



**PERA**

Public Employees  
Retirement Association  
of New Mexico

**INVESTED IN TOMORROW.**

# Public Employees Retirement Association of New Mexico

## GASB 68 Implementation

For the Fiscal Year End June 30, 2018

### **Disclaimer**

The purpose of this guide is to assist employers who are participants in the Public Employees Retirements Association of New Mexico (PERA) to comply with the accounting and reporting requirements in the Governmental Accounting Standards Board's *Statement No. 68, Accounting and Financial Reporting for Pensions* (GASB 68), as amended.

The information provided by this guide and the tools included with this guide do not constitute, and should not be treated as, professional advice. As guidance, the information and tools are only the starting point for an employer and its auditors to independently determine the accuracy and completeness of the pension related information that is reported in the employer's audited financial statements.

**Contents**

**Introduction.....1**

**Section 1: The JE Tool and GASB 68 Requirements .....2**

**Section 2: Using the JE Tool .....3**

**Section 3: Financial Statement Notes and RSI Template.....4**

## Introduction

As of June 30, 2018, the Governmental Accounting Standards Board's *Statement No. 68, Accounting and Financial Reporting for Pensions* (GASB 68) will have been effective for four years. Since most employers are now familiar with GASB 68's basic requirements, this guide goes beyond the basics to focus on tools that make the required accounting and reporting easier. This guide provides two tools, the Journal Entry Tool (JE Tool) and the Notes/RSI Template.

The JE Tool generates "model" journal entries based on the employer specific information shown in the schedules of employer allocations and pension amounts published annually by the Public Employees Retirement Association of New Mexico (PERA). To generate the journal entries, the tool requires a minimum amount of input by the employer. Once the journal entries are generated, an employer can use them as a model to prepare customized journal entries that are consistent with employer's chart of accounts and accounting processes. The tool also includes a summary that can be used as an internal control aide to help insure completeness and accuracy of the amounts to be recorded.

The Notes/RSI Template provides sample pension related financial statement notes and required supplementary information (RSI) schedules. The template includes the disclosures generally applicable to all participating employers. Employer specific information is highlighted, so that it can be added by the employer using the template. Next to each highlight are instructions on where to find the information. The template also includes templates for the required supplementary information schedules (and related notes), and where to find the employer specific information for them.

Before proceeding, if you are not familiar with GASB 68, we suggest you first read [GASB 68](#) and GASB's [A Plain-English Guide to Deferrals](#).

Section 1: The JE Tool and GASB 68 Requirements

In general, GASB 68 requires an employer to record the following:

The employer's–

- Proportionate share of the change in collective deferred outflows of resources.
- Proportionate share of the change in collective deferred inflows of resources.
- Proportionate share of collective pension expense.
- Employer-level deferral for the change in the employer allocation percentage.
- Amortization of employer-level deferrals for change in the employer allocation percentage.
- Employer-level deferral for the difference between actual contributions and a proportional share of total contributions for the pension plan measurement date.
- Amortization of employer-level deferrals for the difference between actual contributions and a proportionate share of total contributions.
- Deferral of the employer contributions between the measurement date and the reporting date.

JE Tool summarizes the accounting requirements listed above into four journal entries by using the information in the allocation and pension amount schedules published annually by PERA. Figure 1 below illustrates the tool's summary entries and the accounts the entries impact. (The information shown in the illustration is for Elephant Butte Irrigation District– Municipal General; Figure 1 is available for download in an Excel® worksheet format from [PERA's Web Site.](#))

Summary of Journal Entries Generated by JE Tool				
Description	Dr. (Cr.)			
	Net Pension Liability (NPL)	Deferred Outflows	Deferred Inflows	Pension Expense
<b>Beginning Balance July 1, 2017</b>	\$ (5,313,829)	1,694,652	(52,743)	-
A. To record the net change in NPL	(50,010)	(454,335)	(258,412)	762,757
B. To reverse deferral of prior year contributions between measurement and reporting dates	308,552	(308,552)		
C. To adjust for rounding and/or prior year differences	29			(29)
<b>Subtotal</b> (Schedule of Pension Amounts by Employer)	(5,055,258)	931,765	(311,155)	762,728
D. To record deferral of <u>current year</u> contributions between measurement and reporting dates		308,552		(308,552)
<b>Ending Balance June 30, 2018</b>	\$ (5,055,258)	1,240,317	(311,155)	454,176
	E	E	E	
NPL	5,055,258	2017 Schedule of Employer Allocations		
Variance	\$ -			
<b>Notes:</b>				
"A" through "D," these amounts are model journal entries from the JE Tool.				
"E," these balances should be presented in the financial statements and accompanying notes.				
"F," this balance should be reported in the financial statement's pension note as the amount of pension expense "recognized" for the year ended June 30, 2018.				

Figure 1: Journal Entries Generated by JE Tool

Also using Elephant Butte Irrigation District – Municipal General as an example, Section 2 below explains how to use the JE Tool.

## Section 2: How to Use the JE Tool

The JE Tool is in an Excel® workbook, which you can be download to your computer from [PERA's Web Site](#). Once you download the workbook, open the worksheet named *JE Tool*, and you are ready to begin using the tool. Figure 2 below illustrates the data entry section of the JE Tool.

Figure 2 shows which cells in the tool you will need to fill in. Notice that the tool includes instructions explaining where to go to find the employer specific data for each cell. Entering the data into the cells is all you need to do: the tool will take the data you entered and use it to generate the required journal entries and the summary schedule included with the tool (see Figure 1).

*Figure 2 Data Entry Required*

FILL IN THE BLANKS (the cells with green borders) WITH YOUR EMPLOYER'S DATA (enter all amounts as positive numbers): Example is Elephant Butte Irrigation District		
<b>BEGIN BY FILLING IN THE BLANKS IN THIS SECTION</b>		
Actual Current Year (FY18) contributions paid were	308,552	Employer's General Ledger, Employer's Contributions only.
Actual Prior Year (FY17) contributions paid were	308,552	FY 17 Employer contributions or Employer's General Ledger
Beginning NPL	5,313,829	2016 Schedule of Employer Allocation and Pension Amounts
Pension Expense	762,757	2017 Schedule of Employer Allocation and Pension Amounts
Deferred Outflows of Resources 2017	1,240,317	2017 Schedule of Employer Allocation and Pension Amounts
Deferred Inflows of Resources 2017	311,155	2017 Schedule of Employer Allocation and Pension Amounts
Deferred Outflows of Resources 2016	1,694,652	2016 Schedule of Employer Allocation and Pension Amounts
Deferred Inflows of Resources 2016	52,743	2016 Schedule of Employer Allocation and Pension Amounts
Ending NPL	5,055,258	2018 Schedule of Employer Allocation and Pension Amounts
Net Debit "DR"/(Credit "CR") to NPL	258,571	

Figure 3 illustrates the journal entries the tool generates.

*Figure 3 Sample Journal Entries*

7/1/17 Reverse deferral of previous year contributions		
DR NPL	308,552	
CR Deferred Outflows		308,552

6/30/18 Entry		
DR(CR) NPL	(50,010)	net difference - calculated
DR(CR) Pension Expense	762,757	
DR(CR) Deferred Outflows	(454,335)	
DR(CR) Deferred Inflows	(258,412)	

6/30/18 For deferral of current (FY18) contributions		
DR Deferred Outflow	308,552	
CR Pension Expense		308,552

Notice that the account descriptions are generic. Also, the accounts are probably at a higher level of summary than your chart of accounts. For example, your chart of accounts may classify pension expense into different instructional expenditure categories. If the tool's accounts are at a higher summary level, use the tool's entries as a basis for the more detailed entries you will need to prepare.

In addition, you may have to pick and choose from the tool's entries, depending on your accounting processes.

To help make verifying balances as easy as possible, the tool is designed to provide an adjustment for rounding differences, and/or for differences between prior year audited financial statement balances and the beginning balances PERA used to compile its schedules. Relatively speaking, any differences between the audited financial statements and the schedules should be very small. If they are not, you should determine the nature of the differences and resolve them. Figure 4 is an example of an entry from the JE Tool that adjusts for a small difference.

*Figure 4 Adjustment for Differences*

The entries above result in a net DR/(CR) to NPL of	258,542
Net Change required to get to correct ending NPL	<u>258,571</u>
Additional DR/(CR) to NPL required	29
<b>Offsetting (DR)/CR entry should be to Pension Expense</b>	

## Section 3: Financial Statement Notes and RSI Template (Notes/RSI Template)

**Disclaimer:** The sample financial statement notes and required supplementary information (RSI) below are based on the illustrations in GASB's *Guide to Implementation of GASB Statement 68 on Accounting and Financial Reporting for Pensions*. The sample is not and should not be treated as professional advice. The sample includes only commonly required employer disclosures; accordingly, employers should consult with their independent public accountants for specific financial statement presentations.

## Introduction

The Notes/RSI Template follows this introduction. The items in the template that are highlighted in yellow show which information is required to be entered by you; the red text enclosed in brackets directs you to where the information can be found. The blue text enclosed in brackets provides general guidance or guidance on additional disclosures that may be required.

## NOTES and RSI

**Employer Name**  
**Notes to the Financial Statements**  
**for the Year Ended June 30, 2018**  
(Dollar amounts in thousands)

### Note 1. Summary of Significant Accounting Policies

[The following should be included in the *Summary of Significant Accounting Policies*.]

*Pensions:* For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA's. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### Note X. Pension Plan

[If the employer provided benefits to employees through two or more pension plans, the employer should disclose information required by paragraph 74 of Statement 68 and should apply the requirements of paragraph 75 of Statement 68.]

#### **General Information about the Pension Plan**

##### **Plan description.**

*Public Employees Retirement Fund* is a cost-sharing, multiple employer defined benefit pension plan. This fund has six divisions of members, including State General, State Police/Adult Correction Officers, Municipal General, Municipal Police/Detention Officers, Municipal Fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plan. All assets accumulated may be used to pay benefits, including refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division. Eligibility for membership in the Public Employees Retirement Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as



provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-19, NMSA 1978), the Magistrate Retirement Act (10-12C-1 to 10-12C-18, NMSA 1978), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), each employee and elected official of every affiliated public employer is required to be a member in the Public Employees Retirement Fund, unless specifically excluded.

***Benefits Provided*** – Benefits are generally available at age 65 with five or more years of service or after 25 years of service regardless of age for TIER I members. Provisions also exist for retirement between ages 60 and 65, with varying amounts of service required. Certain police and fire members may retire at any age with 20 or more years of service for Tier I members. Generally, the amount of retirement pension is based on final average salary, which is defined under Tier I as the average of salary for the 36 consecutive months of credited service producing the largest average; credited service; and the pension factor of the applicable coverage plan. Monthly benefits vary depending upon the plan under which the member qualifies, ranging from 2% to 3.5% of the member's final average salary per year of service. The maximum benefit that can be paid to a retiree may not exceed a range of 60% to 90% of the final average salary, depending on the division. Benefits for duty and non-duty death and disability and for post-retirement survivors' annuities are also available.

## **TIER II**

The retirement age and service credit requirements for normal retirement for PERA state and municipal general members hired increased effective July 1, 2013 with the passage of Senate Bill 27 in the 2013 Legislative Session. Under the new requirements (Tier II), general members are eligible to retire at any age if the member has at least eight years of service credit and the sum of the member's age and service credit equals at least 85 or at age 67 with 8 or more years of service credit. General members hired on or before June 30, 2013 (Tier I) remain eligible to retire at any age with 25 or more years of service credit. Under Tier II, police and firefighters in Plans 3, 4 and 5 are eligible to retire at any age with 25 or more years of service credit. State police and adult correctional officers, peace officers and municipal juvenile detention officers will remain in 25-year retirement plans, however, service credit will no longer be enhanced by 20%. All public safety members in Tier II may retire at age 60 with 6 or more years of service credit. Generally, under Tier II pension factors were reduced by .5%, employee Contribution increased 1.5 percent and effective July 1, 2014 employer contributions were raised .05 percent. The computation of final average salary increased as the average of salary for 60 consecutive months.

**Contributions** – See PERA’s compressive annual financial report for Contribution provided description

<b>PERA Contribution Rates and Pension Factors as of July 1, 2017</b>						
<b>Coverage Plan</b>	<b>Employee Contribution Percentage</b>		<b>Employer Contribution Percentage</b>	<b>Pension Factor per year of Service</b>		<b>Pension Maximum as a Percentage of the Final Average Salary</b>
	<b>Annual Salary less than \$20,000</b>	<b>Annual Salary greater than \$20,000</b>		<b>TIER 1</b>	<b>TIER 2</b>	
<b>STATE PLAN</b>						
State Plan 3	7.42%	8.92%	16.99%	3.0%	2.5%	90%
<b>MUNICIPAL PLANS 1 - 4</b>						
Municipal Plan 1 (plan open to new employers)	7.0%	8.5%	7.4%	2.0%	2.0%	90%
Municipal Plan 2 (plan open to new employers)	9.15%	10.65%	9.55%	2.5%	2.0%	90%
Municipal Plan 3 (plan closed to new employers 6/95)	13.15%	14.65%	9.55%	3.0%	2.5%	90%
Municipal Plan 4 (plan closed to new employers 6/00)	15.65%	17.15%	12.05%	3.0%	2.5%	90%
<b>MUNICIPAL POLICE PLANS 1 - 5</b>						
Municipal Police Plan 1	7.0%	8.5%	10.40%	2.0%	2.0%	90%
Municipal Police Plan 2	7.0%	8.5%	15.40%	2.5%	2.0%	90%
Municipal Police Plan 3	7.0%	8.5%	18.90%	2.5%	2.0%	90%
Municipal Police Plan 4	12.35%	13.85%	18.90%	3.0%	2.5%	90%
Municipal Police Plan 5	16.3%	17.8%	18.90%	3.5%	3.0%	90%
<b>MUNICIPAL FIRE PLANS 1 - 5</b>						
Municipal Fire Plan 1	8.0%	9.5%	11.40%	2.0%	2.0%	90%
Municipal Fire Plan 2	8.0%	9.5%	17.9%	2.5%	2.0%	90%
Municipal Fire Plan 3	8.0%	9.5%	21.65%	2.5%	2.0%	90%
Municipal Fire Plan 4	12.8%	14.3%	21.65%	3.0%	2.5%	90%
Municipal Fire Plan 5	16.2%	17.7%	21.65%	3.5%	3.0%	90%
<b>MUNICIPAL DETENTION OFFICER PLAN 1</b>						
Municipal Detention Officer Plan 1	16.65%	18.15%	17.05%	3.0%	3.0%	90%
<b>STATE POLICE AND ADULT CORRECTIONAL OFFICER PLANS, ETC.</b>						
State Police and Adult Correctional Officer Plan 1	7.6%	9.1%	25.50%	3.0%	3.0%	90%
State Plan 3 - Peace Officer	7.42%	8.92%	16.99%	3.0%	3.0%	90%
Juvenile Correctional Officer Plan 2	4.78%	6.28%	26.12%	3.0%	3.0%	90%

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions –***

At June 30, 2018, the **employer’s name** reported a liability of **\$XXX,XXX** for its proportionate share of the net pension liability. The net pension liability was measured as

of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2017 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2017. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2017. The employer's name's proportion of the net pension liability was based on a projection of the employer's name's long-term share of contributions to the pension plan relative to the projected contributions of all participating entites, actuarially determined. At June 30, 2017, the employer's name's proportion was 0.XX %, which was an increase/decrease of 0.XX% from its proportion measured as of June 30, 2016.

[If there had been a change of benefit terms that affected the measurement of the total pension liability since the prior measurement date, the employer would need to disclose information required by paragraph 80e of GASB 68.]

[If changes expected to have a significant effect on the measurement of the employer's proportionate share of the net pension liability had occurred between the measurement date and the reporting date, the employer would need to disclose the information required by paragraph 80f of GASB 68.]

For the year ended June 30, 2018, the employer's name recognized pension expense of \$X,XXX. At June 30, 2018, employer's name reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

[PERA's 2017 Schedule of Pension Amounts by Employer]

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of resources</b>
Difference between expected and actual experience	\$XX,XXX	\$XX,XXX
Changes of assumptions	X,XXX	X,XXX
Net deifference between projected and actual earnings on pension plan investments	XX,XXX	XX,XXX
Changes in proportion and differences between contribtuons and proportionate share of contributons	XX,XXX	XX,XXX
Employer contribuions subsequet to the measurement date	XX,XXX	XX,XXX
<b>TOTAL</b>	<u>XX,XXX</u>	<u>XX,XXX</u>

\$X,XXX reported as deferred outflows of resources related to pensions resulting from employer's name's contributions subsequent to the measurement date will be recognized

as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended June 30:</b>	
2019	\$ XXX
2020	XXX
2021	XXX
2022	XXX
2023	XXX
Thereafter	XXX

*Actuarial assumptions.* The total pension liability in the June 30, 2017 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

**PERA FUND**

<b>PERA</b>	
<b>Actuarial valuation date</b>	June 30, 2016
<b>Actuarial cost method</b>	Entry Age Normal
<b>Amortization method</b>	Level Percentage of Pay
<b>Amortization period</b>	Solved for based on statutory rates
<b>Asset valuation method</b>	4 Year smoothed Market Value
<b>Actuarial Assumptions:</b>	
Investment rate of return	7.51% annual rate, net of investment expense
Projected benefit payment	100 years
Payroll Growth	2.75% for first 9 years, then 3.25% annual rate
Projected salary increases	2.75% to 14.00% annual rate
Includes inflation at	2.25% annual rate first 9 years
	2.75% all other years
Mortality Assumption	RP-2000 Mortality Tables (Combined table for healthy post-retirement, Employee table for active members, and Disabled table for disabled retirees before retirement age) with projection to 2018 using Scale AA.
Experience Study Dates	July 1, 2008 to June 30, 2013 (demographic) and July 1, 2010 through June 30, 2016 (economic)

The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ended June 30, 2017. These assumptions were adopted by the Board use in the June 30, 2016 actuarial valuation.

[If the benefit terms included ad hoc postemployment benefit changes, the employer should disclose information about assumptions related to those changes, as required by paragraph 77 of GASB 68.]

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-term Expected Real Rate of Return</b>
Global Equity	43.50%	7.39%
Risk Reduction & Mitigation	21.50%	1.79%
Credit Oriented Fixed Income	15.00%	5.77%
Real Assets to include Real Estate Equity	20.00%	7.35%
<b>Total</b>	<b>100.00%</b>	

*Discount rate.* A single discount rate of 7.51% was used to measure the total pension liability as of June 30, 2017. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.51%, compounded annually, net of expense. Based on the stated assumptions and the projection of cash flows, the plan’s fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

The projections of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels.

[If there had been a change in the discount rate since the prior measurement date, the employer should disclose information about that change, as required by paragraph 78a of GASB 68.]

*Sensitivity of the **employer name**’s proportionate share of the net pension liability to changes in the discount rate.* The following presents the **employer name**’s proportionate share of the net pension liability calculated using the discount rate of 7.51 percent, as well as what the **employer name**’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.51 percent) or 1-percentage-point higher (8.51 percent) than the current rate:

	<b>1% Decrease 6.51%</b>	<b>Current Discount Rate 7.51%</b>	<b>1% Increase 8.51%</b>
Net Pension Liability	XXXXXX	XXXXXX	XXXXXX

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in separately issued PERA'S financial reports.

[If significant changes had occurred that indicate that the disclosures included in the pension plan's financial report generally did not reflect the facts and circumstances at the measurement date, the employer would disclose additional information, as required by paragraph 79 of GASB 68.]

**Payables to the pension plan**

[If the employer reported payables to the plan, it should disclose information required by paragraph 122 of GASB 68.]

**Schedules of Required Supplementary Information**  
**SCHEDULE OF THE EMPLOYER'S NAME PROPORTIONATE SHARE OF THE NET**  
**PENSION LIABILITY**  
 For Last 10 Fiscal Years\*  
 (Dollar amounts in thousands)

[For fiscal years 2016 and 2017, information should be carried forward from the employer's 2017 audited financial statements]

Fiscal Year Measurement Date	2018 2017	June 30- 2017 2016	2016 2015	2015 2014
Employer's name's proportion of the net pension liability (asset)	XX.XX%	XX.XX%	XX.XX%	XX.XX%
Employer's name's proportionate share of the net pension liability (asset)	\$XX,XXX	\$XX,XXX	\$XX,XXX	\$XX,XXX
Employer's name's covered payroll	\$XX,XXX	\$XX,XXX	\$XX,XXX	\$XX,XXX
Employer's name's proportionate share of the net pension liability as a percentage of its covered employee payroll	\$XX,XXX	\$XX,XXX	\$XX,XXX	\$XX,XXX
Plan fiduciary net position as a percentage of the total pension liability	XX.XX%	XX.XX%	XX.XX%	XX.XX%

\*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for Employer's name is not available prior to fiscal year 2015, the year the statement's requirements became effective

**SCHEDULE OF EMPLOYER'S NAME CONTRIBUTIONS**

Last Ten Fiscal Years\*  
 (dollar amounts in thousands)

[For fiscal years 2016 and 2017, information should be carried forward from the 2017 audited financial statements]

	2018	2017	2016	2015
Statutory required	\$XX,XXX	\$XX,XXX	\$XX,XXX	\$XX,XXX
Contribution in relations to the statuorrily required contributions	<u>XX,XXX</u>	<u>XX,XXX</u>	<u>XX,XXX</u>	<u>XX,XXX</u>
Annual contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for Employer's name is not available prior to fiscal year 2015, the year the statement's requirements became effective

**Notes to Required Supplementary Information  
 for the Year Ended June 30, 2018**

*Changes of benefit terms:* The PERA and COLA and retirement eligibility benefits changes in recent years are described in Note 1 of PERA's CFAR. <https://www.saonm.org>

*Assumptions:* The Public Employ Retirement Association of New Mexico Annual Actuarial Valuations as of June 2017 report is available at <http://www.nmpera.org/>