



MUNICIPAL EMPLOYEES'

RETIREMENT SYSTEM
OF LOUISIANA

March 31, 2022

Dear Retirees and Beneficiaries,

A 1.6% cost-of-living adjustment (COLA) for eligible retirees and beneficiaries was approved by the Board of Trustees for the Municipal Employees' Retirement System (MERS) at its March 17, 2022 meeting.

The COLA will be effective starting with the July 1, 2022 benefit payment and will be calculated on the original benefit amount. The dollar amount of the COLA will be reflected on the notice of deposit for the July benefit payment. No action is needed by those eligible to receive this increase. It will automatically be added to the monthly benefit payments.

To be eligible for the COLA, retirees must have an effective retirement date of July 1, 2021, or before. Beneficiaries (and/or the retiree) must have been receiving benefits since July 1, 2021.

Members should be aware that COLAs funded by the retirement system are not guaranteed. When granted, COLAs must be funded for the lifetime of all retirees who will receive the adjustment.

MERS has a Funding Deposit Account that may be used to fund COLAs. Monies are deposited into the account when the employer contribution rate is set at a rate higher than the rate necessary to fund the system. In the last fiscal year, balances in the Funding Deposit Account for both Plans A and B reached the level to fund a COLA with a maximum amount of 1.6%.

Since a COLA was granted this year, and the funding level of the system is less than 80%, current law states that the Board must wait four years before granting another COLA.

The Board at MERS understands the pressures inflation has put on its retirees. This adjustment is not enough to match inflation but is the highest that the system can responsibly fund.

Sincerely,

Maris E. LeBlanc
Executive Director

P.S. Please go to mersla.com and create an account on our Self Service Portal. You can then access your data at MERS.