



Retired Public Employees of NM

PO Box 20607
ALBUQUERQUE NM 87154-0607

505-280-8459
rpenm@rpenm.org

December 2009 Update

Carlos Tellez, President, RPENM - I want to extend the warmest of welcomes to our newest RPENM members who enthusiastically responded to our recent membership drive. I want to encourage everyone to become active in your local chapters. If you need information about our Chapters, please contact RPENM or me personally at normaandcali@netzero.com or 575-233-4140. RPENM is your voice in retirement. Bienvenidos and welcome to all!

Patrice Clifford, Executive Director, RPENM - Thanks to all RPENM members, old and new, for your support! Our membership drive resulted in approximately 800 new members. This update is intended to apprise you of anticipated legislative activities and other items of interest impacting retirees. You will be represented! Our regular newsletter will be published in late March.

RPENM has a new office! We are in the City Center building (NW corner of Indian School Rd and Louisiana Blvd). The address is 2155 Louisiana Blvd NE Suite 10100 Albuquerque, NM 87110. **Please continue to use our Post Office box address (above) for all RPENM mail.**

Terry Slattery, CEBS, Executive Director, PERA - As of December 1, 2009 the fund balance was \$10.5 billion. PERA has recovered 2.9 billion since March 2009. As to the 2010 legislative session, we anticipate that the retiree return to work issue will be addressed. Also, since the 2009 legislative session, PERA has been reporting to the legislative Investments Oversight Committee (IOC). PERA has been providing information to auditors hired by the Legislature. The auditors were charged with evaluating the organizational structure, processes and practices of PERA. Their report will be presented during the 2010 legislative session. To date, the auditors' feedback has been positive. Also, PERA is actively participating in the Retirement Systems Solvency Task Force – <http://www.nmlegis.gov> click on *Committees* then on *Interim* and scroll down to *Retirement Systems Solvency Task Force*.

Wayne Propst, Executive Director, NMRHC - With the Legislative and Executive branches focused on resolving New Mexico's budget crisis during the 2010 session, NMRHCA will emphasize maintaining the significant progress made over the past few years to stabilize the finances and administration of the Authority. Specifically, the Authority will urge that the employer/employee contribution increase passed by the Legislature and signed into law by the Governor in 2009 be allowed to take effect as scheduled in FY11. That law increased the Authority's solvency projection from 2018 to 2026/28 and will help the Authority avoid deficit spending. Since passage of the increase, the Board of Directors has made important changes to our non-Medicare and Medicare plans that have further strengthened our program.

The Legislature and Governor have been very supportive of the Authority and it is important to say "thank you" for that support. Together we have demonstrated that we can put NMRHCA back on track and still provide comprehensive health coverage to retirees.

Jeff Varela, NMRCA and RPENM Board Member - As of November 1, 2009 the NMRHCA total investment funds' assets were at \$153.9 million. Investment returns have improved by approximately 19% since March 2009. Also of note, the Authority has reduced operating expenditures by 3%. Services will not be affected.

NMRHCA Board Members and the Executive Director continue to participate on the interim Retirement Systems Solvency Task Force. Legislation is expected during the 2011 legislative session. We will update you on any health reform initiatives from Congress affecting the Authority.

Happy New Year!



IMPORTANT PHONE NUMBERS

Public Employees Retirement Association (PERA) 1- 800-342-3422
New Mexico Retiree Health Care Authority (NMRHCA) 1-800-233-2576