



NM EDUCATIONAL RETIREMENT BOARD

The ERB Connection



Spring 2014

Board of Trustees

Mary Lou Cameron
Chairperson
NEA Representative

H. Russell Goff
Vice Chairperson
NMAER Representative

Beulah M. Woodfin
AAUP Representative

Bradley Day, CLU, ChFC
Governor Appointee

Larry Magid
Governor Appointee

Hanna Skandera
PED Secretary Designate
Ex Officio

Paul Aguilar
ERB Board Secretary
PED Ex Officio Designate

James Lewis
NM State Treasurer
Ex Officio

Marilyn Hill
NM State Treasurer
Ex Officio Designate



Jan Goodwin
Executive Director

Rick Scroggins
Deputy Director

Another Busy Retirement Season

Each year, retirement season is the culmination of many retirement seminars across the state, numerous phone calls and countless retirement estimates. Similar to most other retirement systems, ERB has two retirement seasons. The main one occurs in the Spring for our July 1 retirees and a secondary one takes place in the Fall for our January 1 retirees. Because of the wide variety of occupations within ERB employment, some members retire each month.

There have been many stories in the media about larger than usual numbers of teachers retiring this year. However, at ERB the numbers of retirement applications that our members have submitted do not seem to support these stories. As of June 16, 2014, we have received 1,209 retirement applications to be effective July 1. Last year, by June 16th we had received 1,189 retirement applications for that same period.

It is important for ERB members to keep in mind that the timing of retirement is one of the most important financial decisions they make. Being eligible to retire does not necessarily mean that the member should retire immediately. Retirement is a complex personal and financial decision with many components. ERB staff members conduct seminars in various locations across New Mexico to assist members in preparing for that very important decision. Members may also visit one of our offices and talk in person to a member service representative to receive specific information about their individual circumstance. Our website contains easily-accessible information on most processes, including retirement. Please take advantage of any or all of these information sources and carefully construct your retirement so that you can enjoy it to the fullest.

Retiree Annual Statements

ERB will mail Retiree Annual Statements to retired ERB members in August. The Retiree Annual Statement indicates the retiree's gross benefit amount, reflecting the July 1 COLA (if applicable) and an itemized list of all deduction amounts as of July 1, 2014.

If you need to update your mailing address, please send ERB a Change of Address form, which can be accessed from ERB's website, www.nmerb.org, under the *Download Forms* link. You may also write us a note that includes your name, your new address, your birth date, your signature and the date. You may fax the note to (505) 827-1855 or mail it to PO Box 26129, Santa Fe, NM 87502.

Remembering to notify ERB of your address changes will help us communicate pertinent information about your retirement benefits on a timely basis. If you have questions, please contact ERB at 1-866-691-2345 or ERB-memberhelp@state.nm.us.

Feature Story: ERB Board Members



Larry Magid

Larry Magid was appointed to the ERB Board by Governor Martinez in December 2013. He has worked in the financial services industry for over forty years. Mr. Magid has served as a financial advisor for the past 26 years and is currently with Robert W. Baird, Private Wealth Management.

Mr. Magid graduated from the University of Oklahoma, Price College of Business, with a BBA in Economics and Finance. He and his wife have three children and ten grandchildren.

For information on ERB Board meetings, visit “Board and Management” at www.nmerb.org.

ERB Fund Continues Positive Investment Results

We are pleased to release the investment results for the New Mexico Educational Retirement Board (NMERB) for the year ending March 31, 2014. Fund assets reached an all time high of \$10.9 billion, exceeding the previous high of \$10.7 billion reached on December 31, 2013.

For the calendar year 2013, the investment portfolio returned 11.7%, exceeding the target return rate of 7.75% per year. In dollar terms, this represents investment income of \$1.1 billion for the year.

The results of the year continue the trend of improving the financial position of the NMERB. As seen in the table below, this trend has been ongoing for a number of years. Actual returns have exceeded the target in many of the time periods shown. Please note, that all returns for periods longer than a year are annualized:

- 3 years 8.6%
- 5 years 13.2%
- 10 years 7.1%
- 15 years 5.9%
- 20 years 7.4%
- 25 years 9.0%
- 30 years 9.4%

For more information on ERB’s investments or its investment performance, visit www.nmerb.org and click on “Investment Information” from the links on the left side of the page.

Upgrades to Web Self-Service Coming Soon

As you may be aware, ERB is working on making significant improvements to our web self-service section for active and inactive members. Active and inactive members are members who have retirement contributions on account with ERB but are not yet retired. ERB employers that utilize the employer web self-service will also see upgrades to those accounts.

The member self service-site will have a larger display screen to allow the members to navigate through their accounts more efficiently. Members will also be able to view their work history with all ERB covered entities. The current features, such as Statement of Account, the Benefit Estimator and the Service Credit Purchase Estimator, will still be available. The employer self-service site will be similar to the current features, but the larger display screen will be a welcome upgrade. Both the member and employer self-service sites will have an area for “news and events” that ERB will use to communicate pertinent information to you. There will be new user tutorials to assist you with the new sites.

When this conversion takes place, ERB will have limited access to current member accounts. A formal announcement will be distributed to your employer via email—your employer can distribute the announcement to you. ERB thanks you in advance for your patience during this transition.



Attention ERB Retirees!

ERB would like to hear from you.

Complete this sentence:

“My ERB benefit allows me to _____

_____”

You can cut this portion of your newsletter and mail it to:

NMERB Member Services

PO Box 26125

Santa Fe, NM 87502

Or you can complete and submit the form online at

http://www.nmerb.org/retired_members.html