

PERS NEWS

A PUBLICATION OF THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

ISSUE 87

July 2017

2016 AUDIT AND ACTUARIAL REPORTS APPROVED

At the June 20, 2017 meeting, the Board of Trustees approved the 2016 Audit and 2016 Actuarial Report for the Parochial Employees' Retirement System. The 2018 employer contribution rates were approved at 11.50% of payroll for Plan A and 7.5% of payroll for Plan B.

The market rate of return was 7.70% for Plan A and Plan B for the year ending 12/31/16. The actuarial rate of return for the year ending 12/31/16 was 7.8% for Plan A and 7.5% for Plan B. The actuarial rate of return utilizes a five year average.

For the 12/31/16 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 5.25% 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 2018. 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 2018.

You may find the following information contained in this year's reports useful. Assets in Plan A increased from \$3.12 billion at December 31, 2015 to \$3.31 billion at December 31, 2016. Assets in Plan B increased from \$255.1 million at December 31, 2015 to \$275.7 million at December 31, 2016.

ADMINISTRATIVE TRAINING WORKSHOP

Our office will host the annual administrative training workshop in Baton Rouge on Tuesday, October 3, 2017 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 2, 2017 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.

CONTRIBUTION RATES SET FOR 2018

The employer rate for Plan A will decrease to 11.50% and the employer rate for Plan B will decrease to 7.5% effective January 1, 2018. Employee rates will remain at current levels for 2018. The employee contribution rate for Plan A is 9.5% while the employee rate for Plan B is 3%.

COPIES OF AUDIT AND ACTUARIAL REPORTS ONLINE

The Audit and Actuarial reports for the year ending 12/31/16 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.

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 a 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.


COST OF LIVING ADJUSTMENT APPROVED FOR RETIREES

As a result of the 2016 actuarial report, the Board of Trustees is able to grant a cost of living adjustment to retirees for both Plan A and Plan B. The COLA will be 2.5% for retirees age 62 and older. The COLA will be effective January 1, 2018. In order to qualify for the COLA, a retiree must meet the age requirement on or before December 31, 2017 and must have been retired on or before December 31, 2016.

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.


July 2017

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

August 2017

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

September 2017

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1 Refunds Mailed	2
3	4 OFFICE CLOSED FOR LABOR DAY 	5	6	7	8	9
10	11	12 Cut-off for 15th Refunds BOARD MEETING	13	14	15 Refunds Mailed	16
17	18	19	20	21	22	23
24	25	26	27 Cut-off for 1st Refunds	28	29	30

**Parochial Employees' Retirement System
Administrative Training Session
October 3, 2017
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 27, 2017.

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 \$142 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 9/04/17. 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

SECOND QUARTER CONTRIBUTIONS DUE JULY 15

Quarterly reports for the second quarter of 2017 are due in the retirement system office on July 15, 2017. 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.

RETIREMENT ANNOUNCEMENT

With over 28 years of service to the members and retirees of the Parochial Employees' Retirement System, Jean Sullivan will retire effective July 1, 2017. Jean has served as the Bookkeeper for the system since 1998. Prior to 1998, she worked as the Data Entry Specialist for the retirement system. Jean looks forward to spending time with family, and devoting time to her hobbies. Although we will miss her, we all wish Jean the very best!

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.

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.

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 mentioned in this section are available at www.persla.org.

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.

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
Tammy Bufkin	Calcasieu Parish
Sandy Treme	Police Jury Assn
Rep. Gregory Miller	House Retirement
Sen. Barrow Peacock	Senate Retirement

ADMINISTRATIVE PERSONNEL

Dainna S. Tully	Administrative Director
Troy Searles, CFA	Chief Investment Officer
Becky Fontenot	Assistant Director
Geraldine Ferguson	Systems Analyst
Larisa Ellard	Investment Accountant
Eddie Dimaio	Data Entry Specialist
Cari Hill	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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