



EDUCATIONAL  
RETIREMENT

for

Public Education Employees

Lujan, NMERB Benefits Outreach Coordinator ~



# Retirement Information Seminar

for

Public Education Employees

~By Karyn Lujan, NMERB Benefits Outreach Coordinator ~

# NM Educational Retirement Board

What is NMERB? Two offices: Santa Fe, Albuquerque

What kind of retirement does NMERB offer? Defined Benefit Plan

Alternative Retirement Plan  
(for certain college and university employees)

Who's qualifies for NMERB benefits?



# Know Your Basics



# Know Your Basics

Eligibility Years of service requirements\*Rule of 25



Rule of 75 (benefit reductions apply if under age 60 with less than 25 years of service)

Rule of 65 plus 5

Rule of 30

Rule of 80

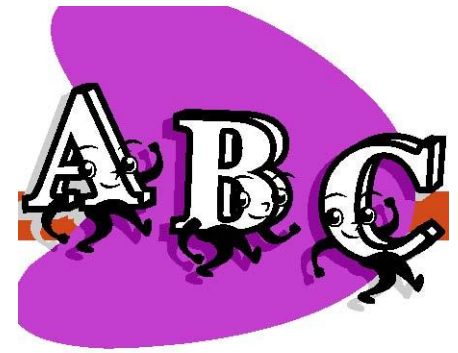
Rule of 67 (plus 5 years vested service)



Effective July 1, 2010, years of service requirements for **hires** are:

# Know Your Basics

Retirement Options Option A



Option B

Option



C

Benefitis based on age of both parties at time of retirement

Final Selection is irrevocable



beneficiary  
Information

# Service Credit

## Earned Service Credit

Allowed for Purchase Service  
Credit other schools  
military time

*\*member must be vested to purchase  
service credit*

## PERA Service



# Your Retirement Benefit

## Annual Benefit Calculation:

Final Average Salary (FAS)

(highest 5  
consecutive



salaries)

Years of Service



.0235 (multiplier set by NM

state statute)

**your gross annual**



**benefit**

**STATE OF NEW MEXICO**  
**Educational Retirement Board**  
P.O. BOX 26129  
SANTA FE, NEW MEXICO 87502-0129  
PHONE: (505) 827-8030 FAX: (505) 827-1855

**Member Information**

Name: SSN:  
DOB: August 9, 1942 Age: 67.75

**Retirement Information**

Effective Date: July 1, 2010 Final Average Salary: \$59,129.82 Total Service Credit: 27.00

**Service Credit Breakdown**

Estimated Addtl Earned Service: 0.00 Estimated Addtl Allowed Service: 0.00  
Earned Service Purchased: 0.00 Allowed Service Purchased: 0.00  
Earned Service: 27.00

**Beneficiary Information**

Name: SSN: -  
DOB: November 7, 1942 Age: 67.50

**Benefit Information**

Final Average Salary X Total Service Credit X Factor = Gross Annual Benefit  
\$59,129.82 27.00 0.0235 \$37,517.87

Gross Annual Benefit / 12 = Unadjusted Monthly Benefit  
\$37,517.87 \$3,126.49

Unadjusted Monthly Benefit X Factor = Adjusted Monthly Benefit  
\$3,126.49 100.00% \$3,126.49

<u>Option</u>	<u>Member</u>	<u>Beneficiary</u>	<u>QDRO</u>
A	\$3,126.49	\$0.00	\$0.00
B	\$2,512.76	\$2,512.76	\$0.00
C	\$2,786.02	\$1,393.01	\$0.00
			\$0.00*

\* QDRO amount when member pre-deceases Option C beneficiary

**Tax Information**

Total Taxed Contributions: \$0.00

Monthly Tax Free Amount: \$0.00



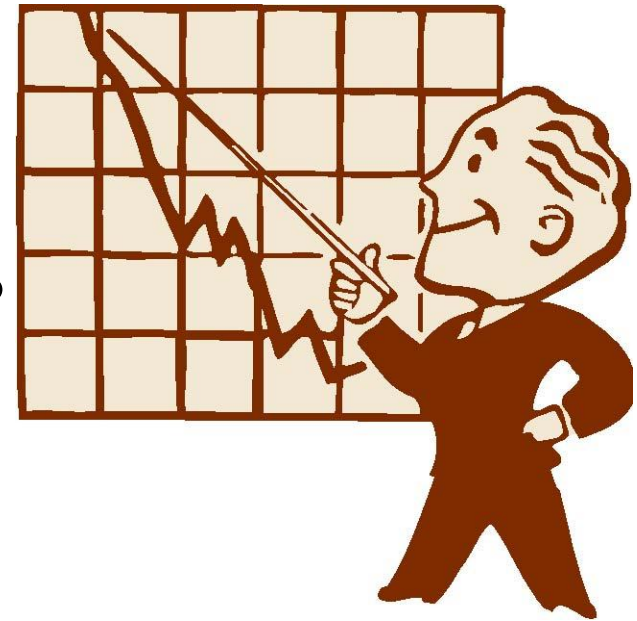
**A**

# Retirement Planning Guideline

Verify your years of service

Request an estimate

Submit a retirement  
application 60-90 days prior to  
retirement



# Retirement Planning Guideline

**Dates To Remember**  
**Effective Date of Retirement**  
1<sup>st</sup> day of the month following last day of employment or receipt of application, whichever is later

Those on a 9 or 10 month contract, who quit working in May, will automatically have a July 1 effective date of retirement.

**Benefit payment dates**  
Last business day of the month



# Points of Interest

Taxes and Other  
Deductions

Cost of Living  
Adjustment (COLA on July  
1 of the year you reach  
age 65)



# Points of Interest

**Disability Benefits** 10 years of earned service

**Death Prior to Retirement** Less than 5 years of service

More than 5 years of service



# Points of Interest

Refunds Rollovers

Restoring (Buying  
Back) Withdrawn  
Service



# Working After Retirement

## Non-ERA Employment

### Return To Work

Program You must submit an application

Contract Employment You must submit an application

\$15,000 or 25% FTE

Rule





# For Your Information

**PERA** (Public Employees Retirement  
Association) [www.state.nm.us/pera](http://www.state.nm.us/pera)  
800-342-3422

**NM Retiree Health Care  
Authority** [www.nmrhca.state.nm.us](http://www.nmrhca.state.nm.us)  
800-233-2576

**Social Security Administration** [www.ssa.gov](http://www.ssa.gov)  
800-772-1213



# NMERB Resources

NMERB Website [www.nmerb.org](http://www.nmerb.org) Access

forms

Retirement calculator

Read about current NMERB  
news and events

Quarterly Newsletter

Rules and Statutes

Member Handbook (in  
pdf format)



# NMERB Resources

Contact Us Email (through website)



Phone Santa Fe 505-827-8030

Albuquerque 505-888-1560

Toll free 866-691-2345

## In Person

701 Camino de Los Marquez (PO Box 26129)  
Santa Fe, NM 87502

6201 Uptown Blvd.

Ste. 204  
Albuquerque, NM  
87110 \*by  
*appointment*