

# LaVoz

The Voice of the Public Employees Retirement Association of New Mexico

## 2022 PERA Board

### OFFICERS

Ms. Claudia Armijo, Chair  
State Treasurer's Office  
[carmijo@nmpera.org](mailto:carmijo@nmpera.org)

Ms. Diana Rosales-Ortiz, Vice Chair  
Attorney General's Office  
(505) 737-4464  
[drosalesortiz@nmpera.org](mailto:drosalesortiz@nmpera.org)

### EX-OFFICIO MEMBERS

Ms. Maggie Toulouse Oliver  
Secretary of State  
(505) 827-3600  
[secretary.state@state.nm.us](mailto:secretary.state@state.nm.us)

Mr. Tim Eichenberg  
State Treasurer  
(505) 955-1120  
[tim.eichenberg@state.nm.us](mailto:tim.eichenberg@state.nm.us)

### STATE MEMBERS

Mr. Stephen J. Neel  
Educational Retirement Board  
(505) 841-2009  
[sneel@nmpera.org](mailto:sneel@nmpera.org)

Ms. Paula Fisher  
Children, Youth and Families Dept.  
(505) 841-2400  
[pfisher@nmpera.org](mailto:pfisher@nmpera.org)

### MUNICIPAL MEMBERS

Mr. Lawrence L. Davis  
City of Albuquerque  
(505) 310-8457  
[ldavis@nmpera.org](mailto:ldavis@nmpera.org)

Mr. Roberto Ramirez  
Albuquerque Bernalillo  
County Water Authority  
(505) 507-0975  
[rramirez@nmpera.org](mailto:rramirez@nmpera.org)

Ms. Valerie Barela  
City of Albuquerque  
[vbarela@nmpera.org](mailto:vbarela@nmpera.org)

### COUNTY MEMBER

Ms. Shirley M. Ragin  
Bernalillo County  
(505) 249-6469  
[sragin@nmpera.org](mailto:sragin@nmpera.org)

### RETIREE MEMBERS

Ms. Loretta Naranjo Lopez  
(505) 270-7716  
[lnaranjolopez@nmpera.org](mailto:lnaranjolopez@nmpera.org)

Mr. Francis P. Page  
[fpage@nmpera.org](mailto:fpage@nmpera.org)

### EXECUTIVE DIRECTOR

Mr. Greg Trujillo  
(505) 476-9303  
[greg.trujillo@state.nm.us](mailto:greg.trujillo@state.nm.us)

## Letter from the Board Chair

Greetings New Mexico PERA Members,



Welcome to the 2022 Summer edition of LaVoz. I am honored to serve as PERA Board Chair for 2022 and want to welcome newly elected PERA Board member, Valerie Barela (Municipal Member) whose term began in January of this year. I look forward to working with

Member Varela and our fellow board members as we continue to serve and represent all PERA members, retirees and beneficiaries. Together, with PERA's dedicated staff through the leadership of our newly appointed Executive Director, Greg Trujillo, we are committed to moving PERA forward. In that regard, I thank my fellow board members for their unified vision for excellence and their enduring commitment to our members.

As you know, the twelve-member PERA Board provides the critical ongoing oversight of PERA's operations, including investments and member services. This year the board is updating the strategic plan with a focus on the following goals: effective governance; improved stakeholder

engagement; organizational excellence; meeting investment targets and providing exceptional member services. Individually and combined these goals are both aspirational and obtainable. After the new strategic plan is developed and adopted by the board, we will work together with the PERA staff to create implementation strategies to ensure the plan's goals are achieved.

Now, as in recent years we have been presented with many challenges. We continue to navigate multiple global crises and we are slowly emerging from a worldwide COVID-19 pandemic. Throughout these challenges the PERA Board and PERA staff have remained steadfast in their commitment to providing quality services to our members and to meet or exceed our investment goals. Our objective remains clear - to protect the nearly \$17 billion trust fund and sustain solvency. Through the expert guidance of PERA's professional investment team, the board has adopted sound investment policies and asset allocations designed to safely weather turbulent financial waters while prudently benefitting during market booms. As a result, PERA's risk-adjusted returns are among the best of our peers.

(Continued on Page 2)

## 2022 State & Municipal Member Board Elections

Automated Election Services (AES) determined that two individuals, Tony J. Garcia (State) and Augustine Romero (Municipal) submitted more than the required 150 valid nominations necessary to be an eligible candidate for the PERA Board State & Municipal Member position.

AES verified that there were no other candidates for the PERA Board State & Municipal Member position who met the requirement to have a minimum of 150 valid nominations.

PERA Rule 2.80.200.70(A)(6) NMAC states that if only one person is nominated for a non-retired Board member position, the election shall be cancelled and that person will automatically be declared the winner for the position. As a result, the PERA Board cancelled the State & Municipal Member position election for 2022 and declared Tony J. Garcia and Augustine Romero the winners. Both board members will start their terms of office in January 2023.



**PERA**

Public Employees  
Retirement Association  
of New Mexico

## Mission Statement

The mission of the Board of the Public Employees Retirement Association is to preserve, protect and administer the Trust to meet its current and future obligations and provide quality services to association members.

## Letter from the Board Chair (continued)

Wow, PERA turns 75 this year! For decades, PERA has provided a stable lifetime retirement benefit for our members. Through those benefits, our State and, New Mexico's various counties and local governments receive an economic benefit. In fiscal year 2022 PERA paid out \$1.33 billion in pension benefits and the vast majority of those benefits were paid to retirees living in New Mexico; meaning PERA benefit dollars are circulated back into the local economies as our retiree's pay for their medical, recreational and basic living expenses.

In celebration of PERA's 75 years throughout 2022, PERA will be holding monthly online seminars promoting our 75th anniversary. I invite you to join these seminars to learn about PERA's history and about current and past PERA leaders, your slice of the retirement pie and many more PERA highlights. To access more details about the seminars and other PERA related

information, including PERA Board membership, please visit the PERA website at [www.nmpera.org](http://www.nmpera.org).

In closing, thank you to each PERA member for bringing value to PERA through your service, your contributions and your workplace dedication. Please help us celebrate 75 strong years of providing our exceptional member services along with well-deserved and reliable retiree benefits.

Sincerely,



Claudia Armijo  
PERA Board Chair

## Simple Steps to Financial Freedom

No matter where you are in life or what comes your way, figuring out how to balance your family, future and your finances can be overwhelming. Here are some simple steps and considerations you can take as you create a healthier financial future for you and your family.

- **Know where your money goes**  
You can't manage what you don't measure. Knowing where your money goes can help you track and save. Track your regular monthly expenses and include periodic purchases like going to the vet, signing the kids up for soccer, or picking up medications for yourself and others.
- **Talk about your goal**  
There are many priorities competing for your money. Talking about money with your entire family will help establish and prioritize the "needs" from the "wants." It is also a great chance to model positive money behaviors for kids and teach healthy habits early.
- **Make a realistic budgeting plan**  
Once you understand where your money goes, create a realistic budget that includes all things family and fun (you still have to live a little). Start with a list of expenses that includes your everyday needs, retirement savings, monthly bills and debts, and your family's other savings goals and wants. Then, find ways to reduce spending and limit impulse purchases of things that are outside your budget.
- **Find a balance**  
Financial wellness is about balancing the freedom of living for today, while preparing financially for

tomorrow. Knowing where your money is going and that you've got everything covered will help you find some balance and focus on what matters most – you and your family. Go to [PERASmartSave.voya.com](http://PERASmartSave.voya.com) and view the Budget Calculator on the home page.

**Where do you stand?**

Your voluntary PERA SmartSave Plan account with Voya offers valuable features to help you plan for your retirement and other priorities. See where you stand and take action if you need to by logging into your account today at [PERASmartSave.Voya.com](http://PERASmartSave.Voya.com).

Click Financial Wellness to take an assessment. When you're done, you'll see how you score on the six pillars of financial Wellness and what you can do about it. The dashboard is personalized with actions to help you focus on areas to improve.

Check myOrangeMoney® to see the income you'll likely need each month in retirement. You'll see the progress you've made towards the goal and determine if you need to change how you're saving or investing.

Pull together all your financial information in one place. To use your Personal Financial Dashboard, click Organize my \$\$ under the dollar bill graphic on your account home page. Then follow the steps to enter your information and get started. The tool can then update your information automatically, so you always have a current view of your complete financial picture.

For questions or help logging into your Voya account, call customer service 1-833-424-SAVE (7283).

## Letter from PERA's Chief Investment Officer

Dear PERA Members,

2021, although now seemingly long ago, proved to be a year of strong absolute results, primarily driven by risk-on sentiment and growth-oriented assets. However, it was not without its uncertainties and volatility. Investors spent another year, attempting to navigate the uncertainties of a global pandemic and the ongoing emergence of new variants. We witnessed unexpected short-term disruptors like the January meme stock squeeze, or ongoing digital currency disruptions with minimal fundamental reasoning. We also experienced significant economic shifts, such as fluctuating bond yields, rising inflation driven by supply chain disruption, and communicated FED tightening.

As we now look toward closing the first half of 2022, sentiment has shifted, and growth is no longer the general market theme. We are still faced with the same challenges, we continue to navigate through the same pandemic, while more aggressively balancing economic and geopolitical risk. Inflation no longer appears to be transitory, and FED tightening is occurring and will remain ongoing. All these challenges are driving asset pricing significantly lower and creating a generally bearish market sentiment. Accordingly, we are witnessing significant declines across diversified markets, with Global Equities and U.S. Bonds both down close to 8% and 10%, respectively.

Fortunately, as you'll recall from previous updates, our Fund has maintained a defensive Strategic Asset Allocation, and we have spent the last three years shifting risk away from high volatility equities. This has paid off significantly as the magnitude and depth of the current equity and bond selloffs are at significant levels. PERA's risk balanced, low-beta, and highly diversified investment strategy has positioned the Fund

for safety and capital preservation, preserving more than \$600m in capital while generating a positive 4.5% net of fee return for the fiscal year to date period, as of first quarter 2022. Additionally, the Fund continues to maintain healthy levels of liquidity, with the explicit mandate of consistently paying member benefits, month-over-month, without any stress to Fund assets.

As of March 31, 2022, the Fund closed at \$17.8b and was up 4.5% for the fiscal year. When measuring success in implementation against our key strategic goals, PERA's experience is marking favorably. First, absolute returns continue to outpace PERA's discount rate (7.25%) across nearly all measurable periods. These strong results will continue to bolster a healthy and consistent progression toward long-term sustainability. Second, relative results are exceeding the Policy benchmark across all horizons, displaying effective capital preservation in a declining market environment. And finally, when measuring results compared to national peers for the 1-year period, absolute returns and risk adjusted returns rank in the top 10th percentile of PERA's national peer group, displaying the effectiveness of our risk aware assets allocation.

The PERA team remains dedicated to serving all generations of members through any market cycle or economic regime. We will continue to maintain low concentrations to growth assets, remain ultra-liquid, and allocate risk prudently to minimize drawdowns and continue to produce steady compounded wealth with an eye toward long-term measurable success. We are honored to serve such an important mission and wish you well in the new fiscal year!

Kristin Varela, Interim Chief Investment Officer

## Senate Bill 72 (SB72) Reminders

### Retirees

All COLA-eligible retirees will receive a 2%, non-compounding, additional payment on July 29th, 2022. This payment will be paid in addition to your regular July 29th pension payment.

### Employers

- All PERA-affiliated employer contribution rates will increase by .5%, except for employers under the State Police, Correctional Officer Member and Probation and Parole Officer Member Coverage Plan 1.
- Active county/municipal PERA-affiliated employer contribution rates will increase by .5%. This will be effective July 1, 2022.


### Employees

- Active state PERA members who make over \$25,000 a year, will see a .5% contribution rate increase except for employees under the State Police, Correctional Officer Member and Probation and Parole Officer Member Coverage Plan 1.
- Active county/municipal PERA members who make over \$25,000 a year, will see a .5% contribution rate increase effective July 1, 2022.



## PERA Act

The PERA Act was enacted in 1947 and became effective on August 1, 1947.



324                      Laws of 1947                      Chap. 167

authorize the measure thereof by ordinance, adopted by the affirmative vote of three-fourths of the members of the active governing bodies, at either a regular or special meeting called for that purpose, wherein the necessity thereof shall be declared and, when passed, shall be signed by the mayor or other executive head and attested by the clerk of said governing body, with the seal of said municipality affixed thereon.

Section 3. It is necessary for the preservation of the public peace, health and safety of the inhabitants of the State of New Mexico that the provisions of this Act shall become effective as early as possible and therefore an emergency is hereby declared to exist and this Act shall take effect and be in full force and effect from and after its passage and approval.

CHAPTER 167

An Act to PROVIDE A RETIREMENT FUND FOR AGED OR INCAPACITATED EMPLOYEES OF THIS STATE OF NEW MEXICO, AND TO PROVIDE FOR THE FINANCING OF SUCH FUND, AND FOR THE ADMINISTRATION OF THIS ACT.

HOUSE BILL NO. 111; Approved March 20, 1947

Be It Enacted by the Legislature of the State of New Mexico:

Section 1. Words and phrases defined. The following words and phrases as used in this Act, unless a different meaning is plainly required by the context, shall have the following meaning:

1. "Public Employer" shall mean the State of New Mexico, or any of its boards, departments, bureaus or agencies, any municipality, city, or county in the state of New Mexico.

2. "Public Employee" shall mean any person holding a State, Municipal, City, or County office in any capacity whatever whose

In 1947, members had to pay **3.5%** of their regular salary.

Members had to be an employee for a period of **15 years** and turned **65 years** old or had to be an employee for 5 years or more and turned 70 years old.

By 1955, there were **217** pension recipients who received an average annual pension of \$1,161.00.

In 1960, PERA recorded 593 pension recipients with an annual pension payroll of \$717,200 averaging **\$1,209** per annuitant.

## Retirement Eligibility

In 1947, members had to be an employee for a period of 15 years and turned **65 years old** or had to be an employee for 5 years or more and turned 70 years old.



**31**  
different membership plans

In 2021, the average pension was **\$31,011**

**2**  
different tiers

The PERA Trust Fund currently has a total fund value of **\$17.4 Billion**

Today, PERA serves **47,679** active members and **42,743** retirees and beneficiaries.

**335**  
public employers

**5 year**  
vesting period

**92%** of the \$1.33 billion in retirement benefits paid out in FY 2021 were retirees living in New Mexico.

Help Us Celebrate

# PERA Day

on

August 1, 2022!



Send us an email or letter letting us know what PERA means to you!

Visit [www.nmpera.org/anniversary](http://www.nmpera.org/anniversary) for more information on upcoming events!

## RIO Updates

If you have a PERA RIO account, here are some beneficial updates:

- Retirees can now update their address
- Members can now upload completed PERA forms
- Members can now estimate what a monthly cost would be to purchase non-intervening military service



Visit <https://perass.state.nm.us/SelfService> today!

## New Mexico Wildfire Season

As New Mexico is facing an early, devastating wildfire season, we would like to thank the brave women and men for their service. We would also like to remind Volunteer Fire (VF) Departments to reach out to PERA if they have a suspended 2021 Annual Report. It is crucial that your reports are unsuspended so your members receive the service credit they have earned and deserve. We also encourage Volunteer Firefighters to open an online RIO account so that they can monitor their VF service credit.



### Voya Unforeseen Emergency Withdrawal

If you have been financially affected by the recent wildfires burning in New Mexico and you are currently participating in the voluntary PERA SmartSave Deferred Compensation Plan, you may apply for an Unforeseen Emergency Withdrawal (UEW), due to President Biden's Federal Disaster Declaration. These withdrawals will be handled in accordance with IRS rules that govern PERA SmartSave. You must complete the UEW application and must reference the "NM Wildfires" in your letter of explanation. You can initiate the withdrawal by paper form from the Plan's website or through your online Voya account. Please contact Voya if you need help with this process.

Email: [PERA-SmartSave@state.nm.us](mailto:PERA-SmartSave@state.nm.us)

Phone: 1-833-424-7283

Website: [PERASmartSave.Voya.com](https://PERASmartSave.Voya.com)

### 2022 PERA Annual Meeting

The PERA Annual Meeting will be held on Thursday, September 29, 2022.

The meeting will take place in the Senator Fabian Chavez, Jr. Board Room in the PERA offices located at 33 Plaza La Prensa, Santa Fe, NM 87507. All members and retirees are welcome to attend.

PERA Santa Fe: 33 Plaza La Prensa | Santa Fe, NM 87507 | 505-476-9300 Voice | 505-954-0370 Fax

PERA Albuquerque: 6300 Jefferson St. NE, Suite 100 | Albuquerque, NM 87109 | 505-383-6550 Voice

Toll Free 1-800-342-3422 | [www.nmpera.org](http://www.nmpera.org) | [pera-memberservices@state.nm.us](mailto:pera-memberservices@state.nm.us)

