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Albuquerque, NM 87154
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President's Report

On behalf of the RPENM Board of Directors, I would like to wish all a very blessed holiday season and a prosperous New Year. I am happy to announce that the membership projections from our last Newsletter have come in right on target. RPENM is closing in on 4,000 members strong. This is due to the dedication from your Board of Directors, our Executive Director, and Chapter members' diligent recruitment initiatives. With the dedication to serving the current and retired RPENM members of this organization, your Board realizes the importance of growing our organization in assuring that we are a viable and effective voice in representation of our membership.

The RPENM Board met for its annual Fall Board meeting in October in which many positive initiatives were discussed and are moving forward. Some of these initiatives are reflected in recommended by-law changes that will bring more clarification and continuity between the rules and procedures and our organization's by-laws. Also, the Board voted unanimously to incorporate a code of conduct for the Board of Directors that defines the level of expectations and professionalism from each Board member as they represent RPENM and its membership.

The Board appointed Doug Crandall to the RPENM Board of Directors to serve as our representative to the New Mexico Retiree Health Care Authority (NMRHCA) Board. Doug has served in this position previously, and for the past six months he has been serving in an interim capacity until his formal appointment. Doug has extensive knowledge and understanding of our Retiree Health Care plan and is diligently keeping the Board apprised of any and all NMRHCA Board meetings and initiatives. As the NMRHCA Board works toward a plan on the protection and solvency of our health care system, we are working closely with our professional lobbyists, Richard Romero and Sue Griffith, in support of protecting and maintaining our health care benefits.

Finally, I would like to thank our Executive Director, our Board of Directors and each and every RPENM member for their dedication to the cause and growth of our organization. It is your annual dues...it is your personal involvement...it is the involvement of each active local Chapter that collectively make RPENM a great organization. Please visit our website (www.rpenm.org) and/or call our office at 505-280-8459 if you have any questions or suggestions, or if you need any information.

I hope to see you at our Spring Membership meeting in Albuquerque.

Sincerely,

Gerald L. Chavez, RPENM, President

2013 - A Good Year for PERA

I am excited to report to the RPENM membership that during 2013 PERA made significant progress on the challenges it has faced over the past several years. Many positive changes resulted from Senate Bill 27 (SB27), sponsored by Senator George Munoz and Representative Lucky Varela establishing new employee contribution rates, employer matching contribution rates, pension accrual formulas and cost of living for retirees. 34,000 retirees and all working members (55,000) are affected by the changes. PERA's website (www.pera.state.nm.us) is newly improved and incorporates all of the changes made by SB27 in 2013.

At its October meeting, the PERA Board received new financial and actuarial results that demonstrated the significantly improved condition of PERA:

The PERA Fund reached an all-time high of \$13.8 billion on October 22, 2013, representing a recovery of assets lost during the market downturn of 2007-2009.

The PERA Fund had an investment gain of \$1.2 billion, a 13.26% return for fiscal year 2013.

Passage of SB27 and investment gains reduced PERA's unfunded actuarial accrued liability (UAAL) from \$6.2 billion at 6/30/12 to \$4.6 billion at 6/30/13 and increased the funded ratio from 65.3% to 72.9%.

The projections show that the total PERA fund will reach a 100% funded ratio by approximately 2040.

While the Board will continue to urge caution and vigilance in monitoring the impact of SB27 and our investments, it is encouraging that after a number of difficult years, PERA appears to be back on track toward meeting its long term solvency goals and ensuring that we will provide a safe and secure retirement benefit for many generations of public employees to come.

HAPPY HOLIDAYS!

Dan Mayfield, PERA Board Member

2013 Disability Committee Chair

Annual Spring Membership Meeting

The date has been set for the RPENM Annual Spring Membership Meeting. It will be held in Albuquerque and will be hosted by the local Albuquerque Chapter. Thank you very much Chapter 5! Details will be posted on the RPENM website once plans are set then included in the spring newsletter.

Dates: April 30, May 1 & May 2, 2014



May
Lovely,
Happy Times
Decorate Your
Holiday Season,
May Warm Special
Memories Brighten
Your New Year.....May
The Wonder of Christmas
Be With You Forever
RPENM



NMRHCA Status Report

Once again, I am pleased to report that the New Mexico Retiree Health Care Authority is doing very well. Solvency continues to remain strong, investment returns are among the best in the country over the past ten years and premiums were increased only modestly for 2014. Further, three statewide and one nationwide Medicare Advantage plans are now available to eligible retirees in addition to the traditional Medicare plan offered by Blue Cross/Blue Shield of New Mexico.

It has been less than seven years since there was a question as to whether the NM Retiree Health Care Authority could even survive as an independent agency. Solvency had dipped to seven years worth of assets, there was an attempt to meld the Authority with the State General Services Department, and double-digit premium increases were the norm.

Today, assets exceed \$323 million. This is an increase of nearly \$60 million in six months, the same increase that occurred in three full years from 2010 to 2013. In early 2009, assets were less than \$123 million. This is a spectacular turn around and a very good sign for the future of the NMRHCA. In the past few years the NMRHCA has also reduced its unfunded liability by over \$200 million.

Although everything is moving in a positive direction regarding the future of the NMRHCA, there are still necessary changes ahead. As I reported in my last article, currently working NMRHCA members can expect to see an increase in service time in order to receive full subsidies, a minimum age to receive any subsidies, and a reduction in the subsidies themselves. None of these changes are proposed for 2014.

One change that is proposed for this year is a phased in increase of employee and employer contributions. Currently, the standard contribution rate is 2% from the employer and 1% from the employee (3% combined). NMRHCA will be working with the State Legislature this year to introduce a bill that would gradually raise employee and employer contributions over a six-year period to a combined 5.25% of salary. If enacted, this change will result in over \$90 million in additional revenue and extend solvency to 2043.

The biggest change in the benefit structure in 2014 is the addition of new statewide Medicare Advantage Plans offered by Lovelace and Presbyterian and a nationwide Medicare Advantage plan from United Health Care. Those NMRHCA members who live a

substantial distance from the Albuquerque area, or who live out of state, now have the opportunity to enroll in a Medicare Advantage plan for the first time. Also, as most of you know by now, Blue Cross/Blue Shield of New Mexico purchased the Lovelace Health Plan. Those members covered by the Lovelace Medicare Advantage plans will continue their coverage under Blue Cross/Blue Shield.

One of the most frequently asked questions during last year's switch enrollment was how the Affordable Care Act would affect NMRHCA. The answer is: not at all. Medicare coverage is not included in the ACA, and all of NMRHCA's pre-Medicare plans exceed the standards set by the Act.

Finally, on a sad note, longtime NMRHCA Board Chair, Alfredo Santistevan, passed away suddenly in October. He had been on the NMRHCA Board for almost ten years and served as Chairman for the past several years. He was a knowledgeable, unifying force for many years on the Board, and he was my friend. He will be missed.

Doug Crandall

2014 NMRHCA Legislative Proposal

- Increase employee/employer contributions from 3% of payroll to 5.25% over a 6-year period as follows:

Fiscal Year	Current Contribution	Proposed Increase	Proposed Total	Additional Revenue
FY14	3.00%	0.00%	3.00%	\$ -
FY15	3.00%	0.50%	3.50%	\$ 20,000,000
FY16	3.00%	0.50%	4.00%	\$ 40,000,000
FY17	3.00%	0.50%	4.50%	\$ 60,000,000
FY18	3.00%	0.25%	4.75%	\$ 70,000,000
FY19	3.00%	0.25%	5.00%	\$ 80,000,000
FY20	3.00%	0.25%	5.25%	\$ 90,000,000

- \$90 million of additional revenue annually upon full implementation.
- Each .25% increase in employer contribution will have an approximate \$5 million impact on the general fund
- Each .25% increase in contributions extends NMRHCA's solvency by approximately 1 years.



UP!! UP!! And Away!



The PERA fund is up and solvency extended, the NM Retiree Health Care Authority fund is up and solvency extended as well, RPENM state membership is up and still growing, local chapter membership is up with increased involvement. And we have some informative and fun activities coming up.

I have been doing some traveling this fall attending some of the RPENM Chapter meetings and Retiree Health Care switch enrollment meetings. It was nice to chat with those of you who were there. I also attended a convention in San Antonio where I was able to network with Executive Directors and Presidents of 42 similar associations. Discussions with these organizations confirm that New Mexico PERA retirees have one of the best pension plans in the country!

Our lobbyists continue to meet with legislators throughout the year and keep the lines of communication flowing to ensure knowledge of issues and continued protection of your benefits. In addition to the NMRHCA proposed bill for the upcoming session, one issue we are watching closely is a petition that four educational retirees filed with the NM Supreme Court challenging the constitutionality of the ERB COLA reduction. Supplemental briefs were submitted in September. The outcome of this petition may cause subsequent impact to PERA retirees. The court has not yet made a decision.

Planning for your Annual Spring Membership Meeting to be held in Albuquerque has begun. There will be a reception the evening of April 30, a Board Meeting May 1 and the Membership Meeting on May 2. We will have guest speakers presenting material of interest, a raffle, door prizes &/or silent auction, a luncheon and social activities. Please put these dates on your calendar, watch for registration forms in the next newsletter and plan to join us.

Have you done all your Christmas shopping? How about

surprising that special someone with a travel experience? Registration is open now for our very reasonably priced trip to Laughlin April 6-9 – online with a credit card or by mail. See pages 6/7 for details. Parking will be available at the RPENM office building where we will load the coach and be on our way. Maybe one of you will be lucky enough to hit a big jackpot! I look forward to being a part of this...the trip, I mean, but you are welcome to share the jackpot, too. 😊

What a privilege it is to be able to present such a positive report. Cheers to anticipating even more positive and fun times ahead!

Pam Kileen

Executive Director



THE IMPORTANCE OF CHAPTER MEMBERSHIP

Would you like to be more involved with RPENM locally? You may not be aware that local Chapters statewide can provide you with the following:

- Access to personal, up-to-date information locally that affects you regarding legislation concerning your PERA pension and Retiree Health Care Benefits.
- Regular meetings with informative guest speakers addressing issues of interest to PERA retirees.
- The opportunity to participate as a board member providing leadership in our organization.
- Networking through phone and e-mail contacts.
- The opportunity to interact and socialize with fellow retirees at local meetings.

Statewide Chapters set independent dues and each have an elected Board of Directors and By-laws in compliance with RPENM Chapter Guidelines. Although you may vote in only one Chapter, you may join as many Chapters as you wish as long as you pay your state RPENM dues.

RPENM conducted a recent survey and found that

Chapter membership is growing through the hard work of their members. In fact, Chapter 5 in Bernalillo County recently conducted a membership drive and increased their membership by 100% to 140 members! Chapter 2, in the Las Cruces area, is working hard to increase their ranks and Chapter 18, based in Raton, continues to have a very active and involved group in the northern part of New Mexico. Join a local Chapter and have your voice



Officers Leading the Las Cruces Area Chapter Meeting

heard through a host of dedicated volunteers - your fellow retirees. To become a member of an existing Chapter or if you wish to start a new Chapter in your area, contact Pam Kileen, Executive Director, at 505-280-8459 or the appropriate Chapter Chair for your area listed under the Chapters link on our website:

<http://rpenm.org/chapters>



Fellow Retirees in the Las Cruces Area

Advertisement

Membership Has Benefits! AMBA

Your membership with RPENM gives you access to many member only benefits. Association Member Benefits Advisors (AMBA) helps to make the following benefits available to RPENM members:

- Dental & Vision Plans
- Long Term Care
- Medicare Supplement
- Tax Deferred Annuity
- Medical Air Services Association (MASA)
- American Hearing Benefit (AHB)
- Government Employee Travel Opportunities
- La Quinta Inn & Suites Discount
- Rental Car Discounts (Budget, Avis, & Hertz)
- Dell Computer Discounts
- Apple Computer Discounts
- 1-800-FLOWERS Discounts
- AMBA TravelPERX Travel Deals

For additional information, contact our benefits provider, AMBA, at 1.800.258.7041. You can also request a speaker for your local meetings by calling Susan Lowry, AMBA National Director of Association Relations, at 800.258.7041 ext. 110.



Retired Public Employees Presents



Laughlin, Nevada Tour

April 6-9, 2014

Here it is...our inaugural travel excursion! There is room for only 50 people – sign up soon so you do not miss out on the fun. Non-RPENM members are allowed if registering with an RPENM member. You can register by either filling out the form on the opposite page and mailing it in or online at

<http://dswcart.sks.com/retired-public-employees-of-new-mexico-laughlin-nv-tour-april-6-9-2014>.

DAY ONE – Sunday, April 6, 2014

Depart Albuquerque this morning on a deluxe motor coach and head northwest to Laughlin, Nevada! Along the way, we will make a brief stop in Gallup, New Mexico and then a lunch stop in Flagstaff, Arizona. Arrive Laughlin mid-afternoon and check into the Tropicana Hotel & Casino for a 3-night stay.



DAYS TWO & THREE – Monday & Tuesday, April 7 & 8, 2014



For the shoppers of the group, the Horizon Outlet Mall is also near the hotel and has stores such as Bass, Bath & Body Works, DC Shoe Factory, Perfumania, Levi's Outlet Store, Pendleton and many more!!

You also have many choices for evening activities...the Tropicana has seven restaurants to choose from along with the Caboose Lounge, which has free live entertainment by local bands. The nearby hotels also have lounges, dance clubs, sports bars and many restaurants to choose from.

DAY FOUR – Wednesday, April 9, 2014

Depart this morning for your return trip to Albuquerque. We hope you have enjoyed your visit to Laughlin!

PRICE PER PERSON

\$235.00 Single Occupancy

\$199.00 Double Occupancy



PRICE INCLUDES

Deluxe motor coach transportation; Destination Southwest Tour Manager; three nights hotel accommodations; one breakfast and one dinner buffet coupon for the Tropicana; tour manager and driver gratuities; all applicable taxes.

There are many activities for you to enjoy both within the Tropicana Hotel & Casino and in the immediate area. There are nine casinos along the Casino Drive strip for you to visit, gamble, dine, etc. If you prefer a relaxing spa experience, choose from four resorts close by - the River Palms Resort & Casino, Don Laughlin's Riverside Resort Hotel & Casino, Colorado Belle Casino Resort and Harrah's Laughlin.



Retired Public Employees of New Mexico Registration Form



Laughlin, Nevada Tour – April 6-9, 2014

I/We wish to reserve _____ place(s) on the Retired Public Employees of New Mexico Laughlin, Nevada Tour. Please note that full payment is due at the time of registration.

Single Room Occupancy \$235.00 x _____ Double Room Occupancy \$199.00 x _____

Total: \$ _____

PRICE INCLUDES: Deluxe motor coach transportation from Albuquerque; Destination Southwest Tour Manager; three nights hotel accommodations; one breakfast and one dinner buffet coupon for the Tropicana; tour manager and driver gratuities; all applicable taxes.

Name of Registrant #1: _____

Name of Registrant #2: _____

Address: _____

City: _____ State: _____ Zip Code: _____

E-mail: _____

Home Phone: _____ Cell Phone: _____

____ Visa ____ MasterCard ____ American Express

Cardholder's Name: _____

Card Number: _____

Expiration Date: _____ Security Code: _____

If you prefer to pay by check, please mail this form along with your check to:

Destination Southwest

20 First Plaza Galeria NW, Suite #212

Albuquerque, NM 87102

www.destination southwest.com (505) 766-9068 or (800) 999-3109

Cancellation Policy: The above-mentioned services can be canceled any time prior to MARCH 7, 2014, for full refund, minus a \$15.00 processing fee. Cancellations 29 days or less before scheduled departure date will receive no refund. We strongly suggest travel insurance. We will include a travel insurance option with your tour confirmation.

Disclaimer: Destination Southwest (DSW), a division of S&L Tours, LLC, acts only as an agent for the various independent suppliers that provide hotel accommodations, transportation, sightseeing, activities, meals and other services connected with this tour. Such services are subject to the terms and conditions of the suppliers. DSW and its respective employees, agents, guides and representatives accept no liability for injury, damage, loss, accident, delay, or any other incident which may be caused by the negligence, defect, or default of any company or person performing these services. Responsibility is not accepted for losses, injury, damages, or expenses of any kind due to sickness, weather, strikes, hostilities, wars, terrorist acts, acts of nature, local laws, or other such causes. DSW is not responsible for any baggage or personal effects of any individual participating in the tours arranged by DSW. Please note that a minimum of forty (40) guests is required for this tour to run. Destination Southwest reserves the right to cancel any tour if pre-registration does not meet the minimum number. A complete refund will be offered in that event.



Retired Public Employees of New Mexico

PO Box 20607

Albuquerque, NM 87154-0607



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www: www.rpenm.org

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Note →

YOUR MEMBERSHIP IS PAID!

← Note

(Please pass this membership form on to friends or family who might want to join)



Please fill out the Member information box below.

Member Information

Please Print

Name*: _____

Address*: _____

City*: _____ State*: _____ Zip*: _____

Telephone #: _____

Email: _____

* Required information

[] Please deduct my \$24 dues payment from my July retirement distribution unless and until I notify PERA in writing to cancel this deduction.

Members Signature

Date

|_|_|_|_|

PERA requires your last 4 digits
Mail completed form to the address at left

Mail to: RPENM
PO Box 20607
Albuquerque, NM 87154-0607