

**1erb**

## **Education Retirement Update**

### **Tell the Educational Retirement Board to Go Back to the Drawing Board**

On Thursday, September 15, the Educational Retirement Board (ERB) developed funding goals of 80% by 2030 and 95% by 2040. NEA-New Mexico believes that these goals are unrealistic and require changes to school employee retirement plans that are too severe. We urged the board not to adopt these extreme funding goals. However, the only member of the Board to vote against the goals was Mary Lou Cameron, NEA-NM's member of the Board (and the only active public school employee on the ERB).

At the same time, the Board directed staff to develop plan design changes that will achieve these goals. The ERB Board adopted six possible plan design changes at a Special Board meeting on Tuesday, October 18 that accomplish these goals. All of them make changes either to retirement eligibility rules for active vested employees or reduce benefits for active or retired members. NEA-NM opposes all such changes and cannot recommend support for any of the scenarios!

Members of the ERB Board and staff will conduct meetings across the state from October 19 through November 18 so that the members and public can comment upon the scenarios. The schedule for these meetings will be posted on ERB's website. The ERB Board will select one of the scenarios as its recommendation to the Legislature's Investment and Pension Oversight Committee (IPOC), and the 2012 Legislature during a Special Board meeting scheduled for Monday, November 21 at 9:00 am at the Albuquerque Public Schools John Milne Board Room, 6400 Uptown Blvd, Albuquerque, NM.

### **NEA-New Mexico urges you to give the following message to the ERB:**

None of the six scenarios created by the ERB staff in response to unrealistic funding goals are acceptable. No changes that reduce promised benefits for vested active members are acceptable. No changes that reduce the Cost of Living Adjustment or other benefits of current retirees are acceptable. No changes that adversely alter the retirement eligibility rules for currently vested active employees are acceptable. Go back to the drawing board and adopt realistic funding goals.

The ERB website has an interactive form for gathering input. We recommend that you answer questions 1-3, choose least favorite for all answers in question 4 (the ranking of unacceptable scenarios), and place the above message in the box at question 5. The site also has a downloadable pdf form to express your opinion. Even though the form asks you to rank the scenarios, we recommend that you print the form, place no numbers in the ranking boxes, and write the above message as choice 7 on the form. Mail or fax the completed form back to ERB.

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