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Retiree Annual Statements

Retiree Annual Statements were mailed to all ERB retirees on August 22, 2013. The Retiree Annual Statement is a summary of the ERB retiree's gross monthly benefit amount, current deductions, and a final net amount.

ERB Retiree Annual Statements are sent in August because the new fiscal year starts July 1—when eligible ERB retirees receive the Cost Of Living Adjustment (COLA). Current ERB retirees are eligible for the COLA on July 1 of the year they reach age 65 or July 1 of year following their effective date of retirement, whichever comes later.

This year, the NM Legislature passed Senate Bill 115 to address the long-term sustainability of the ERB fund. Governor Martinez signed the bill, and it became effective July 1, 2013. Key elements include:

- A reduction in the COLA from an average of 2% to an average of 1.8% or 1.6%, depending on a comparison of the member's benefit to the median benefit level and the member's years of service, until the funded ratio is 90%. At funded ratio of 90%, the adjustment changes to 1.9% or 1.8%, on average, according to benefit level and number of years' service.
- Increasing member contribution from 9.4% to 10.7%, for those members with annual salary greater than \$20,000.
- A new minimum retirement age of 55 (or earlier with reduced benefits) and increased COLA eligibility age of 67 for new plan members.

These changes are expected to improve ERB's funded ratio (the ratio of ERB's plan assets to the accrued liabilities) from 60.7% in 2012 to 100.7% in 2043.

For COLA eligible retirees, the statutory COLA factor for July 1, 2013 is 2% before the reduction. The COLA is based on the change in the average of the monthly Consumer Price Index (CPI) from 2011 to 2012. ERB retirees with 25 or more years of service and whose monthly benefit is less than or equal to the median benefit of \$1,504.20 as of June 30, 2012 received a COLA of 1.8%. All other retirees received a COLA of 1.6%. Disability retirees who are eligible for a COLA received the unreduced amount of 2%.

If you didn't receive your ERB Retiree Annual Statement, it is likely ERB has an outdated address in your records. If this is the case, please complete an ERB Change of Address Form, mail or fax it back to an ERB office along with a note requesting a copy of your Retiree Annual Statement. Change of Address Forms can be accessed from our website at www.nmerb.org under the "Download Forms" link. You may also call an ERB office at 1-866-691-2345 or send an email request to ERB-memberhelp@state.nm.us.

Feature Story: ERB Board Members



H. Russell Goff

The management of the ERB is vested in a board of seven members. The Board stands in a fiduciary relationship to the members covered under the Educational Retirement Act. Administrative management of the fund is vested in a Director who is appointed by the Board of Trustees.

H. Russell Goff is the representative for the New Mexico Association of Educational Retirees (NMAER). He has served as the Executive Director for NMAER since 2002. Russell began his career as a teacher at Adobe Acres Elementary School in 1964 and served for 37 years in the Albuquerque Public Schools until retiring in 2001. In APS he served as a teacher, activities director, assistant principal, lobbyist and retired as the Principal of Eldorado High School. He also served as Principal of Washington and Wilson Middle Schools in APS. He received his Bachelor's and Master's Degrees from the University of New Mexico and did additional graduate work at Adams State College in Alamosa, Colorado and at Appalachian State University in Boone, North Carolina. Currently, he serves on the Board of Directors of the New Mexico Sports Hall of Fame, where he is a past president, and the New Mexico Coalition of Educational Leaders (NMCEL).

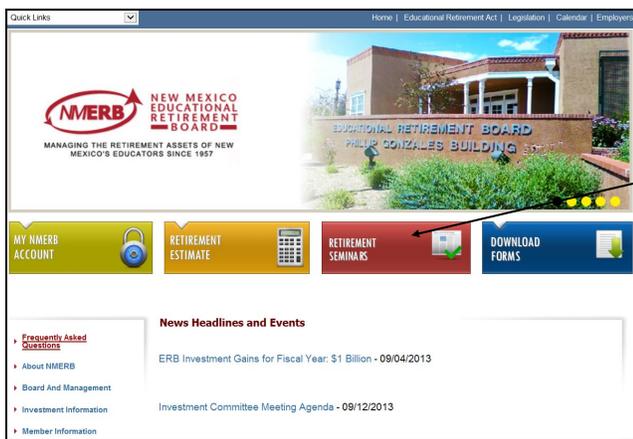
For information on ERB Board meetings, visit the "Board and Management" link at www.nmerb.org.

ERB Retirement Seminars

ERB retirement seminars are currently being scheduled in locations throughout New Mexico. To accommodate school employees, seminars are scheduled to start after school hours. The ERB seminar covers general information about the ERB plan, retirement benefit options, instructions on the retirement process and information on working after retirement.

Seminar material includes an ERB Member Handbook, a handout for notes, and a copy of the NM Retiree Health Care Summary of Benefits. (ERB does not administer health benefits. Specific questions about health benefits should be directed to the NMRHCA or your employer's benefits office.) Seminars typically last about 1.5 hours.

Please visit the ERB website at www.nmerb.org and click on the "Retirement Seminars" link to see a schedule of 2013-2014 seminars. Seminars are posted as they are confirmed. You may also contact an ERB office at 1-866-691-2345 or send an email inquiry to ERB-memberhelp@state.nm.us.



For a list of upcoming ERB retirement seminars visit www.nmerb.org and click "Retirement Seminars."