Building Your Retirement

Making contributions now will add up to a lot more for the future

Have you ever dreamed of becoming a millionaire? With prudent financial planning, this goal can be attainable for almost anyone, regardless of your current income.

How much you earn in retirement has less to do with your salary and more to do with your saving habits. Contributing as much as possible to retirement savings options like an Annuity Savings Account (ASA) can help you secure a comfortable retirement income.

Sacrificing a few fast food meals or movie tickets and placing that money in retirement savings can make a big difference by harnessing the power of compound interest. And, if you have your ASA deducted directly from your paycheck, you never have the opportunity to spend it on that fast food lunch or night at the movies.

Contributions Available to Every Active Member

PERF members automatically place 3 percent of their salaries into an ASA. Some employers contribute the 3 percent on behalf of their employees, others do not. This percentage amount may also be shared between employer and employee.

For questions regarding your ASA options, contact PERF at (888) 526-1687, or visit www.perf.in.gov.

GIVE US SIX MONTHS ... to get you through

Your heart is set on a retirement date, but can your benefit be processed in time? We at PERF wish to help you make the transition from your last paycheck to your first PERF benefit payment as easy as possible and without payment interruption.

Since a variety of information must be gathered and verified prior to you receiving a benefit, we ask that you submit your retirement application no later than six months prior to your anticipated retirement date. For example, if you want to retire on March 1, 2009, you should submit your application by Sept. 1, 2008. This six-month period allows PERF to work with your present and previous employers to verify your service credit, wages and contributions, and last day in pay status. We want to be as accurate as possible to be sure you receive your well-earned benefits.

You have worked hard for your PERF benefit. Give us six months to get you through. If you have any questions, call the toll-free PERF number, (888) 526-1687, and we will be happy to assist you.

Counseling Appointment Essentials

If you are ready to retire and have scheduled an appointment with a retirement counselor, you will need to bring the following items to your meeting:

- Date of retirement
- Copy of birth certificate
- Copy of beneficiary’s birth certificate
- Voided check for direct deposit
- Beneficiary’s social security number, full address, birth date and telephone number with area code

PERF cannot begin processing your retirement application without this important information. Avoid delays between your last paycheck and your first benefit payment by remembering these items.
Annual Member Statement Lists
Your PERF Account Data

Statement will help members plan for retirement

Annual Member Statements help PERF members verify data and understand their potential benefit under PERF’s defined benefit pension plan. Statements will be distributed to members between April and June.

The statement lists our record from your employer of your PERF-covered service and wages. For members who have worked in a PERF-covered position for at least five years, it also uses the service and wage data to calculate an estimated pension benefit. This calculation only estimates your projected pension benefit, the larger portion of your two-part PERF benefit, and does not include your Annuity Savings Account (ASA). Refer to the statement you receive quarterly or log in to PERF Online to view your ASA balance.

“Sending out Annual Member Statements is an important customer service initiative. By providing our members with critical information about their future benefits, the statements help them to plan better for their retirement,” said PERF Executive Director Terren Magid.

When you receive your statement in the mail, you should review all of the personal information for correctness. If you have questions or would like to change information on the statement, please contact us at questions@perf.in.gov, call toll-free, at (888) 526-1687 or visit PERF Online at www.perf.in.gov. Your employment records are essential to the accuracy of your PERF retirement benefits. PERF, your employer and you share responsibility in keeping your account information up-to-date, including your employment history, beneficiary information and personal address.

Field Counselors are Coming to Your Area

Services once available only in PERF’s Indianapolis office will now be available in hometowns and workplaces throughout Indiana, thanks to a new customer service initiative.

Under the initiative, PERF has divided the state into four service regions and assigned a full-time Retirement Services Consultant to each. Services will include individual retirement counseling, pre-retirement workshops, group meetings and support for PERF’s many employers.

The customer service unit is set to be in place by late April. Members or employers who are interested in meeting with a field counselor should call (888) 526-1687.

“PERF is a state-wide retirement fund and we’re committed to bringing customer service to our members and employers where they live and work,” said Executive Director Terry Magid.

Q&A

Q: Am I able to take out a loan against my PERF account?

A: No, PERF members may not currently borrow money from their pension or Annuity Savings Account.

Borrowing against personal retirement accounts is a relatively recent phenomenon. Loans against employer-sponsored 401(k) programs, Individual Retirement Accounts (IRAs), IRA Rollovers, etc. have become an accessible way for Americans to tap into their retirement savings ahead of time. However, as a member of PERF, it is important to understand that this does not extend to your PERF benefits.

While loans taken from future retirement funds may appear attractive at first glance, they may not be for everyone. You should consult with a financial advisor when considering this type of loan on other retirement accounts you may have.
Benefits of Enhanced Customer Service


Members who had interactions through the call center, counseling sessions, pre-retirement workshops, retirement process or the Internet site were asked to rate their satisfaction with the service they received.

AIRvan Consulting LLC, an Indianapolis-based research firm conducted phone surveys specific to each group to obtain the information. This new system replaced a satisfaction measurement method that previously relied on mailed surveys.

The overall Customer Service Satisfaction Index score for this timeframe was 92.6 percent. Results are computed and trended monthly into a single score reported via PERF’s scorecard.

Alice Irvan, President of AIRvan Consulting LLC, noted her impression of PERF’s overall survey results. “The overall scores are generally what we researchers consider ‘strong.’ That is, more than 80 percent give a very satisfied or satisfied rating,” said Irvan.

The call center survey revealed that 74 percent of members rated their phone call experience better than other call centers that they have used. “By understanding the needs of our members we can provide exceptional customer service,” says Chief Operations Officer Steven Barley. “We have the opportunity to enhance members’ lives and delivering quality customer service is our goal.”

Individual counseling session survey scores increased to 100 percent, while 82 percent of members who attended pre-retirement workshops found that sessions were excellent. Sixty-two percent of members thought the Bridge to Retirement was easy to understand. Ease of use, which scored 57 percent and helpfulness, which achieved 71 percent, proved to be the most important items to new PERF Online users.

“We’ve achieved good results, but there are still things we need to work on,” said Terren Magid, PERF’s Executive Director. “Our mission to provide excellent customer service is a continuous journey and I believe that these surveys will continue to provide guidance for improvement.”

Quarterly Member Statement Gets a Facelift

PERF’s quarterly member statement, which details a member’s annuity savings account (ASA) information, is currently being revised to make it easier to read and understand.

At the top of the statement, a summary of contributions and a member’s account balance will be listed first. More detailed information such as asset allocation, annual interest crediting rates and fund information will be second. The three-color statement will offer a pie chart of current fund choices and asset allocation percentages so members can quickly see where contributions are being distributed.

PERF knows knowledge is power. With the easier to read quarterly member statement, we hope it will better equip members to make informed decisions about their retirement accounts. It is your goals and our commitment.

We will send the new statement out to members in July.
Pre-Retirement Workshops Help Members Retire

Are you within 18 months of retirement? If so, sign up today for a PERF pre-retirement workshop to receive:

- Information to help you budget for retirement
- A personalized benefit estimate
- Explanation of retirement options
- Step-by-step instructions for completing a retirement application
- Information about working after retirement
- Answers to retirement questions

You must submit your retirement application to PERF no later than six months before your retirement date to ensure a smooth transition between your last paycheck and your first benefit payment. You can register online at www.perf.in.gov. Under retirement education, click “Workshops,” then “Pre-Retirement Workshop Inquiry” and complete the online form.

Dates to Remember

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

<table>
<thead>
<tr>
<th>Your Application Deadline is:</th>
<th>If Your Retirement Date is:</th>
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<tbody>
<tr>
<td>May 1, 2008</td>
<td>Nov. 1, 2008</td>
</tr>
<tr>
<td>June 1, 2008</td>
<td>Dec. 1, 2008</td>
</tr>
<tr>
<td>July 1, 2008</td>
<td>Jan. 1, 2009</td>
</tr>
<tr>
<td>Aug. 1, 2008</td>
<td>Feb. 1, 2009</td>
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PAY ATTENTION TO PERF!

How To Change Your Name, Address or Beneficiary Information:

- Visit PERF Online at www.perf.in.gov, or
- Get a copy of the appropriate form online at www.perf.in.gov under “Member Forms” or call (888) 526-1687 to request the form. Complete the form AND sign it. Fax or mail it to PERF.

PERF’s New Online Look Based on State Standardized Design

The transition of the Public Employees’ Retirement Fund website to the new state layout is complete.

Please take a moment and visit us at www.perf.in.gov to familiarize yourself with the new site look and navigation.

Governor Mitch Daniels

Executive Director Terren B. Magid

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