

DESTINATION: Retirement

New Web site tools headed your way



Update your account from home while lounging in your favorite chair. That's right, a secure member Web site enhancement that will allow you to manage your personal and pension benefit information online is now available to you. You should have received a

Pension ID (PID) and passcode in the mail that will allow you to log in to the Web site.

Here's a preview of what to expect:

- Your PID and passcode will allow initial access to the Web site. At first logon, you will be prompted to create a user ID.

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Recession Update

National award recognizes PERF's performance during 'Great Recession'

Successful navigation through the market collapse and recession in 2008 and 2009 has netted national recognition for the Indiana Public Employees' Retirement Fund (PERF).

In March, PERF was recognized as the Large Public Plan of the Year by *Money Management Letter*, a publication focusing on defined benefit pension plans. According to the publication, "The Indiana Public Employees' Retirement Fund has staged one of the strongest comebacks of the year."

While PERF, like all investors, lost money in the market collapse of 2008, by the end of 2009 the fund's one-year gross return had jumped to

22.61 percent. This return beat the national average by 2.85 percent while adding nearly \$3 billion to the fund.

The national award drew praise for PERF from Indiana Gov. Mitch Daniels. "I'm proud that PERF is serving Hoosiers well. In these difficult economic times, this provides more evidence that we know how to get things done right in Indiana," said Gov. Daniels.



Gov. Mitch Daniels

Legislative changes may affect you

Legislative changes were recently approved by the 2010 Indiana

General Assembly. Below is a brief summary of the legislation that affects 1977 Fund members.

SEA 030 – After June 30, 2010, an active 1977 Fund member who is eligible for an unreduced retirement benefit and who has not elected to participate in the Deferred Retirement Option Plan (DROP) may elect to receive at retirement a partial lump sum distribution equal to his or her monthly benefit, times his or her years of service, in exchange for an actuarially reduced monthly benefit. This provision expires on July 1, 2012.

Effective July 1, 2010

The annual cost of living adjustment may not reduce the monthly benefit of a member or survivor of the 1977 Fund.

Effective July 1, 2010

Requires the PERF board, one time before Jan. 1, 2015, and every five years thereafter, to evaluate 1977 Fund statewide physical and mental examination standards.

Effective July 1, 2010

SEA 172/HEA 1050 – Allows a member of the 1977 Fund to designate one or more beneficiaries to receive contributions if he or she dies before receiving retirement or disability benefits, without a spouse, child or parent entitled to receive survivor benefits. Contributions will be paid to

the member's estate if there is no eligible survivor and no beneficiary is designated.

Effective retroactive to July 1, 2009

HEA 1008 – Allows a member of the 1977 Fund to purchase, at full actuarial cost, service earned out of state in a position for which the 1977 Fund would give credit if the service were earned in Indiana.

Effective July 1, 2010

HEA

1127 – Allows a member of the 1977 Fund to purchase, at full actuarial cost, prior service in other public retirement funds including the Public Employees' Retirement Fund, Teachers'

Retirement Fund, State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers' Retirement Plan, the State Police Trust and the Sheriff's Pension Trust.

Effective July 1, 2010

A full summary of 2010 legislative changes is available at www.perf.in.gov

Tips for Pension Secretaries

A resource page has been added to the PERF Web site for 1977 Police Officers' and Firefighters' Pension and Disability Fund local pension board secretaries. Go to www.perf.in.gov, click on "My Plan," select "Police Officers and Firefighters," then click "Pension Secretaries Resource Page."

The page includes information on various fund-related duties applicable to pension board secretaries such as:

- Holding hearings and approving disability applications
- Setting standards for testing new applicants
- Acting as liaisons between the survivors of fallen police officers and firefighters and PERF
- Approving new hires
- Understanding the sections under Indiana Code 36-8-8



Q&A - Ask a Consultant

Q. My Deferred Retirement Option Plan (DROP) retirement date is approaching. As a member of the 1977 Fund or Excise, Gaming and Conservation Plan, what do I need to do to prepare for retirement?

A. You will need to apply for your retirement benefit by completing the retirement application appropriate to your pension fund. The retirement date on your DROP application should match the retirement date on your pension fund retirement application. Include any required documents such as birth certificates with your retirement application and return to PERF. This should be done no later than 90 days in advance of your anticipated last day of work to ensure there is no

interruption between your last pay check and your first benefit payment. You can download the correct retirement application online at www.perf.in.gov under Forms, or call (888) 526-1687 to request a form.

Q. I'm a member of the Prosecuting Attorneys' Retirement Fund (PARF). What are the provisions for taking an early retirement?

A. If you are at least 62 years of age with eight years of service, you are entitled to receive a reduced annual retirement benefit. However, that benefit amount is reduced by 0.25 percent for each month between your retirement date and your 65th birthday. Retirement benefits paid from the PARF are offset by pension benefits paid from PERF.



Carl Bright
Retirement Services
Consultant

Carl covers the southern region of the state. PERF retirement services consultants are available throughout the state. For a workshop or counseling appointment near where you live or work, contact us at (888) 526-1687.

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- You will be required to change your passcode. You will also be able to register for the "Forgot Your Passcode" feature, for easy, secure logon in case you forget your passcode.
- Access to your "Personal Data Page" will allow you to review your name, Social Security number, date of birth, gender and marital status. You will also be able to view your address information and make changes if needed.
- Make it a point to register your e-mail address online to receive rapid communication from PERF on a variety of important issues.

Do you have an Annuity Savings Account (ASA) with PERF? If so, go to www.perf.in.gov and click on "Retirement Market" where you can stock up on all the retirement essentials. Find out about the new services and investment options, or contact us at questions@perf.in.gov with your concerns.

Update on Plan Statements

The 1977 Police Officers' and Firefighters' Pension and Disability Fund will receive two annual statements this summer. Statement one is for the 2009 calendar year and statement two is for the first six months of 2010. Both will include name, address, years of service and more.

The 2009 statement, which will be mailed in August, will be the last calendar-year based statement for the plan. The 2010 statement, which will be mailed later this summer, will bring the 1977 Fund up-to-date with receiving statements on PERF's fiscal-year of July 1 through June 30. Beginning in 2011, this change to fiscal year reporting from calendar year, will allow PERF to provide the most current financial reporting for the fund. It also brings it in line with other plans administered by PERF.

There is no impact on members' interest crediting, benefits or funded status with the switch from calendar to fiscal-year reporting.



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Dates to Remember

Here are some dates for submitting retirement applications to PERF. You can find more Dates to Remember online at www.perf.in.gov.

If your retirement date is:	Apply by:
Nov. 1, 2010	Aug. 1, 2010
Dec. 1, 2010	Sept. 1, 2010
Jan. 1, 2011	Oct. 1, 2010
Feb. 1, 2011	Nov. 1, 2010
March 1, 2011	Dec. 1, 2010
April 1, 2011	Jan. 1, 2011



We are committed to serve — through exceptional customer service — our employers, our members and their families, in achieving their retirement goals and financial security.

Executive Director **Governor**
Steve Russo Mitch Daniels

Every attempt has been made to verify that the information in this newsletter is correct and up-to-date. Published content does not constitute legal advice. If a conflict arises between information in this publication and the law, the applicable law shall apply.

The Indiana Public Employees' Retirement Fund is a trust and an independent body, corporate and politic. The fund is not a department or agency of the state of Indiana, but is an independent instrumentality exercising essential government functions. (Indiana Code 5-10.2-2-1, 5-10.3-2-1(b))