



PERA

Investments and Pensions Oversight Committee

*Representative Cynthia Borrego, Chair
Senator Roberto “Bobby” J. Gonzales, Vice-Chair*

November 5, 2025

**Paula Fisher, Board Chair
Greg Trujillo, Executive Director**

Fiscal Year 2025 In Review



Total Fund Value
\$18.5 Billion



Rate of Return (net of fees)
9.68%



Active Members
52,581



Participating Employers
335



Retirees and Benefit Recipients
46,942



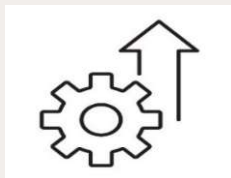
Retirement Benefits Paid
\$1.5 Billion



Funded Ratio
65.20%



Amortization Period
50 Years

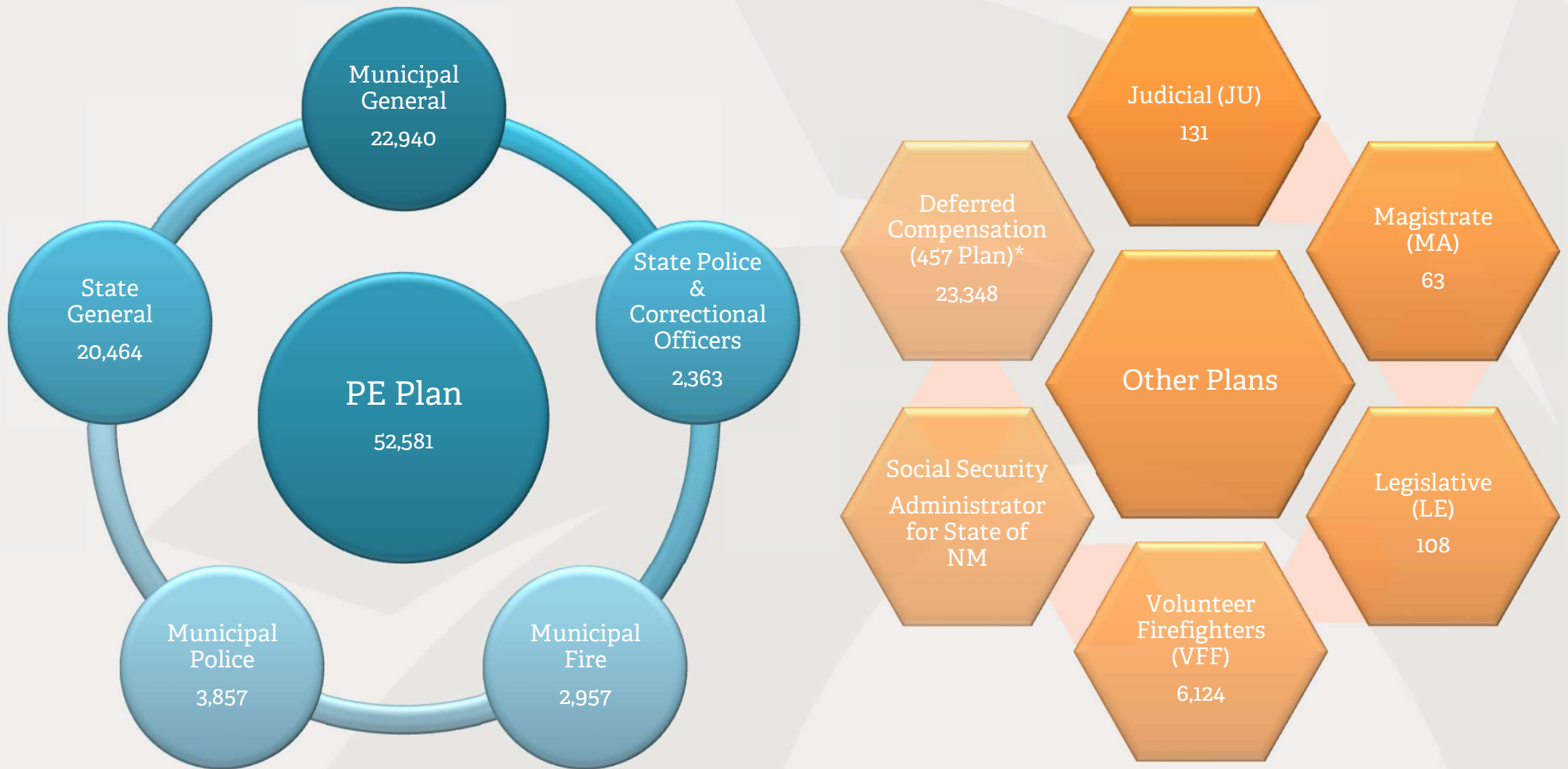


Actuarial Accrued Liability
\$27.9 Billion

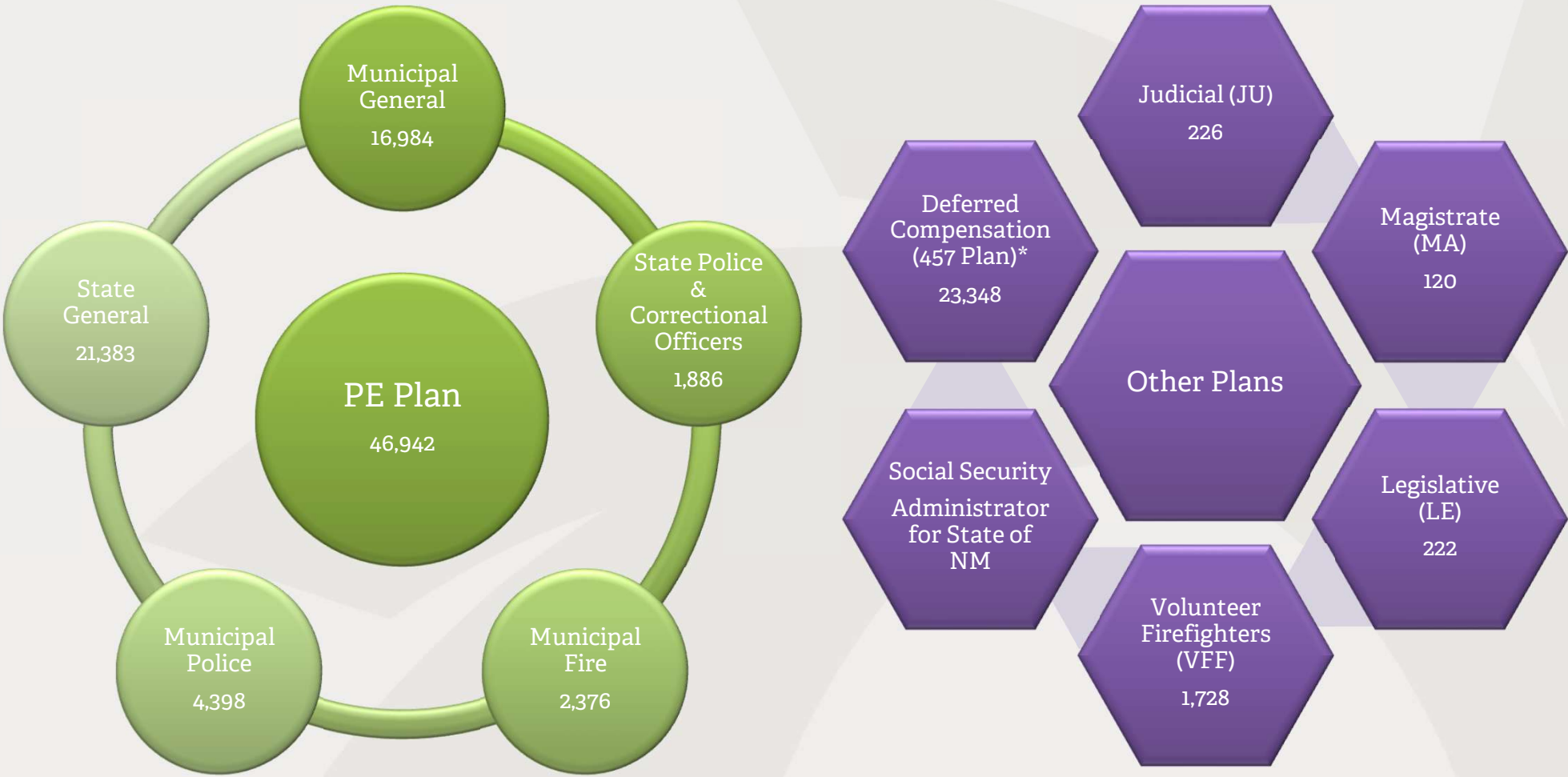


Unfunded Actuarial Accrued Liability (UAAL)
\$9.7 Billion

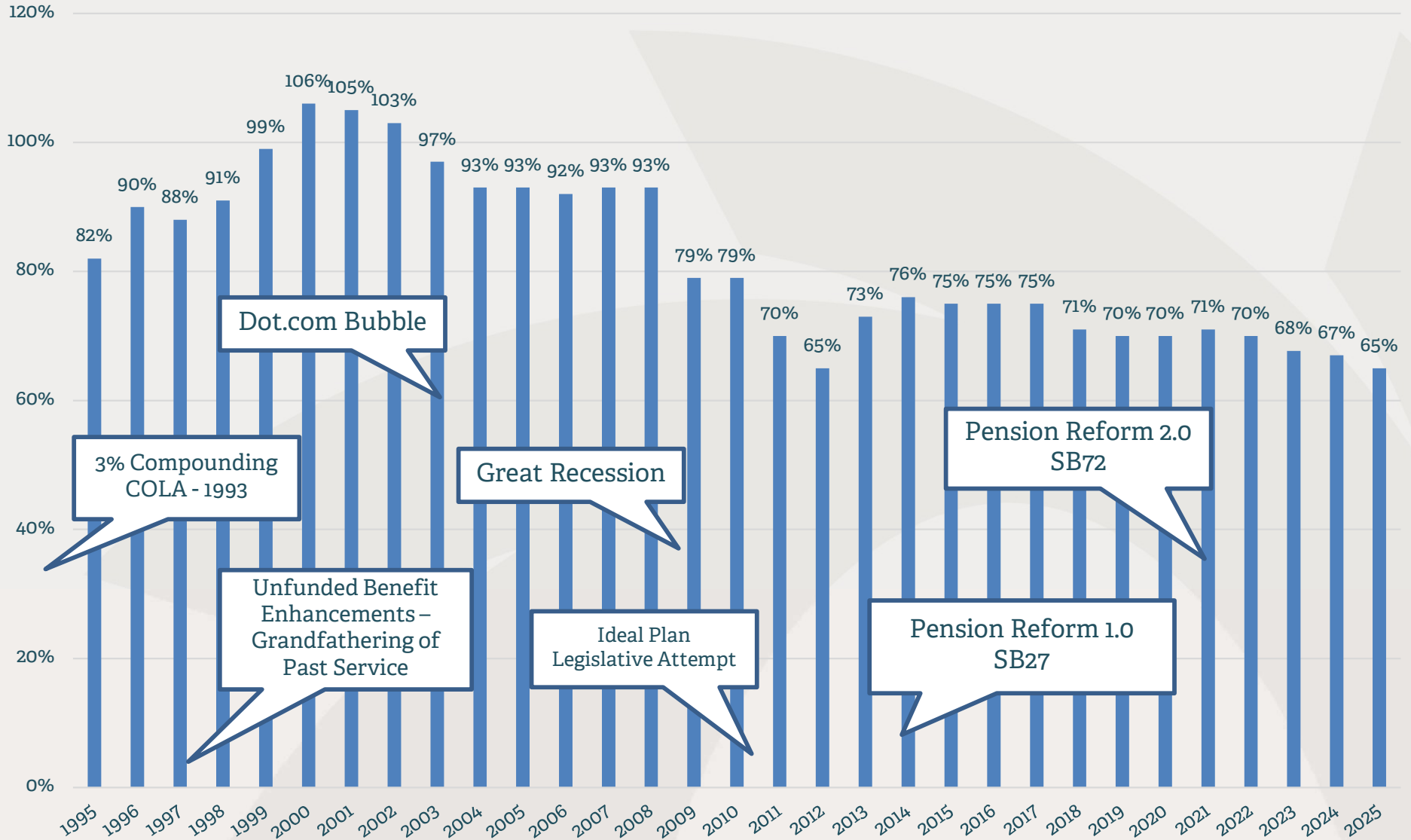
PERA – Active Membership



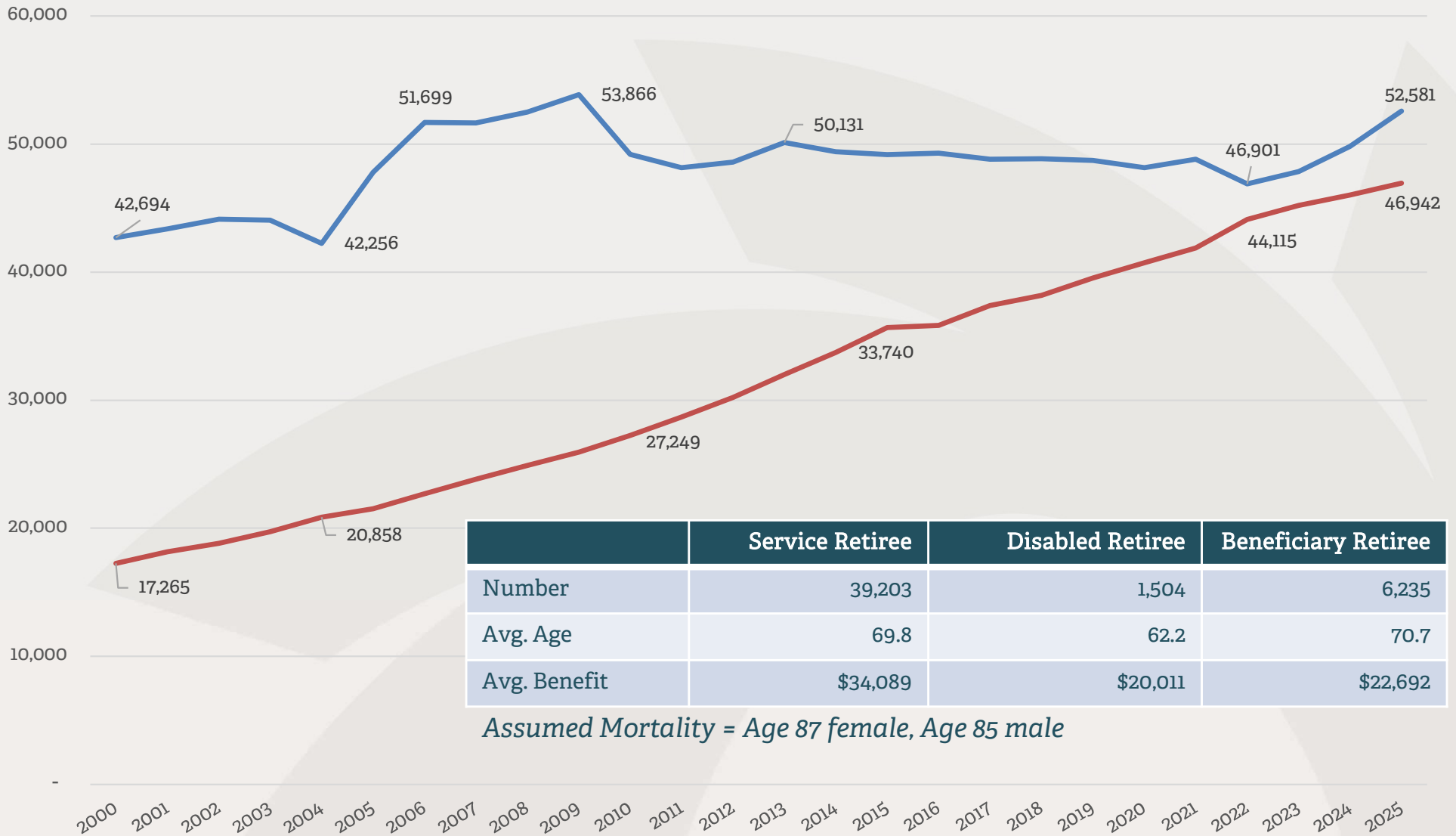
PERA – Retired Membership



PERA Fund – Funded Ratio



Active Members vs: Retired Members



Data as of 6/30/2025 Valuation

— Active Members — Retired Members



Active Members vs: Retired Members

| | Active Headcount | Change | Annual Payroll | Change |
|-------------------|------------------|--------|-----------------|---------|
| State General | 20,464 | ↑ 5.6% | \$1,459 million | ↑ 12.6% |
| State Police | 2,363 | ↑ 5.7% | \$171 million | ↑ 15.9% |
| Municipal General | 22,940 | ↑ 5.4% | \$1,304 million | ↑ 10.0% |
| Municipal Police | 3,857 | ↑ 5.2% | \$303 million | ↑ 10.8% |
| Municipal Fire | 2,957 | ↑ 6.2% | \$222 million | ↑ 12.3% |
| TOTAL | 52,581 | ↑ 5.6% | \$3,459 million | ↑ 11.6% |

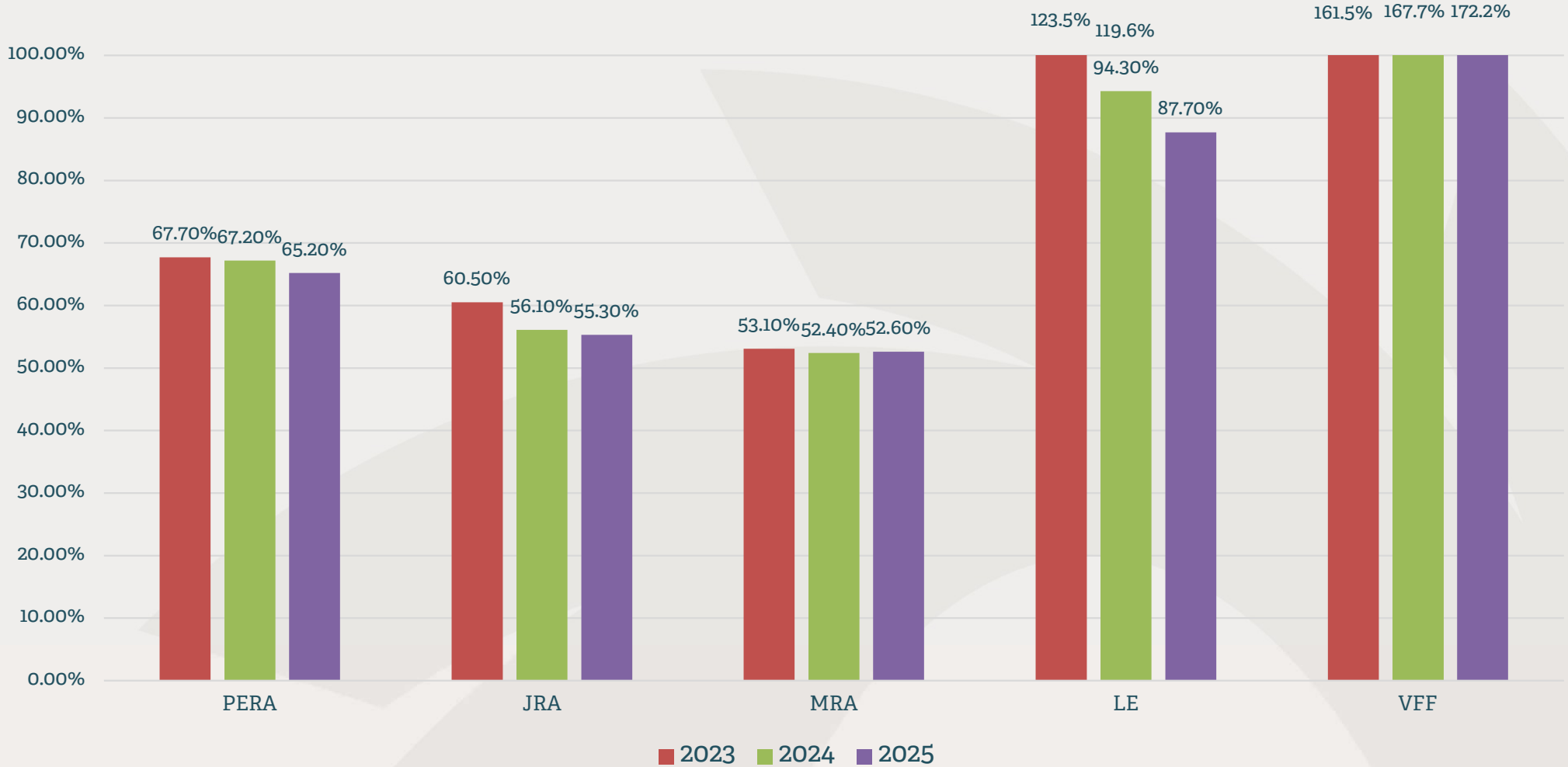
| | Annuitant Headcount | Change | Annuitant Benefits | Change |
|-------------------|---------------------|--------|--------------------|--------|
| State General | 21,388 | ↑ 1.5% | \$666 million | ↑ 2.9% |
| State Police | 1,886 | ↑ 2.3% | \$67 million | ↑ 3.3% |
| Municipal General | 16,894 | ↑ 2.5% | \$477 million | ↑ 3.8% |
| Municipal Police | 4,398 | ↑ 2.0% | \$189 million | ↑ 3.5% |
| Municipal Fire | 2,376 | ↑ 2.1% | \$109 million | ↑ 3.8% |
| TOTAL | 46,942 | ↑ 2.0% | \$1,508 million | ↑ 3.4% |

Historical Cash Flow

- Increases in payroll and contribution rates have increased contributions significantly over the past five years.
- Increased contributions have led to a reduction in PERA's negative cashflow to the lowest level since at least 2013.

| Fiscal Year Ending | Change in Contributions | Contributions | Benefits & Expenses | Cash Flow | Cash Flow (% of Assets) |
|--------------------|-------------------------|---------------|---------------------|-----------|-------------------------|
| 2021 | | \$689 | \$1,368 | -\$679 | -3.8% |
| 2022 | ↑ 5.2% | \$725 | \$1,441 | -\$716 | -4.4% |
| 2023 | ↑ 14.2% | \$828 | \$1,484 | -\$656 | -4.0% |
| 2024 | ↑ 14.7% | \$950 | \$1,514 | -\$564 | -3.2% |
| 2025 | ↑ 11.8% | \$1,062 | \$1,571 | -\$509 | -2.7% |

Funded Ratio By Fund

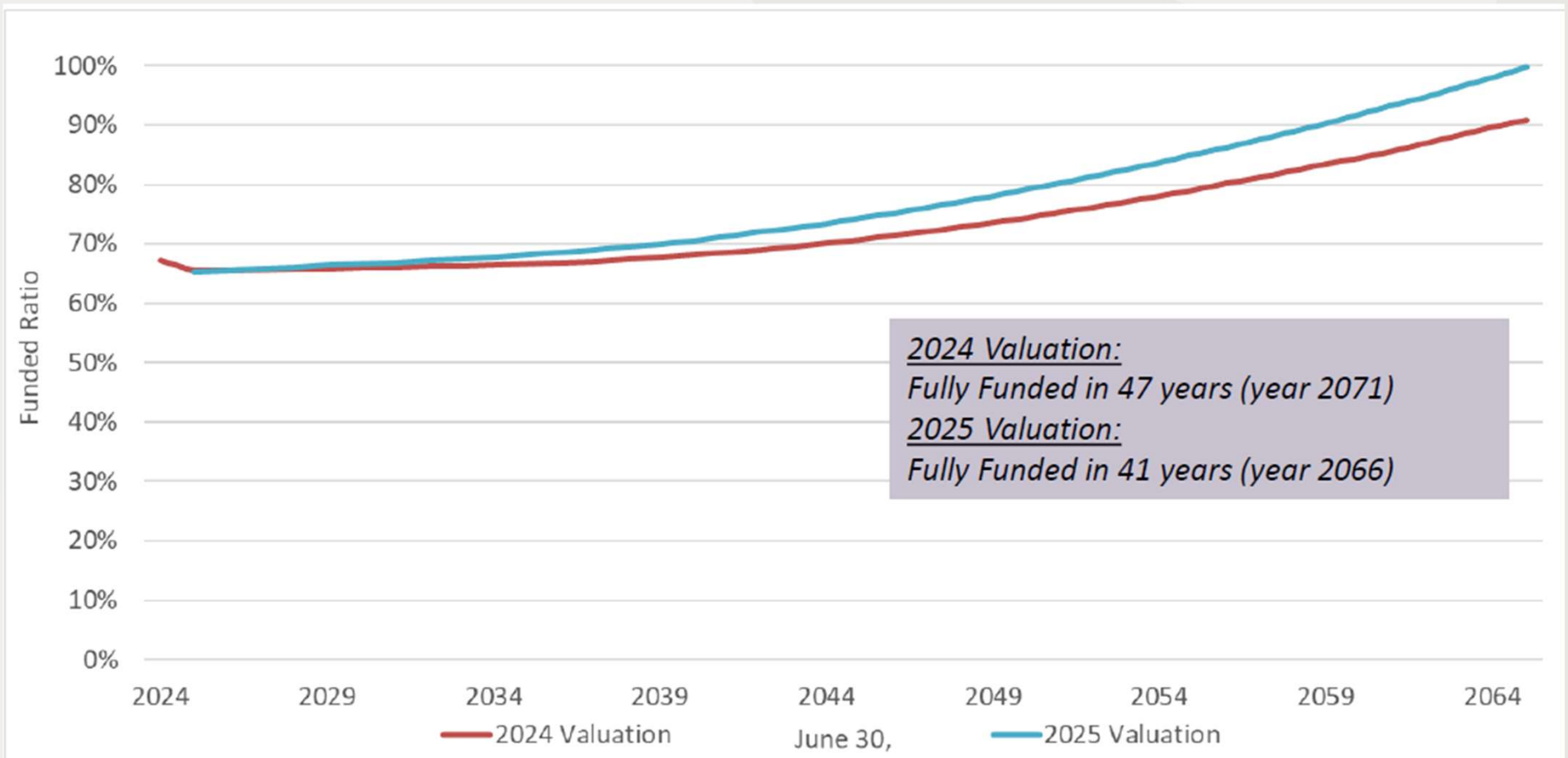


Amortization Period

| | | | | | | | | | | | | | | |
|----|----|----|-----|-----|-----|----|----|----|---|---|---|---|---|---|
| 53 | 52 | 50 | 107 | N/A | N/A | 46 | 53 | 42 | 0 | 0 | 0 | 0 | 0 | 0 |
|----|----|----|-----|-----|-----|----|----|----|---|---|---|---|---|---|

Funded Ratio* For PERA Fund

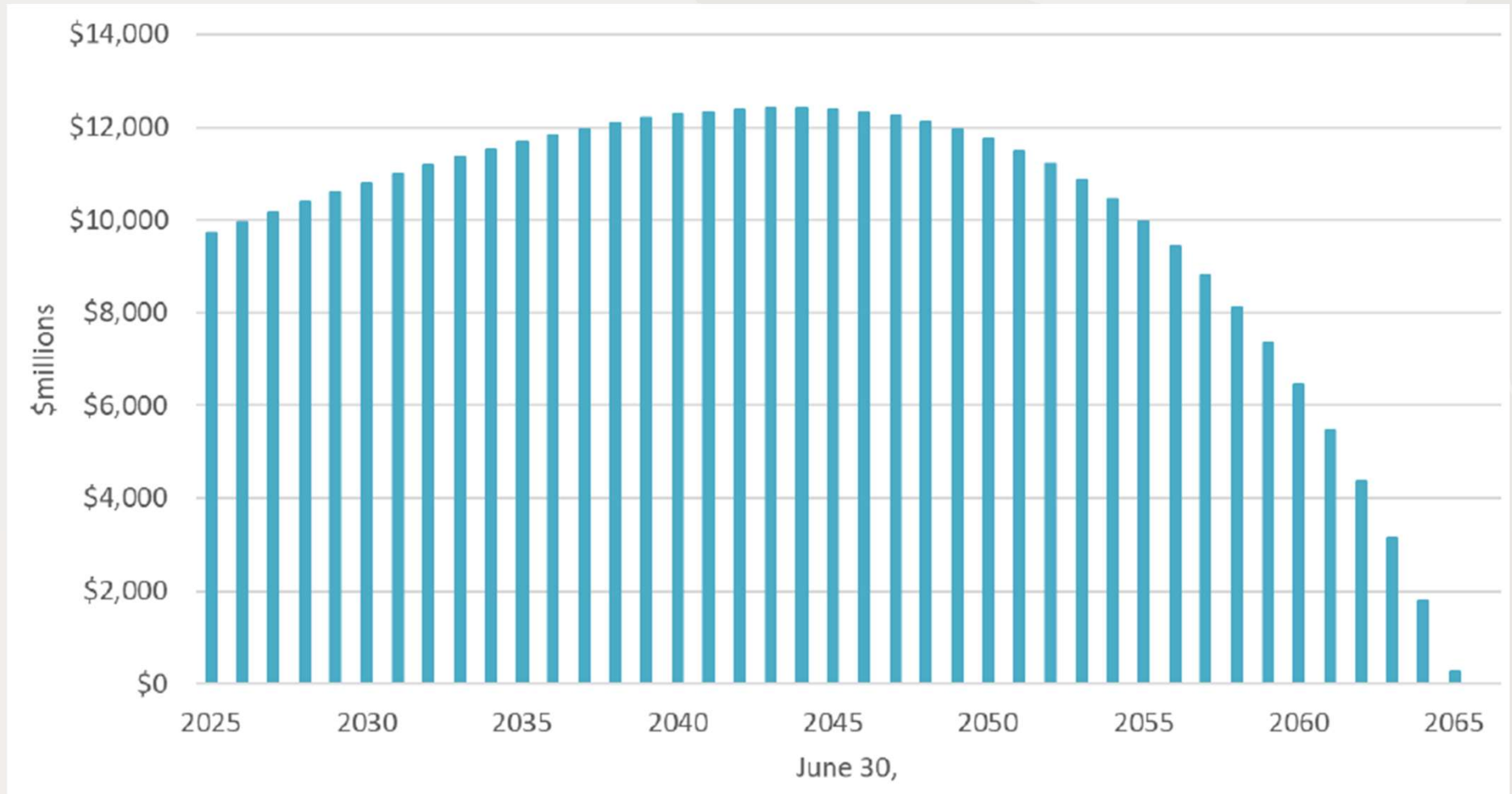
- As the number of Tier 2 members grows, PERA amortization period should improve over time (absent unfavorable experience).
- Higher projected payroll equates to higher projected contributions, which improved the funding period since the prior valuation.



* Projected funded ratio assumes 7.25% annual investment returns and COLAs equal valuation assumption

Funded Ratio* For PERA Fund

- However, without additional funding to PERA, the unfunded liability is expected to continue to increase.



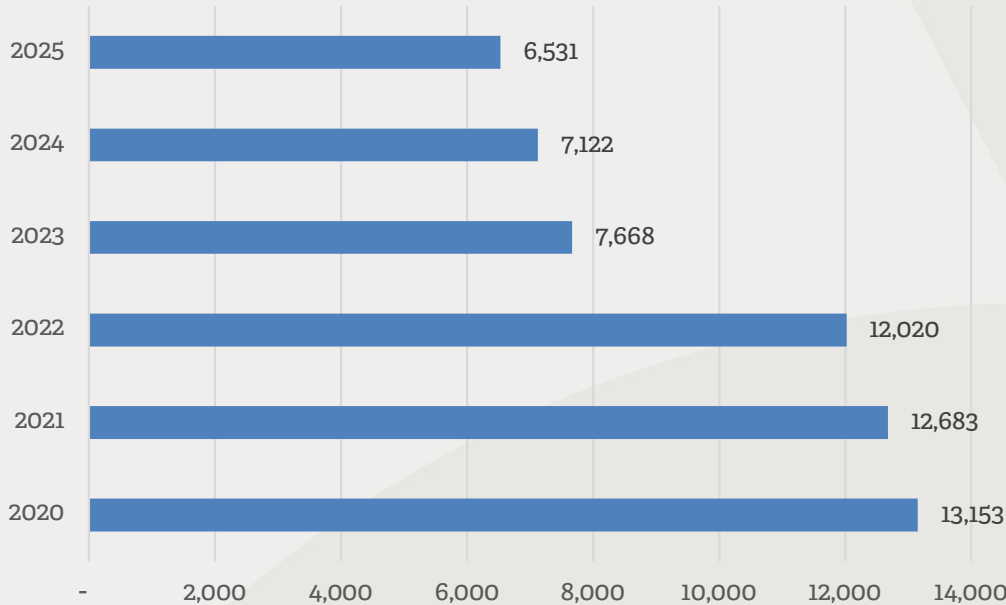
* Projected funded ratio assumes 7.25% annual investment returns and COLAs equal valuation assumption

Contribution Increases

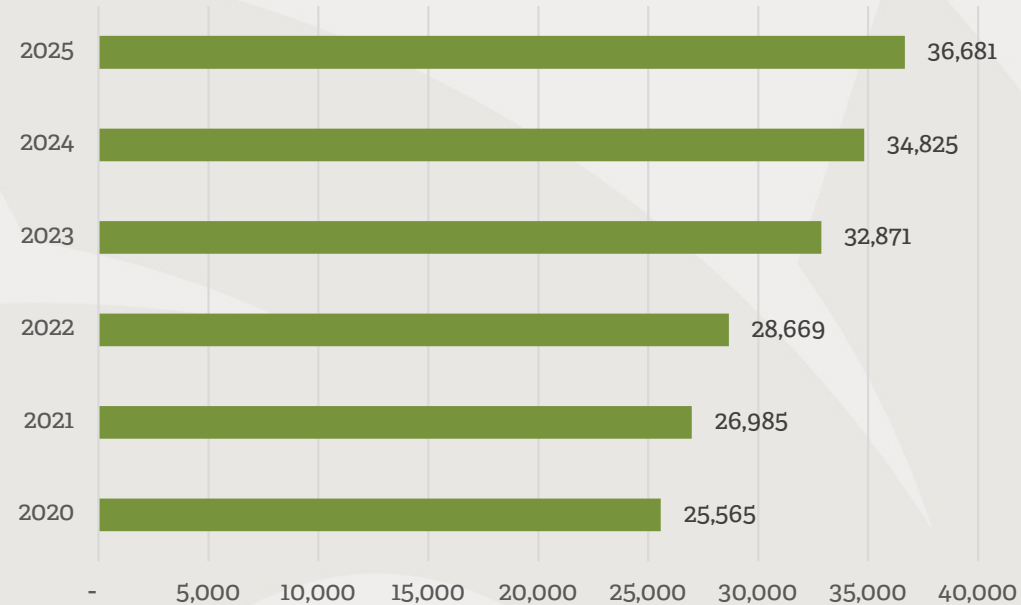
| | PE | State General | State Public Safety | Municipal General | Municipal Police | Municipal Fire |
|---------------------------------|------------------|------------------|---------------------|-------------------|------------------|----------------|
| Payroll | \$ 3,458,970,832 | \$ 1,459,100,858 | \$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 Increase 0.50% | \$ 17,294,854 | \$ 7,295,504 | N/A | \$ 6,650,518 | \$ 1,514,292 | \$ 1,109,804 |
| Employer Increase 1.0% | \$ 34,589,708 | \$ 14,591,009 | N/A | N/A | \$ 3,028,584 | \$ 2,219,608 |
| Employer Increase 4.0% | \$ 138,358,833 | \$ 58,364,034 | N/A | N/A | \$ 12,114,334 | \$ 8,878,431 |
| 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 |

Cost of Living Adjustment: 2020 - 2025

2.50% COLA



COLA/13th Check



43,212 PE Fund Retirees received a COLA in 2025, approximately 91.63% 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

13th Check cost for 2 years is \$70 million. Proposed 13th check would be in addition to any compounding COLA that is issued.

PERA Fund Performance – FY 2025

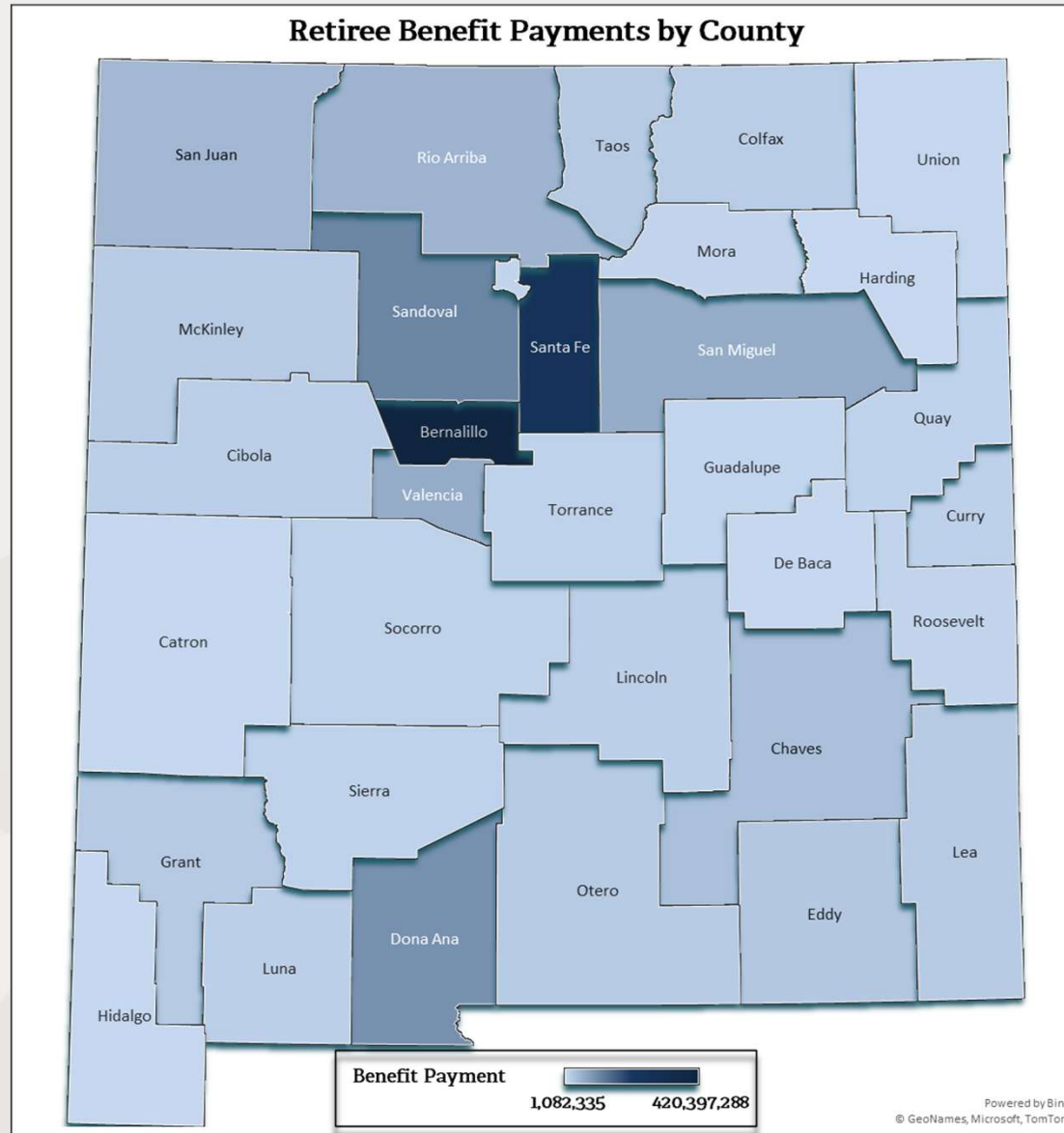
- PERA’s market value increased by \$1.2 billion fiscal year to date 2025 to a balance of \$18.7 billion
- PERA paid out \$1.53 billion in total member benefits for FY2025, investment activities funded \$454m (30%) of member benefit payments.
- PERA continues to outperform its Policy benchmark in the medium and long-term.
- Despite significant market volatility, long-term results continue to track PERA’s assumed rate of return (7.25%).
- PERA outperforms peers on a risk adjusted basis with Sharpe Ratios in the upper third of public pension peers >\$1b for the medium-term.

| As of 06/30/2025 | FYTD 2025 | 3 Years | 5 Years | 7 Years | 10 Years | 20 Years | 30 Years | ITD (1985) |
|--------------------------|-----------|---------|---------|---------|----------|----------|----------|------------|
| PERA Total Fund Returns* | 9.68% | 7.49% | 8.66% | 6.82% | 6.60% | 6.16% | 7.53% | 8.60% |
| Policy Benchmark* | 13.53% | 10.62% | 8.42% | 6.74% | 6.58% | 6.44% | 7.23% | 8.52% |
| Value Add | -3.85% | -3.13% | 0.24% | 0.09% | 0.02% | -0.28% | 0.31% | 0.08% |

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

PERA's Economic Force in New Mexico

NM PERA provides financial stability for thousands of New Mexico retirees and their communities. In FY25, PERA paid \$1.52 billion in pension benefits 89% went to retirees living in New Mexico.



| New Mexico | Benefit Payment |
|--------------------------|----------------------|
| Bernalillo | 420,397,288 |
| Santa Fe | 250,100,138 |
| Sandoval | 108,099,185 |
| Dona Ana | 93,718,913 |
| Valencia | 57,940,779 |
| San Miguel | 57,492,301 |
| Rio Arriba | 47,951,079 |
| San Juan | 42,872,869 |
| Chaves | 33,261,129 |
| Eddy | 21,990,893 |
| Taos | 20,128,114 |
| Grant | 19,468,515 |
| Otero | 19,181,896 |
| Lea | 18,129,682 |
| Mckinley | 17,601,159 |
| Colfax | 15,837,905 |
| Cibola | 13,271,978 |
| Lincoln | 12,212,893 |
| Luna | 12,034,600 |
| Curry | 10,538,162 |
| Socorro | 10,072,836 |
| Sierra | 9,591,302 |
| Torrance | 9,238,320 |
| Quay | 7,571,241 |
| Los Alamos | 5,989,890 |
| Mora | 5,822,364 |
| Roosevelt | 5,641,449 |
| Guadalupe | 4,764,122 |
| Union | 3,065,078 |
| Hidalgo | 2,201,740 |
| Catron | 2,111,548 |
| De Baca | 1,922,343 |
| Harding | 1,082,335 |
| Total NM Benefits | 1,361,304,046 |