.m.	Registration
9:00-10:00 a.m.	Review of Plan Investments
10:00-11:00 a.m.	Actuarial Funding and Valuation
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 27, 2013.**

Name \_\_\_\_\_

Title \_\_\_\_\_

Employer \_\_\_\_\_

Address \_\_\_\_\_

Work # \_\_\_\_\_ Fax # \_\_\_\_\_

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

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**Accommodations**

A block of rooms is being held at the Renaissance Hotel. The rate for this block is \$124 per night (not inclusive of applicable taxes). Please contact the Renaissance Hotel directly at (225) 215-7000 to make hotel reservations and request the block for the Parochial Employees' Retirement System. The block will be released on 8/30/13. 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

## RETIREMENT ESTIMATE REQUESTS

Those members who are within 3 years of retirement may submit a written request for a retirement estimate. During recent months, our office has received an extremely large number of requests. These requests are processed in the order received; however it is taking approximately 3 weeks to process a request. Please do not submit second requests to our office if an initial request has been submitted. We ask for your patience and understanding as we strive to service all of our members.

## DIVIDED REFERENDUM FOR MEDICARE COVERAGE

Act 280 of 2004 allows a divided vote for Medicare coverage for those employees hired prior to April 1, 1986 who currently do not pay the Medicare tax. Under a divided referendum, only those who vote “yes” will pay the Medicare tax of 1.45% and the employer will pay the matching 1.45%.

Why would these employees vote to pay Medicare? In order to receive Medicare Part A at no cost, you must have 40 quarters of Medicare coverage. With at least 30 quarters of Medicare coverage, Medicare Part A would cost \$244 per month. With less than 30 quarters of Medicare coverage, Medicare Part A would cost \$443 per month.

If you are interested in conducting a divided referendum for employees hired prior to April 1, 1986 who currently do not pay Medicare, contact Linda Yelverton at the State Treasurer’s office at (225)342-0026.

## 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](http://www.persla.org). **Effective July 1, 2013, an application fee of \$100 must accompany all transfer applications submitted to the retirement office.**

## 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 which can be accessed online at [www.persla.org](http://www.persla.org).

## PENSION CHANGES SWEEPING THE COUNTRY

Higher pension costs continue to lead to changes in pension plans across the country. States continue to modify benefits for new hires. Tennessee approved a new hybrid plan for new state workers and teachers. The plan combines a traditional pension with a defined contribution plan. Kentucky established a new cash balance plan for state and local government employees. Since 2009, more state and local governments are pursuing hybrid plans, lower benefits for new hires and higher employee contributions.

## 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.

### 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

Tom Sims, CFA	Chief Investment Officer
Dainna S. Tully	Administrative Director
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

☎ Telephone Number (225) 928-1361

☎ FAX Number (225) 923-0933

🌐 Website: [www.persla.org](http://www.persla.org)