



Retired Public Employees of New Mexico

Summer 2012 Newsletter

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James F. Robles - Doña Ana

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NMRHCA board member

Executive Director - Open

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Albuquerque, NM 87154

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A Word From the President

Greetings to all RPENM Members!

It has been two months since I was elected as your President at the Annual Meeting in Raton. As President, my goal is to have the RPENM Board and its Officers work together as a team to better serve you, the membership. Since the meeting our Executive Director has resigned and I have appointed Mike Clendenin as Interim ED. Mike, a prior Executive Director for RPENM, fully knows how to get the job done. The move to the our new office on Montgomery NE in Albuquerque has been completed. Mike and RPENM Treasurer Isabel Clendenin have been working diligently in the new office every day to get it set up and move forward with the hard work ahead of us for 2012.

On June 13, 2012 an Executive Board Meeting was held in our new office. Among the issues discussed were how to proceed in hiring a new Executive Director and a Lobbyist for the next legislative session in January. A Search and Interview Committee was appointed at this meeting to oversee the hiring process for the new Executive Director. More than a dozen applications were submitted. The committee, Chaired by Board Member Dan Mayfield, will meet to narrow down the number of applicants to present to the Board of Directors for consideration. We hope to have the new ED on board within the next few weeks.

The Executive Board meeting was the first meeting held in our new office located at 10501 Montgomery NE, Suite 320, (AAA Building) in Albuquerque. Those in attendance expressed their pleasure with the new and much larger space for our membership.

In addition to our larger office with 24 hour seven day per week access for RPENM, there is a conference/training room with ample room to hold full board and Chapter meetings as well as plenty of parking.

This will be a cost savings to RPENM as we will not be required to rent room space for many of our meetings or other scheduled functions. Ann Crandall and the rest of the office search committee is to be complemented for doing a great job, and thanks to the RPENM Board of Directors for their support for this endeavor.

I have set an ambitious goal for the Membership Committee to double the RPENM Membership by this time next year. I am confident Tony Sayre, Membership Committee Chair and First VP, and the committee members will work hard to accomplish this target. I know that is a lofty goal but we have the means to make it happen.

Membership is the key to a successful and respected organization. There will be
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much more communication from the Board to the membership and statewide chapters than we have had in the past. We are facing many challenges to our pension and our health care benefits, and it will take cooperation within our membership to grow and to protect PERA and RHCA. The Executive Board voted to support PERA in recommending up to a 1% reduction in our annual Cost of Living Adjustment, (COLA) along with other changes supported by PERA, in order to maintain solvency for the PERA fund. We did not give our support easily, but it is RPENM's mission to work to protect the PERA fund for current and future retirees. We will be watching the next legislative session closely to assure that our benefits remain secure.

On June 12, I attended the two day annual meeting of the New Mexico Retiree Health Care Authority. The RHCA Board stated that there will be higher premium and co-pay costs in 2013 in response to increases in health care costs nationally. However, the RHCA Board is doing all they can to keep our plan solvent to keep our cost as inexpensive as possible. The meeting was very educational to me and I came away with a much better understanding of the responsibilities of the RHCA Board and its Executive Director. I believe that everyone involved with RHCA are doing an exceptional job for all of us.

Finally, I am pleased to be your President as we celebrate our 50th anniversary of RPENM. We have accomplished much in the past half century, including placing two retirees on the PERA Board, obtaining a statutory Board member with the NM Retiree Health Care Authority, lobbying successfully for our first COLA, and taking a lead role in passing a constitutional amendment to protect the PERA fund from outside interference. In 2004, RPENM was successful in partnering with the New Mexico Association of Educational Retirees (NMAER) to stop an attempt by the state to eliminate the NMRHCA. This successful outcome was a major accomplishment for this organization and our membership. I am proud of our work on behalf of our membership. It is membership that is the key to our success. Please help us with enrolling new members, and please keep me informed of your concerns. By us all joining together we will become a much larger and stronger organization in dealing with the challenges facing us.

Moving forward together,
Your President, Charles Miller

Supreme Court Ruling on Health Care Reform Has Minimal Impact on NMRHCA

The Supreme Court recently ruled that the most recent basis of health care reform was, indeed, constitutional, and upheld its major provisions. The Affordable Care Act was signed into law back in March, 2010. Since that time, NMRHCA and its members have been able to take advantage of several of its provisions – increase in age of dependent coverage, the Early Retiree Reinsurance Program (ERRP), improved preventive coverage through Medicare, just to name a few. There are still a number of the Act's provisions that are not set to take effect for several years into the future and will have to be evaluated as details of their implementation become more clear.

Since this was already “the law of the land”, NMRHCA plans had already been adjusted to accommodate its provisions and its financial implications had already been included in our solvency projections. While NMRHCA would have had to make adjustments had the decision gone the other way, the law's favorable disposition with the court will not have any additional impact on NMRHCA or its membership.

Mark Tyndall, NMRHCA Interim Executive Director

PERA, The Right Thing

Gerald Chavez, Chairman, PERA Board

We all probably remember our parents telling us that doing things the easy way often isn't the same as doing them the right way. Recently, the PERA Board approved reforms to the benefits we offer that, while not the easy things to do, certain are the right things to do.

Anyone who has followed PERA knows that we face serious challenges ensuring that the important benefits we offer are sound not only for current retirees but future generations of New Mexico's public employees.

The recent economic downturn, one of the worst in the history of America, and decisions made by policy makers in the past, have resulted in significant burdens on PERA. We know, for example, that we have a \$5 billion unfunded liability that unless addressed, will continue to grow. We know that our funded status has dropped from more than 100% in 2000 and 2001 to 72% today and that again, left unaddressed, will continue to decline. We also know that we will not “invest” our way out of this situation and that reasonable reforms to the

PERA benefits must be made.

That is why the Board is proposing that the Legislature and Governor Martinez approve the following changes in the 2013 legislative session:

A reduction in the annual cost-of-living adjustment (COLA) for current retirees from 3% compounded to 2% compounded.

A longer period for current active employees to become eligible to receive a COLA once they retire.

A new retirement plan for new hires and current employees not vested as of 6/30/10, that will have slightly longer vesting periods, longer final average salary calculation periods, a slightly reduced pension factor and, longer years of service requirements.

A small increase in the employer/employee contribution, the first such increase since 1997.

We know that change is not easy and that these reforms will impact real people and real lives. However, even if all of these changes were enacted tomorrow, PERA would still offer one of the top public pension benefits in the country. We would also achieve the Board's goal of being 100% funded in less than 20 years and provide an additional cushion should we face a few more years of uncertainty in the market and with our investments.

PERA has weathered the past few years in better shape than most public pension plans and we have a lot to be proud of. Unlike some states, we do not need to make drastic changes or engage in a race to the bottom. With the changes the Board has approved we will be able to offer a reasonable, affordable retirement benefit, one that public employees contribute to throughout their careers, for many decades to come. On behalf of the Board, I ask all of our members to join us in doing the right thing for retirees, current employees, future public employees and New Mexico.

PERA's Recommendations to Legislature

The following is an excerpt from the PERA Staff Recommendation for June 22, 2012 Board Meeting that PERA Board approved at their June Board meeting. This document presents the sacrifices that will be made by each group.

Current Retirees

Approval of 2% compounding, Cost-of-Living Adjustment (COLA) for all current and future retirees effective July 1,

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tomorrow,
and through
the years...

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RE - ELECT

GERALD GRIMM

PERA BOARD RETIREE MEMBER

Ballot Position #1

"I dedicated my career to improving our retirement benefits and maintaining fund solvency. Now I find myself fighting even harder to block attempts to cut or eliminate our benefits. With your support, I'll continue to lobby and fight to protect and preserve our retirement benefits and security **WHICH WE HAVE EARNED.**

I would be honored to earn your **vote and support.**

Thank you for your trust and continued support",

Gerald Grimm



Background – Financial Experience – Education

- PERA Board Chairperson and Municipal Member
- BA – Business Administration; Finance/Management, US Adjutants General Institute
- Department Director (Fire Chief) City of Albuquerque, 22 yrs
- Director of Public Safety and Fire Chief, Texas City, Texas, 17 yrs
- RPENM Legislative Committee
- President, IAFF Local 244
- President, NM Professional Fire Fighters Association
- Registered Lobbyist, Advantage Consultants
- Veteran, U.S. Army, Sergeant

JOIN ME & JUST SAY NO TO BENEFIT CUTS

I WILL BE YOUR VOICE – YOUR VOTE

Endorsed and Paid for by NM State FOP and IAFF Albuquerque Local 244 and AFDRFFA

2013.

Current Active Members

Approval of a change in COLA eligibility for all active members Cola from the current two years after retirement to seven years after retirement with an increase in the benefit accrual to 90%.

New and Non-vested Members

Approval of new tier for new hires after July 1, 2010 with the following plan benefits:

Non-hazardous Duty Members

- 2% Cost-of Living Adjustment
- .5% reduction in the benefit multiplier
- Five year final average salary calculation
- Retirement eligibility Rule of 85 or age 65 with 10 years of service
- Eight year vesting period
- 90% benefit accrual cap

Public Safety Members

- Retirement eligibility Rule of 75 or age 65 with 10 years of service
- Five year final average salary calculation
- Six year vesting period
- 90% benefit accrual cap

- 2% Cost-of Living Adjustment
- .5% reduction in the benefit multiplier

Employer/Employee Increase

Request legislative consideration of a 3% increase in the employer/employee contribution:

- 1.5% increase to the employee contribution (for State General Member Plan 3, State Police and Adult Correctional Officer Plan and State Hazardous Duty Plan 2, by eliminating the sunset on the remaining 1.5% pension swap) effective July 1, 2013.
- 1.5% increase to the employer contribution phased in over three years beginning July 1, 2014.

Raton Meetings

On May 9th and 10th RPENM had a Board of Directors meeting and the Annual Membership meeting in Raton, NM. The Raton chapter put on another great set of meetings.

One of the results from the meetings are the new RPENM officers :

Charlie Miller (Raton), President

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A Full Menu of Benefits Available to Members of the Retired Public Employees of New Mexico

Association Member Benefits Advisors (AMBA) is a nationwide full-service agency focused on plan design, negotiations, and implementation of benefits for associations. AMBA provides expertise in evaluating benefits and providers to assist RPENM in obtaining quality benefits with flexible choices for their members.

The associations AMBA works with represents over one million members and potential members which gives us leverage in negotiating and obtaining group benefits.

Long Term Care / Home Health Care Insurance

AMBA will build a Long Term Care policy to match your own individual needs; you select the daily benefit amount, elimination period, and benefit period which best suits your needs for care. The Long Term Care Policy features include: no prior hospital stay and no waiting period for pre-existing conditions conditions.

Long Term Care Annuity

The Long Term Care Annuity combines a deferred fixed rate annuity with a built-in long term care rider. This annuity can provide you up to three times the annuity value in long term care benefits if you need them.

Medicare Supplement Insurance

Medicare Supplement plans pay for eligible expenses not paid by Medicare and gives you the freedom to use your own physician, specialist, and medical facility.

Final Expense Whole Life Insurance

You can have peace of mind knowing that your premiums are guaranteed never to increase and your coverage is guaranteed never to decrease. Death benefits paid to your beneficiary are tax free.

First Diagnosis Cancer Insurance

The Cancer First Diagnosis plan pays cash directly to you in one lump sum payment upon first diagnosis of internal cancer or malignant melanoma. You can select the lump sum payment of \$10,000 to \$50,000 that best fits your needs. This policy pays in addition to Medicare and any other existing insurance you may have.

Tax Deferred Annuity

AMBA offers a Single Premium Tax-Deferred solution for your retirement. It features tax-deferred accumulation of interest, guaranteed competitive interest rate, multiple payout options and income you won't outlive.

Dental Insurance Plan

The dental insurance plan offers the freedom to use

your own dentist or you may choose a network dentist for additional discounts. For information call AMBA at (800) 258-7041.

Vision Plan

Our vision provider has a vast network of thousands of doctors located in rural and metropolitan areas throughout the nation. More than 90% of our members have access to an optometrist within 10 miles of work or home. The vision plan optometrists not only provide eye exams, but eye-wear too. Your easy, one-stop-shop.

Medical Air Transportation Services

Over the past 30 years Medical Air Services (MASA) has become an international company dedicated to providing life saving emergency assistance. The Platinum program provides 13 member services while at home or traveling which are designed to protect members against catastrophic financial loss when emergencies arise. More information about these services offered through your membership may be obtained by contacting AMBA at 800.258.7041.

American Hearing Benefits (AHB)

Members receive FREE annual hearing screenings for yourself and your immediate family. Referrals to AHB's network of recommended local hearing healthcare professionals are provided free. AHB provides advanced hearing solutions with the latest in hearing aid technology while offering up to 60% off suggested retail prices. Every purchase includes a free two-year extended warranty. To learn more, call: 800-769-0262 or visit: www.americanhearingbenefits.com. Mention discount code "AMBA" to receive this benefit.

Government Employee Travel Opportunities (GETO)

This is a unique vacation condominium, hotel, and resort program for association members. Space available condos located worldwide are available for a flat rate per week. Visit www.gettravelop.com or call 877.867.3639 to check on rates. When making online reservations, scroll to the bottom of the screen and click on "Installation" then select "Other – Association Member Benefits Advisors."

GETO hotel discounts are available at the following hotels. Call our special member benefits hotline at 877-670-7088 for additional information. Participating Hotels include: Wyndham Garden, Wingate, Hawthorn Suites, Ramada, Days Inn, Super 8, Baymont Inn & Suites, Microtel Inns & Suites, Howard Johnson, Travel Lodge and Knights Inn.

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Quinta Inn & Suites locations nationwide. Please mention eligibility code "AMBA" to receive your discount. Reservations, call 800.531.5900 or visit www.LQ.com

Automobile Rental Discounts

Avis: Discount code AWD# G725000. Call Avis at 800.331.1212 or visit www.avis.com

Budget: Discount code (BCD) X925500. Call Budget at 800.527.0700 or visit www.budget.com

Hertz: Discount code CDP# 1860896. Call 800.654.2210 or visit www.hertz.com

Apple Discount*

Members qualify for preferred pricing on some of the latest Apple products and accessories. Apple member purchase program benefits include special member discounts on Apple products, quarterly promotions, free standard shipping on orders over \$50, free engraving on iPod, online custom product configuration, and simplified checkout using any combination of credit card, Apple Gift Card, and Apple Instant Loan. Call 1-877-377-6362 or visit www.apple.com/eppstore/amba. When calling, use discount code "AMBA." *Discounts not available on all items. Check with Apple by phone or online to verify discounted items.

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Great discounts are available from Dell through the Employee Purchase Program. Call Dell at (866)257-4711 or visit www.dell.com/epp and enter your ID number of PS95750248 to receive your discount.

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Save 15% on an assortment of beautiful flowers—fresh from our growers or florist designed—plus plants, delicious gourmet snacks and treats, extraordinary gift baskets, cuddly plush pals and unique giftware. Use code AMBA. Visit www.1800FLOWERS.com or call 1-800-FLOWERS.

AMBA Travel Perx

AMBA Travel Perx brings special offers available on fantastic cruises, resorts, and escorted tour vacations to the Caribbean, Mexico, Panama Canal, Europe, Alaska, South America, and Asia. To learn more, call 1.800.480.4080. If you are looking for some "fun in the sun," you've found it with AMBA Travel Perx! Visit www.AMBATravelPerx.com

Wirefly – Verizon, Sprint, T-Mobile Cell Phones & Plans

Wirefly brings valuable cell phone benefits to association members. Fast & free FedEx shipping! Members can visit: www.amba.info/wireless to view details.

CU Wireless – Discounted Cell Phones & No Commitment Plans

Plans start as low as \$9 per month, no activation fees, no commitment plans, free and low cost phones are both available. Visit www.cuwireless.com or call 1.877.818.3656 for details.

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Presto is a convenient printer system that plugs directly into a telephone jack. Authorized senders can email messages and pictures that are printed in color. Visit www.presto.com/amba to view pricing & to learn more.

For more information on these benefits, please call AMBA at 1-800-258-7041 or visit www.AMBA.info.

Membership with RPENM is required in order to obtain these benefits.



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Tony Sayre (Deming), 1st Vice-President
Diana Best (Raton), 2nd Vice-President
Isabel Clendenin (Albuquerque), Treasurer
Stephanie Jorgensen (Albuq.), Secretary

The membership in attendance voted to approve all the Bylaws Changes that were presented in the Spring Newsletter.

The speaker at the Annual Membership meeting was the PERA Board Chairman, Gerald Chavez, and he was kind enough to allow us to record his presentation so RPENM members who were unable to attend the Raton meeting can get an idea of where PERA stands and what some of its issues are. Gerald Chavez's Presentation: <http://itcmbc.com/c5/mp3/gc20120510.html>

Thanks again to RPENM Chapter 18, Raton NM, for a great Annual Membership meeting and Spring Board Meeting. The high point for one RPENM Board Member, LaRue Goodheart (Chapter 21 President, Rio Rancho), was winning the raffle. She won a beautiful handmade box with a wood inlay of an Indian pot with colored bands and a road runner. The artist who donated it estimated its value around \$1250!

Retired Public Employees of New Mexico

PO Box 20607

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Note →

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← Note

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



First: Please fill out the Member information box below.

Second: Select your payment option below and follow the instruction for that option.

Member Information Please Print

Name*: _____

Address*: _____

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

Telephone #: _____

Email: _____

* Required information

Payment option #1: Enclose a check or money order for \$24, payable to RPENM to cover your first year's dues. Return this form with your payment to the address below. You will be billed once a year thereafter.

Payment option #2: 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

_____-_____-_____
Full SSN Required by PERA for Automatic Deduction
Mail this completed form to the address at left
***Signature and SSN required for this option**

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