

Important Telephone Numbers

Anthem Blue Cross/Blue Shield RIPEA Group Health Plan	1-866-649-2041
AMBA Dental/Vision/Long Term Care/Cancer/Whole Life/Medical Air Service Association	1-800-258-7041
G.E.T.O. Vacation Condos at Reduced Rates - www.gettraelop.com	1-877-867-3639
Genworth Long Term Care	1-765-827-6607
HearPo Hearing Plan	1-888-432-7464
MetLife Auto/Home	1-800-438-6388
P.E.R.F. Retirement Checks & Benefits	1-888-526-1687

The RIPEA Board of Directors Working for You

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RIPEA

Retired Indiana Public Employees Association

Working for Your Retirement Today

February 2014



A lot to look forward to in 2014

Welcome to a blustery and undeniably wintry 2014! This year has already been one for the record books and we at RIPEA sincerely hope that you are staying healthy and safe.

The weather plays a significant role in how we run our homes. Budgeting for higher fuel costs or major repairs becomes unpredictable when faced with a month of bad weather like the one we've been through. But when a living environment becomes unstable, Indiana's cold can also become life-threatening. For one of our members, a collapsing roof meant an uncertain future. Read here how the RIPEA Foundation

helped; and how you can help keep this vital program intact.

Though it is only February, we are already knee-deep in 2014 legislative efforts that impact our members. In this issue, we will simplify several key pieces of legislation and what they mean for you.

One of the most important things you can do in your retirement is to plan your estate, including any preferences for your funeral. Because preplanning is such an emotional issue, the folks at Crown Hill in Indianapolis want to ease you into the process with an informative breakfast. RIPEA members are entitled to a significant

benefit through Crown Hill, so if you are able to attend this meeting, it will be well worth your time.

Remember, your feedback is always welcome at RIPEA. I encourage you to contact us with any issue with which you feel we can help—it continues to be our pleasure to fight for and serve our members.

Looking forward to spring's renewal,

Bill Murphy, Executive Director

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Spring meeting dates for RIPEA chapters

The RIPEA Board of Directors believes its Chapters have been and continue to be an integral part of the growth of RIPEA.

The purpose and mission of RIPEA Chapters are “to provide a forum for exchange of information among members of the Chapter and RIPEA in regards to matters of Legislative interests and other subjects for the benefit of retired and active members covered by PERF.”

Seven of our 10 chapters have set their 2014 spring meeting dates as follows:

April 15—Terre Haute
 April 16—Southeast-Clarksville
 April 17—Greater Indianapolis
 April 23—Northeast-Fort Wayne
 May 5—Kokomo
 May 8—Southwest—Vincennes
 May 13—Muncie

If you live around one of these cities, we encourage your attendance at the Chapter meeting. Please feel free to call the RIPEA office for specific location and time of meetings.

Preplanning your funeral at Crown Hill

Indianapolis is known for many things, including being home to the third largest cemetery in North America. At age 150, Crown Hill encompasses 555 acres and is the final resting place of more than 200,000 people.

RIPEA members are entitled to a free burial space at this historic cemetery and can learn more at an

upcoming informational breakfast on Tuesday, March 11 at 9:30 a.m., at Crown Hill’s Celebration Hall, 700 W. 38th St. in Indianapolis. This special invitation is for members and their significant others.

At the breakfast, members will learn about final arrangements and the benefits of preplanning their funeral at Crown Hill, including the complimentary burial plot, a special recognition ceremony and other discounts.

Those who are interested in attending must RSVP by Tuesday, March 4. Email Kay VanBuskirk at KVanBuskirk@crownhill.org. By phone, 317-452-7848. All guests will receive a gift.

Update on PERF annuities

In the November 2013 *Communicator*, we ran an article on the decision of the Indiana Public Retirement System (INPRS) Board of Directors to privatize, or outsource, the annuitization function currently performed by INPRS. At the time of retirement, a PERF member has a choice on his/her Annuity Savings Account to have INPRS provide a monthly annuity that is added to the monthly defined benefit, take the Annuity Savings Account balance in a lump sum, or leave it in INPRS to be invested under the member’s direction. It is our understanding from INPRS that approximately 50 percent of members elect to have INPRS annuitize the Annuity Savings Account.

The interest rate currently used by INPRS is 7.5% which is considerably above the market rate provided by private insurance companies. The average reduction in benefits to those members who annuitize will be approximately \$77 per month.

At the time of publication of the November *Communicator*, the INPRS Board was reviewing its decision as requested by the Pension Management Oversight Commission of the Indiana Legislature. In its meeting on December 13, 2013, the INPRS reaffirmed its decision to privatize the annuity function. The INPRS Board did indicate they understand that legislation may be submitted in the 2014 Legislature on this topic.

An important fact:

Whether the INPRS privatizes the annuity function or keeps it in-house, the annuity factor of 7.5% will be reduced. If privatized, the insurance company will use a market rate. If INPRS retains the function in-house, the INPRS Board will likely adopt a rate that is close to the market rate.

Note: You will note in the article on 2014 Pending Legislation there now has been a bill (House Bill 1075) introduced that prohibits the INPRS Board from privatizing the annuity function until October 1, 2019.



RIPEA Foundation helps members

There was a point last year when RIPEA member Nina Williams wondered how she was going to get by. Her roof was deteriorating so rapidly that in order to stay in her home, she had to have a company replace it before she was financially ready. She managed to pay all but the last \$600. So she turned to the RIPEA Foundation for help.

“I realized the chances of receiving a grant were slim to none, but I thought I didn’t have anything to lose,” Nina said. “I knew that all I had to do was ask, but if they weren’t able to help, then I would have to find some other way.”

So, the retired paraprofessional from the Gary School System sent in the necessary paperwork and documentation. She won’t ever forget the day she opened her mail. “That day was terrific,” Nina says. “I opened that letter; saw the check and I was just overwhelmed. I have never received anything like this in my life. When you don’t have much, to know that there are people looking out for you, I just couldn’t believe it.”

This mother of two, grandmother of one recommends others apply if they find themselves in a tough spot. “Just be open and honest, and tell them you need help,” she says. “I just thank God for RIPEA.”

If you’d like to contribute to the RIPEA Foundation, please call (800) 345-9214 for more information. Remember, every dollar donated makes an important difference in someone’s life!

2014 pending legislation

There are a number of bills introduced in the 2014 Indiana Legislative session that if passed and signed into law will affect RIPEA members. The five primary bills are as follows:

Senate Bill 105

Provides for a payment to PERF retirees of either a COLA or 13th check as determined by the Legislature. A few examples of the amount of the payments are as follows:

Years of Service	Monthly Pension Portion of Benefit	Payment
10	\$200.00	\$124.00
20	\$400.00	\$248.00
30	\$600.00	\$372.00

Senate Bill 252

This would follow the same formula as SB105, however, it must be paid as a 13th check.

House Bill 1231

This bill provides a Cost of Living Adjustment. A few examples of the monthly amount of the COLA are as follows:

Years of Service	Monthly Pension Portion of Benefit	Monthly Increase
10	\$200.00	\$14.33
20	\$400.00	\$24.66
30	\$700.00	\$31.00

House Bill 1074

Same provisions as Senate Bill 252.

House Bill 1075

The Indiana Public Retirement System (INPRS) Board of Directors made a decision to outsource the annuity function to a private insurance carrier for new retirees with an effective date of retirement of July 1, 2014 or later. HB 1075 would prohibit INPRS from outsourcing the annuity function until October 1, 2019 and also mandates that the INPRS Board cannot use an interest rate less than its investment return of the prior year in establishing the annuity tables.

IMPORTANT NOTICE – Under 1075 the House Ways and Means Committee in their meeting on January 23rd amended the bill as follows:

- INPRS would keep the annuity in House until October 1, 2019.
- The interest rate would be a formula that would change quarterly and if history is an indicator the rate would be in the 4.5% to 6% range.
- **This change would be effective July 1, 2014.**

The decision of the INPRS Board on this bill does not affect the benefit of current PERF retirees.