



MERS MESSENGER

BOARD ELECTION RESULTS

Retirees of MERS have elected Susan Percle to serve a six-year term on the MERS Board of Trustees. Ms. Percle was the incumbent, having served since the seat's creation in 2017. She was the Chief Administrative Officer for the City of Gretna until her retirement.



In the first round of voting, Ms. Percle received 460 votes. Mary Vice, the retired Clerk for the City of Vinton, received 266 votes, and Donald Villere, former mayor for the City of Mandeville, received 218 votes. In the runoff election Ms. Percle received 571 votes and Ms. Vice received 385.

NEW SELF-SERVICE PORTAL

MERS is pleased to announce that the new Self-Service Portal will be available for registration by members within the next couple of months.

Once you register, you will have access to your member information, contribution balances, service credit, and more. You will also be able to update your address, phone number, email address, and beneficiary information.

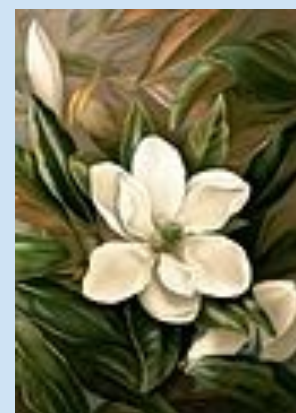
Most importantly, all active members will be able to request an estimate of retirement/DROP benefits to be printed from the portal. You will no longer need to request estimates from our office until you are ready to enter DROP or retire.

Communication explaining registration will be through email. If you do not have an email address on file with MERS, please complete a Personal Information Change form to update your account.



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ADMINISTRATIVE UPDATES

SENDING FORMS

Employers are encouraged to send forms and applications to MERS using only one method of delivery. Secure electronic uploads or facsimile are recommended.

Any documents sent via upload or fax should not also be mailed. If you choose to use regular mail, please keep in mind that it is a slower method of delivery.



DIRECT DEPOSIT

Hurricane Ida demonstrated the importance of retirees receiving benefits via direct deposit. With the storm making landfall on August 29, benefit payments were transmitted directly to the bank accounts of retirees for release on September 1. In contrast, paper checks were mailed to those retirees not required to use direct deposit after the storm when many post offices were closed and mail service was not taking place. Direct deposit is easy and effective. Please use form *Authorization for Direct Deposit* to sign up for this tool or to update your banking information.

UPDATE ADDRESS

If you have relocated due to Hurricane Ida or otherwise changed your address, please use form *Personal Information Changes* to update your information with MERS.

BOARD MEETINGS

The MERS Board of Trustees meets regularly in Baton Rouge at 7937 Office Park Boulevard. Meetings typically start at 9 a.m. and are open to the public; masks are currently required. The upcoming meetings are October 21 and December 16. Meeting dates, agendas, and minutes are posted on the system's website, mersla.com.

EASIER TO USE PLAN DESCRIPTION

The MERS Plan Description & Handbook and Administrative Handbook have been converted to a MuniCode Book and posted on our website. This format will better allow users to find information. And, a history of changes will be readily available. We hope you find this change helpful.

MESSAGE TO THE CLERKS

Making payments of employer and employee contributions to MERS electronically through an ACH transfer will help avoid delinquent fees. Payments are due by the 10th of each month. Contact Monica Guidry at 225-925-4810 or monica@mersla.com for assistance in setting up this payment system.

ANNUAL STATEMENTS

Annual statements were mailed to all active members of MERS this summer. If you did not receive your statement or wish to make any changes on your contact or beneficiary information, you should contact us at 800-820-1137. Please note that, due to the conversion of data from our old computer system to our new software, some beneficiary information on file in paper format does not appear on the annual statement.

RE-HIRED RETIREES

Effective October 1, 2021, a MERS retiree must wait at least one month before returning to work with a participating employer. This policy was adopted by the MERS Board of Trustees at its August 19, 2021, meeting and replaces the previous 14-day waiting period.

EMPLOYER CONTRIBUTIONS for MARSHALS

It recently came to the attention of MERS that contributions were not being made on all sources of compensation for elected marshals. Attempting to correct this problem resulted in an Attorney General's Opinion being issued to the City of Rayne and Acadia Parish, Opinion No. 21-0040. MERS has asked for a clarification of the opinion. Anyone interested in commenting on the opinion clarification request should contact the Department of Justice in reference to Opinion 21-0040A.

MEMBERS IMPACTED by COVID

If a MERS member was furloughed or placed on Leave Without Pay due to COVID-19 during the period of April 1 through November 30, 2020, the member may purchase that time for retirement service credit. The employee and employer contributions must be paid no later than December 31, 2021.

Employees wishing to take advantage of this option should [click here](#) to download and complete the "Purchase of Furloughed Service Credit" form. An invoice will then be provided to the member specifying the required amount of payment. Payment may be made by personal check, cashier's check, or via a rollover from a qualified plan.

This purchase is allowed based on the provisions of Act 36 of the 2021 Regular Session of the Louisiana Legislature.

FINANCE

Annual Audit

MERS annual audit commenced on July 28, 2021. The Audit Report as of June 30, 2021 will be presented at MERS Board Meeting on December 16, 2021. Thank you to the employers and members that were selected to provide information to MERS auditors, Hawthorn, Waymouth, and Carroll, L.L.P.

Financial Highlights as of June 30, 2021

MERS fiduciary net position restricted for pension benefits exceeded its liabilities as of June 30, 2021 by \$1,193,158,755 which represents an increase from last year of \$228,908,575 or 24%. The increase was primarily due to financial market returns.

Contributions to MERS by members, employers, ad valorem taxes and revenue sharing totaled \$100,554,819 an increase of \$5,479,580 or 6% from the prior year.

Net investment income of the System totaled \$227,297,196 for June 30, 2021 compared to \$26,744,300 for June 30, 2020, an increase of \$200,552,896 or 750% from the prior year.

Empower Retirement

Municipal Employees' Retirement System of Louisiana (MERS) Self-Directed DROP Plan

When members complete the Deferred Retirement Option Plan (DROP), 100% of their funds are transferred to a third-party administrator, Empower Retirement. Empower Retirement offers self-directed investment options for members that have completed DROP. MERS' Self-Directed Plan is a powerful tool that gives members the ability to manage funds so that they can reach their retirement dreams.

If you participate in DROP, once your funds are transferred to MERS Self-Directed DROP Plan, you will receive a personal identification number (PIN) letter from Empower Retirement. You will have access to your account 24 hours a day at **800-701-8255** or by logging on to **LouisianaDCP.com**. You will also receive a statement on a quarterly basis. You may also schedule a personal meeting with an Empower Representative.

There are many advantages to remaining in MERS' Self-Directed Plan. If you are approached by brokers or financial planners offering to manage your investments post-retirement, MERS encourages you to contact Empower Retirement to discuss these advantages to protect your retirement savings. Before making any kind of decision to move your account, be sure to compare all aspects and benefits available to you, particularly the exemption from state income tax. If you have any questions, please call Empower Retirement's Baton Rouge office at **225-925-8082**.

Deferred Compensation Program

Public Employees in the State of Louisiana can choose to participate in the Louisiana Public Employees Deferred Compensation Plan (DCP). Your employer must be enrolled in the DCP for automatic payroll deductions. If your employer is not currently enrolled, request that your employer's payroll department contact Empower Retirement.

This 457 Plan, administered by Empower Retirement, allows eligible employees to supplement their existing retirement/pension benefits by saving and investing before-tax and Roth after-tax dollars through voluntary salary contributions. When you contribute to the DCP, the amount of tax you pay is figured after your contribution, so you may pay less in taxes now if contributing pre-tax dollars or later if contributing Roth after-tax dollars. The amount you contribute will be automatically taken out of each paycheck and deposited in your 457 account.

Go online to **LouisiananDCP.com** and click on *Contact us* to locate your local Retirement Plan Advisor and schedule a meeting with an advisor in your area. You can also call **800-937-7604** and receive enrollment assistance or schedule a Retirement Readiness Review.

LMA PRESIDENT'S AWARD

At the Louisiana Municipal Association Annual Conference held in July, the prestigious President's Award was presented to Warren D. Ponder, former Executive Director of MERS. The award recognized Mr. Ponder's tireless work for the members of MERS, the members of the LMA, and the State of Louisiana during his years of public service.

Also receiving the award was Mayor David Butler of Woodworth who served on the MERS Board of Trustees from July 1999 to August 2000 while he served as President of the LMA.



INVESTMENT UPDATE

CHRISTOPHER SAIK, CHIEF INVESTMENT OFFICER

MERS reported a 24.3% investment return for the 12-month period that ended June 30, 2021.

While pleased with the fiscal year investment return, MERS maintains a methodical process and long-term philosophy investing the System's assets to provide secure retirement benefits to its members. The transition to a more traditional investment portfolio was demonstrated in an exceptional way last fiscal year.

After six years of progress, here is where MERS' portfolio stands:

	June 30, 2015	June 30, 2021
Number of Strategies	52	18
% in Alternatives	43%	7%
% in Passive Strategies	15%	55%
Estimated Annual Management Fees (\$)	\$6.5 million	\$3.3 million
Estimated Annual Management Fees (%)	0.78%	0.30%

The number of strategies has been reduced by 65% including an over 80% reduction in high-fee, illiquid alternatives. The percentage of MERS' portfolio invested in passive strategies has registered a nearly 400% increase resulting in over \$3 million annual savings in estimated management fees.

These improvements not only enhance MERS' long-term financial stability, but they also contributed to MERS' assets under management exceeding \$1.1 billion as of June 30, 2021.

Board of Trustees

Donald Villere, Chairman
Mayor (retired), City of Mandeville

Susan Percle, Vice Chairman
Retiree, City of Gretna

Donald Clause
HR Director, City of Thibodaux

Mayor Mark Piazza
Mayor, City of Abbeville

Barney Arceneaux
Mayor, City of Gonzales

Phyllis McGraw
City Clerk, City of Bossier City

Richard Williams
Deputy Director, LMA
LMA Representative

Hon. Robert Mills, Senator
Senate Retirement Committee

Hon. Lance Harris, Representative
Chairman of House Retirement
Committee

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Treasurer, State of Louisiana

Jay Dardenne
Commissioner of Administration

Executive Staff

Maris E. LeBlanc
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 are to be withheld on overtime. Regular, holiday, vacation, and sick earnings only are eligible for contributions. Do not withhold contributions on lump sum leave when a member is terminated or retires.

No contributions are to be withheld on worker's compensation.

New Administration – complete Employer 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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