



RPENM News

Spring 2016

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RPENM

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President's Message

By Dan Mayfield, RPENM President

Dear RPENM members;

I hope to see you in Albuquerque on May 6th and 7th for the RPENM Spring meeting. Some of the highlights of the meeting will be: The lobbyist's presentation of results from the 2016 legislative session and their expectations for 2017; and, the Membership Committee and Gerald Chavez's report on increased new membership.

Since 2013 I have been honored to serve as your Retiree Representative on the PERA Board representing more than 35,000 retirees receiving an annual payroll of more than \$1 billion.

I have served as Vice-Chair of the PERA Board for 2-years and have also been Chair of the Investments Committee for 2 years. During my term as Investment Chair, the PERA Fund reached a record high, the investment allocation was changed to minimize volatility and risk to the Fund, and a sub-committee was established to study investment fees. The work of the fee sub-committee resulted in a \$15 million reduction in fees paid to managers by PERA.

Other accomplishments of PERA during the last few years include:

- A \$50 million settlement of claims against Wells Fargo
- Pension reform of the Judicial and Magistrate retirement programs
- Moving the Retiree Health Care Authority's Santa Fe office to the PERA Building in order to have a "one-stop shop" for retirees
- Expansion of the Albuquerque PERA office
- Reorganizing PERA's Internal Audit function
- An unqualified audit for FY15
- Maintaining PERA's 2015 funded ratio at 74.3% with an



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expected funded ratio of 113% by 2043

- Launching of a new PERA web site and improvements to PERA's customer service operations

I look forward to continuing to work for all PERA retirees and to protecting the benefit that you worked hard to earn. My current PERA term ends this year and as a candidate for re-election I would appreciate your support in the upcoming election. It has been a pleasure serving you as both President of RPENM and as your PERA representative.



2016 Annual Membership Meeting!

Come join us for RPENM's 53rd Annual Membership Meeting on Saturday, May 7th from 9:00 am to 1:00 pm. This year our keynote speaker will be Mr. Tim Lee, Executive Director for the Texas Retired Teachers Association (TRTA). Mr. Lee is well known throughout our country as an experienced advocate for the protection of defined benefit retirement programs. He knows the negative climate and issues facing Public Retirement Pension programs nationwide. Come hear it first-hand!

Our program will be held at the Hilton Garden Inn, Albuquerque, Uptown. 6510 Americas Pkwy NW, Albuquerque, NM 87110, (505) 944-0300. Our rate is \$89 + tax per night (Thursday night, May 6th, and Friday night, May 7th) To make reservations call: 1-800-HILTONS; give them the hotel name, dates and group code RPENM. Or, go to the hotel website

www.albuquerqueuptown.hgi.com and type in group code RPENM when making reservations.

Rooms are filling up fast.....

Make your reservations today!

Program of Events

Friday, May 6th (Hotel Facilities)

9:00 am to 1:00 pm - Board of Directors meeting. The Board will conduct its Officer Elections and perform other pertinent RPENM business.

1:00 pm to 5:30 pm – On your own time. Free time to shop, visit, or just rest before the reception.

5:30 pm to 7:30 pm - Reception and meet and greet. Come enjoy a light dinner and visit with your fellow RPENM members and Board of Directors.

Saturday, May 7th (Hotel Facilities)

9:00 am to 1:00 pm - Membership Meeting! Let's conduct business, fellowship and keep united to protect our great retirement system. Key Note speaker: Mr. Tim Lee, Executive Director for Texas Retired Teachers Association (TRTA). We will have great door prizes and conduct a 50/50 raffle at our event!!!!

This is your annual meeting! There is no registration



fee, or charge for the reception. However, you will need to pay for your own rooms if you plan on staying overnight at the hotel. **We need to adequately plan for the attendance of our reception on the evening of Friday, May 6th, and/or the Membership Meeting, on the morning of Saturday, May 7th. Please RSVP with Gerald Chavez; work phone# 505-280-8459, or Cell phone# 505-847-2996, or email rpenm@rpenm.org.** We look forward to seeing you there!



Annual Meeting - Key Note Speaker



Tim Lee – Executive Director Texas Retired Teachers Association

In 2004, the Texas Retired Teachers Association (TRTA) hired Mr. Tim Lee as the company's Executive Director. TRTA has a long and proud tradition in Texas as an advocacy and action organization representing the interests of retired public school employees. The association's membership is a network of retired classroom teachers, administrators, school professionals and support personnel. With over 80,000 members, TRTA is the largest organization of its kind in the nation.

Mr. Lee began his career as an advocate for public education retirees in 1996. At the time, he was hired as a legislative intern with the Illinois Retired Teachers Association (IRTA). By April of 1997, Mr. Lee was picked to lead IRTA as its newly hired Executive Director, a position he held for eight years. In 2004, Mr. Lee was recruited by TRTA to take over the fast-growing association.

Known around the country as a passionate speaker and energetic leader, Mr. Lee is a strong advocate for protecting the defined benefit pension plan and other post-employment benefits many states provide for retired public educators. Seeing these benefits as an economical way of ensuring

retirement security for public school employees, Mr. Lee champions adequate and consistent contributions to pension funds by both the employer and employee.

This common sense approach has worked well in Texas. TRTA has partnered successfully with the Texas Legislature to create a well-funded pension trust fund. While this plan may not be considered "rich" in comparison to other state-funded pension plans, it is one of the healthiest state pension plans not presently coordinated with Social Security.

Mr. Lee has worked on public pension policy for 20 years. He has served on various state legislative panels and gubernatorial commissions, participated in forums with legislative leaders, and attended many conferences about managing and maintaining these vital public programs. Thousands of Texans receive Mr. Lee's email newsletter The Inside Line. Mr. Lee is also a featured writer for the organization's quarterly publication The VOICE.

Tim attended public schools in Springfield, Illinois, and is a graduate of Illinois State University. He has post-graduate credit at the University of Illinois. More than anything, Tim is proud of his wonderful family. He and his wife Nichol have four children: Carter (13); Grace (13); Ethan (11); and Ryan (6).



Retiree Health Care Update

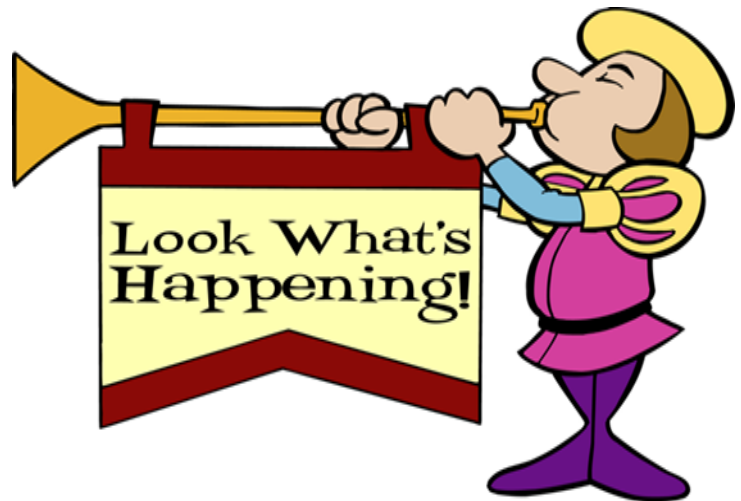
By: Doug Crandall, RHCA
Representative

For the past five years, the NM Retiree Health Care Authority has been implementing changes to assure the continued solvency of the plan. Changes have included the lowering or eliminating of subsidies for retirees, spouses and dependents, increased cost sharing for prescription and pre-Medicare health plans, and the phasing out of the free \$6000 life insurance available to pre-2012 retirees. These changes have assured solvency of the plan until 2033.

One important component to long term solvency, however, has not been implemented. In order to continue to remain viable, it is necessary that employee and employer contributions be increased. For the second consecutive year, the NM House voted to approve those increases, while the legislation died in the Senate. Approval of the legislation will allow RHCA to remain solvent for more than 30 years, and the RHCA Board will work to have such legislation introduced again in 2017.

Despite the inevitable increases in premiums, health care costs for RHCA members is significantly lower than any plan found on the private market. The plan also remains well funded, with assets exceeding \$420 million.

In July, the RHCA Board will review actuarial numbers and decide how best to proceed. The goal, as always, is to maintain an affordable, viable and secure retirement plan for New Mexico's retired public servants and educational employees. Possible plan changes will be discussed at the annual RPENM meeting and RPE members are urged to attend.



Over 400 New RPENM members this year!

Your Board of Directors is dedicated to strengthening the voice of our organization by actively recruiting new members. With the leadership of Ann Crandall, our Membership Committee Chairwoman, and our Membership Committee, we have completed many successful membership recruitment efforts this year. Remember..... When advocating for the interest of RPENM at the Legislature, SIZE matters! The larger our membership organization is, the louder our voice will be heard at the Legislature. We welcome each and every new member and encourage them to join us at our membership meeting on May 7th. THANK YOU FOR JOINING OUR MISSION TO PROTECT OUR PENSIONS & RETIREE HEALTH CARE!





Legislative Update

Our Goal is to work with our Lobbyists Richard Romero and Sue Griffith towards the protection of our pension system and retiree health care system. This does not just happen within the Legislative session each year. Our Executive Director, Gerald Chavez and our Lobbyists work hand in hand throughout the year to represent RPENM's interest.

The following are 8 bills introduced during this year's Legislative session that either directly or indirectly impacted PERA and our Retiree Health Care Association. **Join us at our Membership Meeting on May 7th, to hear a firsthand report from our Lobbyists.**



The secret of freedom lies in educating people, whereas the secret of tyranny is in keeping them ignorant.

- Maximillien Robespierre

- HB 43 – Public Safety Employee Contribution Payments, Sponsored by Rep. Rehm. Passed SPAC and Passed Senate Floor. Signed into law by the governor.
- HB 58 – Retiree Health Care contribution Rates, Sponsored by Rep. T Salazar. Died in Senate Floor.
- HB 96 - No Pension for Convicted Public Officials, Sponsored by Rep. M McQueen. No Message from Governor.
- HB 116 – Education Employee Retiree Health Care, Sponsored by Rep. Hall. No message from Governor.
- HB 171 – Law Enforcement Officers Returning to Work, Sponsored by Sen. Ingle and Rep. Larranaga. Died in Senate Public Affairs Committee.
- HB 278 – Public Pension Forfeiture Act, Sponsored by Rep. Cook. Died in the House.
- HJM 2 – Public Employee Benefit Bill Moratorium, Sponsored by Rep. Trujillo. Died in the House.
- SB 35 – Retiree Health Care Contribution Rates, Sponsored by Sen. Kernan. Died in the Senate.
- SJM 3 Public Employee Benefit Bill Moratorium, Sponsored by Sen. Munoz. Died in the House.

Retirement
is a Journey..
Not A
Destination!



Within your Journey: Stay informed, Be aware and Keep Involved

The same Wall Street traders who ignited the public pension's crisis now propose to fix the problem.

What could go wrong?

Excerpts taken from an article written within Al Jazeera America, October 20, 2014: **by Susan Greenbaum**

The retirement prospects for millions of public employees have gotten shakier in the past few months amid a growing chorus of news stories about troubled pension funds. Illinois, New Jersey, Connecticut and a dozen other states are reported to be in serious fiscal trouble, with unfunded pension liabilities exceeding annual revenues. These alarming disclosures have escalated the calls to cut benefits and eliminate traditional pensions. Judges have disputed or weakened the legal claims of Detroit and New Jersey public employees to their pensions. On Oct. 1, a judge in Sacramento, California, signaled that the city of Stockton could dismiss pension debts in bankruptcy. In cash-strapped states and municipalities, pension costs are squarely in the crosshairs of officials looking for budget cuts. Increasingly, the courts seem prepared to let them pull the trigger.

Polls indicate that a large share of the American public is unsympathetic or uninterested in the pensions of public workers. However, anyone who is old or expects to get old someday should pay closer attention. Why? The attack against pensions is part of ideological opposition to so-called entitlements that goes back decades, to the enactment of Social Security. Remember that before Social Security's adoption in 1935, most people 65 or older lived in poverty. Ordinary workers were simply unable to save enough to sustain themselves through old age. Social Security, with reforms in the 1960s, brought the poverty rate for people over 65 down from 35 percent in 1960 to a startling 9 percent in 2012. It is a remarkable success story.

The same people who orchestrated the bubble and defrauded elected officials and pension fund managers into purchasing vast quantities of worthless assets that exploded and ignited this retirement fund crisis now propose to fix the problem with more of the same. That way beckons disaster.

Weakening pensions is a choice, not an imperative. The crisis is political, not actuarial.



Necrology

The following Retired Public Employees of New Mexico have passed away since the reporting from our Fall/Winter Newsletter.

Their commitment to protecting New Mexico's public employees, retirees and PERA itself, was demonstrated by their continued support of RPENM. We offer our sincerest condolences to their families, and we honor them for their public service to the citizens of New Mexico.

Thank you for your dedication to protecting New Mexico's Retirees!

Albuquerque

Bobby Foster

Ernest Bailey

Ruby L. Gibson

Las Vegas

John Moya

Idaho Falls, ID

John Lusk

Salem, OR

Howard Willis

Clovis

Vernon McWilliams

Las Cruces

Patricia Duttie



La Mesilla

Carlos Tellez

**(Former President of RPENM
and active member)**



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Have You Scheduled Your Benefits Checkup Yet?

Many members are glad they've taken the opportunity to meet with their local benefits representative to learn about their endorsed member benefits. The Retired Public Employees of New Mexico (RPENM) has partnered with Association Member Benefits Advisors (AMBA) to make benefits available to members. Benefit representatives are available as a courtesy to answer all of your questions.



Your Member Benefits Include:

- > Dental & Vision Coverage
- > Medicare Supplement Plans
- > Life Insurance
- > Rental Car Discounts
- > Travel Discounts
- > Cancer Insurance
- > Long-Term Care
- > Emergency Transportation Plan
- > Computer Discounts
- > Restaurant Discounts

This is one checkup you don't have to worry about.
Call today to see what you might be missing out on!

1-800-258-7041

www.myAMBAbenefits.info/rpenm

Benefits Made Available through



RPENM Members **WANTED!**

Due to the overwhelming requests for information about benefit programs, Association Member Benefits Advisors (AMBA) is seeking RPENM members to work as benefit representatives. Benefit representatives conduct seminars on long term care and hold informational meetings with other members in their area. If you have an interest in this position, please call Jeanie Coffey, National Director of Association Relations, at: **1-800-258-7041, ext. 332**

