

RETIREE NEWS

A PUBLICATION OF THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

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COST OF LIVING ADJUSTMENT APPROVED BY BOARD

At the June 18, 2007 meeting of the Board of Trustees, a cost of living adjustment (COLA) was approved for retirees of both Plans A and B who are age 62 and older who have been retired for one full year. In order to be eligible for this COLA, a retiree must be age 62 on or before 12/31/07 and they must be retired for one full year on or before 12/31/07 (i.e. last day worked was 12/30/07 and earlier). For those retirees in Plan A and Plan B who meet these requirements, an increase of 2.5% will be granted on the January 1, 2008 benefit payment.

It is important to note that increases such as these are not guaranteed each year. There are statutory tests that must be met before the Board of Trustees can approve a COLA. One important requirement that must be met is the investment return of the plans' portfolios must meet or exceed 8%. The investment return for both plans did meet this requirement for the plan year ending 12/31/06. Secondly, the plans must meet or exceed their target ratios as prescribed by state law. Both plans have been able to meet the target ratio test; however the investment return has proved to be a more difficult test to meet. If market conditions are such that we are unable to meet the investment return target this year, our trustees may be unable to approve a COLA for 2009. This information will not be available until after the actuarial valuation for the year ending 12/31/07 is prepared next spring.

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ELECTRONIC DEPOSIT OF MONTHLY BENEFIT CHECKS

Electronic deposit is a service that is offered to retirees as a means of reliable and timely payment of their monthly retirement benefits. Currently, over 75% of our retirees utilize this method of payment. There is no charge by Parochial for this service and many banks offer free checking if you agree to the use of electronic deposit for payroll purposes.

If you are not already utilizing electronic deposit, please join the 75% of our retirees who are. Simply complete and return the form on page two of this newsletter with a voided check attached to our office. If we receive your request by the 15th of the month, we will be able to make your deposit electronically on the 1st of the following month.

If you are already receiving your benefit by electronic deposit, then you do not need to complete this form.

PAROCHIAL RETIREMENT BENEFITS NOT SUBJECT TO LOUISIANA STATE INCOME TAX

On occasion, we receive calls from retirees with questions concerning state taxes on their retirement benefits. State law provides that benefits from the Parochial Employees' Retirement System are not subject to state income tax. If your tax preparer or the State's Revenue Office need more information on this, direct them to Louisiana Revised Statute 11:1905.

DID YOU KNOW?

The Parochial Employees' Retirement System pays an average of \$6.4 million each month in retirement, disability and survivor benefits.

DELIVERY OF MONTHLY BENEFIT CHECKS

It is important for retirees who choose this method of payment to understand that our checks are delivered by the U.S. Postal Service. Each month our staff prepares these checks to be delivered to the post office on the last business day of the month. Once the checks are delivered to the post office, we no longer control delivery. It is at this point that the post office takes control of the delivery of the checks.

From time to time, delays in the delivery of checks can occur. There is no guarantee that a retiree will receive a check by a certain date. Under our policy, we will issue a stop pay after ten business days have elapsed from the date that the original checks were mailed. If a retiree has not received a benefit check after this period of time lapses, then our office can place a stop pay on the lost check and issue a replacement check.



We understand the importance of prompt receipt of your benefit payment. You can be assured that all benefit checks are delivered to the post office on the last business day of each month.

KEEP YOUR INFORMATION UPDATED

Our ability to contact you is only as good as the information that we have on our records. Please keep your mailing address current so that you will receive correspondence from our office in a timely manner. Our checks are not able to be forwarded by the post office. If you change your address with the post office, but fail to do so with our office, your check will be returned to Parochial where it will be held until you provide written notification of your address change. We also require a correct address in order to properly forward our annual Retiree Newsletter and your Federal Form 1099-R each year. If your address has changed, you can utilize the Change of Address Form on page 4 to update your records with us. If your address has not changed, then you do not need to complete this form.

QUESTIONS ABOUT LIFE AND HEALTH INSURANCE

The Parochial Employees' Retirement System does not handle life and health insurance for retirees. These benefits, if available, are handled through your former employer. Please direct any questions you have concerning life or health insurance to your former employer's human resource office.

SCHEDULE OF MONTHLY MAILING DATES FOR BENEFIT CHECKS

Below is a schedule of mailing dates for the coming year.

CHECKS DATED:

WILL BE MAILED:

ELECTRONIC DEPOSITS SHOULD BE CREDITED BY MIDNIGHT ON:

August 1, 2007
 September 1, 2007
 October 1, 2007
 November 1, 2007
 December 1, 2007
 January 1, 2008
 February 1, 2008
 March 1, 2008
 April 1, 2008
 May 1, 2008
 June 1, 2008
 July 1, 2008

July 31, 2007
 August 31, 2007
 September 28, 2007
 October 31, 2007
 November 30, 2007
 December 31, 2007
 January 31, 2008
 February 29, 2008
 March 30, 2008
 April 30, 2008
 May 30, 2008
 June 29, 2008

August 1, 2007
 September 4, 2007
 October 1, 2007
 November 1, 2007
 December 3, 2007
 January 2, 2008
 February 1, 2008
 March 3, 2008
 April 1, 2008
 May 1, 2008
 June 2, 2008
 July 1, 2008

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

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