Investments and Pensions Oversight Committee

Representative Cynthia Borrego, Chair
Senator Roberto "Bobby" J. Gonzales, Vice-Chair

November 10, 2026

Valerie Barela, Board Chair
Greg Trujillo, Executive Director

Fiscal Year 2026 In Review



Total Fund Value
$20.3 Billion



Rate of Return (net of fees)
11.91%



Active Members
53,425



Participating Employers
335



Retirees and Benefit Recipients
47,944



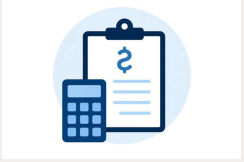
Retirement Benefits Paid
$1.58 Billion



Funded Ratio
66.60%



Amortization Period
41 Years



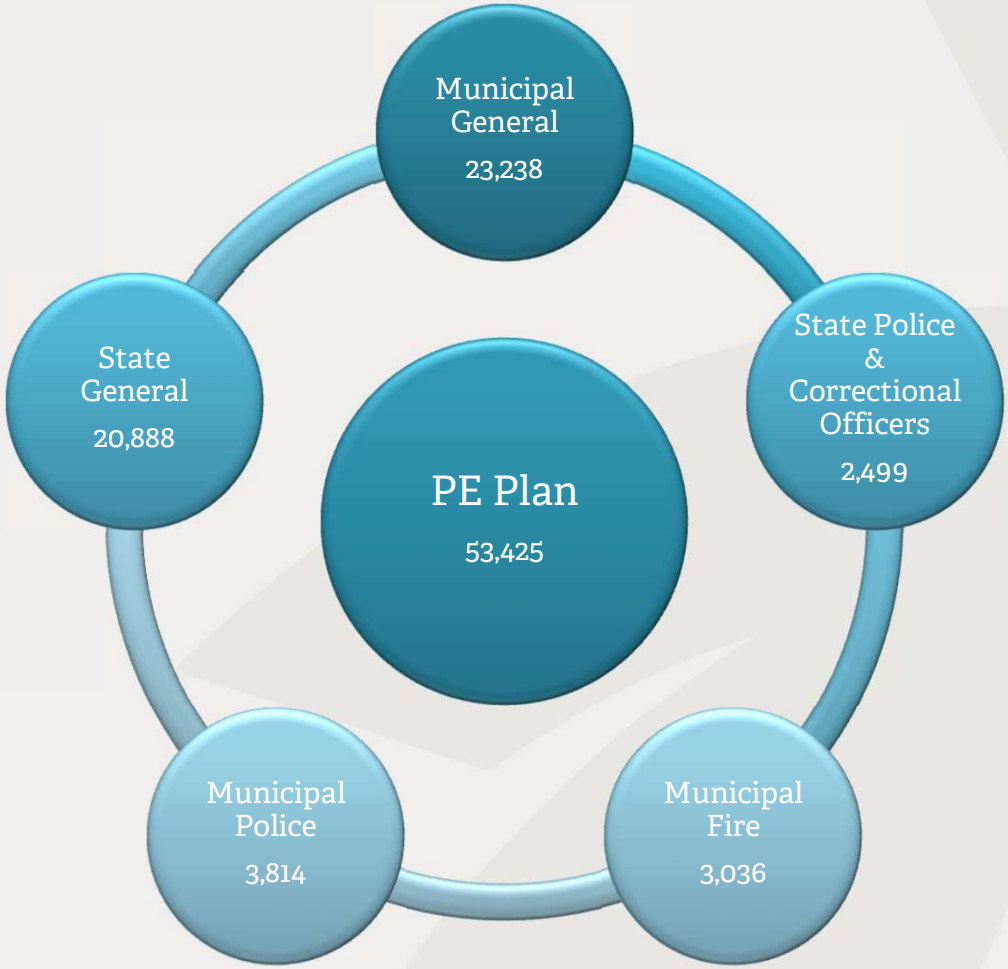
Actuarial Accrued Liability
$29.1 Billion



Unfunded Actuarial Accrued Liability (UAAL)
$9.7 Billion

PERA

PERA – Active Membership

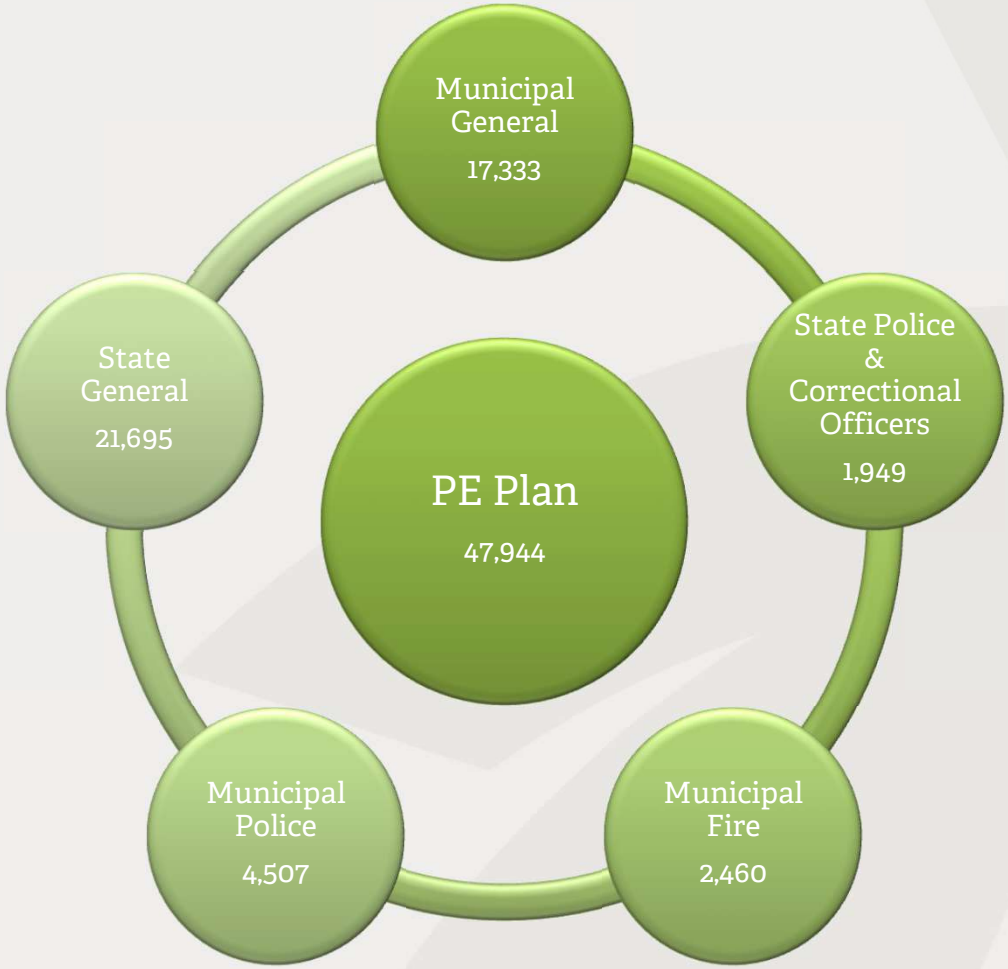




Membership as of 6/30/2026

PERA

PERA – Retired Membership

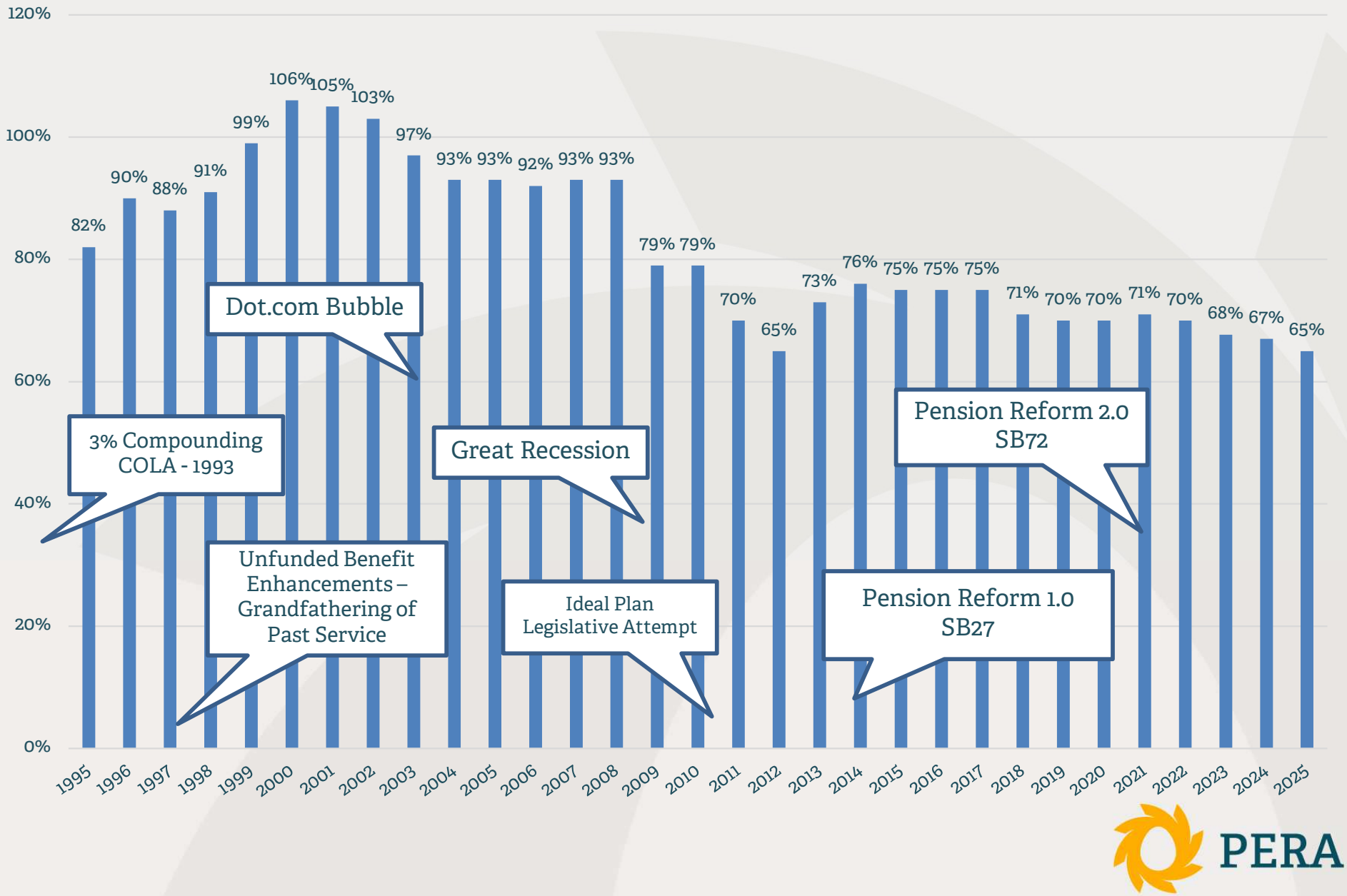




Membership as of 6/30/2026

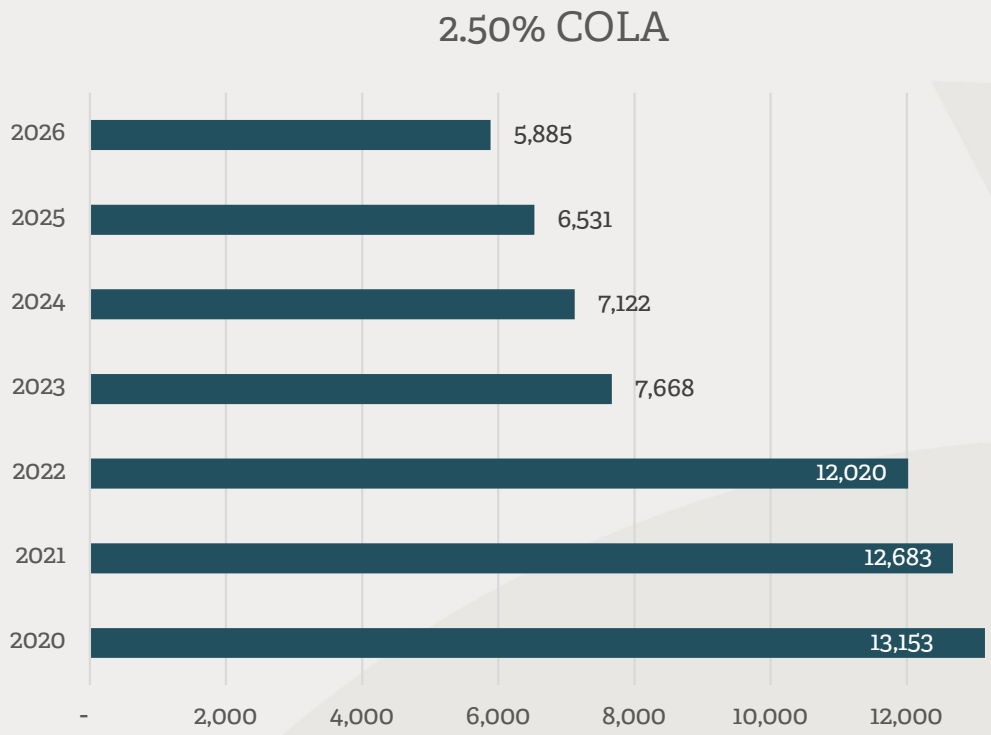
PERA

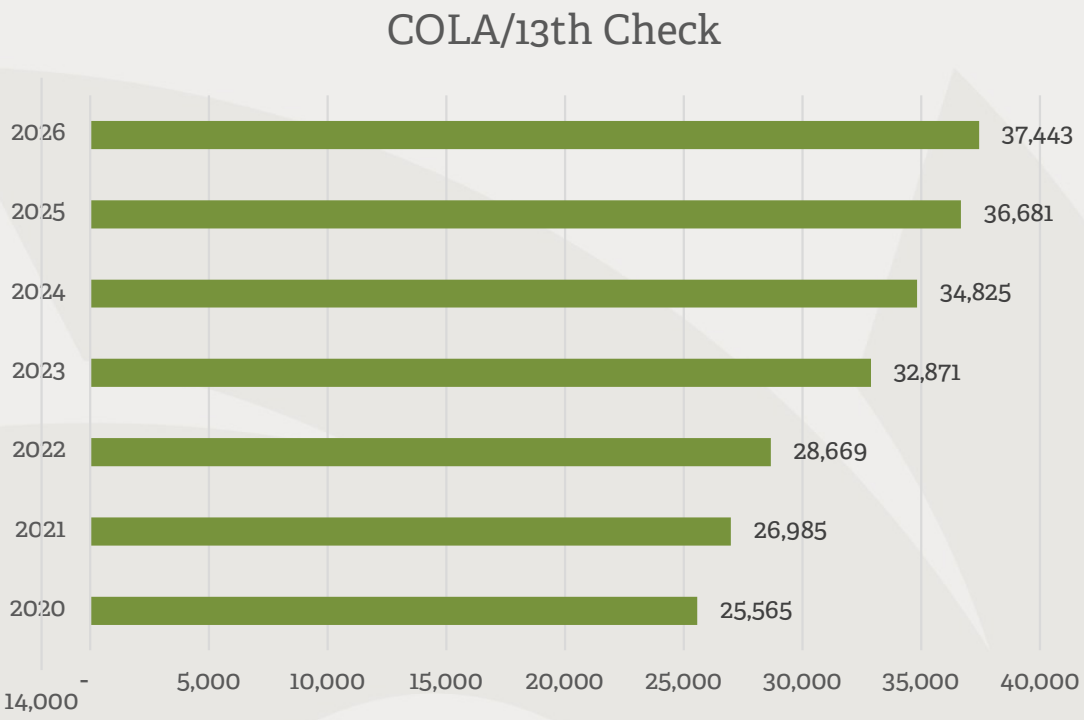
PERA Fund – Funded Ratio



PERA

Cost of Living Adjustment: 2020 - 2026





43,328 PE Fund Retirees received a COLA in 2026, approximately 92% of eligible Retirees.

182 JRA Fund Retirees received a COLA in 2024
100 MRA Fund Retirees Received a COLA in 2024
JRA/MRA Retirees receive a 2% COLA every 3rd year
VFF Retirees are not eligible for a COLA

Compounding COLA: 2023 - 2026			
2023	2024	2025	2026
0.50%	0.50%	0.63%	0.50%

PERA

PERA Legislative Framework

- One time appropriation of $250 million to subsidize COLA's for 7 years up to 1.5%.
- Identify a recurring revenue stream address fund solvency.

	PE	State General	State Public Safety	Municipal General	Municipal Police	Municipal Fire
Payroll	$ 3,458,970,832	$ 1,459,100,858	$170,947,151	$ 1,304,103,698	$ 302,858,353	$ 221,960,772
Deficiency in Contribution Rate	4.65%	9.96%	-21.75	0.21%	7.69%	11.03%
Dollar Amount Deficiency	$ 160,842,144	$ 145,326,445	N/A	$ 2,738,618	$ 23,289,807	$ 24,482,273
Employer/Employee Rate	17.29%/13.97%	19.24%/10.92%	25.65%/9.07%	12.04%/15.57%	21.00%/19.36%	23.83%/20.95%
Funded Ratio	65.2%	54.1%	120.6%	71.8%	69.0%	54.8%
Amortization Period	50	N/A	0	26 Years	71 Years	N/A

- Tax Exemption/Credit to provide relief to retired members.
- Expand access to the higher COLA model.

PERA

PERA Fund Performance – FYTD 2026

- PERA's market value increased by $1.75b fiscal year to date 2026 to a balance of $20.3b
- PERA paid out $1.57b in total member benefits for FYTD 2026, investment activities funded $446m (28%) of member benefit payments
- PERA is underperforming its policy benchmark in the short, medium and medium-long-term
- Despite significant market volatility, short, medium and long-term results continue to track above PERA's assumed rate of return (7.25%)
- PERA outperforms peers on a risk adjusted basis with Sharpe Ratios above the peer median in most time periods, and in the top third over several, of public pension peers >$1b

As of 06/30/2026	FYTD 2026	3 Years	5 Years	7 Years	10 Years	20 Years	30 Years	ITD (1985)
PERA Total Fund Returns*	11.91%	10.07%	6.45%	7.60%	7.75%	6.17%	7.40%	8.68%
Policy Benchmark*	15.38%	13.48%	6.88%	7.90%	7.91%	6.69%	7.21%	8.68%
Value Add	-3.47%	-3.41%	-0.43%	-0.30%	-0.16%	-0.52%	0.19%	0.00%

*NOTE: performance is based on annualized, net of fee, lagged private market results.

PERA

Pension Reform – PERA Fund

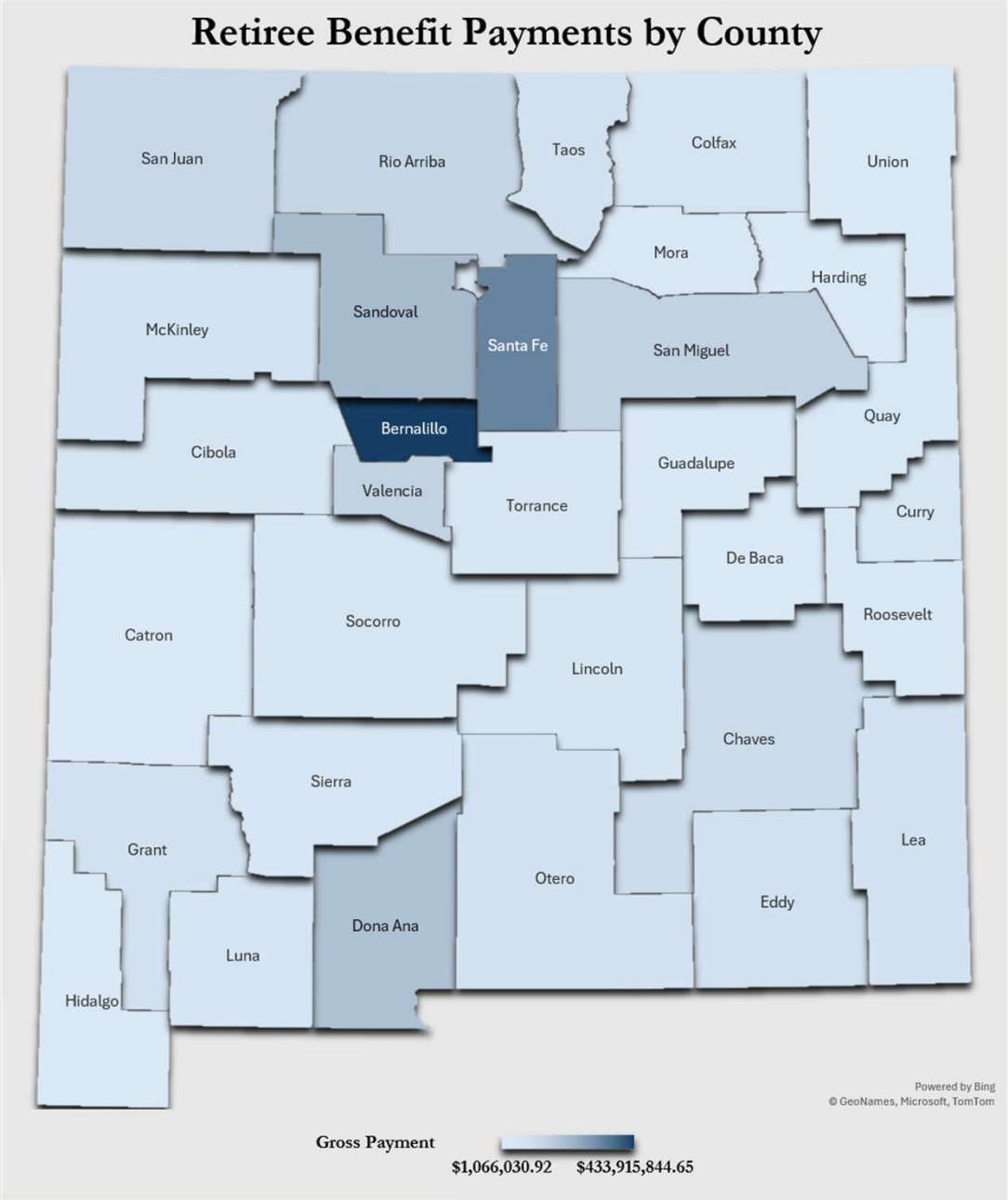
	SB27 (2013)	SB72 (2020)
COLA	Reduced from 3% to 2%, 7-year deferral period rather than 2	Variable rate model 0.5% to 3.0%, back to 2-year deferral period, 2.5% for members age 75 or older as of 6/30/2020, disability retirees earning < $25k, retirees with 25 years earning < $25k
Contribution Increase	Employee 1.5%, Employer 0.4% + pension swap reversal of 1.5%	Employee 2.0%, Employer 2.0%
Benefit Changes	Tier 2 created, General members hired 7/1/2013 or later subject to 0.5% pension factor reduction, rule of 85, 8-year vesting, 60-month FAS. Public Safety members subject to 0.5% pension factor reduction, 25-year retirement, 6-year vesting, 60-month FAS	All vesting periods reduced to 5 years.
Pension Maximum	Increased from 80% to 90%	Increased from 90% to 100%

Tier 1 = 31% of active population
Tier 2 = 69% of active population

PERA

PERA's Economic Force in New Mexico

New Mexico	Benefit Payment
Bernalillo	433,915,845
Santa Fe	256,264,604
Sandoval	114,682,383
Dona Ana	99,907,107
Valencia	59,795,681
San Miguel	59,124,632
Rio Arriba	49,294,457
San Juan	44,708,596
Chaves	34,596,093
Eddy	23,307,473
Taos	20,745,528
Grant	20,191,789
Otero	20,124,777
Lea	19,099,557
Mckinley	17,930,679
Colfax	15,969,692
Cibola	13,501,931
Lincoln	12,893,989
Luna	12,377,029
Curry	10,591,566
Socorro	10,373,088
Sierra	9,861,270
Torrance	9,406,717
Quay	7,739,559
Los Alamos	6,305,206
Mora	6,173,894
Roosevelt	5,700,767
Guadalupe	4,945,056
Union	3,177,056
Hidalgo	2,266,954
Catron	2,145,825
De Baca	1,878,378
Harding	1,066,031
Total NM Benefits	1,410,063,209



NM PERA provides financial stability for thousands of New Mexico retirees and their communities. In FY26, PERA paid $1.58 billion in pension benefits 89% went to retirees living in New Mexico.

PERA