

**MINUTES  
of the  
FOURTH MEETING  
of the  
INVESTMENTS AND PENSIONS OVERSIGHT COMMITTEE**

**September 12, 2025  
State Capitol, Room 307  
Santa Fe**

The fourth meeting of the Investments and Pensions Oversight Committee (IPOC) for the 2025 interim was called to order by Representative Cynthia Borrego, chair, on Friday, September 12, 2025, at 10:05 a.m. in Room 307 of the State Capitol in Santa Fe.

**Present**

Rep. Cynthia Borrego, Chair  
Sen. Roberto "Bobby" J. Gonzales, Vice Chair  
Rep. Mark Duncan  
Sen. Natalie Figueroa  
Rep. William A. Hall II  
Rep. Tara L. Lujan  
Sen. Antoinette Sedillo Lopez

**Absent**

Rep. Linda Serrato  
Rep. Sarah Silva  
Sen. Elizabeth "Liz" Stefanics  
Sen. Pat Woods

**Advisory Members**

Rep. Gail Armstrong  
Rep. Stefani Lord  
Sen. George K. Muñoz  
Rep. Patricia Roybal Caballero  
Sen. Mimi Stewart  
Sen. Anthony L. Thornton

**Staff**

Paul Estok, Staff Attorney, Legislative Council Service (LCS)  
Carrie McGovern, Publication and Editing Coordinator, LCS  
Cristina Vasquez, Staff Attorney, LCS

**Guests**

The guest list is in the meeting file.

**Handouts**

Copies of all handouts and written testimony are in the meeting file and posted on the legislature's website.

**References to Webcast**

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the committee meeting, which can be found at [www.nmlegis.gov](http://www.nmlegis.gov), under the

"Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

## **Friday, September 12**

### **Welcome and Introductions (10:05 a.m.)**

Representative Borrego welcomed committee members to the meeting.

### **State Investment Council (SIC) Annual Investment Plan (10:09 a.m.)**

Robert "Vince" Smith, chief investment officer, SIC, reviewed the SIC's annual investment plan, noting that the plan is based on a seven- to 10-year time frame and closely monitors trends in 10-year United States Treasury securities and the Consumer Price Index, as well as global financial trends. Mr. Smith explained that several factors have changed the investment landscape, such as the reversal of globalization, the resolution of record valuations afforded United States publicly traded equity markets, there not being a recession in the last 16 years and China's massive government debt and demographic woes, and have resulted in higher interest and inflation rates, high debt loads and federal budget deficits. As a result, the SIC is expecting lower-than-average investment returns and higher volatility, and it plans to maintain a well-diversified portfolio. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=9/12/2025&ItemNumber=1>.

### **Approval of Minutes (11:14 a.m.)**

On a motion made and seconded and with no opposition, the minutes of the August 13, 2025 IPOC meeting were approved as submitted.

### **An Overview of the Volunteer Firefighters Retirement Program (11:15 a.m.)**

Greg Trujillo, executive director, Public Employees Retirement Association (PERA), and Randy Varela, state fire marshal, Homeland Security and Emergency Management Department, provided an overview of the PERA's Volunteer Firefighters Retirement Program, which has a total fund value of \$88 million, a funded ratio of 172.2% and no unfunded liability. The presenters noted that the program is funded through an annual \$750,000 appropriation from the Fire Protection Fund and requires no contributions from volunteers or employers. To be eligible for retirement, volunteers must be age 55 or older with 10 or more years of service credit, and payments range from \$150 per month to \$250 per month depending on years of service credit. Mr. Varela said that the state is losing volunteer firefighters, with 4,401 in 2025 compared to 7,700 in 2010. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=9/12/2025&ItemNumber=2>.

**Legislative Finance Committee (LFC): General Fund Reserves Overview (12:35 p.m.)**

Jennifer Faubion, economist, LFC, presented a summary of the state's General Fund reserves, whose primary purpose is to backfill General Fund revenues during downturns, although the reserves also act as an overflow for nonrecurring revenues and catch surpluses; however, the reserves are not intended to make up long-term structural deficits. Ms. Faubion described the six reserve funds, the General Fund Operating Reserve, the Appropriation Contingency Fund, the State-Support Reserve Fund, the Behavioral Health Trust Fund, the Government Results and Opportunity Expendable Trust and the Tax Stabilization Reserve. She noted that the reserves have grown, particularly in the last six years, and this is necessary due to large budgets and increasingly volatile revenues. The reserves are invested in the state General Fund investment pool, which earns higher returns with higher interest rates and balances. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=9/12/2025&ItemNumber=3>.

**New Mexico Finance Authority (NMFA): Venture Capital Program Overview and Update (1:27 p.m.)**

Marquita D. Russel, chief executive officer, NMFA, provided an update on the NMFA's Venture Capital Program, created in 2022 to make investments in New Mexico businesses that enhance economic development and create new job opportunities. According to Ms. Russel, the NMFA uses a best-practices policy for the program that delineates fund manager qualifications and investment parameters, and the NMFA is advised by Meketa Investment Group, a highly qualified venture capital consultant. The NMFA is allowed to invest in five to 10 venture capital funds, with commitments ranging from \$2 million to \$10 million. Since 2022, the program's Venture Capital Program Fund has administered \$75 million in funding. Because the program is new, Ms. Russel noted that it will be several years before data on investment returns is available. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=9/12/2025&ItemNumber=4>.

**Adjournment**

There being no further business before the committee, the meeting adjourned at 1:58 p.m.