

CITATION

The Newsletter of the Municipal Police Employees' Retirement System
July 2011

2011 Legislative Update

ACT 231 HB 213 Requires all previously refunded contributions from the system to be repaid including interest prior to filing an application for disability retirement. Effective July 1, 2011

ACT 82 HB 214 Allows that if at the time of a member's death the member is not married to the natural parent of any child or children who are entitled to receive a payment and if a trust has been created by the deceased member for the benefit of such child or children, the payment shall be made to any person designated as a trustee by the member on a certified copy of a trust document submitted to the system by the member. Effective July 1, 2011

ACT 238 HB 332 Provides the following: (effective July 1, 2011)

- 1) Employee and employer contribution rates will be determined each fiscal year beginning July 1, 2011 based on a sliding scale (below). For members whose earnable compensation is less than or equal to the poverty guidelines, employee contributions will remain at 7.5% and employer contributions will be 29%. (further explanation on page 3)

The sliding scale is based on the total amount of employee and employer contributions due.

<u>Total contributions</u>	<u>Employee cont.</u>
25.00% or below	7.50%
25.01% to 25.75%	7.75%
25.76% to 26.50%	8.00%
26.51% to 27.25%	8.25%
27.26% to 28.00%	8.50%
28.01% to 28.75%	8.75%
28.76% to 29.50%	9.25%
29.51% to 30.25%	9.50%
30.26% to 31.00%	9.75%
31.01% or above	10.00%

Beginning July 1, 2011 total contributions due is 36.5% therefore employee contribution rate will be 10% and employer contribution rate will be 26.5%.

The 2011 Poverty Guidelines for the 48 Contiguous States and the District of Columbia	
Persons in family	Poverty guideline
1	\$10,890
2	14,710
3	18,530
4	22,350
5	26,170
6	29,990
7	33,810
8	37,630
For families with more than 8 persons, add \$3,820 for each additional person.	

- 2) Reduces salary increases in average final compensation used to calculate benefits from 25% to 15% unless salary increases are due to promotions within any civil service system.
- 3) Adds four new members to Board of Trustees for a total of 15 members. New members are Commissioner of Administration, State Treasurer and two Mayors appointed by the Louisiana Municipal Association from municipalities having police departments participating in MPERS.

ACT 377 HB 377 Provides for any member of a state or statewide retirement system elected to the legislature for a term commencing on or after July 1, 2011, and who holds another position of public office or employment within this state making him eligible for membership in such system, the earnable or earned compensation upon which his retirement benefit is calculated, shall not include any compensation for his service in the legislature occurring on or after July 1, 2011. Furthermore, no service credit shall accrue for such service as an elected member of the legislature. Neither employee nor employer contributions shall be remitted on the compensation received for such elected service in the legislature.

Information regarding the 2011 Legislative Session can be obtained by visiting the website www.legis.state.la.us

More detailed explanation of Act 238 (HB 332)

Act 238 (HB 332) provides that if the member's earnable compensation is below poverty level the member would pay 7.5% employee contributions and the employer would pay 29% employer contributions. The poverty guidelines provided by the United States Department of Health and Human Services are based on the member's annual income. Earnable compensation means the full amount earned by an employee for a given month. Earnable compensation is the monthly amount remitted to MPERS by the employer and is used to calculate the member's retirement. Persons in family shall mean the number of dependents on the member's personal income tax return.

The employer will determine if the member's earnable compensation is below poverty level.

Board Update

Incumbent Mark Huggins with the Monroe Police Department was unopposed for the Trustee position representing the Non Chief District I. Detective Huggins will serve a five year term beginning July 1, 2011 ending June 30, 2016.

Actuary, Charles Hall resigns

MPERS' long time Actuary, Mr. Charles Hall, stepped down after 30 years with MPERS. G.S. Curran & Company has been hired as Actuary for MPERS effective July 1, 2011.

MPERS WEBSITE

Visit our website www.lampers.org for up to date information.

KEEPING RECORDS CURRENT

The system strongly urges all members to keep their retirement records current by insuring that MPERS has your correct beneficiary and present mailing address.

<<<REMINDER>>>

If you plan to visit MPERS office for retirement counseling, please call to make an appointment to insure you will receive all information needed.

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