



STATE OF NEW MEXICO
Educational Retirement Board

701 CAMINO DE LOS MARQUEZ
P.O. Box 26129
SANTA FE, NEW MEXICO 87502-0129
PHONE: (505) 827-8030
FAX: (505) 827-1855

ERB Adopts Proposal to Change Retirement Benefits

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Santa Fe – During a special board meeting held this morning, the Educational Retirement Board (ERB) adopted a proposal to reduce the Cost of Living Adjustment (COLA) by 12.5% for all current and future retirees. The ERB COLA is based on the change in the Consumer Price Index (CPI) and typically begins the year a retiree turns age 65.

“The proposal is consistent with the Board’s goal of improving the retirement plan’s funding ratio to 80% by 2030 and 95% by 2040 and ensuring its long term sustainability,” Board Chair Mary Lou Cameron said.

The proposal also includes a minimum retirement age of 55 for members who would not be eligible to retire within 10 years of the proposal’s adoption. The grandfather provision protects all members who meet any of the current retirement eligibility requirements either before or during the ten year period.

The ERB Board and its staff will present the proposal to the legislature’s Investment and Pension Oversight Committee on Friday, December 2 in Santa Fe. The ERB administers retirement benefits for all the public educational employees in New Mexico. As of June 30, 2011, ERB has 35,457 retirees and 61,679 active members.

For more information, contact Jan Goodwin, ERB Executive Director, at (505) 827-8030 or visit our homepage at www.nmerb.org.