



MERS MESSENGER

TRUSTEE ELECTION

The Trustee seat currently held by Andrea Mahfouz, city clerk of Westlake, Louisiana will end August 15, 2019. The election packet for nominations to run for this vacant seat on the MERS Board will be mailed out on May 10, 2019. Any member that has at least six (6) years of service credit and does not hold an elected position is eligible to become nominated.

When you receive your election ballot at your home address, do not forget to vote.

NEW EMPLOYER RATES - 7/1/19 TO 6/30/20

The Board of Trustees adopted the following employer rates to be effective July 1, 2019.

PLAN A	27.75%
PLAN B	14.00%

NEW PENSION ADMINISTRATION SOFTWARE

MERS has purchased a new pension administration software from Pension Technology Group (PTG). Pension Pro is in the process of being implemented to replace MERS' legacy system and should go live early next year.

A new feature that is coming is an Employer Portal. All employers will be able to log on to their account to submit documents, contribution reports, and more. PTG will have one of their employees visit all the employers to help set up your portal and train your staff with all the features.

After the employer portals have been set up and are operating efficiently, Employee Portals will be set up. Each member will be able to logon to their own account with their information. Members will be able to obtain estimates, contribution statements, etc.

MERS is excited to be able to bring this new technology to all our employers and members.



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STAFF CHANGES

Janet Stevens retired from MERS December 31, 2018. Janet has served the MERS membership for 31 years. Thank you Janet for your hard work and dedication to our members. You will be missed. Good luck with your future goals.

Welcome Megan Campo to the MERS family. Megan began her career with MERS February 4th to fill the Retirement Analyst/Receptionist position. Megan looks forward to meeting and working with all our employers and members. I hope everyone welcomes her with patience as she progresses in her position.

ADMINISTRATIVE UPDATES

MANDATORY DIRECT DEPOSIT

At the March 21, 2019 Board Meeting, the Trustees passed a resolution to mandate direct deposit for all retirement benefits **effective July 1, 2019**. The decision to make direct deposit mandatory has many benefits to you as a retiree.

Benefits include:

- No waiting in line to deposit or cash your check
- Access to your funds if you are out of town on the payment date
- No more lost or stolen checks which reduces your risk of identity theft
- Access to funds during a disaster

Please mail or fax the enclosed direct deposit form **including** a voided check or bank issued direct deposit form to Municipal Employees' Retirement System of Louisiana. Direct deposit forms must be submitted no later than **June 15, 2019**. All benefits are deposited on the first business day of the month.

MERS RETIREES RETURNING TO WORK WITH A PARTICIPATING EMPLOYER

The Board of Trustees passed a policy at the regular Board meeting held on August 16, 2018 that restricts a retired member from returning to either part-time or full-time employment with an employer participating in MERS for fourteen (14) days from the retired member's effective date of retirement. **This policy will be effective October 1, 2018.**

MERS PLAN DESCRIPTION

The MERS Plan Description and Handbook has been updated through 6/30/2018. It has been uploaded to the MERS' website .

TRAINING AND MEMBER PRESENTATIONS

If you are the person responsible for managing MERS retirement with your employer, training is available to help you learn what your responsibilities are and the procedures for performing these very important tasks.

Susita Suire, Benefits Administrator is available to travel to your office to train any staff member on the municipality's responsibilities and procedures regarding the retirement system.

Ms. Suire can also give presentations to employees explaining their retirement benefits.

You can either call or email me to schedule these meetings.



MESSAGE TO THE CLERKS

ENROLLMENT FORMS

Enrollment forms must be completed in their entirety and submitted with a **copy of the member's social security card.** Our office has been receiving multiple enrollment forms, but no social security cards.

Hire dates are so important to be completed for both the member, and for MERS when receiving contribution reports. There is no waiting period to begin contributing to MERS. First day of employment is the first day to begin contributing to MERS.



Please review all enrollment forms before submitting them to MERS for errors and/or blanks not completed. This will avoid phone calls and/or

ACH PAYMENTS

MERS encourages employers to submit payments through ACH to the retirement system. By submitting employer and employee contributions through ACH, employers will be able to avoid delinquent fee charges as long as the ACH transmission is performed on or before the 10th of each month.

Contact Monica Guidry at 225-925-4810 or email monica@mersla.com for more information.

NEW EMPLOYER ADMINISTRATION

If your municipality has new administrative staff, at your convenience please browse our website (www.mersla.com) for information on the retirement system. It is very important to complete the "Municipality Contact Designation" and "Municipality Information" forms so that MERS can update your municipality's information.

Authorized Representatives must be designated by the Mayor. The retirement system needs to know who is authorized to certify forms and information for your municipality. Forms received without proper authorization will not be processed.

WAGES AND EARNINGS

Contributions are to be withheld on regular earnings **only**.

Do not withhold contributions on overtime.

If an employee retires or terminates employment, do not withhold contributions on lump sum payments of accrued leave.

Do not withhold contributions on state supplemental pay unless approved by the retirement system.

Do not withhold contributions on workmen's compensation.

If an employee receives earnings other than regular wages, and you are not sure if it's eligible for retirement withholding, call or email one of our Retirement Benefits Analysts for verification. It is better to verify wages in question before withholding to avoid having to make corrections later. Wages are used to calculate retirement benefits. If a member enters DROP or retires and an error in wages are discovered, their benefits will have to be adjusted. This could possibly be a lower benefit and overpayments will have to be recovered by the retirement system.

CONTRIBUTION REPORTING

All contribution reports and checks received by our office with errors will be returned for correcting. This could possibly result in the municipality paying late fees. **It is very important that you review and proof your report, contribution amounts, and check amounts before sending these to our office.** Incorrect reporting or late reporting will delay any retirement benefits or refunds of contributions to your employees. Our office must have all final earnings and contributions before any member may retire or refund their contributions.

An important reminder to all municipalities:

- All full-time municipal employees (minimum of 35 hours per week) are mandated to contribute to the system.
- Employees of your city court and/or marshal offices are required to contribute retirement contributions on both their municipality earnings and their city court or marshal's earnings.
- Make sure you notify your City Court and Marshal offices of this requirement. Contact information from these offices may be submitted to our office to receive all communication correspondence emailed or mailed.

DIRECTOR'S UPDATE

Warren D. Ponder, Executive Director

The 2019 Legislative Session began on April 8 at noon and continues until June 6. It is a “fiscal only” session so the emphasis will be on money issues, but each legislator may introduce five bills on matters not considered fiscal. Representative Sam Jones has introduced House Bill 27 on behalf of MERS which will exempt the salary from earnings limitation earned by a retiree as an elected part-time city council member as described in R. S. 11:164. The second part of HB 27 requires a Board member who was elected as an “elected official” who loses his “elected official status” to vacate the position on the Board. Senate Bill 14 by Sen. Peacock establishes term limits for members elected to the Board of Trustees for all state and statewide retirement systems. MERS Board members are already limited to two terms.

The Federal Court has dismissed the MERS lawsuit against Citco in the Fletcher case. As you will recall the system invested in Fletcher Asset Management Company in 2008. Fletcher misappropriated the money and was ultimately sued by MERS and the other retirement systems. Citco was named as a defendant as the administrator, but the Court ruled the company did not exercise control over the assets in question. That ruling is now pending on appeal. MERS presented evidence and obtained a judgement against Fletcher and Fletcher Asset Management for \$34 million, but the two defendants are essentially bankrupt and there is little hope of getting any payments on that judgment.

On a more positive note, MERS has almost completed its divestment from the legacy assets that were expensive, not productive, and illiquid. The transition has left MERS with a more traditional asset allocation which has already produced more positive results. While the last quarter of 2018 was down overall, MERS ranked second among the state and statewide systems in investment returns. We hope the new allocation continues to have positive effect on the MERS portfolio.

INVESTMENT UPDATE

Christopher Saik, Chief Investment Officer

The MERS' board of trustees, chief investment officer, and investment consultant stayed busy throughout the second half of 2018 and into 2019 continuing its path toward strengthening the financial stability of the fund. The System sold legacy assets in private equity, non-core real estate, and private debt that no longer conformed to our revised asset allocation strategy while hiring active managers in emerging-market equities and core real estate. These actions are consistent with our mission to increase liquidity and diversification in cost-efficient ways.



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Mayor, City of Mandeville

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Warren D. Ponder
Executive Director

Susita Suire
Benefits Administrator

Nancy LaGarde
Chief Financial Officer

Christopher Saik
Chief Investment Officer

IMPORTANT REMINDERS

Destroy all forms you previously used. Current forms are on our website under “Forms” tab.

No contributions to be withheld on overtime. Regular, holiday, vacation, and sick earnings only. Do not withhold contributions on lump sum leave when a member is terminated or retires.

No contributions to be withheld on worker’s compensation.

New Administration – complete Municipality update and authorization forms from website so that we can update our records, computer system, and website information.

Keep the retirement system updated with your current address.

Municipal Employees' Retirement System
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