

RETIREE NEWS

A PUBLICATION OF THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

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PLAN B COLA ANNOUNCED FOR 2006

For the first time since 2002 eligible retirees in Plan B will receive a cost of living adjustment (COLA) beginning with the January 1, 2006 benefit payment. The increase will be 2.25% of the current monthly benefit and it will be payable to retirees age 62 by December 31, 2005 who have been retired at least one full year by that date.

However, there will not be a similar adjustment for Plan A retirees.

The two retirement plans, A and B, administered by Parochial are entirely separate with different benefit formulas, different vesting schedules, different contribution rates and separate investment portfolios.

Before cost of living adjustments can be paid, there are two tests included in the statutes governing all state and statewide retirement systems that must be met. First, a target ratio of assets to liabilities must be met and both Plan A and Plan B met this requirement. Secondly, an actuarial return on investments in excess of 8% must be earned. In Plan B this measure was slightly above 8% while in Plan A the return was slightly below 8%. Consequently, only Plan B qualifies for this COLA.

Market returns on the investment portfolios exceeded 8% for both plans; however the actuarial return, critical to the COLA qualification, utilizes a different calculation.

Looking ahead, our trustees have demonstrated a willingness to grant COLA's when the statutory conditions are met and we expect that willingness to continue in the future whether one or both plans are able to meet the statutory requirements.

ELECTRONIC DEPOSIT OF MONTHLY BENEFIT CHECKS

Each month a smaller and smaller percentage of our retirees receive monthly benefits by check. Electronic deposit now accounts for almost 2/3 of all retiree benefit payments. To all of those currently using electronic deposit, we thank you.

Although we expect to issue checks for a long time to come, we encourage our retirees to try electronic deposit. There is no charge by Parochial for the service and, as far as we are aware, there is no charge by the financial institutions. The biggest attraction of electronic deposit is the improved reliability compared to the U.S. Postal Service. If at any time a retiree wants to resume receiving checks, they only need to make the request in writing and we will begin mailing checks each month.

All that is needed to begin electronic deposit is to complete the form (found on page 2 of this newsletter) and to mail it to our office with a voided check that has the member's name and account number. It is necessary that the member's name appear on the check (pre-printed) and if a signee other than the member or the member's spouse appears on the check, a power of attorney will be needed.

For questions concerning electronic deposit please contact Ms. Bobbie Deloney in our office.

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Visit Our Website: In 2004 Parochial established a website which can be found at www.persla.org. Retirees can find forms used to establish electronic deposit, to change addresses and to change Federal withholding amounts. Copies of previous newsletters can also be found. Please let us know how we might make the website even more useful.

Address Changes: Once our members leave active employment, maintaining current home addresses and telephone numbers is very important. If your address should change we hope you complete the form found on page 4 and send it to our office. This form is also available on our website at www.persla.org. Accurate addresses and telephone numbers will assist us in delivering information as needed.

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PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA **APPLICATION/AUTHORIZATION FOR ELECTRONIC DEPOSIT OF RETIREMENT BENEFITS**

I hereby authorize the Parochial Employees' Retirement System, hereafter called **THE SYSTEM**, to initiate credit entries and to initiate, if necessary, debit entries and adjustments for any credit entries in error to my account (select one)

Checking

 Savings

indicated below and the depository (bank) named below, hereafter called **DEPOSITORY**, to credit and/or debit the same to such account.

DEPOSITORY (BANK) NAME: _____
 CITY _____ STATE _____ ZIP CODE _____
 BANK TRANSIT/ABA# _____ MY ACCOUNT NUMBER _____

This authority is to remain in full force and effect until THE SYSTEM has received written notification from me of its termination in such time and in such a manner as to afford THE SYSTEM and the DEPOSITORY a reasonable opportunity to act on it.

NAME _____ SOCIAL SECURITY # _____
PLEASE PRINT

SIGNATURE _____ DATE _____

Phone number: _____ Phone number of Relative: _____

IN ORDER FOR THIS APPLICATION TO BE ACCEPTED AND TO CONFIRM ACCOUNT NUMBERS, IT IS NECESSARY THAT WE HAVE THE FOLLOWING:

- **FOR CHECKING: A "VOIDED" CHECK from your personal checkbook which must include your PRE-PRINTED personal information, (account name, address, etc). The member's name must be included on the check, as well as the checking account, as a signee! WE DO NOT ACCEPT COUNTER CHECKS OR ANY CHECKS WITH "HAND PRINTED" PERSONAL INFORMATION. Please do not send a deposit slip for a checking account.**
- **FOR SAVINGS: A "DEPOSIT SLIP" with pre-printed account information.**

*****NECESSITY!** A notarized "**POWER-OF-ATTORNEY**" is required on accounts with signees other than the member and his/her spouse. Please send the Power Of Attorney form with this application)

THESE SIMPLIFIED FORMS WILL BE PROVIDED FOR YOUR CONVENIENCE UPON REQUEST

CHECK REISSUANCE PROCEDURE REVIEWED

Retirees receiving checks still represent about 35% of those receiving monthly benefits. That means about 1800 checks are mailed each month.

Given the volume of mail handled by the U.S. Postal Service in Baton Rouge each day, the performance record is outstanding. Nevertheless, it is not unusual that a check or two will be misdirected, resulting in a delay for our retirees. This is an inevitable fact of life for all mail, not just Parochial's monthly benefit checks.

Our checks are mailed on the last business day of each month. Below is a mailing schedule for the next twelve months.

In the event one of our benefit checks is lost, we can reissue the payment. **However**, we will not issue a duplicate check until at least seven business days have elapsed. At that point, upon request by the retiree, if the check is still outstanding, payment will be stopped and a duplicate check will be mailed to the retiree.

Mail delays are infrequent, but they do oc-

cur. Retirees who prefer receiving checks rather than electronic deposits should expect occasional delays and must understand our procedure for reissuance.

ACCURATE ADDRESSES ASSURE THAT RETIREES RECEIVE IMPORTANT MAIL

Retirement benefits paid by Parochial are subject to Federal income tax. Consequently, each January we mail out a Form 1099 reflecting benefits paid and taxes withheld. This form is essential to preparation of your tax return for the prior year. Use of the mail to deliver the Form 1099 is another important reason to be sure that we have accurate addresses, particularly for those receiving benefits electronically.

“Make yourself an honest man and then you may be sure that there is one less scoundrel in the world.”

—Thomas Carlyle

SCHEDULE OF MAILING DATES FOR MONTHLY BENEFIT CHECKS

For many years Parochial has adhered to a policy of issuing benefit checks on the last business day of the month. Below is a schedule of mailing dates for the coming year. When choosing payment by check the member is counting on the U.S. Postal Service for delivery. While many will receive next day delivery, many will not. For those experiencing delays, we suggest you consider the use of electronic deposit.

Below are mailing dates for the coming year:

CHECKS DATED:

SEPTEMBER 1, 2005
 OCTOBER 1, 2005
 NOVEMBER 1, 2005
 DECEMBER 1, 2005
 JANUARY 1, 2006
 FEBRUARY 1, 2006
 MARCH 1, 2006
 APRIL 1, 2006
 MAY 1, 2006
 JUNE 1, 2006
 JULY 1, 2006
 AUGUST 1, 2006
 SEPTEMBER 1, 2006

WILL BE MAILED:

AUGUST 31, 2005
 SEPTEMBER 30, 2005
 OCTOBER 31, 2005
 NOVEMBER 30, 2005
 DECEMBER 30, 2005
 JANUARY 31, 2006
 FEBRUARY 28, 2006
 MARCH 31, 2006
 APRIL 28, 2006
 MAY 31, 2006
 JUNE 30, 2006
 JULY 31, 2006
 AUGUST 31, 2006

**ELECTRONIC DEPOSITS SHOULD
BE CREDITED BY MIDNIGHT OF
THE DATES BELOW:**

SEPTEMBER 1, 2005
 OCTOBER 3, 2005
 NOVEMBER 1, 2005
 DECEMBER 1, 2005
 JANUARY 3, 2006
 FEBRUARY 1, 2006
 MARCH 1, 2006
 APRIL 3, 2006
 MAY 1, 2006
 JUNE 1, 2006
 JULY 3, 2006
 AUGUST 1, 2006
 SEPTEMBER 1, 2006

RETIREE CHANGE OF ADDRESS FORM

PLEASE CHANGE MY MAILING ADDRESS:

NAME: _____ SOCIAL SECURITY NO: _____
PLEASE PRINT

OLD ADDRESS:

NEW ADDRESS:

STREET OR PO BOX

STREET OR PO BOX

CITY ZIP-CODE

CITY ZIP CODE

RETIREE'S CURRENT TELEPHONE NUMBER (____) _____

NAME OF NEAREST RELATIVE _____ PHONE NO: _____

SIGNATURE OF RETIREE: _____

DATE

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

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