

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MEMORANDUM

TO: ALL MEMBERS OF MERS

FROM: WARREN PONDER, DIRECTOR

DATE: SEPTEMBER 12, 2016



The fiscal year ended June 30, 2016, and unfortunately the financial markets were lower than expected. MERS assumes that it will earn 7.5% per year on the portfolio, and not all of the returns are in yet, but returns are approximately -2.5% for the fiscal year. The market in general was flat and experienced a dip in value due to the British vote to leave the European Union just before the end of the MERS fiscal year. The market rebounded, but only after the close of the books.

Meketa Investment Group, MERS financial advisor, recommended in January of this year a more conservative and disciplined investment allocation. The process of converting existing investments to the new allocation is just beginning, but the returns are already showing improvement. Meketa estimates three years to complete the process.

MERS is still a strong system and your retirement benefit will not be affected. The year to year returns have a more immediate effect on employer contributions and cost of living adjustments for our retirees. Both of these issues are vitally important and a great concern for the Board.

Other Issues for Members

- 1) Please sign up for direct deposit if you have not done so. The recent flooding in south Louisiana brings home this important issue. Direct Deposit allows delivery of benefit checks even if mail service is disrupted or a member is displaced.
- 2) If you are nearing retirement, please call our staff if you have questions. The staff cannot give advice, but can explain your options. NOTE: **Please inform the staff if you have prior service in another public retirement system.**
- 3) Please file a change of address form with the system if appropriate.
- 4) Check out the MERS website at www.mersla.com, for forms and other important information.

Please feel free to call me at any time with questions, comments, complaints, or suggestions. My number is 225-925-4810 or 800-820-1137.