

Smart Save Committee Meeting
Senator Fabian Chavez Jr. Board Room
PERA Building, 33 Plaza La Prensa, Santa Fe, NM 87507

March 10, 2020
9:00 am

Committee Members:

Shirley Ragin – Chair
David Roybal – Vice Chair

Claudia Armijo
Patricia French

Tim Eichenberg

AGENDA

- | | |
|--------------------------------|--------------------------------------|
| 1. Call to Order | 4. Approval of Agenda |
| 2. Pledge of Allegiance | 5. Approval of Consent Agenda |
| 3. Roll Call | 6. Current Business |

ITEM			Presenter
A.	Q2 FY20 Investment Performance Review	Informational	Dominic Garcia, Karyn Lujan, Paul Cowie, Meketa Investment Group
B.	Q2 FY20 Plan Activity Review	Informational	Dominic Garcia, Karyn Lujan Chip Burciaga, Strategic Relationship Mgr, Voya

- 5. Other Business**
6. Adjournment

Consent Agenda

Approval of the December 10, 2019 SmartSave Committee meeting minutes.

Any person with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact Trish Winter at 476-9305 at least one week prior to the meeting, or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact Ms. Winter if a summary or other type of accessible format is needed.

**New Mexico Public Employees
Retirement Association
Smart Save Deferred Compensation Plan
Fourth Quarter 2019**

Meeting Materials

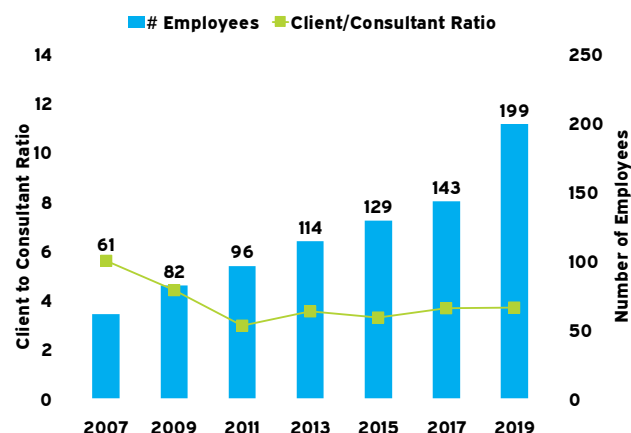
Agenda

1. Corporate Update
2. Executive Summary
3. Fourth Quarter of 2019 Performance Report
 - Plan Summary
 - LifeCycle Funds Detail
 - Portfolio Reviews
4. Appendices
 - The World Markets in the Fourth Quarter of 2019
 - Capital Markets Outlook & Risk Metrics
 - Disclaimer, Glossary and Notes

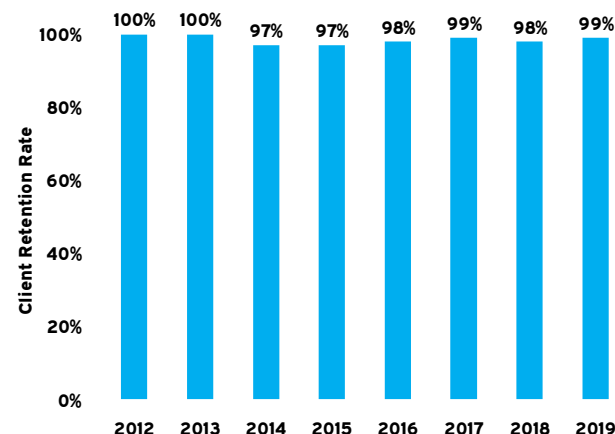
Meketa Investment Group Corporate Update

- Staff of 199, including 132 investment professionals and 40 CFA Charterholders
- 214 clients, with over 300 funds throughout the United States
- Significant investment in staff and resources
- Offices in Boston, Chicago, Miami, New York, Portland (OR), San Diego, and London
- We advise on \$1.4 trillion in client assets
 - Over \$100 billion in assets committed to alternative investments
 - Private Equity ▪ Infrastructure ▪ Natural Resources
 - Real Estate ▪ Hedge Funds ▪ Commodities

Client to Consultant Ratio¹



Client Retention Rate²



Meketa Investment Group is proud to work for over 5 million American families everyday.

¹ On March 15, 2019, 31 employees joined the firm as part of the merger of Meketa Investment Group and Pension Consulting Alliance.

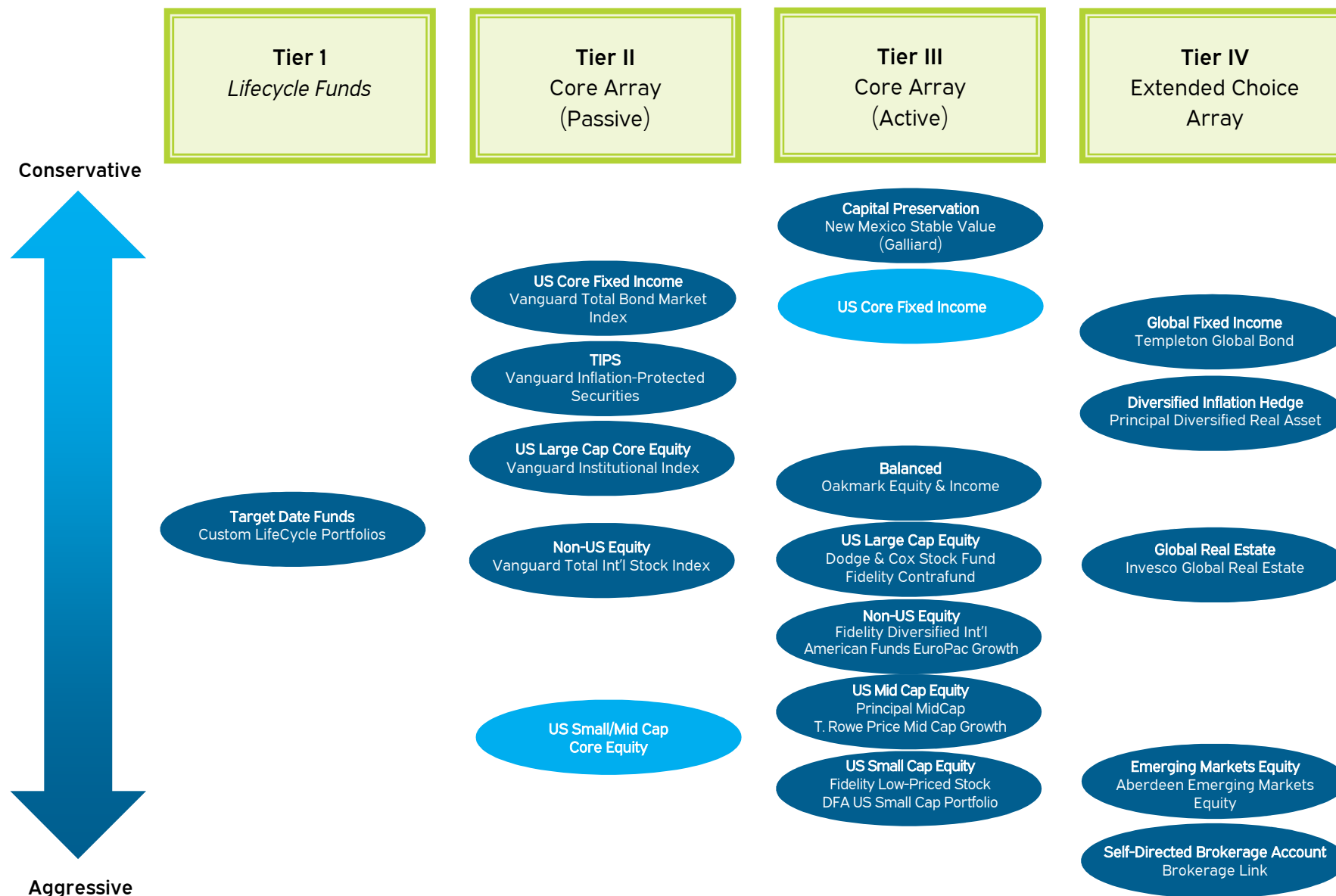
² Client Retention Rate is one minus the number of clients lost divided by the number of clients at prior year-end.

Asset Classes Followed Intensively by Meketa Investment Group

Domestic Equities	International Equities	Private Equity	Real Assets	Fixed Income	Hedge Funds
<ul style="list-style-type: none"> - Passive - Enhanced Index - Large Cap - Midcap - Small Cap - Microcap - 130/30 	<ul style="list-style-type: none"> - Large Cap Developed - Small Cap Developed - Emerging Markets - Frontier Markets 	<ul style="list-style-type: none"> - Buyouts - Venture Capital - Private Debt - Special Situations - Secondaries - Fund of Funds 	<ul style="list-style-type: none"> - Public REITs - Core Real Estate - Value Added Real Estate - Opportunistic Real Estate - Infrastructure - Timber - Natural Resources - Commodities 	<ul style="list-style-type: none"> - Short-Term - Core - Core Plus - TIPS - High Yield - Bank Loans - Distressed - Global - Emerging Markets 	<ul style="list-style-type: none"> - Long/Short Equity - Event Driven - Relative Value - Fixed Income Arbitrage - Multi Strategy - Market Neutral - Global Macro - Fund of Funds - Portable Alpha

Executive Summary

Executive Summary



Plan Assets

- As of December 31, 2019, Plan assets were \$674.0 million, up from \$642.0 million at the end of the prior quarter. The Plan experienced net cash outflows of \$2,805,445 during the fourth quarter.
- There were 23,231 participants with a balance at quarter-end. The average account balance was \$29,014; contributions totaled \$10.9 million, compared to \$13.7 million in withdrawals.
- The largest Plan investment options by assets were:

	12/31/19 Balance (\$ mm)	Percentage of Plan Assets (%)
New Mexico LifeCycle Portfolios	185.8	27.6
New Mexico Stable Value	132.3	19.6
Vanguard Inst. Index Fund	96.5	14.3
Fidelity Contrafund	52.3	7.8
T. Rowe Price MidCap Growth	34.6	5.1

Plan Observations

Ten of the Plan's sixteen actively managed portfolios (New Mexico Stable Value Fund, Oakmark Equity & Income, Fidelity Low-Priced Stock, Dodge & Cox US Equity, Fidelity Diversified International, American Funds EuroPacific Growth, Columbia Institutional High Yield) matched or outperformed their respective benchmarks and universe medians during the quarter. Two of the Plan's actively managed portfolios (Fidelity Contrafund and Dimensional US Small Cap Core) matched or outperformed one measure, but underperformed the other. Four of the Plan's actively managed portfolios (T. Rowe Price MidCap Growth, Principal US MidCap Equity, Principal Diversified Real Asset, Aberdeen Emerging Markets Equity) underperformed both measures.

Investment Menu Observations

- Two LifeCycle Portfolios (Conservative Portfolio and 2020 Portfolio) matched their respective benchmark, but underperformed the universe median. Seven LifeCycle Portfolios (2025 Portfolio, 2030 Portfolio, 2035 Portfolio, 2040 Portfolio, 2045 Portfolio, 2050 Portfolio, 2055 Portfolio) underperformed their benchmark and respective peer group medians in the fourth quarter.
- Fidelity Contrafund underperformed the Russell 1000 Growth benchmark, but outperformed the peer median. Underperformance was driven by security selection, especially within the information technology sector, which represented about 32% of fund assets, on average, this quarter.
- Dodge & Cox U.S. Equity outperformed both the Russell 1000 Value benchmark and the peer median. Outperformance stemmed from an overweight exposure to the Health Care sector. Top contributors were Cigna, Bristol-Myers Squibb, and UnitedHealth Group.
- T. Rowe Price MidCap Growth underperformed the Russell MidCap Growth benchmark and the peer median. The information technology sector detracted the most from relative returns due to an unfavorable underweight allocation and stock selection.
- Dimensional U.S. Small Cap Core underperformed the Russell 2000 benchmark, but outperformed the peer group. The portfolio's exclusion of stocks with the lowest profitability and highest relative price detracted from relative performance, as those securities outperformed.
- Principal U.S. MidCap Equity underperformed the Russell MidCap Index and the peer group median. The fund's allocation to Restaurant Brands International (a holding company that includes Burger King, Tim Hortons and Popeye's) and Wayfair (an online retailer of furniture) detracted from the fund's performance.

Investment Menu Observations (continued)

- Fidelity Low-Priced Stock outperformed the benchmark and the peer median. The fund's outperformance of the small-cap-oriented benchmark was driven by favorable active stock selection in consumer discretionary and information technology.
- Fidelity Diversified International outperformed the MSCI EAFE benchmark and the peer median. The fund's outperformance of the benchmark was primarily driven by stock selection in financials and industrials, as well as an overweight allocation to the information technology sector.
- American Funds EuroPacific Growth outperformed the MSCI ACWI ex USA and the peer median. Select holdings in China-related companies boosted results in the consumer discretionary sector, with Alibaba among the top contributors. Smaller holdings in consumer staples companies were helpful to relative results as the sector lagged the broader market amid a broad rotation out of defensive stocks.
- Aberdeen Emerging Markets Equity underperformed the MSCI Emerging Markets Index and the peer median. Strategy performance was hampered by stock selection in China, specifically the lack of exposure to Alibaba, as the internet giant announced strong quarterly results and successfully listed in Hong Kong in November.
- Franklin Templeton Global Bond outperformed the FTSE WGBI benchmark and the peer group median. Negative duration exposure to US Treasuries contributed to fund performance for the quarter, as did select duration exposures in Latin America.
- Columbia Institutional High Yield exposure is only available via the LifeCycle portfolios. The strategy outperformed both the Barclays High Yield benchmark and the peer median. Higher quality positioning within energy was the most notable contributor to relative performance given the underperformance of lower quality credits within the sector despite a late quarter rally.

Investment Menu Observations (continued)

- Invesco Global REITs outperformed both the FTSE EPRA/NAREIT Global REIT index benchmark and the peer median. Security selection in Japan was a top contributor in the Asia Pacific region. In North America, the portfolio's US segment outperformed the benchmark due to security selection. In Europe, the portfolio benefited from security selection in the UK, supported by greater clarity around Brexit. In emerging markets, security selection in China had a positive impact.
- Principal Diversified Real Asset underperformed the Real Asset Custom Benchmark; the peer group median was unavailable. Allocation to master limited partnership hindered results as the asset class fell in the face of weak investor demand and mixed fundamentals.
- Prudential Retirement Real Estate Fund II exposure is only available via the LifeCycle portfolios. The strategy outperformed the PRREF II Custom Benchmark². Drivers of performance in underlying funds, PRISA and PRISA II can be attributed to the industrial, apartment and life science sectors. Industrial property fundamentals remain the strongest of all property types, led by assets in Los Angeles. Sizable gains in the apartment sector from development assets and lease-up activity contributed to performance, as well as continued investor demand for life science projects drove performance in San Francisco.
- Oakmark Equity & Income outperformed both the 60% S&P 500/40% Barclays Aggregate benchmark and the peer group median. The largest contributors to portfolio return in the quarter were Bank of America, UnitedHealth Group, CVS Health, Citigroup and Charter Communications.

¹ The Real Asset Custom Benchmark is composed of 40% Barclays U.S. TIPS, 40% MSCI ACWI, and 20% Bloomberg Commodity Index.

² PRREF II Custom Benchmark is composed of 85% NCREIF Open-End Diversified Core Equity Fund Index and 15% MSCI US REIT Index.

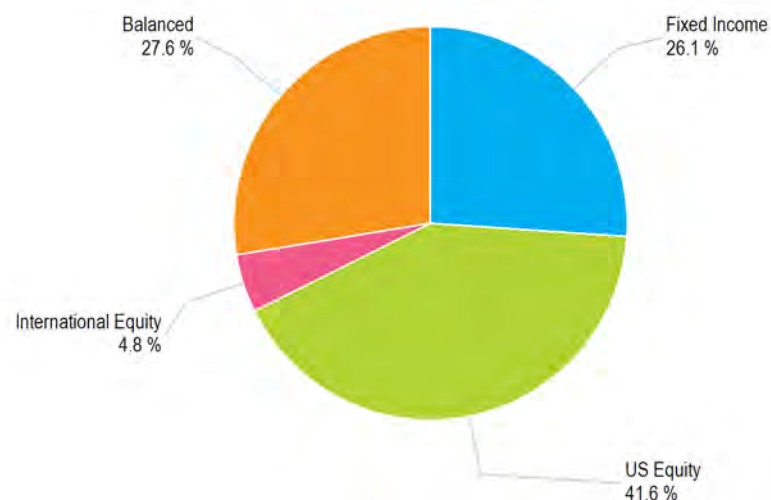
Fourth Quarter of 2019 Performance Report

Plan Summary

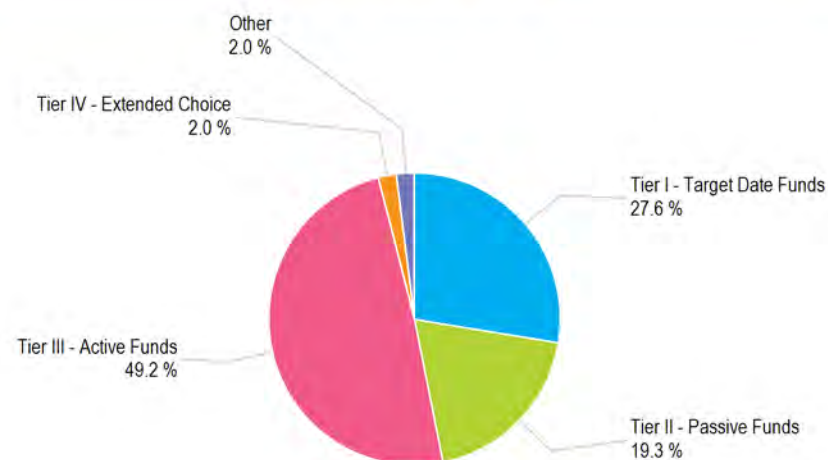
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of December 31, 2019

Total Plan Allocation by Asset Class



Total Plan Allocation by Tier



Asset Allocation				
	Current Balance	Current Allocation	4Q Cash Flows	Balance as of 9/30/2019
Tier I - Target Date Funds	\$185,800,124	28%	\$2,271,034	\$175,333,548
Tier II - Passive Funds	\$130,245,297	19%	\$5,983,998	\$115,983,167
Tier III - Active Funds	\$331,376,229	49%	-\$11,260,590	\$325,066,338
Tier IV - Extended Choice	\$13,237,284	2%	\$99,633	\$12,499,760
Other	\$13,364,051	2%	\$100,479	\$13,084,846
Total Fund	\$674,022,984	100%	-\$2,805,445	\$641,967,659

¹ Other represents the Loan Account balance

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of December 31, 2019

Trailing Net Performance										
	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	674,022,984	100.0	-2,805,445							
Tier I - Target Date Funds	185,800,124	27.6	2,271,034							
New Mexico Conservative Portfolio	43,106,912	6.4	90,532	2.7	11.4	5.9	4.2	4.8	4.4	Jul-05
<i>New Mexico Conservative Index</i>				2.7	11.6	6.1	4.2	4.7	4.1	Jul-05
<i>Allocation - 30% to 50% Equity Mstar MF Median</i>				3.5	15.5	6.9	5.3	6.6	5.5	Jul-05
<i>Allocation - 30% to 50% Equity Mstar MF Rank</i>				77	92	82	85	99	87	Jul-05
New Mexico LifeCycle 2020 Portfolio	4,042,337	0.6	149,234	3.2	12.9	6.9	--	--	6.4	Jun-16
<i>New Mexico 2020 Benchmark</i>				3.2	12.7	6.9	--	--	6.4	Jun-16
<i>Target Date 2020 Mstar MF Median</i>				3.8	16.3	7.9	5.8	7.5	7.6	Jun-16
<i>Target Date 2020 Mstar MF Rank</i>				74	96	91	--	--	90	Jun-16
New Mexico LifeCycle 2025 Portfolio	55,873,848	8.3	407,428	4.3	15.9	8.3	5.9	7.2	5.0	Jul-05
<i>New Mexico 2025 Benchmark</i>				4.4	15.5	8.2	5.8	7.1	5.1	Jul-05
<i>Target Date 2025 Mstar MF Median</i>				4.8	18.8	8.9	6.5	8.1	6.4	Jul-05
<i>Target Date 2025 Mstar MF Rank</i>				73	95	91	89	87	96	Jul-05
New Mexico LifeCycle 2030 Portfolio	6,162,429	0.9	543,222	5.2	18.2	9.3	--	--	8.8	Jun-16
<i>New Mexico 2030 Benchmark</i>				5.4	17.7	9.2	--	--	8.8	Jun-16
<i>Target Date 2030 Mstar MF Median</i>				5.8	20.9	9.9	7.1	8.6	9.7	Jun-16
<i>Target Date 2030 Mstar MF Rank</i>				71	92	84	--	--	83	Jun-16



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of December 31, 2019

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
New Mexico LifeCycle 2035 Portfolio	35,233,536	5.2	81,294	5.9	19.6	10.0	7.0	8.1	6.3	Jul-05
<i>New Mexico 2035 Benchmark</i>				6.1	19.0	9.8	6.8	8.0	5.8	Jul-05
<i>Target Date 2035 Mstar MF Median</i>				6.5	22.5	10.6	7.6	9.1	6.9	Jul-05
<i>Target Date 2035 Mstar MF Rank</i>				74	94	86	83	95	82	Jul-05
New Mexico LifeCycle 2040 Portfolio	5,319,658	0.8	241,780	6.4	20.7	10.4	--	--	9.9	Jun-16
<i>New Mexico 2040 Benchmark</i>				6.6	19.9	10.2	--	--	9.9	Jun-16
<i>Target Date 2040 Mstar MF Median</i>				7.1	23.9	10.9	7.9	9.2	11.2	Jun-16
<i>Target Date 2040 Mstar MF Rank</i>				77	93	85	--	--	90	Jun-16
New Mexico LifeCycle 2045 Portfolio	20,293,294	3.0	33	6.6	21.3	10.7	7.4	8.9	6.9	Jul-05
<i>New Mexico 2045 Benchmark</i>				6.9	20.5	10.4	7.1	8.3	6.0	Jul-05
<i>Target Date 2045 Mstar MF Median</i>				7.5	25.1	11.4	8.1	9.5	6.6	Jul-05
<i>Target Date 2045 Mstar MF Rank</i>				82	99	89	94	89	34	Jul-05
New Mexico LifeCycle 2050 Portfolio	3,952,739	0.6	356,644	6.4	21.4	10.8	--	--	10.3	Jun-16
<i>New Mexico 2050 Benchmark</i>				7.1	21.0	10.6	--	--	10.4	Jun-16
<i>Target Date 2050 Mstar MF Median</i>				7.7	25.3	11.5	8.2	9.5	11.8	Jun-16
<i>Target Date 2050 Mstar MF Rank</i>				94	97	90	--	--	98	Jun-16
New Mexico LifeCycle 2055 Portfolio	11,815,372	1.8	400,868	7.0	22.2	11.1	7.6	9.0	5.9	Apr-07
<i>New Mexico 2055 Benchmark</i>				7.3	21.3	10.8	7.3	8.4	5.0	Apr-07
<i>Target Date 2055 Mstar MF Median</i>				7.8	25.2	11.6	8.2	9.4	--	Apr-07
<i>Target Date 2055 Mstar MF Rank</i>				86	98	83	92	94	--	Apr-07

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of December 31, 2019

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier II - Passive Funds	130,245,297	19.3	5,983,998							
Vanguard Total Bond Market Index	22,243,365	3.3	2,727,894	0.0	8.7	4.0	3.0	3.7	5.1	Oct-95
<i>BBgBarc US Aggregate TR</i>				0.2	8.7	4.0	3.0	3.7	5.2	Oct-95
<i>eV US Core Fixed Inc Net Median</i>				0.2	9.0	4.1	3.1	4.0	5.3	Oct-95
<i>eV US Core Fixed Inc Net Rank</i>				71	68	56	69	75	70	Oct-95
Vanguard Inflation-Protected Securities	5,180,365	0.8	351,266	0.5	8.2	3.2	2.5	3.3	5.2	Jul-00
<i>BBgBarc US TIPS TR</i>				0.8	8.4	3.3	2.6	3.4	5.3	Jul-00
<i>eV US TIPS / Inflation Fixed Inc Net Median</i>				0.8	8.5	3.3	2.5	3.2	5.5	Jul-00
<i>eV US TIPS / Inflation Fixed Inc Net Rank</i>				87	64	62	57	47	83	Jul-00
Vanguard Institutional Index (S&P 500)	96,450,029	14.3	399,016	9.1	31.5	15.3	11.7	13.5	10.1	Aug-90
<i>S&P 500</i>				9.1	31.5	15.3	11.7	13.6	10.1	Aug-90
<i>eV US Large Cap Core Equity Net Median</i>				8.0	28.9	13.6	10.3	12.8	10.4	Aug-90
<i>eV US Large Cap Core Equity Net Rank</i>				28	29	25	19	13	55	Aug-90
Vanguard Total International Stock Index	6,371,537	0.9	2,505,822	9.0	21.6	9.9	5.9	--	5.4	Dec-10
<i>Spliced Total International Stock Index</i>				9.3	21.8	9.8	5.8	5.1	5.4	Dec-10
<i>eV ACWI ex-US Core Equity Net Median</i>				9.9	23.3	10.1	6.0	6.3	6.5	Dec-10
<i>eV ACWI ex-US Core Equity Net Rank</i>				74	65	55	52	--	74	Dec-10

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of December 31, 2019

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier III - Active Funds	331,376,229	49.2	-11,260,590							
New Mexico Stable Value Fund	132,291,687	19.6	-3,890,803	0.7	2.5	2.1	1.9	--	1.7	Jul-12
<i>Citigroup 3-month Treasury Bill + 1%</i>				0.7	3.3	2.7	2.1	1.6	1.7	Jul-12
<i>eV US Stable Value Fixed Inc Net Median</i>				0.6	2.5	2.2	2.2	2.4	2.1	Jul-12
<i>eV US Stable Value Fixed Inc Net Rank</i>				8	51	85	81	--	83	Jul-12
Oakmark Equity & Income	20,312,307	3.0	-1,087,359	5.8	19.3	7.8	5.8	7.8	9.9	Dec-95
<i>60% S&P 500 & 40% Barclays Aggregate</i>				5.5	22.2	10.9	8.4	9.8	7.9	Dec-95
<i>Balanced MStar MF Median</i>				4.7	18.6	8.2	6.1	8.1	7.2	Dec-95
<i>Balanced MStar MF Rank</i>				27	47	57	56	57	3	Dec-95
Dodge & Cox U.S. Equity	32,967,871	4.9	-1,793,060	10.1	24.8	11.1	9.7	12.6	11.1	Feb-65
<i>Russell 1000 Value</i>				7.4	26.5	9.7	8.3	11.8	--	Feb-65
<i>eV US Large Cap Value Equity Net Median</i>				7.7	26.3	10.3	8.2	11.3	--	Feb-65
<i>eV US Large Cap Value Equity Net Rank</i>				14	67	38	22	16	--	Feb-65
Fidelity Contrafund	52,315,755	7.8	-1,885,827	10.3	30.2	19.0	13.2	14.1	12.6	Jun-67
<i>Russell 1000 Growth</i>				10.6	36.4	20.5	14.6	15.2	--	Jun-67
<i>eV US Large Cap Growth Equity Net Median</i>				9.6	33.4	19.3	13.0	13.9	--	Jun-67
<i>eV US Large Cap Growth Equity Net Rank</i>				33	80	53	46	44	--	Jun-67
Fidelity Diversified International	11,783,613	1.7	-217,453	10.0	29.8	11.8	6.8	6.7	8.3	Jan-92
<i>MSCI EAFE</i>				8.2	22.0	9.6	5.7	5.5	5.4	Jan-92
<i>eV EAFE Core Equity Net Median</i>				9.0	22.2	9.3	6.3	7.0	7.1	Jan-92
<i>eV EAFE Core Equity Net Rank</i>				36	6	19	42	56	20	Jan-92

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of December 31, 2019

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
American Funds EuroPacific Growth	10,012,926	1.5	-562,568	10.1	27.4	12.5	7.4	6.7	10.7	May-84
<i>MSCI ACWI ex USA</i>				8.9	21.5	9.9	5.5	5.0	--	May-84
<i>eV ACWI ex-US All Cap Core Eq Net Median</i>				9.7	24.6	10.4	5.8	6.5	--	May-84
<i>eV ACWI ex-US All Cap Core Eq Net Rank</i>				41	17	24	17	44	--	May-84
Principal U.S. MidCap Equity	16,351,758	2.4	403,039	6.2	42.9	18.7	13.3	16.2	11.1	Jan-01
<i>Russell MidCap</i>				7.1	30.5	12.1	9.3	13.2	9.0	Jan-01
<i>eV US Mid Cap Core Equity Net Median</i>				7.0	28.3	10.9	9.0	12.5	8.9	Jan-01
<i>eV US Mid Cap Core Equity Net Rank</i>				73	1	6	5	1	2	Jan-01
T. Rowe Price MidCap Growth	34,590,682	5.1	-1,842,623	6.9	33.1	17.9	13.4	15.7	12.5	Aug-96
<i>Russell MidCap Growth</i>				8.2	35.5	17.4	11.6	14.2	9.9	Aug-96
<i>eV US Mid Cap Growth Equity Net Median</i>				7.3	35.7	17.2	11.5	13.5	11.3	Aug-96
<i>eV US Mid Cap Growth Equity Net Rank</i>				56	66	42	13	6	1	Aug-96
Fidelity Low-Priced Stock	8,956,780	1.3	-88,783	12.5	25.8	10.7	8.3	12.0	13.5	Jan-90
<i>Russell 2500 Value</i>				7.1	23.6	6.1	7.2	11.3	11.0	Jan-90
<i>eV US Small Cap Value Equity Net Median</i>				7.8	23.8	4.5	6.5	11.0	12.0	Jan-90
<i>eV US Small Cap Value Equity Net Rank</i>				3	29	7	19	25	1	Jan-90
Dimensional U.S. Small Cap Core	11,792,848	1.7	-295,154	8.5	21.7	5.7	7.1	12.1	10.3	Apr-92
<i>Russell 2000</i>				9.9	25.5	8.6	8.2	11.8	9.4	Apr-92
<i>eV US Small Cap Core Equity Net Median</i>				8.3	24.3	8.2	8.5	12.1	11.5	Apr-92
<i>eV US Small Cap Core Equity Net Rank</i>				47	69	81	71	48	75	Apr-92

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of December 31, 2019

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier IV - Extended Choice	13,237,284	2.0	99,633							
Franklin Templeton Global Bond	2,561,078	0.4	-322,123	1.6	1.0	1.8	1.6	3.7	6.5	Apr-96
<i>FTSE WGBI TR</i>				-0.4	5.9	4.1	2.0	1.9	4.2	Apr-96
<i>eV Global Agg Fixed Inc Net Median</i>				0.3	7.9	4.5	2.4	2.8	4.8	Apr-96
<i>eV Global Agg Fixed Inc Net Rank</i>				4	99	99	89	31	5	Apr-96
Principal Diversified Real Asset	417,360	0.1	8,983	4.6	15.0	5.3	1.6	--	4.1	Apr-10
<i>Real Asset Custom Benchmark</i>				4.8	15.5	6.2	3.8	4.1	4.1	Apr-10
Invesco Global REITs	2,195,398	0.3	193,376	3.3	22.9	9.4	5.7	8.2	6.5	May-05
<i>FTSE EPRA/NAREIT Global Real Estate Index</i>				2.0	22.4	9.1	6.4	9.2	6.6	May-05
<i>eV Global REIT Net Median</i>				2.7	25.3	9.6	6.5	9.4	6.7	May-05
<i>eV Global REIT Net Rank</i>				37	71	52	62	82	79	May-05
Aberdeen Emerging Markets Equity	2,126,379	0.3	-173,803	9.4	20.4	10.2	5.3	5.3	5.8	Jun-07
<i>MSCI Emerging Markets</i>				11.8	18.4	11.6	5.6	3.7	3.2	Jun-07
<i>eV Emg Mkts Equity Net Median</i>				11.4	19.3	10.7	5.5	4.4	3.5	Jun-07
<i>eV Emg Mkts Equity Net Rank</i>				78	46	61	57	29	10	Jun-07
Self Directed Brokerage Options	5,937,069	0.9	393,200							

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of December 31, 2019

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Other	13,364,051	2.0	100,479							
Columbia Institutional High Yield	--	--		2.7	17.2	6.2	5.7	--	5.8	Dec-12
ICE BofAML US High Yield Cash Pay Constrained TR				2.6	14.4	6.3	6.1	7.5	5.9	Dec-12
eV US High Yield Fixed Inc Net Median				2.4	13.5	5.9	5.6	7.1	5.5	Dec-12
eV US High Yield Fixed Inc Net Rank				27	3	28	37	--	32	Dec-12
Prudential Retirement Real Estate Fund II	--	--		1.4	9.2	--	--	--	7.6	Jan-18
PRREF II Custom Benchmark				1.1	8.1	--	--	--	7.2	Jan-18
Loan Account	13,364,051	2.0	100,479							



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of December 31, 2019

Calendar Year Performance										
	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
Total Fund										
Tier I - Target Date Funds										
New Mexico Conservative Portfolio	11.4	-1.8	8.6	4.9	-1.3	4.4	4.2	9.3	2.9	6.7
<i>New Mexico Conservative Index</i>	11.6	-1.6	8.8	4.1	-1.1	4.0	4.0	8.5	3.1	6.0
<i>Allocation - 30% to 50% Equity Mstar MF Median</i>	15.5	-4.5	10.4	6.8	-1.2	4.2	7.1	10.2	2.2	10.4
<i>Allocation - 30% to 50% Equity Mstar MF Rank</i>	92	1	77	89	55	46	81	61	36	96
New Mexico LifeCycle 2020 Portfolio	12.9	-2.8	11.2	--	--	--	--	--	--	--
<i>New Mexico 2020 Benchmark</i>	12.7	-2.5	11.3	--	--	--	--	--	--	--
<i>Target Date 2020 Mstar MF Median</i>	16.3	-4.2	13.0	6.5	-1.1	5.1	13.3	12.2	-0.1	12.7
<i>Target Date 2020 Mstar MF Rank</i>	96	3	82	--	--	--	--	--	--	--
New Mexico LifeCycle 2025 Portfolio	15.9	-4.1	14.3	6.7	-1.6	6.0	13.5	16.5	-2.6	10.6
<i>New Mexico 2025 Benchmark</i>	15.5	-4.0	14.4	6.2	-1.7	5.3	14.2	14.6	-1.9	10.8
<i>Target Date 2025 Mstar MF Median</i>	18.8	-5.2	15.2	7.2	-1.2	5.2	16.7	13.3	-1.5	13.5
<i>Target Date 2025 Mstar MF Rank</i>	95	13	80	75	70	28	86	1	79	99
New Mexico LifeCycle 2030 Portfolio	18.2	-5.1	16.4	--	--	--	--	--	--	--
<i>New Mexico 2030 Benchmark</i>	17.7	-5.1	16.4	--	--	--	--	--	--	--
<i>Target Date 2030 Mstar MF Median</i>	20.9	-6.2	17.1	7.4	-1.1	5.4	19.3	13.9	-2.2	13.7
<i>Target Date 2030 Mstar MF Rank</i>	92	18	67	--	--	--	--	--	--	--
New Mexico LifeCycle 2035 Portfolio	19.6	-5.9	18.1	7.4	-1.9	5.7	16.3	18.4	-4.4	11.8
<i>New Mexico 2035 Benchmark</i>	19.0	-5.9	18.2	7.1	-2.2	4.9	17.1	16.2	-3.5	12.5
<i>Target Date 2035 Mstar MF Median</i>	22.5	-6.9	18.8	8.0	-1.4	5.5	20.9	15.3	-3.2	14.7
<i>Target Date 2035 Mstar MF Rank</i>	94	15	74	73	72	40	92	1	85	99

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

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	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
New Mexico LifeCycle 2040 Portfolio	20.7	-6.4	19.1	--	--	--	--	--	--	--
<i>New Mexico 2040 Benchmark</i>	19.9	-6.4	19.2	--	--	--	--	--	--	--
<i>Target Date 2040 Mstar MF Median</i>	23.9	-7.5	19.9	8.1	-1.3	5.6	23.0	15.2	-3.7	14.5
<i>Target Date 2040 Mstar MF Rank</i>	93	14	77	--	--	--	--	--	--	--
New Mexico LifeCycle 2045 Portfolio	21.3	-6.8	20.0	7.5	-2.0	5.6	17.6	19.5	-5.3	17.0
<i>New Mexico 2045 Benchmark</i>	20.5	-6.8	19.9	7.3	-2.4	4.8	18.6	17.0	-4.3	12.9
<i>Target Date 2045 Mstar MF Median</i>	25.1	-8.0	21.0	8.3	-1.5	5.7	23.5	15.7	-3.9	15.2
<i>Target Date 2045 Mstar MF Rank</i>	99	6	75	73	72	60	96	1	90	1
New Mexico LifeCycle 2050 Portfolio	21.4	-7.0	20.4	--	--	--	--	--	--	--
<i>New Mexico 2050 Benchmark</i>	21.0	-7.1	20.4	--	--	--	--	--	--	--
<i>Target Date 2050 Mstar MF Median</i>	25.3	-8.3	21.4	8.3	-1.3	5.8	23.8	15.8	-3.8	15.3
<i>Target Date 2050 Mstar MF Rank</i>	97	5	78	--	--	--	--	--	--	--
New Mexico LifeCycle 2055 Portfolio	22.2	-7.2	20.8	7.6	-2.0	5.6	18.2	19.7	-5.2	15.8
<i>New Mexico 2055 Benchmark</i>	21.3	-7.2	20.8	7.4	-2.5	4.7	19.2	17.4	-4.5	12.9
<i>Target Date 2055 Mstar MF Median</i>	25.2	-8.4	21.5	8.4	-1.4	6.0	23.9	15.8	-4.0	15.1
<i>Target Date 2055 Mstar MF Rank</i>	98	11	78	77	76	58	99	1	78	31
Tier II - Passive Funds										
Vanguard Total Bond Market Index	8.7	0.0	3.6	2.6	0.4	5.9	-2.1	4.2	7.7	6.6
<i>BBgBarc US Aggregate TR</i>	8.7	0.0	3.5	2.6	0.5	6.0	-2.0	4.2	7.8	6.5
<i>eV US Core Fixed Inc Net Median</i>	9.0	-0.2	3.8	3.1	0.5	5.6	-1.8	5.9	7.3	7.2
<i>eV US Core Fixed Inc Net Rank</i>	68	39	65	73	64	40	76	88	28	73

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Total Fund | As of December 31, 2019

	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
Vanguard Inflation-Protected Securities	8.2	-1.4	3.0	4.6	-1.7	4.1	-8.8	6.9	13.4	6.3
<i>BBgBarc US TIPS TR</i>	8.4	-1.3	3.0	4.7	-1.4	3.6	-8.6	7.0	13.6	6.3
<i>eV US TIPS / Inflation Fixed Inc Net Median</i>	8.5	-1.4	3.1	4.6	-1.6	3.3	-8.8	7.2	13.4	6.5
<i>eV US TIPS / Inflation Fixed Inc Net Rank</i>	64	47	59	50	54	11	53	68	49	69
Vanguard Institutional Index (S&P 500)	31.5	-4.4	21.8	11.9	1.4	13.6	32.4	16.0	2.1	15.0
<i>S&P 500</i>	31.5	-4.4	21.8	12.0	1.4	13.7	32.4	16.0	2.1	15.1
<i>eV US Large Cap Core Equity Net Median</i>	28.9	-5.8	21.4	9.3	0.6	12.5	31.8	14.8	-0.3	13.3
<i>eV US Large Cap Core Equity Net Rank</i>	29	32	46	21	37	33	43	31	26	23
Vanguard Total International Stock Index	21.6	-14.4	27.6	4.7	-4.2	-4.1	15.1	18.3	-14.5	--
<i>Spliced Total International Stock Index</i>	21.8	-14.6	27.4	4.7	-4.3	-3.4	15.8	17.0	-14.3	10.7
<i>eV ACWI ex-US Core Equity Net Median</i>	23.3	-15.7	28.7	1.0	-1.4	-3.2	18.2	18.3	-12.7	13.3
<i>eV ACWI ex-US Core Equity Net Rank</i>	65	37	66	22	77	61	91	47	59	--
Tier III - Active Funds										
New Mexico Stable Value Fund	2.5	2.1	1.8	1.7	1.5	1.2	1.4	--	--	--
<i>Citigroup 3-month Treasury Bill + 1%</i>	3.3	2.9	1.8	1.3	1.0	1.0	1.1	1.1	1.1	1.1
<i>eV US Stable Value Fixed Inc Net Median</i>	2.5	1.5	1.8	1.5	1.4	1.6	0.3	3.1	5.1	--
<i>eV US Stable Value Fixed Inc Net Rank</i>	51	30	51	44	43	77	22	--	--	--
Oakmark Equity & Income	19.3	-8.3	14.5	11.0	-4.6	6.9	24.2	9.1	0.7	9.5
<i>60% S&P 500 & 40% Barclays Aggregate</i>	22.2	-2.3	14.2	8.3	1.3	10.6	17.6	11.3	4.7	12.1
<i>Balanced MStar MF Median</i>	18.6	-5.5	12.5	7.0	-1.2	5.7	16.1	12.2	0.3	12.2
<i>Balanced MStar MF Rank</i>	47	83	36	13	86	29	11	85	47	88

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	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
Dodge & Cox U.S. Equity	24.8	-7.1	18.3	21.3	-4.5	10.4	40.5	22.0	-4.1	13.5
<i>Russell 1000 Value</i>	26.5	-8.3	13.7	17.3	-3.8	13.5	32.5	17.5	0.4	15.5
<i>eV US Large Cap Value Equity Net Median</i>	26.3	-9.0	16.7	13.8	-3.1	11.3	33.1	15.3	0.0	13.6
<i>eV US Large Cap Value Equity Net Rank</i>	67	31	34	6	64	69	10	5	79	51
Fidelity Contrafund	30.2	-2.1	32.3	3.5	6.6	9.7	34.3	16.4	0.0	17.1
<i>Russell 1000 Growth</i>	36.4	-1.5	30.2	7.1	5.7	13.0	33.5	15.3	2.6	16.7
<i>eV US Large Cap Growth Equity Net Median</i>	33.4	-1.3	28.5	3.4	4.1	11.1	34.0	15.7	-0.8	16.3
<i>eV US Large Cap Growth Equity Net Rank</i>	80	57	25	48	27	64	48	41	40	44
Fidelity Diversified International	29.8	-15.1	26.8	-3.6	3.2	-3.0	25.3	19.6	-13.6	9.9
<i>MSCI EAFE</i>	22.0	-13.8	25.0	1.0	-0.8	-4.9	22.8	17.3	-12.1	7.8
<i>eV EAFE Core Equity Net Median</i>	22.2	-16.0	27.1	-0.4	1.5	-3.9	24.4	20.1	-12.7	12.0
<i>eV EAFE Core Equity Net Rank</i>	6	41	52	89	30	39	44	54	61	73
American Funds EuroPacific Growth	27.4	-14.9	31.2	1.0	-0.5	-2.3	20.6	19.6	-13.3	9.8
<i>MSCI ACWI ex USA</i>	21.5	-14.2	27.2	4.5	-5.7	-3.9	15.3	16.8	-13.7	11.2
<i>eV ACWI ex-US All Cap Core Eq Net Median</i>	24.6	-15.0	28.7	1.2	-1.5	-2.3	18.2	17.8	-11.0	14.2
<i>eV ACWI ex-US All Cap Core Eq Net Rank</i>	17	50	26	52	39	50	36	24	67	80
Principal U.S. MidCap Equity	42.9	-6.7	25.3	10.2	1.5	12.7	33.6	19.2	8.0	23.8
<i>Russell MidCap</i>	30.5	-9.1	18.5	13.8	-2.4	13.2	34.8	17.3	-1.5	25.5
<i>eV US Mid Cap Core Equity Net Median</i>	28.3	-11.0	18.9	10.6	-0.5	8.2	35.2	14.3	-1.7	23.5
<i>eV US Mid Cap Core Equity Net Rank</i>	1	25	8	55	31	22	66	15	1	35
T. Rowe Price MidCap Growth	33.1	-2.2	26.0	6.9	6.9	13.8	37.9	14.5	-1.3	29.3
<i>Russell MidCap Growth</i>	35.5	-4.8	25.3	7.3	-0.2	11.9	35.7	15.8	-1.7	26.4
<i>eV US Mid Cap Growth Equity Net Median</i>	35.7	-4.4	24.7	5.2	-0.5	7.6	35.1	14.7	-2.7	26.0
<i>eV US Mid Cap Growth Equity Net Rank</i>	66	32	35	30	1	5	27	53	38	24

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Total Fund | As of December 31, 2019

	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
Fidelity Low-Priced Stock	25.8	-10.7	20.8	8.9	0.9	7.7	34.4	18.7	0.0	20.9
<i>Russell 2500 Value</i>	23.6	-12.4	10.4	25.2	-5.5	7.1	33.3	19.2	-3.4	24.8
<i>eV US Small Cap Value Equity Net Median</i>	23.8	-15.0	10.3	26.2	-4.6	5.0	37.1	15.9	-3.0	25.0
<i>eV US Small Cap Value Equity Net Rank</i>	29	17	3	99	5	19	71	29	27	84
Dimensional U.S. Small Cap Core	21.7	-13.1	11.5	23.5	-3.3	4.4	42.2	18.4	-3.2	30.7
<i>Russell 2000</i>	25.5	-11.0	14.6	21.3	-4.4	4.9	38.8	16.3	-4.2	26.9
<i>eV US Small Cap Core Equity Net Median</i>	24.3	-11.1	14.4	19.5	-2.1	4.4	38.9	15.6	-1.6	25.8
<i>eV US Small Cap Core Equity Net Rank</i>	69	67	77	22	62	50	25	22	62	11
Tier IV - Extended Choice										
Franklin Templeton Global Bond	1.0	1.6	2.8	6.8	-3.9	2.0	2.4	15.8	-2.4	12.7
<i>FTSE WGBI TR</i>	5.9	-0.8	7.5	1.6	-3.6	-0.5	-4.0	1.6	6.4	5.2
<i>eV Global Agg Fixed Inc Net Median</i>	7.9	-1.7	7.5	2.7	-3.0	1.9	-2.8	6.8	4.8	6.9
<i>eV Global Agg Fixed Inc Net Rank</i>	99	1	99	2	67	48	1	7	99	4
Principal Diversified Real Asset	15.0	-7.9	10.2	5.9	-12.4	2.5	5.4	7.7	0.8	--
<i>Real Asset Custom Benchmark</i>	15.5	-6.4	10.7	7.6	-6.6	-0.5	2.9	9.2	-0.4	11.5
Invesco Global REITs	22.9	-5.9	13.1	2.1	-1.1	14.8	3.0	28.4	-6.5	17.7
<i>FTSE EPRA/NAREIT Global Real Estate Index</i>	22.4	-4.7	11.4	5.0	0.1	15.9	4.4	28.7	-5.8	20.4
<i>eV Global REIT Net Median</i>	25.3	-5.6	11.9	3.8	0.5	16.8	5.2	29.1	-5.2	19.8
<i>eV Global REIT Net Rank</i>	71	53	40	72	73	83	84	66	67	99
Aberdeen Emerging Markets Equity	20.4	-14.6	30.2	12.0	-13.7	-2.5	-7.5	26.2	-11.0	27.6
<i>MSCI Emerging Markets</i>	18.4	-14.6	37.3	11.2	-14.9	-2.2	-2.6	18.2	-18.4	18.9
<i>eV Emg Mkts Equity Net Median</i>	19.3	-16.2	37.1	8.2	-12.9	-0.8	-0.1	19.6	-18.1	21.1
<i>eV Emg Mkts Equity Net Rank</i>	46	32	81	31	59	66	97	2	6	10
Self Directed Brokerage Options										



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Total Fund | As of December 31, 2019

	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
Other										
Columbia Institutional High Yield	17.2	-4.1	6.6	11.6	-1.1	4.1	6.3	--	--	--
ICE BofAML US High Yield Cash Pay Constrained TR	14.4	-2.2	7.5	17.3	-4.5	2.5	7.4	15.4	4.5	15.1
eV US High Yield Fixed Inc Net Median	13.5	-2.3	7.1	13.5	-3.3	1.9	7.3	14.8	3.7	14.1
eV US High Yield Fixed Inc Net Rank	3	89	61	71	21	15	75	--	--	--
Prudential Retirement Real Estate Fund II	9.2	6.1	--	--	--	--	--	--	--	--
PRREF II Custom Benchmark	8.1	6.3	--	--	--	--	--	--	--	--
Loan Account										

¹ Columbia Institutional High Yield and Prudential Retirement Real Estate Fund II are only offered as underlying components of the New Mexico LifeCycle Portfolios.

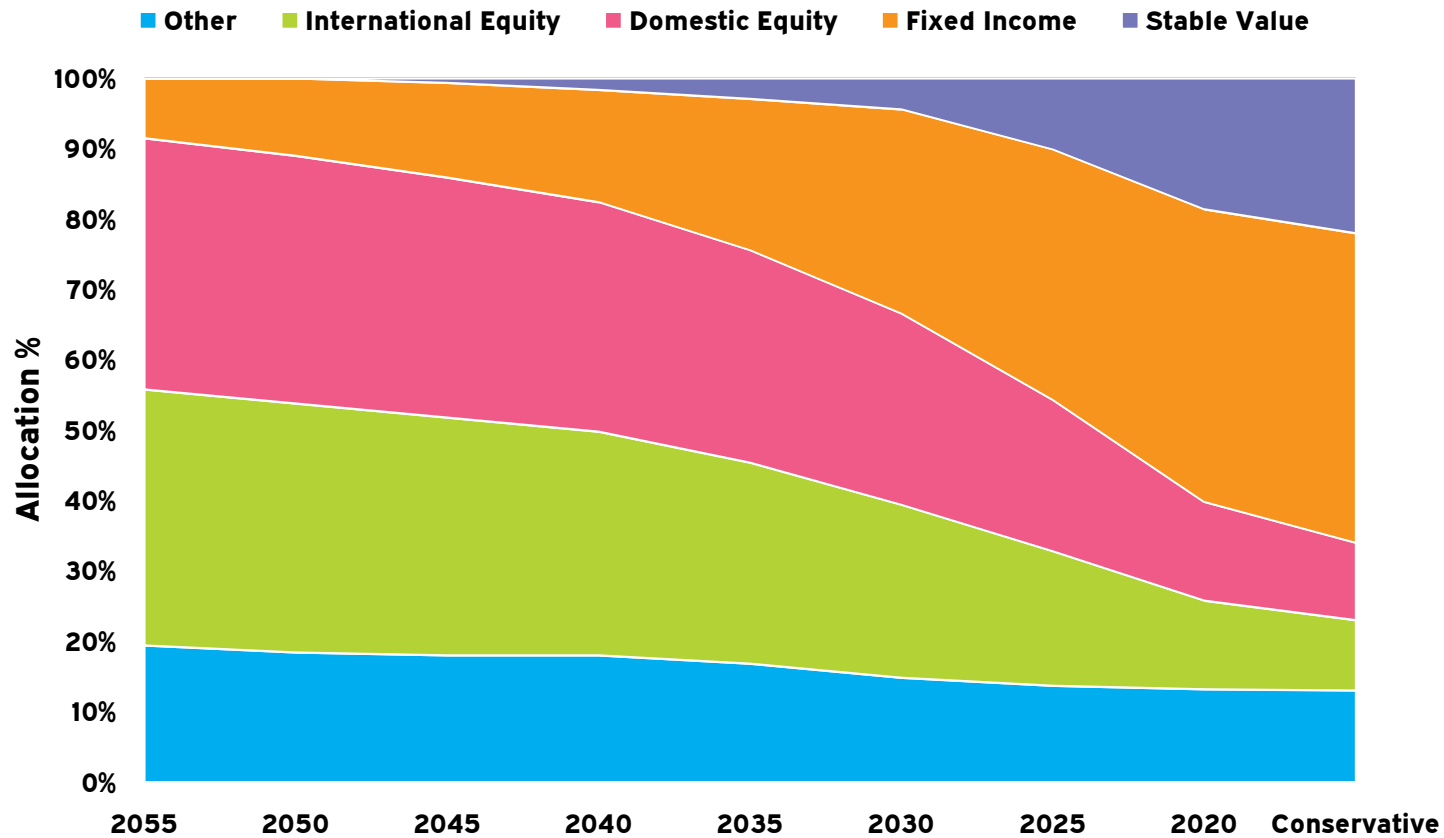
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

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Investment Expense Analysis								
As Of December 31, 2019								
Name	Style	Market Value	Expense Ratio (%)	Estimated Fund Expense (\$)	Median Expense Ratio (%)	Net Expense Difference	Revenue Sharing (\$)	Revenue Sharing(%)
Tier I - Target Date Funds		\$185,800,124						
New Mexico Conservative Portfolio	Target Date	\$43,106,912	0.35	152,361	0.42	-0.07	-	0.00
New Mexico LifeCycle 2020 Portfolio	Target Date	\$4,042,337	0.36	14,374	0.63	-0.27	-	0.00
New Mexico LifeCycle 2025 Portfolio	Target Date	\$55,873,848	0.36	203,487	0.64	-0.28	-	0.00
New Mexico LifeCycle 2030 Portfolio	Target Date	\$6,162,429	0.37	22,867	0.66	-0.29	-	0.00
New Mexico LifeCycle 2035 Portfolio	Target Date	\$35,233,536	0.40	142,654	0.67	-0.27	-	0.00
New Mexico LifeCycle 2040 Portfolio	Target Date	\$5,319,658	0.43	22,905	0.69	-0.26	-	0.00
New Mexico LifeCycle 2045 Portfolio	Target Date	\$20,293,294	0.43	86,886	0.71	-0.28	-	0.00
New Mexico LifeCycle 2050 Portfolio	Target Date	\$3,952,739	0.43	16,878	0.71	-0.28	-	0.00
New Mexico LifeCycle 2055 Portfolio	Target Date	\$11,815,372	0.43	50,485	0.72	-0.29	-	0.00
Tier II - Passive Funds		\$130,245,297						
Vanguard Total Bond Market Index	Bonds	\$22,243,365	0.04	8,897	0.49	-0.45	-	0.00
Vanguard Inflation-Protected Securities	Bonds	\$5,180,365	0.07	3,626	0.45	-0.38	-	0.00
Vanguard Institutional Index (S&P 500)	US Large Cap	\$96,450,029	0.02	19,290	0.71	-0.69	-	0.00
Vanguard Total International Stock Index	International Equity	\$6,371,537	0.08	5,097	0.85	-0.77	-	0.00
Tier III - Active Funds		\$331,376,229						
New Mexico Stable Value Fund	Bonds (Stable Value)	\$132,291,687	0.35	463,021	0.50	-0.15	-	0.00
Oakmark Equity & Income	Balanced	\$20,312,307	0.81	164,530	0.83	-0.02	\$60,937	0.30
Dodge & Cox U.S. Equity	US Large Cap	\$32,967,871	0.52	171,433	0.87	-0.35	\$32,968	0.10
Fidelity Contrafund	US Large Cap	\$52,315,755	0.73	381,905	0.62	0.11	-	0.00
Fidelity Diversified International	International Equity	\$11,783,613	0.63	74,237	0.80	-0.17	-	0.00
American Funds EuroPacific Growth	International Equity	\$10,012,926	0.49	49,063	0.80	-0.31	-	0.00
Principal U.S. MidCap Equity	US Mid Cap	\$16,351,758	0.69	112,827	0.87	-0.18	\$16,352	0.10
T. Rowe Price MidCap Growth	US Mid Cap	\$34,590,682	0.61	211,003	0.87	-0.26	-	0.00
Fidelity Low-Priced Stock	US Mid Cap	\$8,956,780	0.43	38,514	0.80	-0.37	-	0.00
Dimensional U.S. Small Cap Core	US Small Cap	\$11,792,848	0.37	43,634	0.96	-0.59	-	0.00
Tier IV - Extended Choice		\$13,237,284						
Franklin Templeton Global Bond	International Bonds	\$2,561,078	0.57	14,598	0.67	-0.10	-	0.00
Principal Diversified Real Asset	Real Assets	\$417,360	0.86	3,589	0.90	-0.04	\$417	0.10
Invesco Global REITs	REITs	\$2,195,398	0.92	20,198	0.89	0.03	\$7,684	0.35
Aberdeen Emerging Markets Equity	International Equity	\$2,126,379	1.10	23,390	1.14	-0.04	-	0.00
Self Directed Brokerage Options	Brokerage Window	\$5,937,069	-	-	-	-	-	-
Other		\$13,364,051						
Columbia High Yield	Bonds	-	0.66	-	0.71	-5.00	-	0.00
Loan Account	Other	\$13,364,051	-	-	-	-	-	-
Prudential Retirement Real Estate Fund II	Private Real Estate	-	0.90	-	N/A	N/A	-	NA
Total		\$674,022,984	0.37%	\$2,521,749			\$118,358	0.02

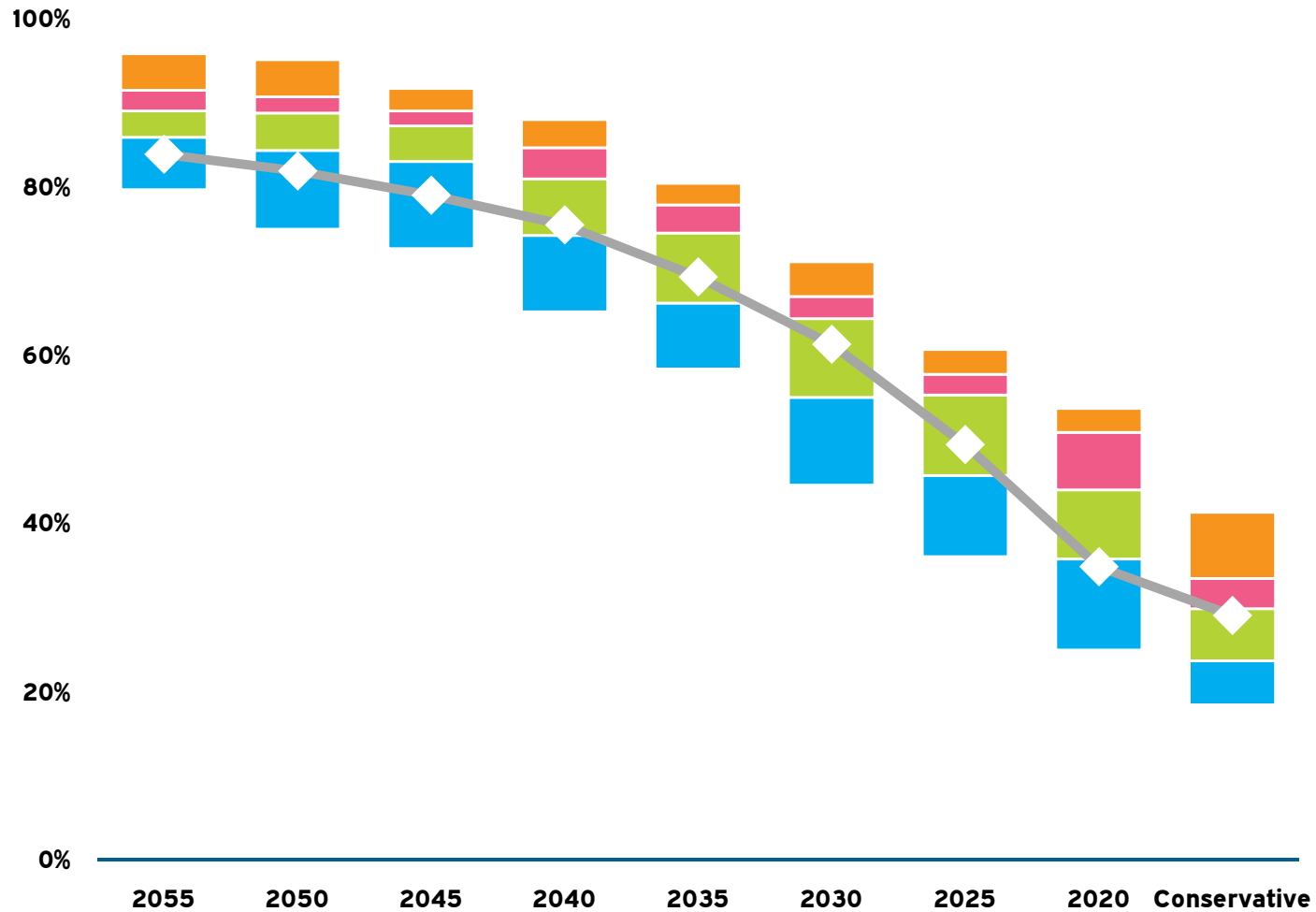
LifeCycle Funds Detail As of December 31, 2019

Glide Path Universe Comparison¹
% Allocation to Equity



¹ Peer universe data is provided by MorningStar Mutual Fund Target Date universe. Each color of the bar represents a quartile with the top and bottom representing the maximum and minimum observation. The Core Private Real Estate allocation is included within equity.

Asset Allocation by Target Date



LifeCycle Funds Detail

	2055 Portfolio (%)	2050 Portfolio (%)	2045 Portfolio (%)	2040 Portfolio (%)	2035 Portfolio (%)	2030 Portfolio (%)	2025 Portfolio (%)	2020 Portfolio (%)	Conservative Portfolio (%)
Total Fixed Income	8.5	11.0	14.1	17.6	24.4	33.4	45.7	60.2	66.0
Total Stable Value	0.0	0.0	0.6	1.6	2.9	4.4	10.1	18.6	22.0
New Mexico Stable Value Fund (Galliard)	0.0	0.0	0.6	1.6	2.9	4.4	10.1	18.6	22.0
Total Investment Grade Bonds	3.4	4.9	6.4	7.6	11.9	18.4	24.0	29.0	31.0
Vanguard Inflation-Protected Securities	0.6	1.3	2.1	2.8	3.6	4.6	7.1	10.6	12.0
Vanguard Total Bond Market Index	2.8	3.6	4.3	4.8	8.3	13.8	16.9	18.4	19.0
Total Global Bonds	5.1	6.1	7.1	8.4	9.6	10.6	11.6	12.6	13.0
Templeton Global Bond Fund	2.3	2.8	3.3	3.8	4.3	4.8	5.0	5.0	5.0
Columbia High Yield Bonds	2.8	3.3	3.8	4.6	5.3	5.8	6.6	7.6	8.0
Total Equity	72.1	70.6	67.9	64.4	58.8	51.8	40.6	26.6	21.0
Total Domestic Equity	35.7	35.2	34.1	32.6	30.2	27.2	21.5	14.0	11.0
Vanguard Institutional Index Fund	25.2	24.4	23.4	22.4	21.1	19.3	15.2	10.0	8.0
Principal Mid Cap Equity	3.5	3.7	3.6	3.5	3.2	2.7	2.2	1.4	1.0
T. Rowe Price Mid Cap Growth	3.5	3.7	3.6	3.5	3.2	2.7	2.2	1.4	1.0
DFA US Small Cap Portfolio	3.5	3.5	3.5	3.2	2.7	2.5	1.9	1.2	1.0
Total International Equity	36.4	35.4	33.8	31.8	28.6	24.6	19.1	12.6	10.0
Vanguard Total International Stock Index	19.4	18.4	17.4	16.4	14.8	12.8	9.9	6.4	5.0
American Fund EuroPacific Growth	7.0	7.0	6.4	5.7	5.2	5.0	3.8	2.4	2.0
Aberdeen Emerging Markets	10.0	10.0	10.0	9.7	8.6	6.8	5.4	3.8	3.0
Total Other	19.4	18.4	18.0	18.0	16.8	14.8	13.7	13.2	13.0
Total Core Private Real Estate	11.7	11.2	11.0	11.0	10.4	9.4	8.7	8.2	8.0
Prudential Retirement Real Estate Fund II	11.7	11.2	11.0	11.0	10.4	9.4	8.7	8.2	8.0
Total Diversified Inflation Hedge	7.7	7.2	7.0	7.0	6.4	5.4	5.0	5.0	5.0
Principal Diversified Real Asset Fund	7.7	7.2	7.0	7.0	6.4	5.4	5.0	5.0	5.0

Portfolio Reviews

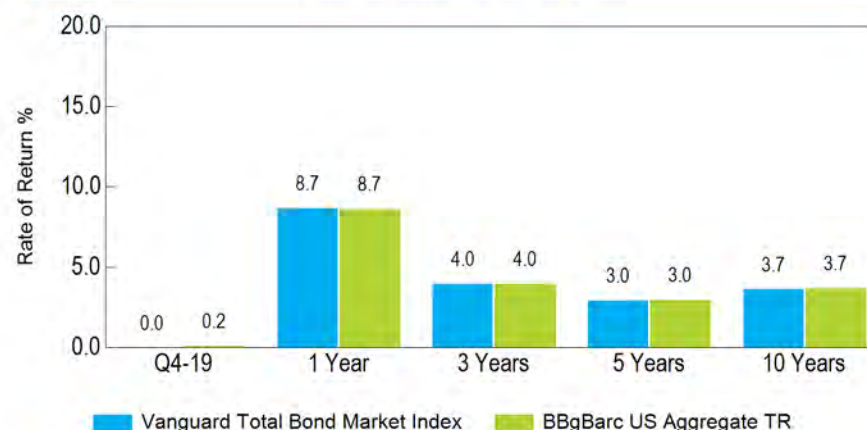
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Vanguard Total Bond Market Index | As of December 31, 2019

Fund Information as of December 31, 2019

Fund Name	VANGUARD TOTAL BOND MARKET INDEX I
Ticker	VBPIX
Morningstar Category	Intermediate Core Bond
Benchmark	BBgBarc US Aggregate TR
Expense Ratio	0.04%
Fund Assets (\$mm)	47,477.16
Share Class Inception Date	9/18/1995
Manager Tenure	7

Return Summary Ending December 31, 2019



Fund Characteristics as of December 31, 2019

Sharpe Ratio (3 Year)	0.81
Average Duration	6.26
Average Coupon	3.20%
Average Effective Maturity	8.20
R-Squared (3 Year)	0.99
Alpha (3 Year)	0.00%
Beta (3 Year)	1.01

Credit Quality as of November 30, 2019

AAA	66.24%
AA	3.43%
A	11.16%
BBB	19.17%
BB	0.00%
B	0.00%
Below B	0.00%
Not Rated	0.00%

Fixed Income Sectors as of December 31, 2019

GOVERNMENT	46.34%
MUNICIPAL	0.64%
CORPORATE	26.41%
SECURITIZED	24.70%
CASH & EQUIVALENTS	1.93%
DERIVATIVE	0.00%

¹ The portfolio's equity characteristics are calculated by Morningstar. Index characteristics are calculated by InvestorForce using a different methodology, which accounts for the differences between the portfolio and the index.

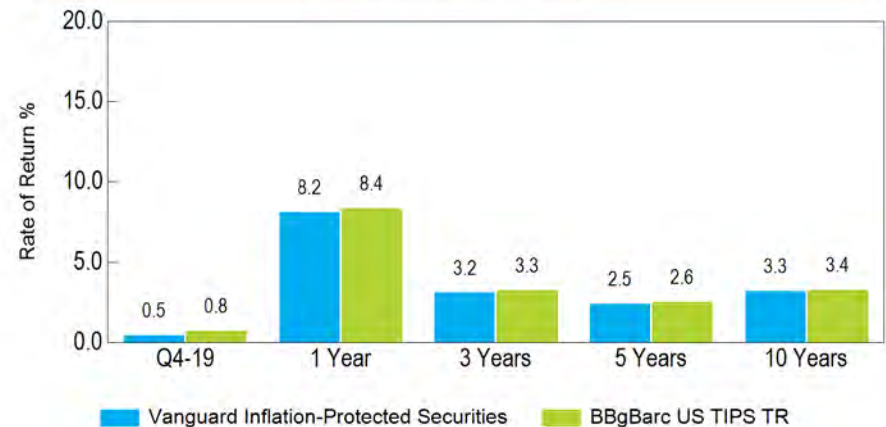
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Vanguard Inflation-Protected Securities | As of December 31, 2019

Fund Information as of December 31, 2019

Fund Name	VANGUARD INFLATION-PROTECTED SECS I
Ticker	VIPIX
Morningstar Category	Inflation-Protected Bond
Benchmark	BBgBarc US TIPS TR
Expense Ratio	0.07%
Fund Assets (\$mm)	10,249.83
Share Class Inception Date	12/12/2003
Manager Tenure	8

Return Summary Ending December 31, 2019



Fund Characteristics as of December 31, 2019

Sharpe Ratio (3 Year)	0.52
Average Duration	7.38
Average Coupon	0.82%
Average Effective Maturity	8.30
R-Squared (3 Year)	0.98
Alpha (3 Year)	0.00%
Beta (3 Year)	0.98

Credit Quality as of November 30, 2019

AAA	100.00%
AA	0.00%
A	0.00%
BBB	0.00%
BB	0.00%
B	0.00%
Below B	0.00%
Not Rated	0.00%

Fixed Income Sectors as of December 31, 2019

GOVERNMENT	97.7%
MUNICIPAL	0.0%
CORPORATE	0.0%
SECURITIZED	0.0%
CASH & EQUIVALENTS	2.3%
DERIVATIVE	0.0%

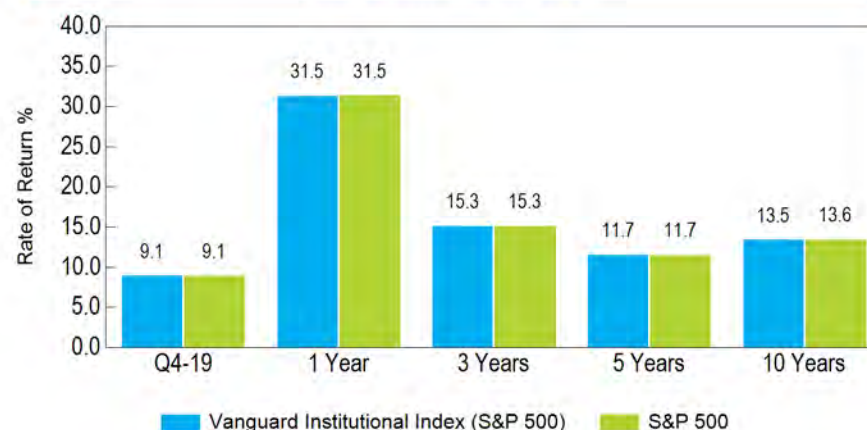
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Vanguard Institutional Index (S&P 500) | As of December 31, 2019

Portfolio Fund Information as of December 31, 2019

Ticker	VIIIIX
Morningstar Category	Large Blend
Average Market Cap (\$mm)	123,886.02
Net Assets (\$mm)	125,358.87
% Assets in Top 10 Holdings	22.63
Total Number of Holdings	510
Manager Name	Donald M. Butler
Manager Tenure	19
Expense Ratio	0.02%
Closed to New Investors	No

Return Summary Ending December 31, 2019



Equity Characteristics Within Mutual Funds as of December 31, 2019

Versus S&P 500

	Portfolio	S&P 500
Average Market Cap (Billions)	123.89	272.00
Price To Earnings	18.68	23.01
Price To Book	3.44	3.87
Return On Equity	26.07	26.11
Dividend Yield	1.86%	1.83%
Beta (3 Year)	1.00	1.00

Top Holdings as of December 31, 2019

APPLE INC	4.6%
MICROSOFT CORP	4.5%
AMAZON.COM INC	2.9%
FACEBOOK INC A	1.8%
BERKSHIRE HATHAWAY INC B	1.7%
JPMORGAN CHASE & CO	1.6%
ALPHABET INC A	1.5%
ALPHABET INC CLASS C	1.5%
JOHNSON & JOHNSON	1.4%
VISA INC CLASS A	1.2%

Sector Allocation as of December 31, 2019

BASIC MATERIALS	2.3%
COMMUNICATION SERVICES	10.4%
CONSUMER CYCLICAL	9.6%
CONSUMER DEFENSIVE	7.5%
ENERGY	4.4%
FINANCIAL SERVICES	15.9%
HEALTHCARE	14.4%
INDUSTRIALS	9.5%
REAL ESTATE	2.9%
TECHNOLOGY	19.8%
UTILITIES	3.3%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Vanguard Total International Stock Index | As of December 31, 2019

Portfolio Fund Information as of December 31, 2019			Top Regions as of December 31, 2019		Return Summary Ending December 31, 2019																			
Ticker	VTSNX		EUROZONE	20.01%	<table><caption>Rate of Return % Data</caption><thead><tr><th>Period</th><th>Vanguard Total International Stock Index</th><th>Spliced Total International Stock Index</th></tr></thead><tbody><tr><td>Q4-19</td><td>9.0</td><td>9.3</td></tr><tr><td>1 Year</td><td>21.6</td><td>21.8</td></tr><tr><td>3 Years</td><td>9.9</td><td>9.8</td></tr><tr><td>5 Years</td><td>5.9</td><td>5.8</td></tr><tr><td>10 Years</td><td></td><td>5.1</td></tr></tbody></table>		Period	Vanguard Total International Stock Index	Spliced Total International Stock Index	Q4-19	9.0	9.3	1 Year	21.6	21.8	3 Years	9.9	9.8	5 Years	5.9	5.8	10 Years		5.1
Period	Vanguard Total International Stock Index	Spliced Total International Stock Index																						
Q4-19	9.0	9.3																						
1 Year	21.6	21.8																						
3 Years	9.9	9.8																						
5 Years	5.9	5.8																						
10 Years		5.1																						
Morningstar Category	Foreign Large Blend		JAPAN	16.72%																				
Average Market Cap (\$mm)	24,926.54		ASIA EMERGING	13.25%																				
Net Assets (\$mm)	35,107.65		UNITED KINGDOM	10.84%																				
% Assets in Top 10 Holdings	8.90		ASIA DEVELOPED	9.77%																				
Total Number of Holdings	7,373																							
Manager Name	Michael Perre																							
Manager Tenure	12																							
Expense Ratio	0.08%																							
Closed to New Investors	No																							

Equity Characteristics Within Mutual Funds as of December 31, 2019 Versus FTSE All World ex US			Top Holdings as of December 31, 2019		Sector Allocation as of December 31, 2019	
	Portfolio	FTSE All World ex US	ALIBABA GROUP HOLDING LTD ADR	1.4%	BASIC MATERIALS	7.6%
			NESTLE SA	1.2%	COMMUNICATION SERVICES	7.1%
			TENCENT HOLDINGS LTD	1.1%	CONSUMER CYCLICAL	11.0%
Average Market Cap (Billions)	24.93	71.52	TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	1.0%	CONSUMER DEFENSIVE	8.9%
Price To Earnings	14.09	16.13	ROCHE HOLDING AG DIVIDEND RIGHT CERT.	0.9%	ENERGY	6.4%
Price To Book	1.51	2.38	SAMSUNG ELECTRONICS CO LTD	0.9%	FINANCIAL SERVICES	20.0%
Return On Equity	15.35	14.84	NOVARTIS AG	0.8%	HEALTHCARE	9.0%
Dividend Yield	3.27%	3.04%	TOYOTA MOTOR CORP	0.7%	INDUSTRIALS	13.2%
Beta (3 Year)	1.01	1.00	HSBC HOLDINGS PLC	0.6%	REAL ESTATE	4.0%
R-Squared (3 Year)	0.99	1.00	TOTAL SA	0.5%	TECHNOLOGY	9.6%
					UTILITIES	3.3%

¹ The portfolio's equity characteristics are calculated by Morningstar. Index characteristics are calculated by InvestorForce using a different methodology, which accounts for the differences between the portfolio and the index.

² The Spliced Total International Stock Index through August 31, 2006; MSCI EAFE + Emerging Markets Index through December 15, 2010; MSCI ACWI ex USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter.

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Oakmark Equity & Income | As of December 31, 2019

Portfolio Fund Information as of December 31, 2019

Ticker	OAKBX
Morningstar Category	Allocation--50% to 70% Equity
Average Market Cap (\$mm)	53,693.16
Net Assets (\$mm)	8,830.62
% Assets in Top 10 Holdings	36.03
Total Number of Holdings	288
Manager Name	Clyde S. McGregor
Manager Tenure	24
Expense Ratio	0.81%
Closed to New Investors	No

Return Summary Ending December 31, 2019



Fund Characteristics as of December 31, 2019

Versus 60% S&P 500 & 40% Barclays Aggregate

Sharpe Ratio (3 Year)	0.64
Average Market Cap (\$mm)	53,693.16
Price/Earnings	12.90
Price/Book	1.94
Price/Sales	1.09
Price/Cash Flow	3.74
Dividend Yield	2.27
Number of Equity Holdings	43
R-Squared (3 Year)	0.87
Alpha (3 Year)	-0.44%

Top Holdings as of December 31, 2019

BANK OF AMERICA CORP	5.3%
GENERAL MOTORS CO	4.6%
TE CONNECTIVITY LTD	4.3%
UNITED STATES TREASURY NOTES 1.25%	4.3%
MASTERCARD INC A	3.3%
ALPHABET INC CLASS C	3.1%
NESTLE SA ADR	2.9%
CVS HEALTH CORP	2.9%
CITIGROUP INC	2.8%
PHILIP MORRIS INTERNATIONAL INC	2.6%

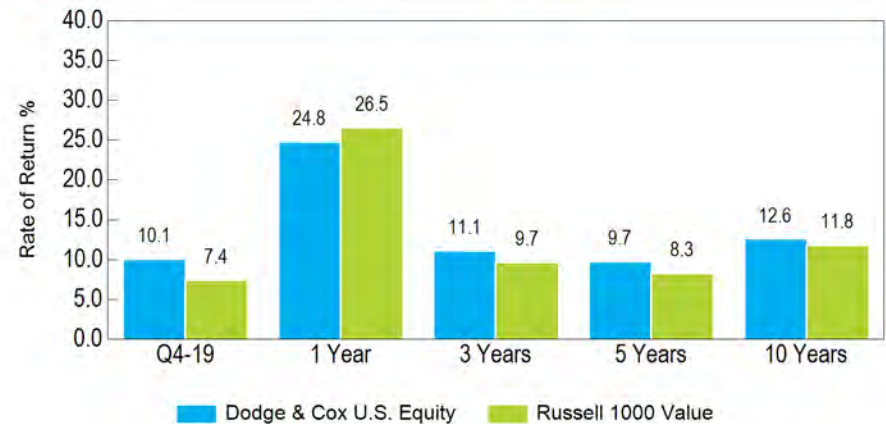
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Dodge & Cox U.S. Equity | As of December 31, 2019

Portfolio Fund Information as of December 31, 2019

Ticker	DODGX
Morningstar Category	Large Value
Average Market Cap (\$mm)	71,229.10
Net Assets (\$mm)	74,585.37
% Assets in Top 10 Holdings	33.07
Total Number of Holdings	71
Manager Name	Bryan Cameron
Manager Tenure	28
Expense Ratio	0.52%
Closed to New Investors	Yes

Return Summary Ending December 31, 2019



Equity Characteristics Within Mutual Funds as of December 31, 2019

Versus Russell 1000 Value

	Portfolio	Russell 1000 Value
Average Market Cap (Billions)	71.23	123.34
Price To Earnings	14.25	18.48
Price To Book	1.84	2.32
Return On Equity	16.04	13.97
Dividend Yield	2.35%	2.49%
Beta (3 Year)	1.08	1.00
R-Squared (3 Year)	0.94	1.00

Top Holdings as of December 31, 2019

CHARLES SCHWAB CORP	3.9%
WELLS FARGO & CO	3.8%
CAPITAL ONE FINANCIAL CORP	3.4%
BANK OF AMERICA CORP	3.3%
ALPHABET INC CLASS C	3.3%
CHARTER COMMUNICATIONS INC A	3.3%
MICROSOFT CORP	3.3%
FEDEX CORP	3.1%
COMCAST CORP CLASS A	3.0%
OCCIDENTAL PETROLEUM CORP	2.9%

Sector Allocation as of December 31, 2019

BASIC MATERIALS	1.0%
COMMUNICATION SERVICES	12.4%
CONSUMER CYCLICAL	3.5%
CONSUMER DEFENSIVE	0.8%
ENERGY	10.0%
FINANCIAL SERVICES	26.1%
HEALTHCARE	23.0%
INDUSTRIALS	7.6%
REAL ESTATE	0.0%
TECHNOLOGY	15.5%
UTILITIES	0.0%

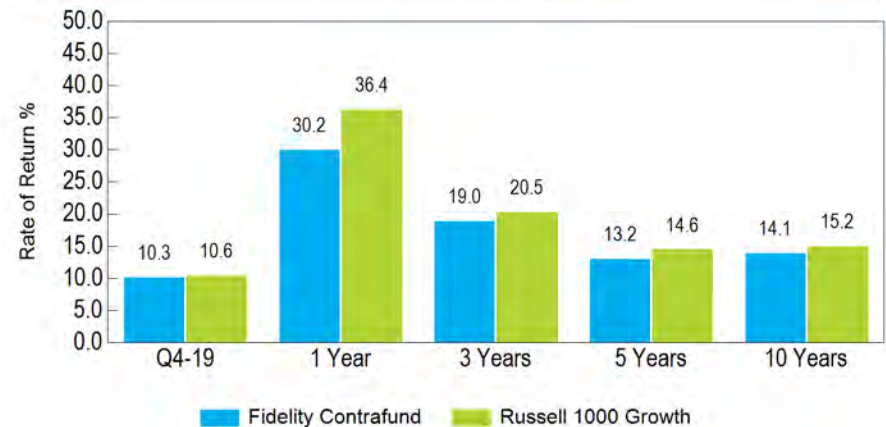
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Fidelity Contrafund | As of December 31, 2019

Portfolio Fund Information as of December 31, 2019

Ticker	FCNKX
Morningstar Category	Large Growth
Average Market Cap (\$mm)	181,571.05
Net Assets (\$mm)	22,890.12
% Assets in Top 10 Holdings	43.97
Total Number of Holdings	303
Manager Name	William Danoff
Manager Tenure	29
Expense Ratio	0.73%
Closed to New Investors	No

Return Summary Ending December 31, 2019



Equity Characteristics Within Mutual Funds as of December 31, 2019 Versus Russell 1000 Growth

	Portfolio	Russell 1000 Growth
Average Market Cap (Billions)	181.57	362.87
Price To Earnings	25.40	29.74
Price To Book	4.64	8.79
Return On Equity	24.51	34.60
Dividend Yield	0.73%	1.17%
Beta (3 Year)	1.02	1.00
R-Squared (3 Year)	0.96	1.00

Top Holdings as of December 31, 2019

FACEBOOK INC A	7.5%
AMAZON.COM INC	6.5%
MICROSOFT CORP	5.6%
BERKSHIRE HATHAWAY INC A	5.5%
VISA INC CLASS A	3.9%
SALESFORCE.COM INC	3.7%
UNITEDHEALTH GROUP INC	3.1%
ADOBE INC	2.9%
ALPHABET INC A	2.8%
MASTERCARD INC A	2.6%

Sector Allocation as of December 31, 2019

BASIC MATERIALS	2.2%
COMMUNICATION SERVICES	17.7%
CONSUMER CYCLICAL	11.7%
CONSUMER DEFENSIVE	3.9%
ENERGY	1.2%
FINANCIAL SERVICES	21.8%
HEALTHCARE	13.5%
INDUSTRIALS	2.7%
REAL ESTATE	0.8%
TECHNOLOGY	24.3%
UTILITIES	0.2%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Fidelity Diversified International | As of December 31, 2019

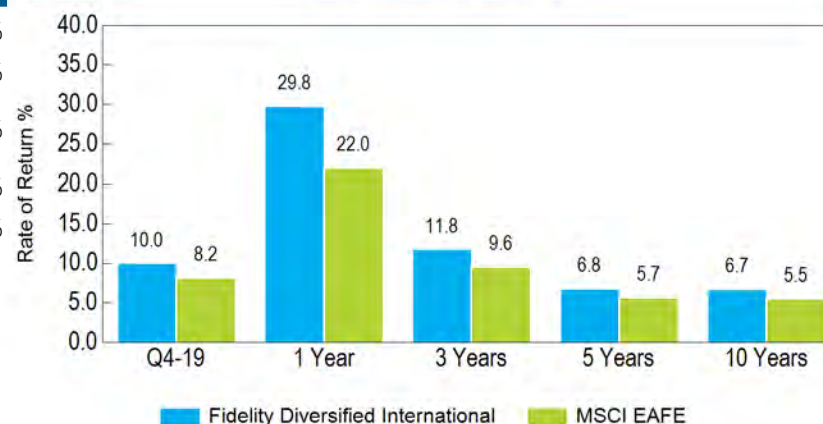
Portfolio Fund Information as of December 31, 2019

Ticker	FDIKX
Morningstar Category	Foreign Large Growth
Average Market Cap (\$mm)	43,049.99
Net Assets (\$mm)	4,389.32
% Assets in Top 10 Holdings	17.53
Total Number of Holdings	172
Manager Name	William Bower
Manager Tenure	19
Expense Ratio	0.63%
Closed to New Investors	No

Top Regions as of December 31, 2019

EUROZONE	28.63%
JAPAN	17.24%
UNITED KINGDOM	12.99%
EUROPE EXEURO	11.51%
ASIA EMERGING	10.06%

Return Summary Ending December 31, 2019



Equity Characteristics Within Mutual Funds as of December 31, 2019

Versus MSCI EAFE

	Portfolio	MSCI EAFE
Average Market Cap (Billions)	43.05	63.72
Price To Earnings	19.71	17.17
Price To Book	3.07	2.40
Return On Equity	19.48	14.36
Dividend Yield	1.73%	3.19%
Beta (3 Year)	1.01	1.00
R-Squared (3 Year)	0.93	1.00

Top Holdings as of December 31, 2019

SAP SE	2.4%
ROCHE HOLDING AG DIVIDEND RIGHT CERT.	2.3%
ASML HOLDING NV ADR	2.1%
AIA GROUP LTD	1.8%
ASTRAZENECA PLC	1.7%
HOYA CORP	1.7%
KEYENCE CORP	1.6%
LVMH MOET HENNESSY LOUIS	1.4%
VUITTON SE	1.4%
UNILEVER NV	1.4%

Sector Allocation as of December 31, 2019

BASIC MATERIALS	5.3%
COMMUNICATION SERVICES	5.0%
CONSUMER CYCLICAL	7.5%
CONSUMER DEFENSIVE	7.4%
ENERGY	2.8%
FINANCIAL SERVICES	22.8%
HEALTHCARE	16.4%
INDUSTRIALS	13.2%
REAL ESTATE	0.8%
TECHNOLOGY	16.9%
UTILITIES	1.9%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

American Funds EuroPacific Growth | As of December 31, 2019

Portfolio Fund Information as of December 31, 2019

Ticker	RERGX
Morningstar Category	Foreign Large Growth
Average Market Cap (\$mm)	48,011.33
Net Assets (\$mm)	77,653.74
% Assets in Top 10 Holdings	19.75
Total Number of Holdings	325
Manager Name	Carl M. Kawaja
Manager Tenure	19
Expense Ratio	0.49%
Closed to New Investors	No

Top Regions as of December 31, 2019

EUROZONE	23.00%
ASIA EMERGING	20.53%
JAPAN	15.83%
ASIA DEVELOPED	10.10%
UNITED KINGDOM	9.53%

Return Summary Ending December 31, 2019



Equity Characteristics Within Mutual Funds as of December 31, 2019

Versus MSCI ACWI ex USA

	Portfolio	MSCI ACWI ex USA
Average Market Cap (Billions)	48.01	74.06
Price To Earnings	17.81	16.25
Price To Book	2.36	2.41
Return On Equity	17.20	15.06
Dividend Yield	1.81%	3.05%
Beta (3 Year)	1.04	1.00
R-Squared (3 Year)	0.95	1.00

Top Holdings as of December 31, 2019

RELIANCE INDUSTRIES LTD	2.7%
AIRBUS SE	2.7%
HDFC BANK LTD	2.2%
AIA GROUP LTD	2.2%
ASML HOLDING NV	2.2%
NINTENDO CO LTD	2.2%
DAIICHI SANKYO CO LTD	1.5%
RECRUIT HOLDINGS CO LTD	1.4%
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	1.4%
KEYENCE CORP	1.4%

Sector Allocation as of December 31, 2019

BASIC MATERIALS	7.7%
COMMUNICATION SERVICES	6.2%
CONSUMER CYCLICAL	14.7%
CONSUMER DEFENSIVE	5.1%
ENERGY	6.2%
FINANCIAL SERVICES	17.2%
HEALTHCARE	12.4%
INDUSTRIALS	11.9%
REAL ESTATE	1.3%
TECHNOLOGY	14.1%
UTILITIES	3.2%

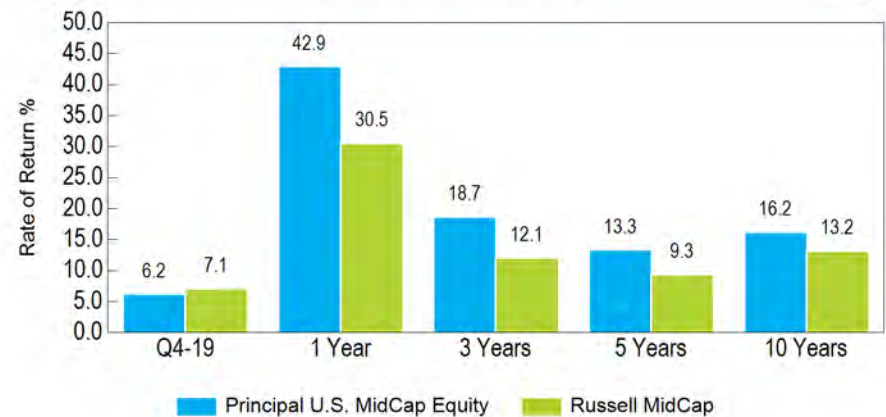
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Principal U.S. MidCap Equity | As of December 31, 2019

Portfolio Fund Information as of December 31, 2019

Ticker	PCBIX
Morningstar Category	Mid-Cap Growth
Average Market Cap (\$mm)	18,518.54
Net Assets (\$mm)	11,530.88
% Assets in Top 10 Holdings	29.05
Total Number of Holdings	86
Manager Name	K. William Nolin
Manager Tenure	19
Expense Ratio	0.69%
Closed to New Investors	No

Return Summary Ending December 31, 2019



Equity Characteristics Within Mutual Funds as of December 31, 2019 Versus Russell MidCap

	Portfolio	Russell MidCap
Average Market Cap (Billions)	18.52	17.29
Price To Earnings	25.87	22.29
Price To Book	3.22	3.20
Return On Equity	21.66	15.53
Dividend Yield	0.76%	1.67%
Beta (3 Year)	0.90	1.00
R-Squared (3 Year)	0.89	1.00

Top Holdings as of December 31, 2019

BROOKFIELD ASSET MANAGEMENT INC CLASS A	4.2%
TRANSDIGM GROUP INC	4.1%
MARKEL CORP	2.8%
CARMAX INC	2.7%
HILTON WORLDWIDE HOLDINGS INC	2.7%
O'REILLY AUTOMOTIVE INC	2.7%
SBA COMMUNICATIONS CORP	2.7%
BLACK KNIGHT INC A	2.4%
CBRE GROUP INC CLASS A	2.4%
COPART INC	2.4%

Sector Allocation as of December 31, 2019

BASIC MATERIALS	5.2%
COMMUNICATION SERVICES	7.4%
CONSUMER CYCLICAL	17.2%
CONSUMER DEFENSIVE	1.5%
ENERGY	0.0%
FINANCIAL SERVICES	21.4%
HEALTHCARE	2.4%
INDUSTRIALS	17.6%
REAL ESTATE	8.2%
TECHNOLOGY	17.1%
UTILITIES	2.0%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

T. Rowe Price MidCap Growth | As of December 31, 2019

Portfolio Fund Information as of December 31, 2019

Ticker	PMEGX
Morningstar Category	Mid-Cap Growth
Average Market Cap (\$mm)	15,517.41
Net Assets (\$mm)	8,119.09
% Assets in Top 10 Holdings	18.22
Total Number of Holdings	131
Manager Name	Brian W.H. Berghuis
Manager Tenure	24
Expense Ratio	0.61%
Closed to New Investors	Yes

Return Summary Ending December 31, 2019



Equity Characteristics Within Mutual Funds as of December 31, 2019

Versus Russell MidCap Growth

	Portfolio	Russell MidCap Growth
Average Market Cap (Billions)	15.52	19.87
Price To Earnings	20.87	30.07
Price To Book	3.50	7.09
Return On Equity	13.25	23.75
Dividend Yield	0.81%	0.74%
Beta (3 Year)	0.90	1.00
R-Squared (3 Year)	0.94	1.00

Top Holdings as of December 31, 2019

TELEFLEX INC	2.6%
HOLOGIC INC	2.1%
THE COOPER COMPANIES INC	2.1%
MICROCHIP TECHNOLOGY INC	1.8%
BALL CORP	1.8%
IAC/INTERACTIVECORP	1.7%
AGILENT TECHNOLOGIES INC	1.7%
WILLIS TOWERS WATSON PLC	1.5%
GLOBAL PAYMENTS INC	1.5%
DOLLAR GENERAL CORP	1.5%

Sector Allocation as of December 31, 2019

BASIC MATERIALS	3.0%
COMMUNICATION SERVICES	2.3%
CONSUMER CYCLICAL	14.8%
CONSUMER DEFENSIVE	4.6%
ENERGY	2.6%
FINANCIAL SERVICES	10.4%
HEALTHCARE	20.7%
INDUSTRIALS	17.2%
REAL ESTATE	0.9%
TECHNOLOGY	21.4%
UTILITIES	2.2%

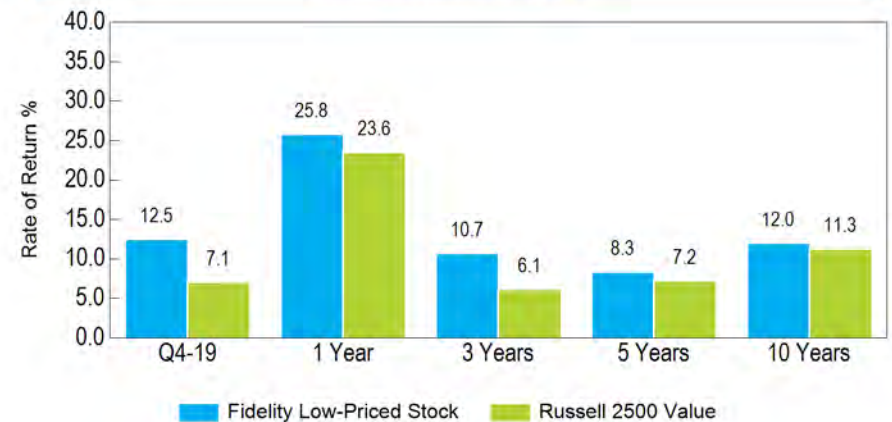
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Fidelity Low-Priced Stock | As of December 31, 2019

Portfolio Fund Information as of October 31, 2019

Ticker	FLPKX
Morningstar Category	Mid-Cap Value
Average Market Cap (\$mm)	8,934.82
Net Assets (\$mm)	5,412.76
% Assets in Top 10 Holdings	32.36
Total Number of Holdings	778
Manager Name	Joel C. Tillinghast
Manager Tenure	30
Expense Ratio	0.43%
Closed to New Investors	No

Return Summary Ending December 31, 2019



Equity Characteristics Within Mutual Funds as of October 31, 2019

Versus Russell 2500 Value

	Portfolio	Russell 2500 Value
Average Market Cap (Billions)	8.93	5.16
Price To Earnings	12.02	17.06
Price To Book	1.53	1.96
Return On Equity	22.80	8.21
Dividend Yield	2.69%	2.36%
Beta (3 Year)	0.69	1.00
R-Squared (3 Year)	0.83	1.00

Top Holdings as of October 31, 2019

UNITEDHEALTH GROUP INC	6.1%
ROSS STORES INC	3.7%
METRO INC	3.6%
SEAGATE TECHNOLOGY PLC	3.6%
NEXT PLC	3.6%
BEST BUY CO INC	3.0%
AUTOZONE INC	2.7%
AMGEN INC	2.1%
METLIFE INC	2.1%
BARRATT DEVELOPMENTS PLC	2.0%

Sector Allocation as of October 31, 2019

BASIC MATERIALS	3.4%
COMMUNICATION SERVICES	1.3%
CONSUMER CYCLICAL	25.2%
CONSUMER DEFENSIVE	8.7%
ENERGY	4.9%
FINANCIAL SERVICES	14.3%
HEALTHCARE	16.5%
INDUSTRIALS	8.2%
REAL ESTATE	0.9%
TECHNOLOGY	14.9%
UTILITIES	1.5%

¹ The 12/31/2019 holdings were not available at the time of this report.

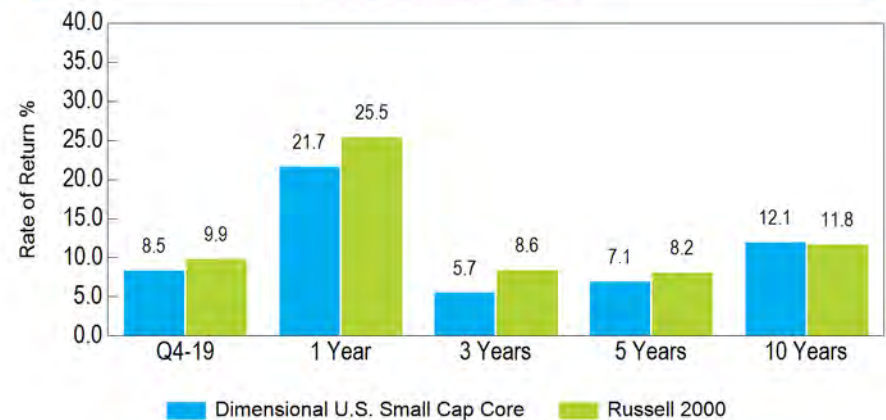
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Dimensional U.S. Small Cap Core | As of December 31, 2019

Portfolio Fund Information as of December 31, 2019

Ticker	DFSTX
Morningstar Category	Small Blend
Average Market Cap (\$mm)	2,039.91
Net Assets (\$mm)	18,142.12
% Assets in Top 10 Holdings	3.61
Total Number of Holdings	2,062
Manager Name	Jed S. Fogdall
Manager Tenure	8
Expense Ratio	0.37%
Closed to New Investors	No

Return Summary Ending December 31, 2019



Equity Characteristics Within Mutual Funds as of December 31, 2019 Versus Russell 2000

	Portfolio	Russell 2000
Average Market Cap (Billions)	2.04	2.46
Price To Earnings	15.35	19.83
Price To Book	1.73	2.55
Return On Equity	10.60	1.34
Dividend Yield	1.35%	1.42%
Beta (3 Year)	1.01	1.00
R-Squared (3 Year)	0.98	1.00

Top Holdings as of December 31, 2019

E-MINI S&P 500 FUTURES MAR20	0.7%
HORIZON THERAPEUTICS PLC	0.4%
TCF FINANCIAL CORP	0.4%
AMEDISYS INC	0.3%
DECKERS OUTDOOR CORP	0.3%
HELEN OF TROY LTD	0.3%
TECH DATA CORP	0.3%
TETRA TECH INC	0.3%
GENERAC HOLDINGS INC	0.3%
KBR INC	0.3%

Sector Allocation as of December 31, 2019

BASIC MATERIALS	4.8%
COMMUNICATION SERVICES	3.9%
CONSUMER CYCLICAL	13.3%
CONSUMER DEFENSIVE	5.1%
ENERGY	4.9%
FINANCIAL SERVICES	20.1%
HEALTHCARE	9.6%
INDUSTRIALS	20.9%
REAL ESTATE	0.5%
TECHNOLOGY	13.4%
UTILITIES	3.5%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Franklin Templeton Global Bond | As of December 31, 2019

Fund Information as of December 31, 2019

Fund Name	TEMPLETON GLOBAL BOND R6
Ticker	FBNRX
Morningstar Category	Nontraditional Bond
Benchmark	FTSE WGBI TR
Expense Ratio	0.57%
Fund Assets (\$mm)	4,526.73
Share Class Inception Date	5/1/2013
Manager Tenure	18

Top Regions as of December 31, 2019

UNITED STATES	39.89%
LATIN AMERICA	27.32%
ASIA DEVELOPED	19.27%
ASIA EMERGING	9.17%
EUROZONE	4.35%

Return Summary Ending December 31, 2019



Fund Characteristics as of December 31, 2019

Sharpe Ratio (3 Year)	0.09
Average Duration	-1.01
Average Coupon	6.03%
Average Effective Maturity	1.54
R-Squared (3 Year)	0.09
Alpha (3 Year)	0.36%
Beta (3 Year)	.15

Credit Quality as of December 31, 2019

AAA	31.3%
AA	5.4%
A	23.1%
BBB	25.4%
BB	12.7%
B	2.2%
Below B	2.4%
Not Rated	-2.4%

Fixed Income Sectors as of December 31, 2019

GOVERNMENT	78.8%
MUNICIPAL	0.0%
CORPORATE	0.02%
SECURITIZED	0.0%
CASH & EQUIVALENTS	21.20%
DERIVATIVE	0.0%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Principal Diversified Real Asset | As of December 31, 2019

Portfolio Fund Information as of December 31, 2019

Ticker	PDRDX
Morningstar Category	World Allocation
Average Market Cap (\$mm)	14,022.24
Net Assets (\$mm)	2,630.06
% Assets in Top 10 Holdings	19.31
Total Number of Holdings	913
Manager Name	Kelly A. Grossman
Manager Tenure	10
Expense Ratio	0.86%
Closed to New Investors	No

Fund Characteristics as of December 31, 2019

Versus Real Asset Custom Benchmark

Sharpe Ratio (3 Year)	0.50
Average Market Cap (\$mm)	14,022.24
Price/Earnings	17.81
Price/Book	1.71
Price/Sales	1.41
Price/Cash Flow	7.47
Dividend Yield	3.87
Number of Equity Holdings	332
R-Squared (3 Year)	0.91
Alpha (3 Year)	-0.14%

Return Summary Ending December 31, 2019



Top Holdings as of December 31, 2019

DRACAY CREDIT SUISSE - 30	9.4%
2 YEAR TREASURY NOTE FUTURE MAR20	2.0%
2 YEAR INTEREST RATE SWAP	1.4%
RECV CME INTEREST RATE SW_RECEIVE	1.3%
TRANSURBAN GROUP	0.9%
UNITED STATES TREASURY NOTES 0.88%	0.9%
UNITED UTILITIES GROUP PLC	0.9%
NATIONAL GRID PLC	0.9%
2 YEAR INTEREST RATE SWAP	0.8%
ENBRIDGE INC	0.8%

¹ The Real Asset Custom Benchmark is comprised of 40% Barclays U.S. TIPS, 40% MSCI ACWI, and 20% Bloomberg Commodity Index.

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Aberdeen Emerging Markets Equity | As of December 31, 2019

Portfolio Fund Information as of December 31, 2019			Top Regions as of December 31, 2019		Return Summary Ending December 31, 2019																			
Ticker	ABEMX		ASIA EMERGING	49.59%	<table><caption>Return Summary Data</caption><thead><tr><th>Period</th><th>Aberdeen Emerging Markets Equity</th><th>MSCI Emerging Markets</th></tr></thead><tbody><tr><td>Q4-19</td><td>9.4</td><td>11.8</td></tr><tr><td>1 Year</td><td>20.4</td><td>18.4</td></tr><tr><td>3 Years</td><td>10.2</td><td>11.6</td></tr><tr><td>5 Years</td><td>5.3</td><td>5.6</td></tr><tr><td>10 Years</td><td>5.3</td><td>3.7</td></tr></tbody></table>		Period	Aberdeen Emerging Markets Equity	MSCI Emerging Markets	Q4-19	9.4	11.8	1 Year	20.4	18.4	3 Years	10.2	11.6	5 Years	5.3	5.6	10 Years	5.3	3.7
Period	Aberdeen Emerging Markets Equity	MSCI Emerging Markets																						
Q4-19	9.4	11.8																						
1 Year	20.4	18.4																						
3 Years	10.2	11.6																						
5 Years	5.3	5.6																						
10 Years	5.3	3.7																						
Morningstar Category	Diversified Emerging Mkts		ASIA	21.69%																				
Average Market Cap (\$mm)	53,646.47		DEVELOPED	18.62%																				
Net Assets (\$mm)	4,610.24		LATIN AMERICA	4.20%																				
% Assets in Top 10 Holdings	41.28		EUROPE	2.76%																				
Total Number of Holdings	61		EMERGING																					
Manager Name	Mark Gordon-James		AFRICA																					
Manager Tenure	13																							
Expense Ratio	1.10%																							
Closed to New Investors	No																							

Equity Characteristics Within Mutual Funds as of December 31, 2019 Versus MSCI Emerging Markets			Top Holdings as of December 31, 2019		Sector Allocation as of December 31, 2019	
	Portfolio	MSCI Emerging Markets	TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	7.0%	BASIC MATERIALS	7.6%
			TENCENT HOLDINGS LTD	6.7%	COMMUNICATION SERVICES	14.5%
			SAMSUNG ELECTRONICS CO LTD	6.3%	CONSUMER CYCLICAL	7.7%
			PARTICIPATING PREFERRED	4.1%	CONSUMER DEFENSIVE	9.6%
Average Market Cap (Billions)	53.65	106.20	HOUSING DEVELOPMENT FINANCE CORP LTD	3.9%	ENERGY	4.3%
Price To Earnings	15.93	14.97	PING AN INSURANCE (GROUP) CO. OF CHINA LTD CLASS H	3.6%	FINANCIAL SERVICES	29.5%
Price To Book	2.59	2.57	BANK BRADESCO SA ADR	2.9%	HEALTHCARE	1.0%
Return On Equity	19.60	16.97	AIA GROUP LTD	2.5%	INDUSTRIALS	2.3%
Dividend Yield	2.28%	2.69%	CHINA RESOURCES LAND LTD	2.3%	REAL ESTATE	4.8%
Beta (3 Year)	0.95	1.00	VALE SA ADR	2.2%	TECHNOLOGY	18.7%
R-Squared (3 Year)	0.92	1.00	KOTAK MAHINDRA BANK LTD		UTILITIES	0.0%

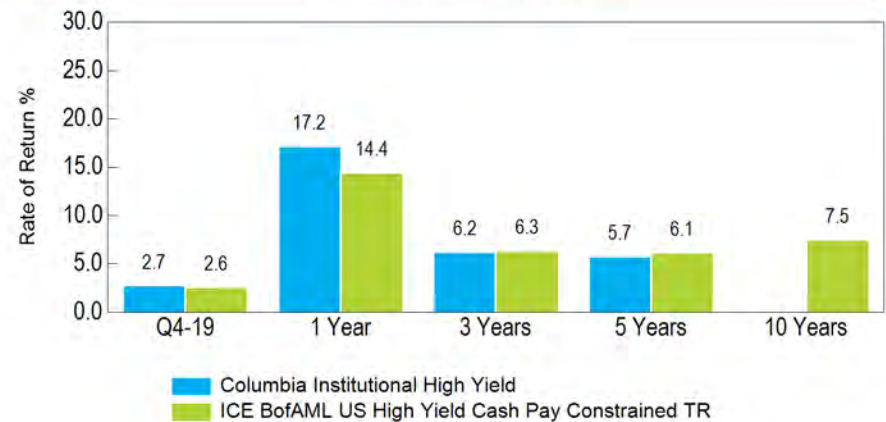
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Columbia Institutional High Yield | As of December 31, 2019

Fund Information as of December 31, 2019

Fund Name	COLUMBIA HIGH YIELD BOND INST3
Ticker	CHYYX
Morningstar Category	High Yield Bond
Benchmark	ICE BofAML US High Yield Cash Pay Constrained TR
Expense Ratio	0.66%
Fund Assets (\$mm)	351.84
Share Class Inception Date	11/8/2012
Manager Tenure	10

Return Summary Ending December 31, 2019



Fund Characteristics as of December 31, 2019

Sharpe Ratio (3 Year)	0.95
Average Duration	3.05
Average Coupon	6.14%
Average Effective Maturity	3.74
R-Squared (3 Year)	0.96
Alpha (3 Year)	-0.07%
Beta (3 Year)	1.12

Credit Quality as of December 31, 2019

AAA	2.4%
AA	0.0%
A	0.0%
BBB	1.1%
BB	34.5%
B	49.4%
Below B	12.5%
Not Rated	0.3%

Fixed Income Sectors as of December 31, 2019

GOVERNMENT	0.0%
MUNICIPAL	0.0%
CORPORATE	97.0%
SECURITIZED	0.0%
CASH & EQUIVALENTS	2.3%
DERIVATIVE	0.7%

¹ Columbia Institutional High Yield is a component of the LifeCycle Funds only and is not available as a participant directed investment option. Total fund assets are approximately \$2 billion.

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Prudential Retirement Real Estate Fund II | As of December 31, 2019

Account Information

Account Name	Prudential Retirement Real Estate Fund II
Account Structure	Other
Investment Style	Active
Inception Date	1/01/18
Account Type	Real Estate
Benchmark	PRREF II Custom Benchmark
Expense Ratio	0.90%

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Inception (%)	Inception Date
Prudential Retirement Real Estate Fund II	1.4	9.2	--	--	7.6	Jan-18
PRREF II Custom Benchmark	1.1	8.1	--	--	7.2	Jan-18

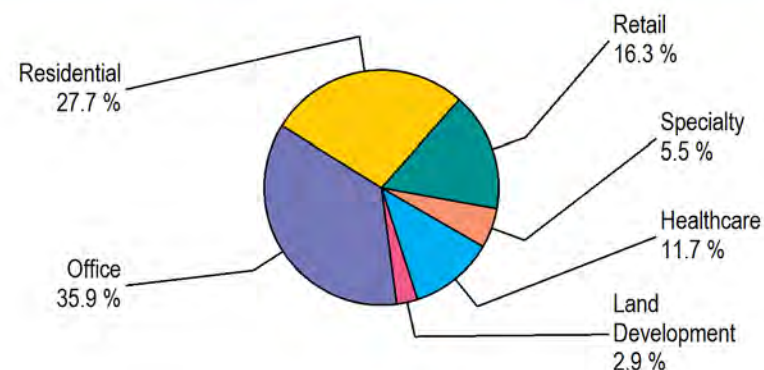
Geographic Diversification

Allocation as of December 31, 2019



Property Type Allocation

Allocation as of December 31, 2019



Benchmark History As of December 31, 2019

New Mexico Conservative Portfolio

1/1/2019	Present	22% Citigroup 3-month Treasury Bill + 1% / 19% BBgBarc US Aggregate TR / 12% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 8% BBgBarc US High Yield TR / 8% S&P 500 / 3% Russell 2500 / 7% MSCI ACWI ex USA / 3% MSCI Emerging Markets / 8% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2018	12/31/2018	22% Citigroup 3-month Treasury Bill + 1% / 19% BBgBarc US Aggregate TR / 12% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 8% BBgBarc US High Yield TR / 8% S&P 500 / 3% Russell 2500 / 7% MSCI ACWI ex USA / 3% MSCI Emerging Markets / 8% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2017	12/31/2017	22% Citigroup 3-month Treasury Bill + 1% / 19% BBgBarc US Aggregate TR / 12% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 8% BBgBarc US High Yield TR / 8% S&P 500 / 3% Russell 2500 / 7% MSCI ACWI ex USA / 3% MSCI Emerging Markets / 8% FTSE EPRA/NAREIT Global Real Estate Index / 5% Real Asset Custom Benchmark
5/1/2016	12/31/2016	22% FTSE T-Bill 3 Months TR / 12% BBgBarc US TIPS TR / 22% BBgBarc US Aggregate TR / 10% S&P 500 / 3% Russell 2500 / 8% MSCI EAFE / 6% FTSE WGBI TR / 8% FTSE EPRA/NAREIT Global Real Estate Index / 4% MSCI Emerging Markets / 5% Real Asset Custom Benchmark

New Mexico LifeCycle 2020 Portfolio

1/1/2019	Present	18.6% Citigroup 3-month Treasury Bill + 1% / 18.4% BBgBarc US Aggregate TR / 10.6% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 7.6% BBgBarc US High Yield TR / 10% S&P 500 / 4% Russell 2500 / 8.8% MSCI ACWI ex USA / 3.8% MSCI Emerging Markets / 8.2% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2018	12/31/2018	16.9% Citigroup 3-month Treasury Bill + 1% / 18.1% BBgBarc US Aggregate TR / 9.9% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 7.4% BBgBarc US High Yield TR / 11% S&P 500 / 4.5% Russell 2500 / 9.7% MSCI ACWI ex USA / 4.2% MSCI Emerging Markets / 8.3% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2017	12/31/2017	15.2% Citigroup 3-month Treasury Bill + 1% / 17.8% BBgBarc US Aggregate TR / 9.2% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 7.2% BBgBarc US High Yield TR / 12% S&P 500 / 5% Russell 2500 / 10.6% MSCI ACWI ex USA / 4.6% MSCI Emerging Markets / 8.4% FTSE EPRA/NAREIT Global Real Estate Index / 5% Real Asset Custom Benchmark
6/30/2016	12/31/2016	13.5% FTSE T-Bill 3 Months TR / 8.5% BBgBarc US TIPS TR / 20.5% BBgBarc US Aggregate TR / 14.3% S&P 500 / 5.8% Russell 2500 / 12.5% MSCI EAFE / 6% FTSE WGBI TR / 8.5% FTSE EPRA/NAREIT Global Real Estate Index / 5.5% MSCI Emerging Markets / 5% Real Asset Custom Benchmark

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

LifeCycle Funds Detail | As of December 31, 2019

New Mexico LifeCycle 2025 Portfolio

1/1/2019	Present	10.1% Citigroup 3-month Treasury Bill + 1% / 16.9% BBgBarc US Aggregate TR / 7.1% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 6.6% BBgBarc US High Yield TR / 15.2% S&P 500 / 6.3% Russell 2500 / 13.7% MSCI ACWI ex USA / 5.4% MSCI Emerging Markets / 8.7% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2018	12/31/2018	8.4% Citigroup 3-month Treasury Bill + 1% / 16.6% BBgBarc US Aggregate TR / 6.4% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 6.4% BBgBarc US High Yield TR / 16.3% S&P 500 / 6.7% Russell 2500 / 14.8% MSCI ACWI ex USA / 5.6% MSCI Emerging Markets / 8.8% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2017	12/31/2017	6.7% Citigroup 3-month Treasury Bill + 1% / 16.3% BBgBarc US Aggregate TR / 5.7% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 6.2% BBgBarc US High Yield TR / 17.4% S&P 500 / 7.1% Russell 2500 / 15.9% MSCI ACWI ex USA / 5.8% MSCI Emerging Markets / 8.9% FTSE EPRA/NAREIT Global Real Estate Index / 5% Real Asset Custom Benchmark
5/1/2016	12/31/2016	5% FTSE T-Bill 3 Months TR / 5% BBgBarc US TIPS TR / 19% BBgBarc US Aggregate TR / 18.5% S&P 500 / 8.5% Russell 2500 / 17% MSCI EAFE / 6% FTSE WGBI TR / 9% FTSE EPRA/NAREIT Global Real Estate Index / 7% MSCI Emerging Markets / 5% Real Asset Custom Benchmark

New Mexico LifeCycle 2030 Portfolio

1/1/2019	Present	4.4% Citigroup 3-month Treasury Bill + 1% / 13.8% BBgBarc US Aggregate TR / 4.6% BBgBarc US TIPS TR / 4.8% FTSE WGBI TR / 5.8% BBgBarc US High Yield TR / 19.3% S&P 500 / 7.9% Russell 2500 / 17.8% MSCI ACWI ex USA / 6.8% MSCI Emerging Markets / 9.4% PRREF II Custom Benchmark / 5.4% Real Asset Custom Benchmark
1/1/2018	12/31/2018	4.1% Citigroup 3-month Treasury Bill + 1% / 12.7% BBgBarc US Aggregate TR / 4.4% BBgBarc US TIPS TR / 4.7% FTSE WGBI TR / 5.7% BBgBarc US High Yield TR / 19.7% S&P 500 / 8.1% Russell 2500 / 18.2% MSCI ACWI ex USA / 7.2% MSCI Emerging Markets / 9.6% PRREF II Custom Benchmark / 5.6% Real Asset Custom Benchmark
1/1/2017	12/31/2017	3.8% Citigroup 3-month Treasury Bill + 1% / 11.6% BBgBarc US Aggregate TR / 4.2% BBgBarc US TIPS TR / 4.6% FTSE WGBI TR / 5.6% BBgBarc US High Yield TR / 20.1% S&P 500 / 8.3% Russell 2500 / 18.6% MSCI ACWI ex USA / 7.6% MSCI Emerging Markets / 9.8% FTSE EPRA/NAREIT Global Real Estate Index / 5.8% Real Asset Custom Benchmark
6/30/2016	12/31/2016	3.5% FTSE T-Bill 3 Months TR / 4% BBgBarc US TIPS TR / 13% BBgBarc US Aggregate TR / 20.8% S&P 500 / 9.3% Russell 2500 / 19.5% MSCI EAFE / 5.5% FTSE WGBI TR / 10% FTSE EPRA/NAREIT Global Real Estate Index / 8.5% MSCI Emerging Markets / 6% Real Asset Custom Benchmark

New Mexico LifeCycle 2035 Portfolio

1/1/2019	Present	2.9% Citigroup 3-month Treasury Bill + 1% / 8.3% BBgBarc US Aggregate TR / 3.6% BBgBarc US TIPS TR / 4.3% FTSE WGBI TR / 5.3% BBgBarc US High Yield TR / 21.1% S&P 500 / 9.1% Russell 2500 / 20% MSCI ACWI ex USA / 8.6% MSCI Emerging Markets / 10.4% PRREF II Custom Benchmark / 6.4% Real Asset Custom Benchmark
1/1/2018	12/31/2018	2.6% Citigroup 3-month Treasury Bill + 1% / 7.2% BBgBarc US Aggregate TR / 3.4% BBgBarc US TIPS TR / 4.2% FTSE WGBI TR / 5.2% BBgBarc US High Yield TR / 21.4% S&P 500 / 9.4% Russell 2500 / 20.5% MSCI ACWI ex USA / 8.9% MSCI Emerging Markets / 10.6% PRREF II Custom Benchmark / 6.6% Real Asset Custom Benchmark

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

LifeCycle Funds Detail | As of December 31, 2019

1/1/2017	12/31/2017	2.3% Citigroup 3-month Treasury Bill + 1% / 6.1% BBgBarc US Aggregate TR / 3.2% BBgBarc US TIPS TR / 4.1% FTSE WGBI TR / 5.1% BBgBarc US High Yield TR / 21.7% S&P 500 / 9.7% Russell 2500 / 21% MSCI ACWI ex USA / 9.2% MSCI Emerging Markets / 10.8% FTSE EPRA/NAREIT Global Real Estate Index / 6.8% Real Asset Custom Benchmark
5/1/2016	12/31/2016	2% FTSE T-Bill 3 Months TR / 3% BBgBarc US TIPS TR / 7% BBgBarc US Aggregate TR / 23% S&P 500 / 10% Russell 2500 / 22% MSCI EAFE / 5% FTSE WGBI TR / 11% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 7% Real Asset Custom Benchmark
New Mexico LifeCycle 2040 Portfolio		
1/1/2019	Present	1.6% Citigroup 3-month Treasury Bill + 1% / 4.8% BBgBarc US Aggregate TR / 2.8% BBgBarc US TIPS TR / 3.8% FTSE WGBI TR / 4.6% BBgBarc US High Yield TR / 22.4% S&P 500 / 10.2% Russell 2500 / 22.1% MSCI ACWI ex USA / 9.7% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2018	12/31/2018	1.4% Citigroup 3-month Treasury Bill + 1% / 4.7% BBgBarc US Aggregate TR / 2.7% BBgBarc US TIPS TR / 3.7% FTSE WGBI TR / 4.4% BBgBarc US High Yield TR / 22.60% S&P 500 / 10.3% Russell 2500 / 22.4% MSCI ACWI ex USA / 9.8% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2017	12/31/2017	1.2% Citigroup 3-month Treasury Bill + 1% / 4.6% BBgBarc US Aggregate TR / 2.6% BBgBarc US TIPS TR / 3.6% FTSE WGBI TR / 4.2% BBgBarc US High Yield TR / 22.8% S&P 500 / 10.4% Russell 2500 / 22.7% MSCI ACWI ex USA / 9.9% MSCI Emerging Markets / 11% FTSE EPRA/NAREIT Global Real Estate Index / 7% Real Asset Custom Benchmark
6/30/2016	12/31/2016	1% FTSE T-Bill 3 Months TR / 2.5% BBgBarc US TIPS TR / 6.5% BBgBarc US Aggregate TR / 23.8% S&P 500 / 10.3% Russell 2500 / 23.5% MSCI EAFE / 4.5% FTSE WGBI TR / 11% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 7% Real Asset Custom Benchmark
New Mexico LifeCycle 2045 Portfolio		
1/1/2019	Present	0.6% Citigroup 3-month Treasury Bill + 1% / 4.3% BBgBarc US Aggregate TR / 2.1% BBgBarc US TIPS TR / 3.3% FTSE WGBI TR / 3.8% BBgBarc US High Yield TR / 23.4% S&P 500 / 10.7% Russell 2500 / 23.8% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2018	12/31/2018	0.4% Citigroup 3-month Treasury Bill + 1% / 4.2% BBgBarc US Aggregate TR / 1.9% BBgBarc US TIPS TR / 3.2% FTSE WGBI TR / 3.7% BBgBarc US High Yield TR / 23.6% S&P 500 / 10.8% Russell 2500 / 24.2% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2017	12/31/2017	.2% Citigroup 3-month Treasury Bill + 1% / 4.1% BBgBarc US Aggregate TR / 1.7% BBgBarc US TIPS TR / 3.1% FTSE WGBI TR / 3.6% BBgBarc US High Yield TR / 23.8% S&P 500 / 10.9% Russell 2500 / 24.6% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% FTSE EPRA/NAREIT Global Real Estate Index / 7% Real Asset Custom Benchmark
5/1/2016	12/31/2016	2% BBgBarc US TIPS TR / 6% BBgBarc US Aggregate TR / 24.5% S&P 500 / 10.5% Russell 2500 / 25% MSCI EAFE / 4% FTSE WGBI TR / 11% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 7% Real Asset Custom Benchmark

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

LifeCycle Funds Detail | As of December 31, 2019

New Mexico LifeCycle 2050 Portfolio

1/1/2019	Present	3.6% BBgBarc US Aggregate TR / 1.3% BBgBarc US TIPS TR / 2.8% FTSE WGBI TR / 3.3% BBgBarc US High Yield TR / 24.4% S&P 500 / 10.8% Russell 2500 / 25.4% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.2% PRREF II Custom Benchmark / 7.2% Real Asset Custom Benchmark
1/1/2018	12/31/2018	3.4% BBgBarc US Aggregate TR / 1.2% BBgBarc US TIPS TR / 2.7% FTSE WGBI TR / 3.2% BBgBarc US High Yield TR / 24.6% S&P 500 / 10.7% Russell 2500 / 25.6% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.3% PRREF II Custom Benchmark / 7.3% Real Asset Custom Benchmark
1/1/2017	12/31/2017	3.2% BBgBarc US Aggregate TR / 1.1% BBgBarc US TIPS TR / 2.6% FTSE WGBI TR / 3.1% BBgBarc US High Yield TR / 24.8% S&P 500 / 10.6% Russell 2500 / 25.8% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.4% FTSE EPRA/NAREIT Global Real Estate Index / 7.4% Real Asset Custom Benchmark
6/30/2016	12/31/2016	5% BBgBarc US Aggregate TR / 25% S&P 500 / 10.5% Russell 2500 / 26% MSCI EAFE / 3.5% FTSE WGBI TR / 11.5% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 7.5% Real Asset Custom Benchmark

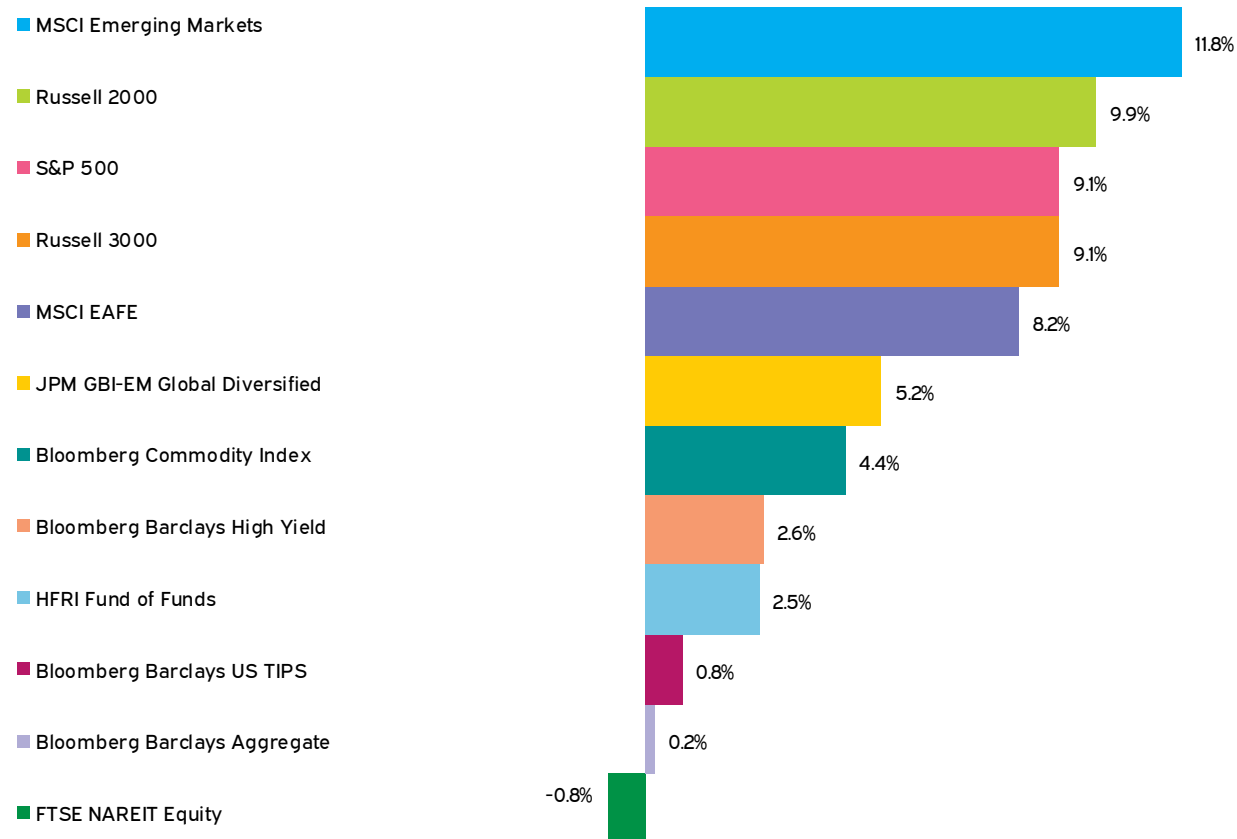
New Mexico LifeCycle 2055 Portfolio

1/1/2019	Present	2.8% BBgBarc US Aggregate TR / 0.6% BBgBarc US TIPS TR / 2.3% FTSE WGBI TR / 2.8% BBgBarc US High Yield TR / 25.2% S&P 500 / 10.5% Russell 2500 / 26.4% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.7% PRREF II Custom Benchmark / 7.7% Real Asset Custom Benchmark
1/1/2018	12/31/2018	2.7% BBgBarc US Aggregate TR / 0.4% BBgBarc US TIPS TR / 2.2% FTSE WGBI TR / 2.7% BBgBarc US High Yield TR / 25.3% S&P 500 / 10.5% Russell 2500 / 26.6% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.8% PRREF II Custom Benchmark / 7.8% Real Asset Custom Benchmark
1/1/2017	12/31/2017	2.6% BBgBarc US Aggregate TR / 0.2% BBgBarc US TIPS TR / 2.1% FTSE WGBI TR / 2.6% BBgBarc US High Yield TR / 25.4% S&P 500 / 10.5% Russell 2500 / 26.8% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.9% FTSE EPRA/NAREIT Global Real Estate Index / 7.9% Real Asset Custom Benchmark
5/1/2016	12/31/2016	4% BBgBarc US Aggregate TR / 25.5% S&P 500 / 10.5% Russell 2500 / 27% MSCI EAFE / 3% FTSE WGBI TR / 12% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 8% Real Asset Custom Benchmark

Appendices

The World Markets Fourth Quarter of 2019

The World Markets¹ Fourth Quarter of 2019

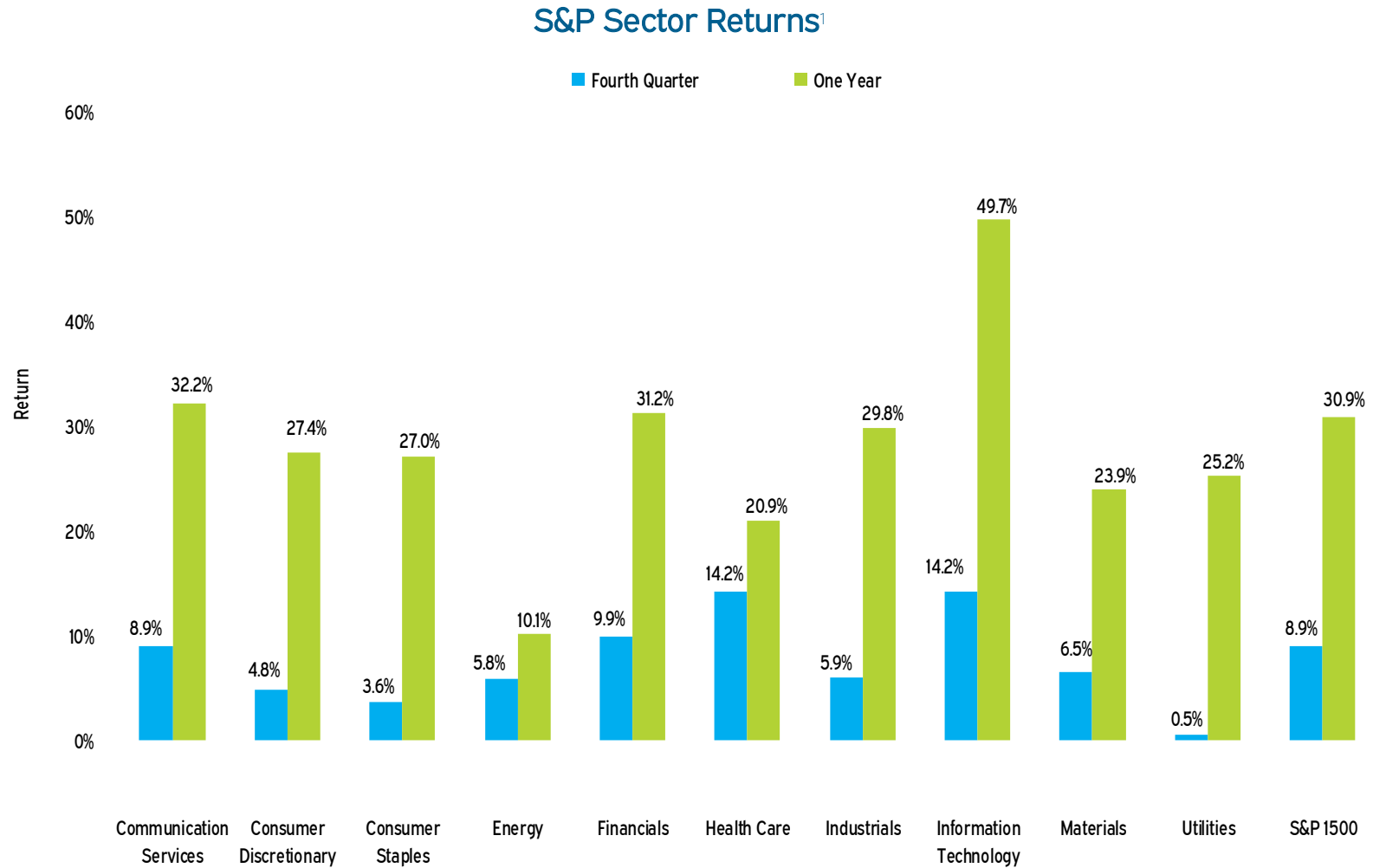


¹ Source: InvestorForce.

Index Returns¹

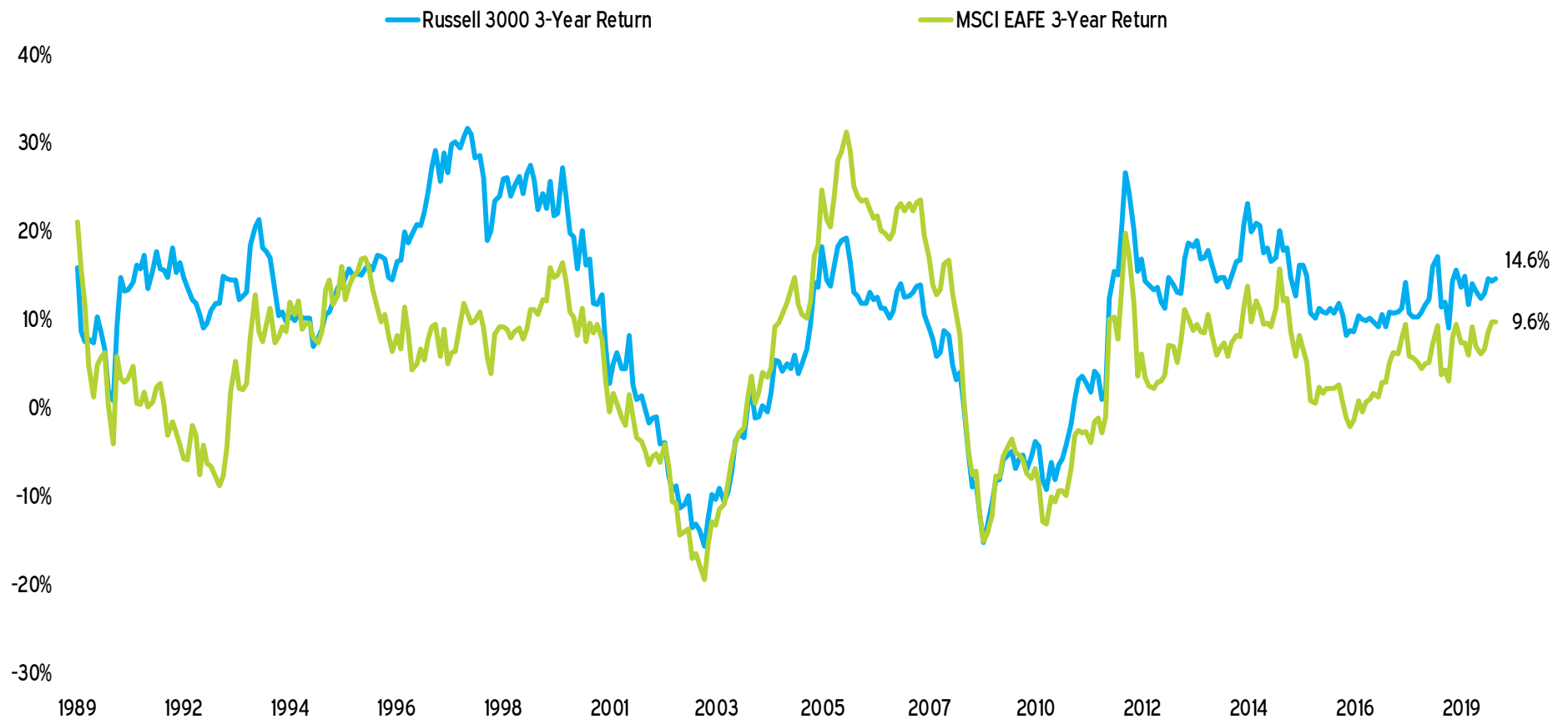
	4Q19 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
Domestic Equity					
S&P 500	9.1	31.5	15.3	11.7	13.6
Russell 3000	9.1	31.0	14.6	11.2	13.4
Russell 1000	9.0	31.4	15.0	11.5	13.5
Russell 1000 Growth	10.6	36.4	20.5	14.6	15.2
Russell 1000 Value	7.4	26.5	9.7	8.3	11.8
Russell MidCap	7.1	30.5	12.1	9.3	13.2
Russell MidCap Growth	8.2	35.5	17.4	11.6	14.2
Russell MidCap Value	6.4	27.1	8.1	7.6	12.4
Russell 2000	9.9	25.5	8.6	8.2	11.8
Russell 2000 Growth	11.4	28.5	12.5	9.3	13.0
Russell 2000 Value	8.5	22.4	4.8	7.0	10.6
Foreign Equity					
MSCI ACWI (ex. US)	8.9	21.5	9.9	5.5	5.0
MSCI EAFE	8.2	22.0	9.6	5.7	5.5
MSCI EAFE (Local Currency)	5.2	21.7	7.7	6.7	7.2
MSCI EAFE Small Cap	11.5	25.0	10.9	8.9	8.7
MSCI Emerging Markets	11.8	18.4	11.6	5.6	3.7
MSCI Emerging Markets (Local Currency)	9.5	18.1	11.5	7.5	6.1
Fixed Income					
Bloomberg Barclays Universal	0.5	9.3	4.3	3.4	4.1
Bloomberg Barclays Aggregate	0.2	8.7	4.0	3.0	3.7
Bloomberg Barclays US TIPS	0.8	8.4	3.3	2.6	3.4
Bloomberg Barclays High Yield	2.6	14.3	6.4	6.1	7.6
JPM GBI-EM Global Diversified	5.2	13.5	7.0	2.8	2.7
Other					
FTSE NAREIT Equity	-0.8	26.0	8.1	7.2	11.9
Bloomberg Commodity Index	4.4	7.7	-0.9	-3.9	-4.7
HFRI Fund of Funds	2.5	7.8	3.7	2.2	2.8

¹ Source: InvestorForce.



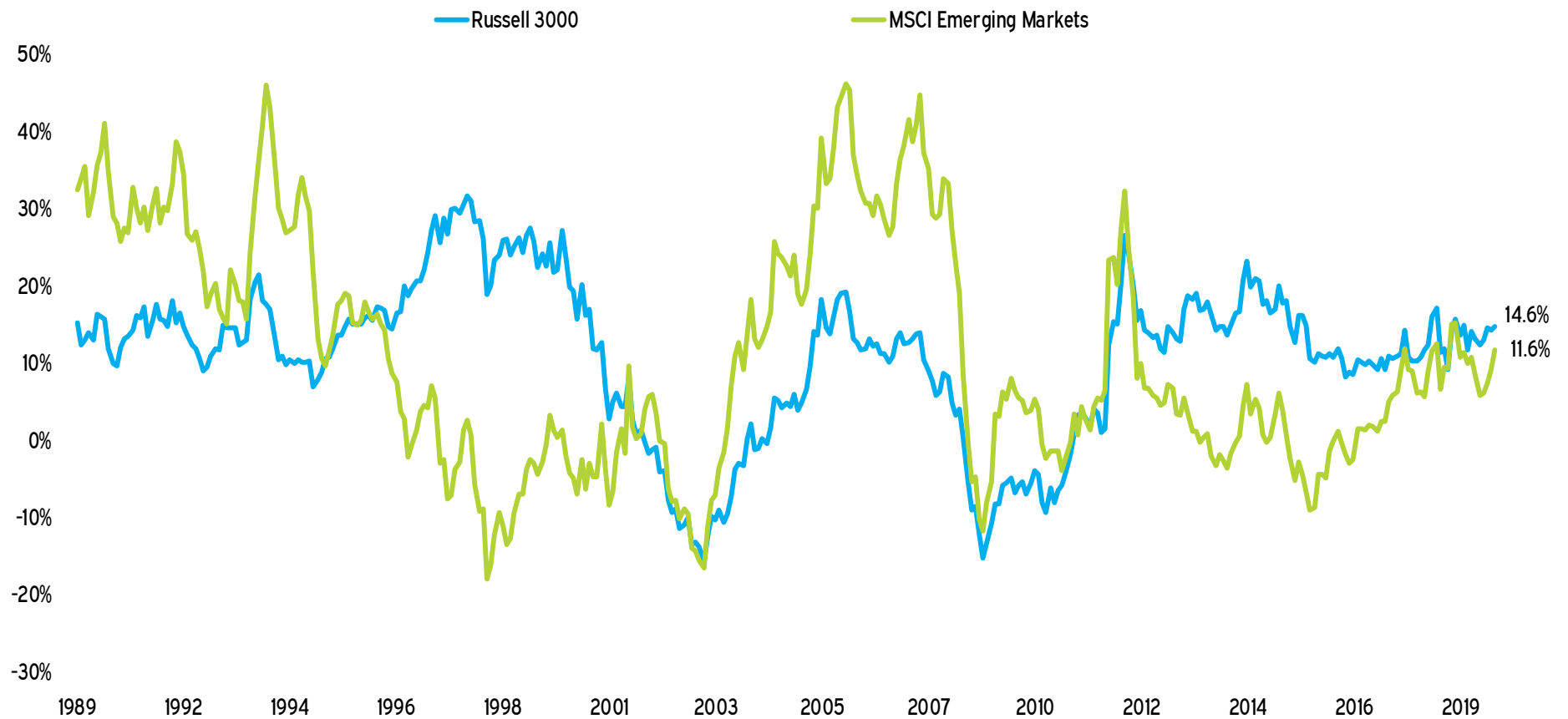
¹ Source: InvestorForce. Represents S&P 1500 (All Cap) data.

US and Developed Market Foreign Equity Rolling Three-Year Returns¹



¹ Source: InvestorForce.

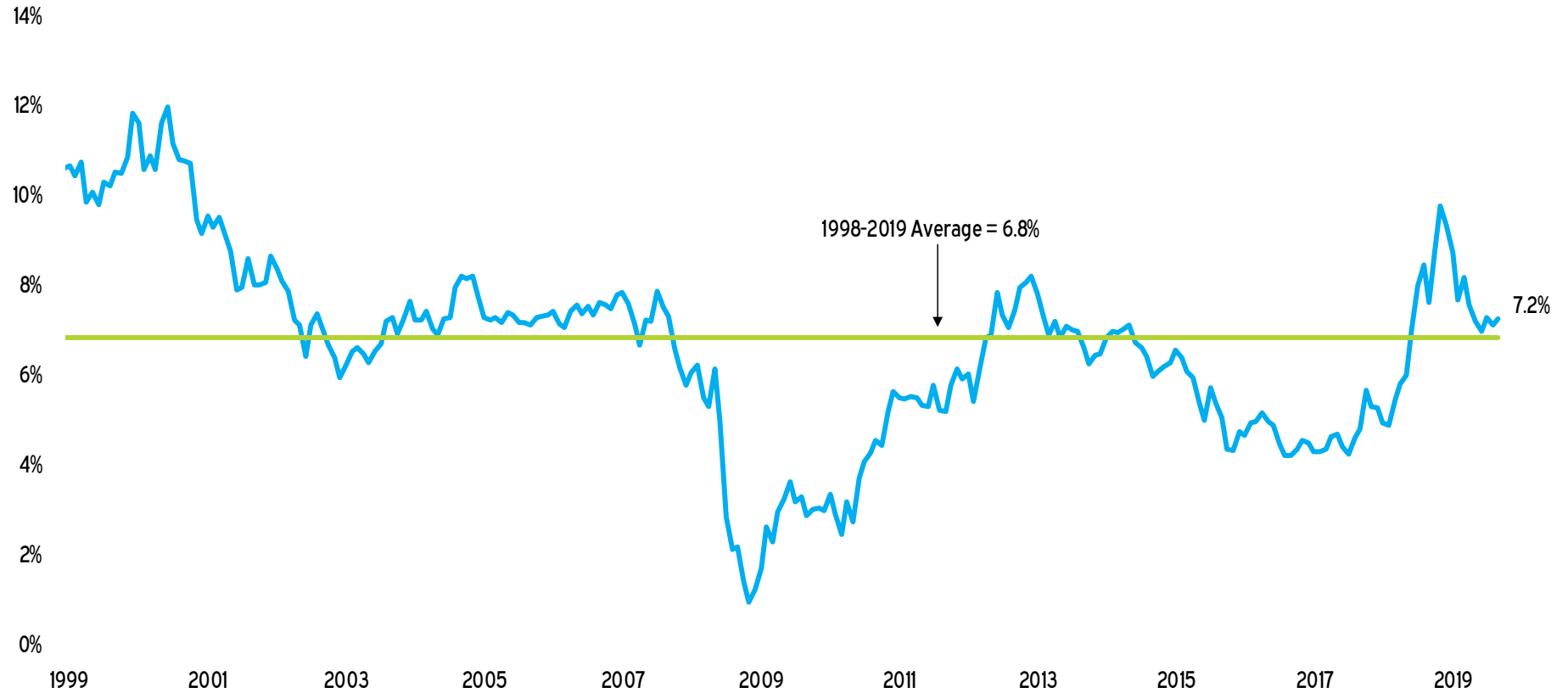
US and Emerging Market Equity Rolling Three-Year Returns¹



¹ Source: InvestorForce.

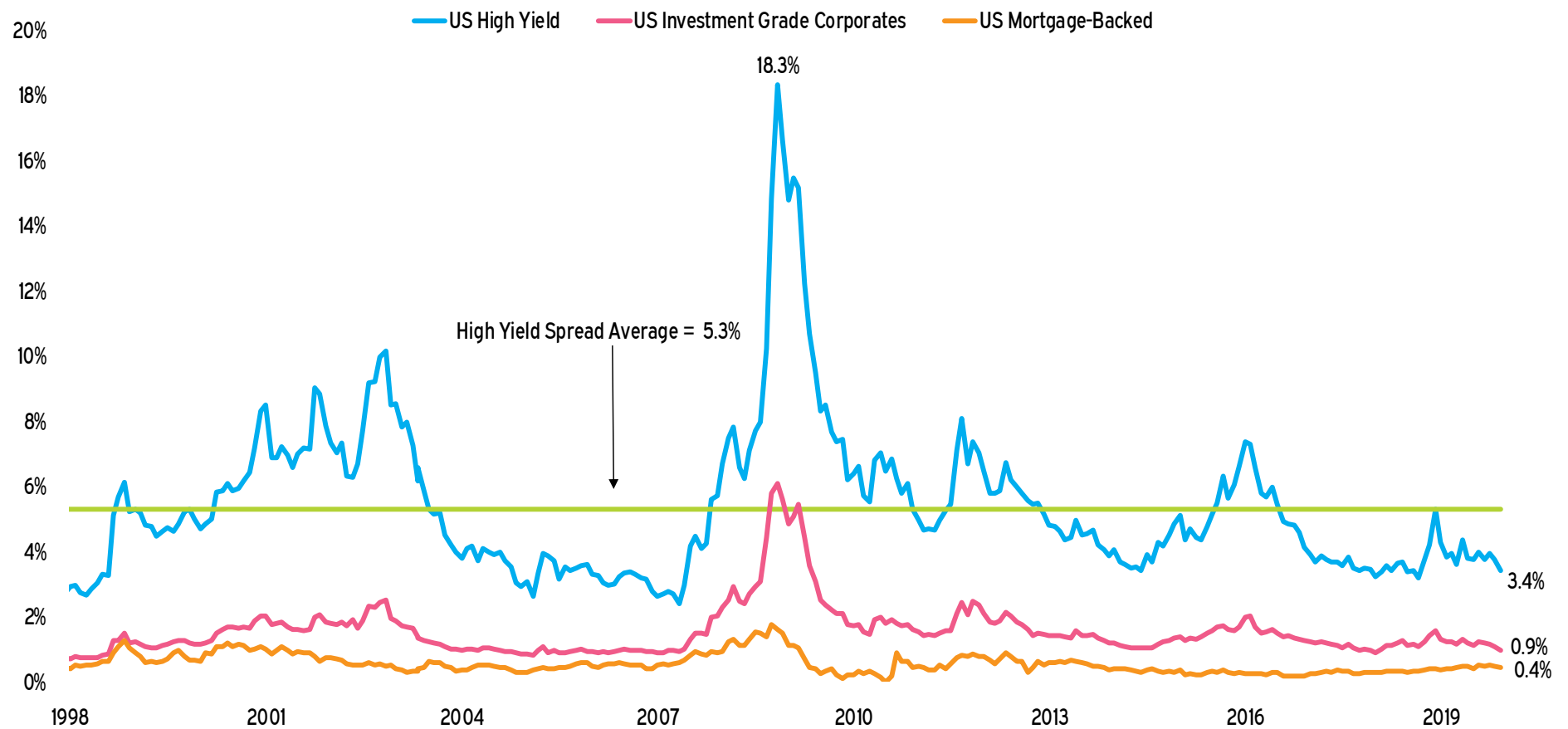
Rolling Ten-Year Returns: 65% Stocks and 35% Bonds¹

— 65% Stocks (MSCI ACWI) / 35% Bonds (Bloomberg Barclays Aggregate) 10-Year Rolling Return



¹ Source: InvestorForce.

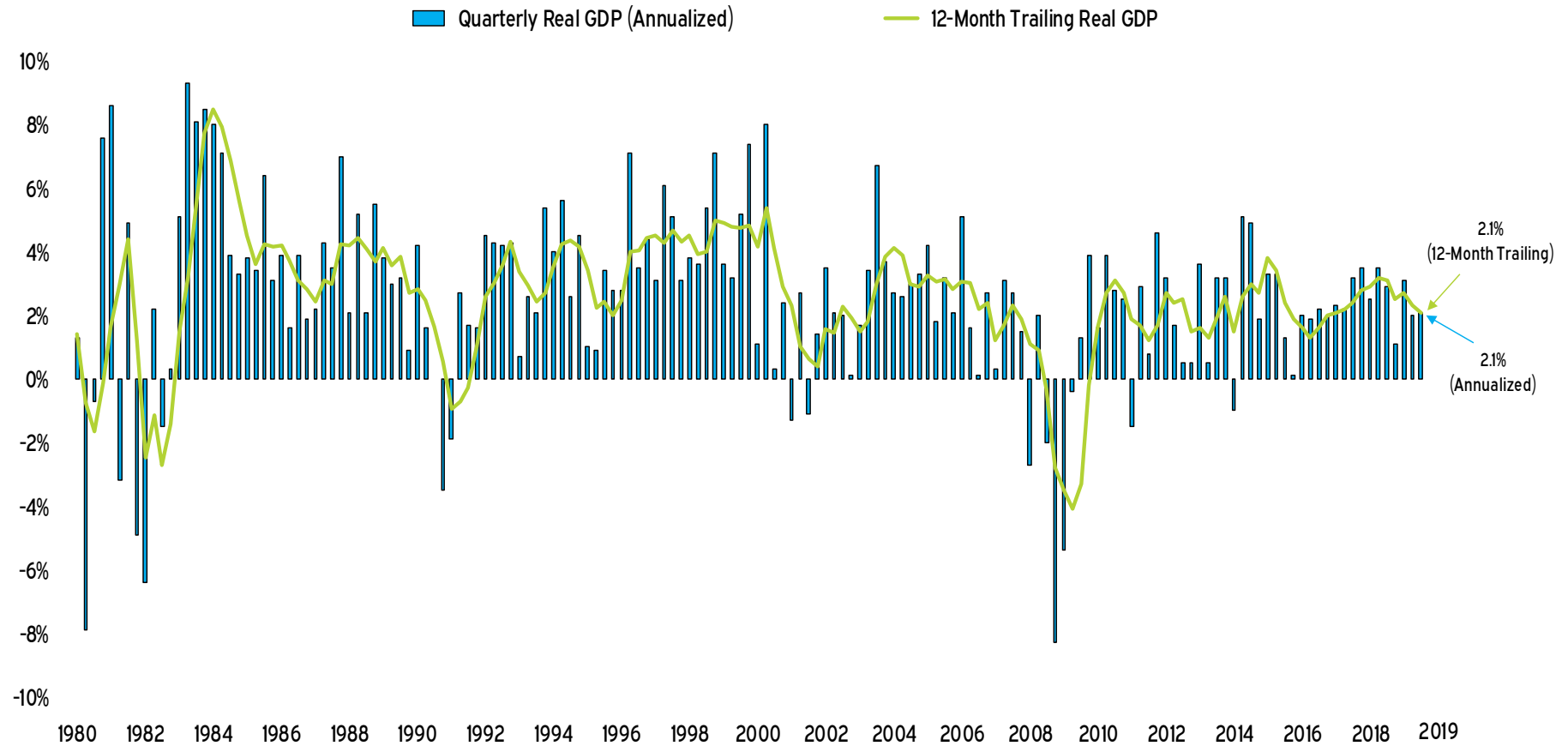
Credit Spreads vs. US Treasury Bonds^{1,2}



¹ Source: Barclays Live.

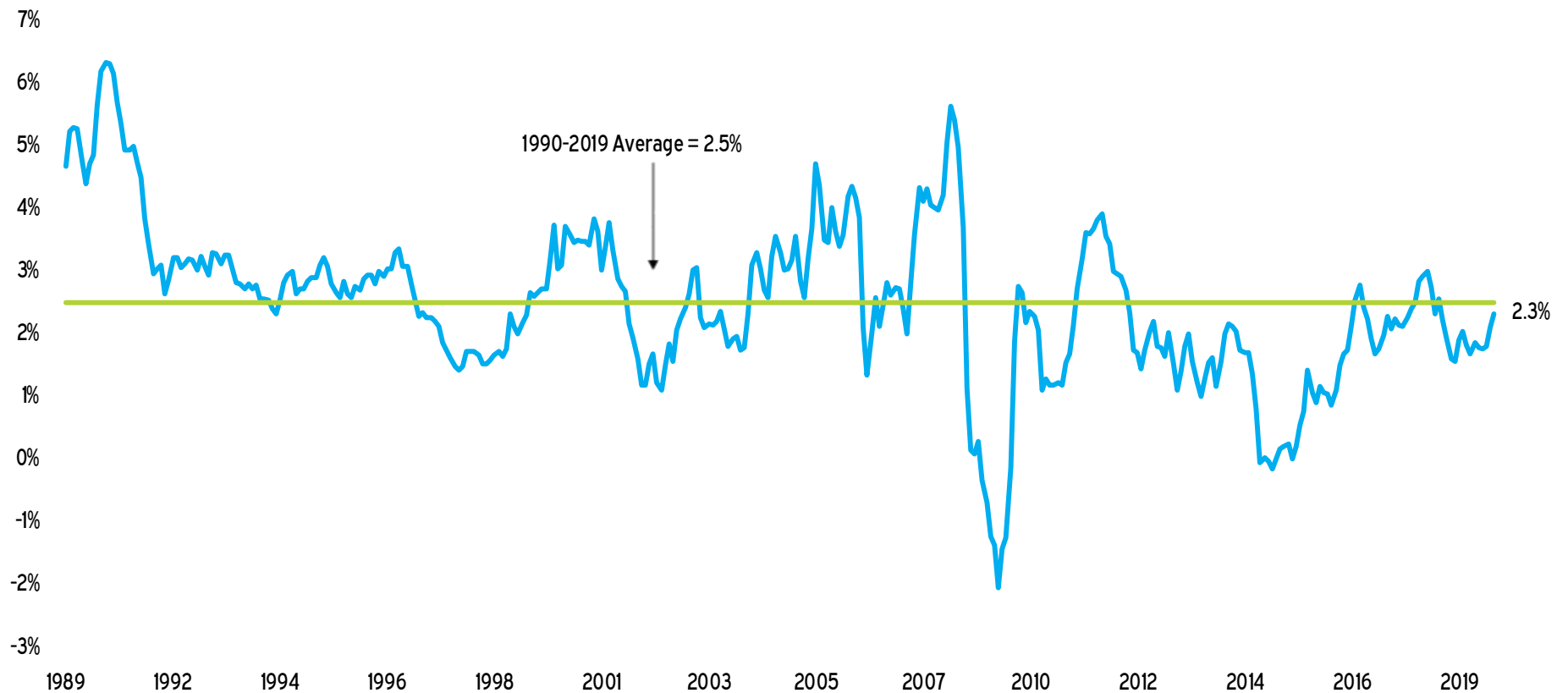
² The median high yield spread was 4.7% from 1997-2019.

US Real Gross Domestic Product (GDP) Growth¹



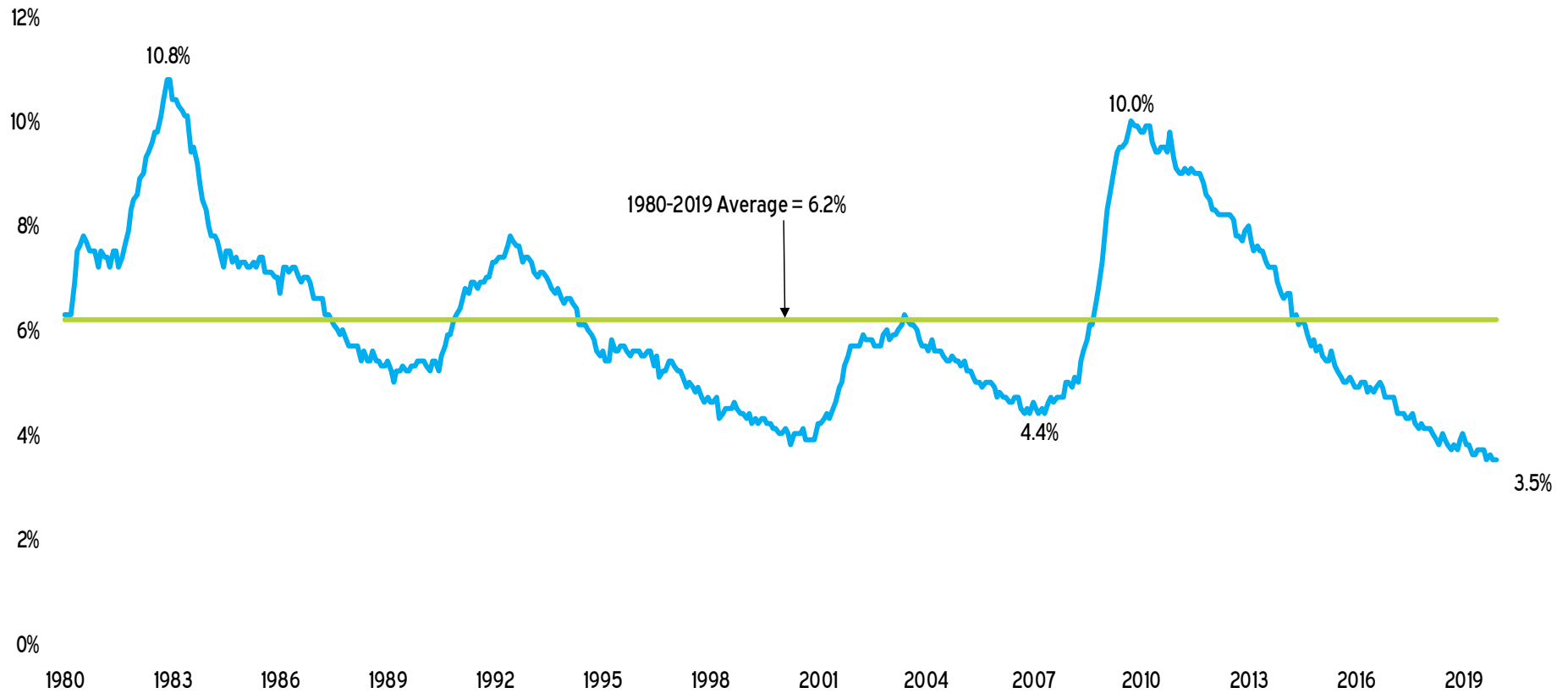
¹ Source: Bureau of Economic Analysis. Data is as of Q3 2019 and represents the third estimate.

US Inflation (CPI) Trailing Twelve Months¹



¹ Source: Bureau of Labor Statistics. Data is non-seasonally adjusted CPI, which may be volatile in the short-term. Data is as of December 31, 2019.

US Unemployment



¹ Source: Bureau of Labor Statistics. Data is as of December 31, 2019.

Capital Markets Outlook & Risk Metrics

As of December 31, 2019

Capital Markets Outlook

Takeaways

- December capped off a historically strong year for most risk-oriented markets. Global equity markets generally produced gains in the 2-4% range during the month, with full calendar year returns ending up approximately in the 18-32% range.
- With the exception of long-term interest rates (which ticked up during the month), the yield curve remained relatively stable in December. On a trailing one-year basis, however, interest rates declined by a material margin as the Federal Reserve lowered rates three times in 2019. From a performance perspective, broad investment grade bonds produced one-year returns in the high single-digits whereas long US Treasury bonds generated a return of nearly 15% for the year.
- Due in part to strong returns across nearly all asset classes in 2019, investors should anticipate that long-term, forward-looking returns will be lower as of early-2020 when compared to early-2019 capital market assumptions.
- US equity markets remain expensive whereas non-US equity markets remain reasonably valued relative to their histories. US credit and emerging markets debt spreads remain reasonably valued relative to their histories, although the richness of US high yield has recently increased (i.e., is now more expensive).
- Relative to their counterparts (growth and large cap), value and small cap equities continue to remain attractive from a valuation perspective.

Capital Markets Outlook

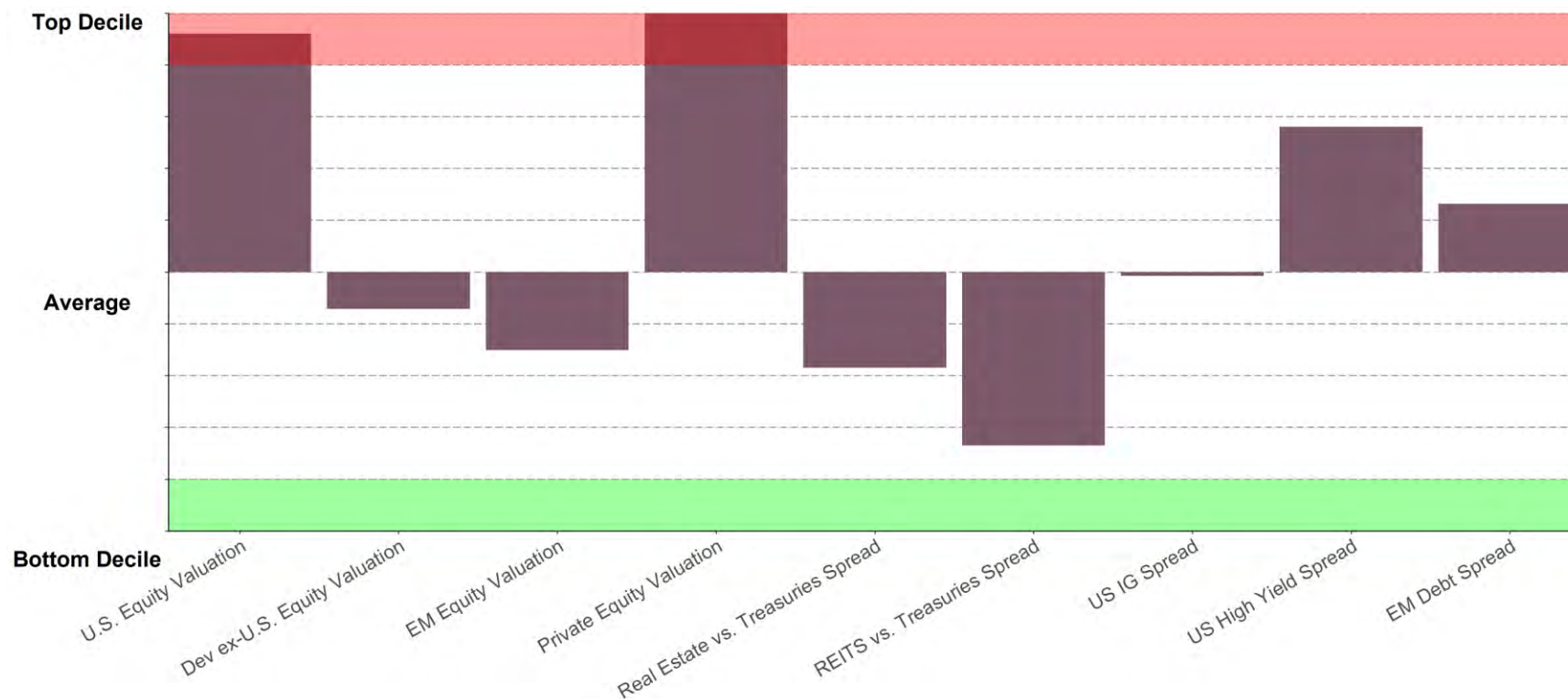
Takeaways

- Implied equity market volatility¹ remained at relatively low levels throughout December, generally staying in the 12-16 range throughout the entire month (the historical average is ~19).
- The Market Sentiment Indicator² stayed green at month end.

¹ As measured by VIX Index.

² See Appendix for the rationale for selection and calculation methodology used for the risk metrics.

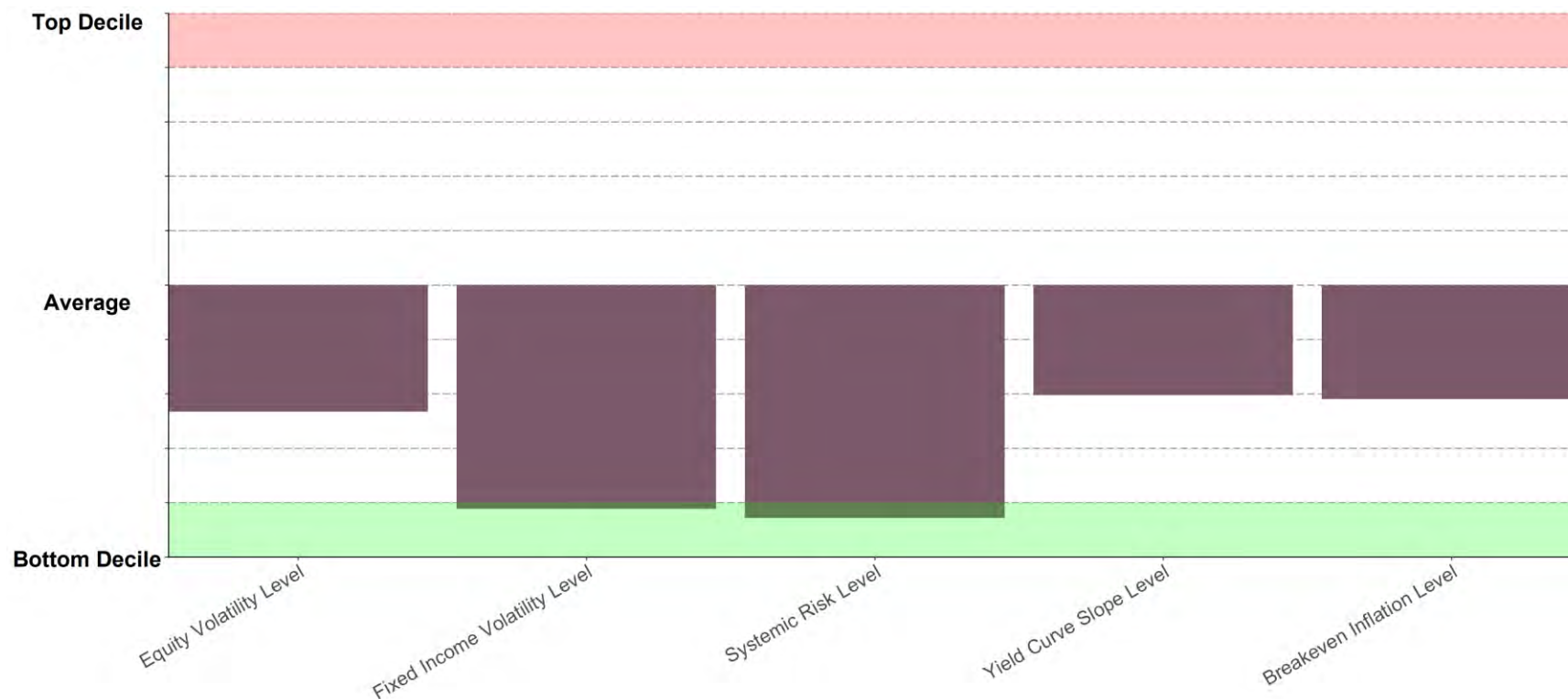
Risk Overview/Dashboard (1) (As of December 31, 2019)¹



- Dashboard (1) summarizes the current state of the different valuation metrics per asset class relative to their own history.

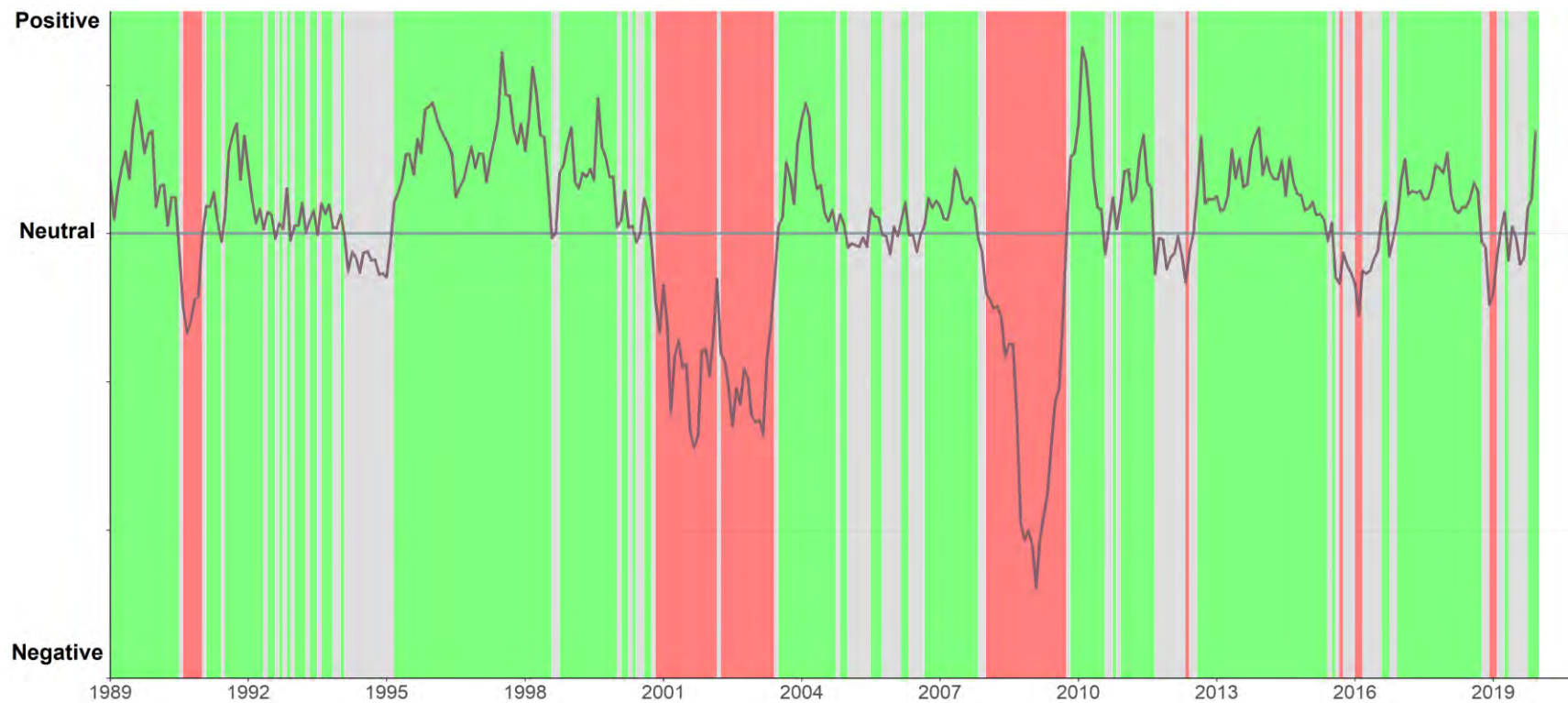
¹ With the exception of Private Equity Valuation, that is YTD as of November 30, 2019.

Risk Overview/Dashboard (2) (As of December 31, 2019)

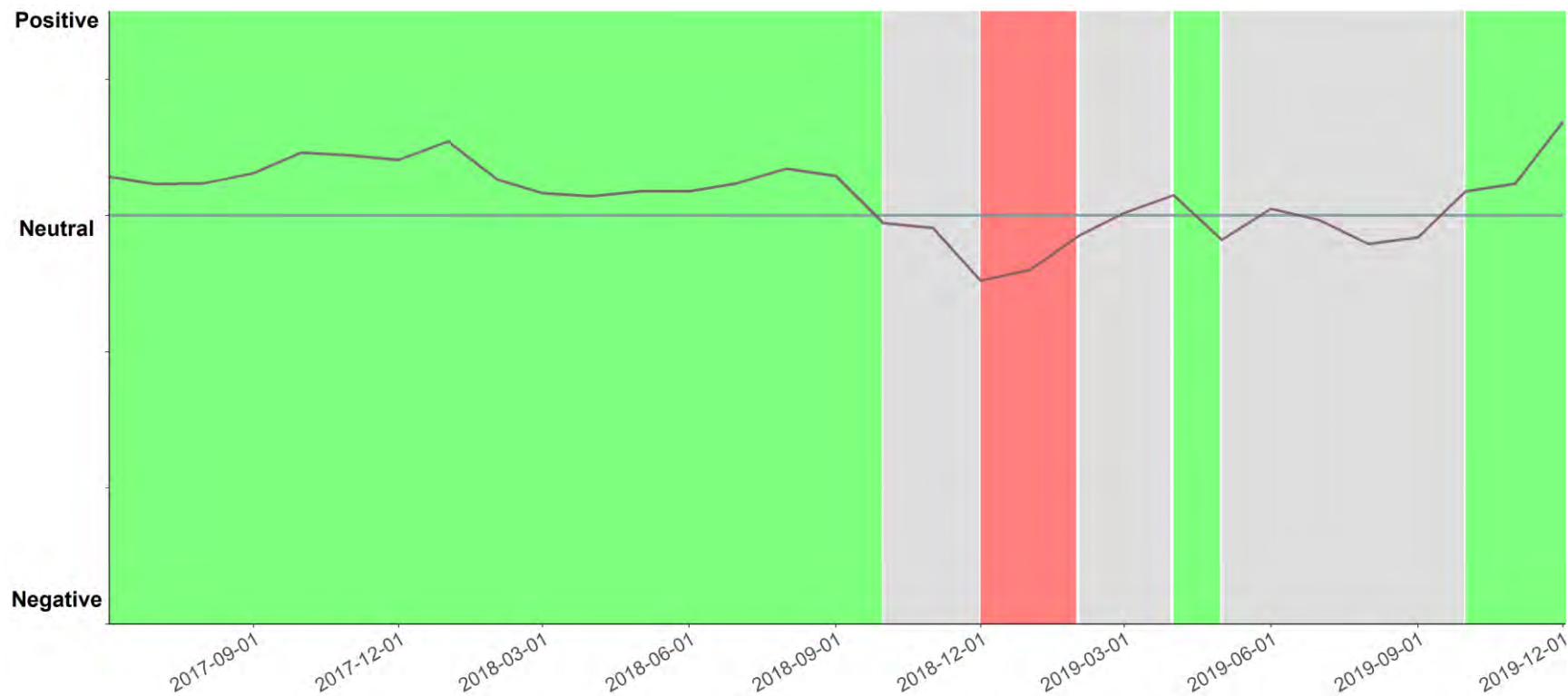


- Dashboard (2) shows how the current level of each indicator compares to its respective history.

Market Sentiment Indicator (All History) (As of December 31, 2019)



Market Sentiment Indicator (Last Three Years)
(As of December 31, 2019)



US Equity Cyclically Adjusted P/E¹ (As of December 31, 2019)



- This chart details one valuation metric for US equities. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ US Equity Cyclically Adjusted P/E on S&P 500 Index – Source: Robert Shiller, Yale University and Meketa Investment Group.

Small Cap P/E vs. Large Cap P/E¹ (As of December 31, 2019)



- This chart compares the relative attractiveness of small cap US equities vs. large cap US equities on a valuation basis. A higher (lower) figure indicates that large cap (small cap) is more attractive.

¹ Small Cap P/E (Russell 2000 Index) vs. Large Cap P/E (Russell 1000 Index) - Source: Russell Investments. Earnings figures represent 12-month "as reported" earnings.

Growth P/E vs. Value P/E¹ (As of December 31, 2019)



- This chart compares the relative attractiveness of US growth equities vs. US value equities on a valuation basis. A higher (lower) figure indicates that value (growth) is more attractive.

¹ Growth P/E (Russell 3000 Growth Index) vs. Value (Russell 3000 Value Index) P/E - Source: Bloomberg, MSCI, and Meketa Investment Group. Earnings figures represent 12-month "as reported" earnings.

Developed International Equity Cyclically Adjusted P/E¹ (As of December 31, 2019)



- This chart details one valuation metric for developed international equities. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ Developed International Equity (MSCI EAFE ex Japan Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.

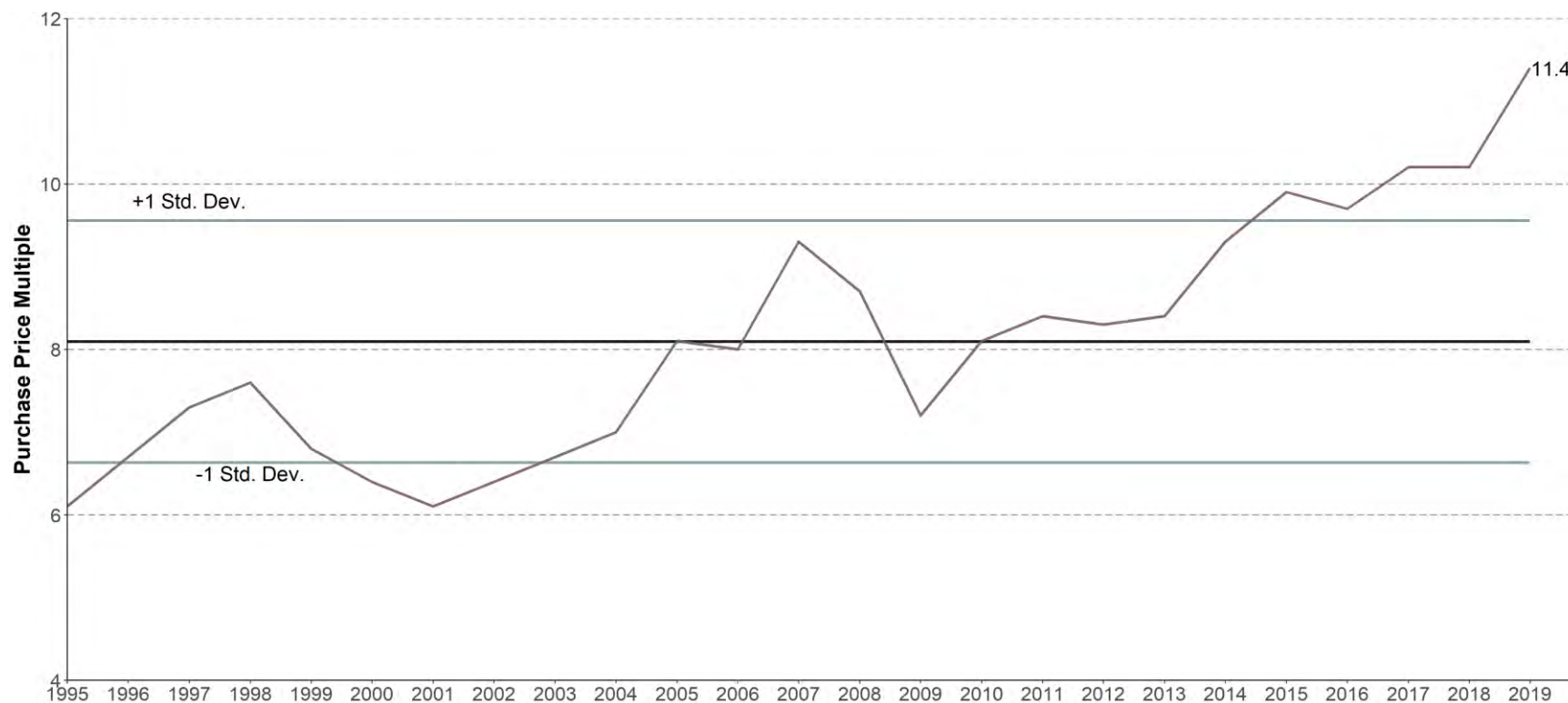
Emerging Market Equity Cyclically Adjusted P/E¹ (As of December 31, 2019)



- This chart details one valuation metric for emerging markets equities. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ Emerging Market Equity (MSCI Emerging Markets Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.

Private Equity Multiples¹ (As of November 30, 2019)²

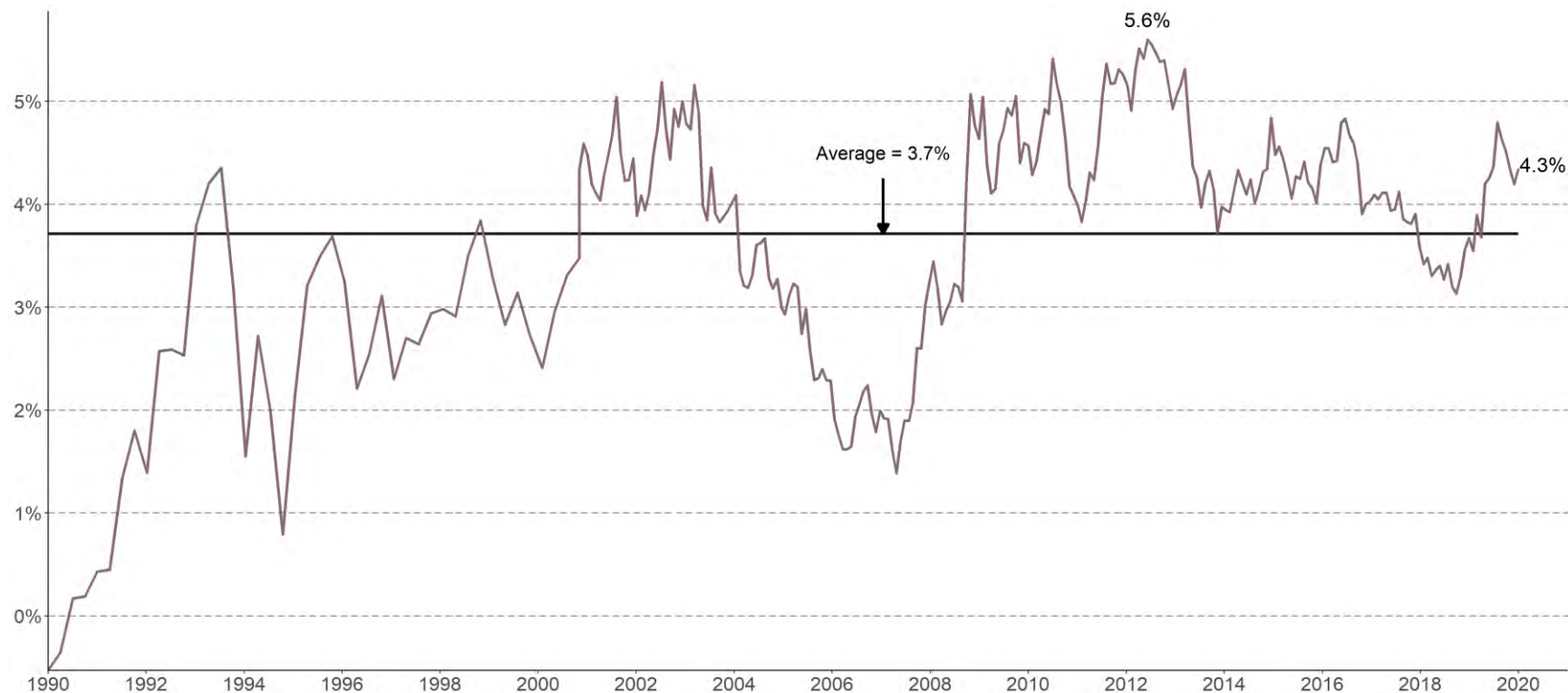


- This chart details one valuation metric for the private equity market. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ Private Equity Multiples – Source: S&P LCD Average EBITDA Multiples Paid in All LBOs.

² Annual figures, except for 2019 (YTD).

Core Real Estate Spread vs. Ten-Year Treasury¹ (As of December 31, 2019)



- This chart details one valuation metric for the private core real estate market. A higher (lower) figure indicates cheaper (more expensive) valuation.

¹ Core Real Estate Spread vs. Ten-Year Treasury – Source: Real Capital Analytics, US Treasury, Bloomberg, and Meketa Investment Group. Core Real Estate is proxied by weighted sector transaction based indices from Real Capital Analytics and Meketa Investment Group.

REITs Dividend Yield Spread vs. Ten-Year Treasury¹ (As of December 31, 2019)



- This chart details one valuation metric for the public REITs market. A higher (lower) figure indicates cheaper (more expensive) valuation.

¹ REITs Dividend Yield Spread vs. Ten-Year Treasury – Source: NAREIT, US Treasury. REITs are proxied by the yield for the NAREIT Equity index.

Credit Spreads¹ (As of December 31, 2019)



- This chart details one valuation metric for the US credit markets. A higher (lower) figure indicates cheaper (more expensive) valuation relative to history.

¹ Credit Spreads – Source: Barclays Capital. High Yield is proxied by the Barclays High Yield index and Investment Grade Corporates are proxied by the Barclays US Corporate Investment Grade index.

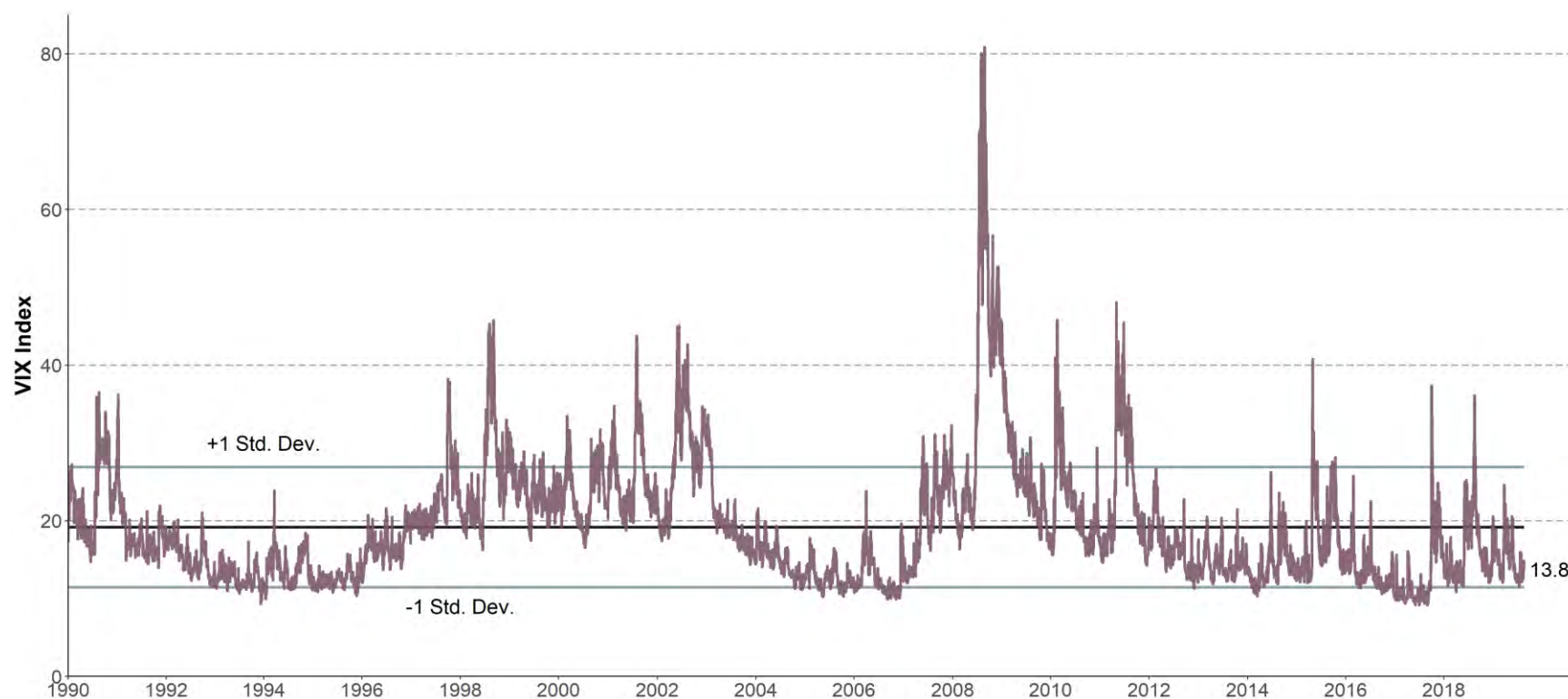
Emerging Market Debt Spreads¹ (As of December 31, 2019)



- This chart details one valuation metric for the EM debt markets. A higher (lower) figure indicates cheaper (more expensive) valuation relative to history.

¹ EM Spreads – Source: Bloomberg. Option Adjusted Spread (OAS) for the Bloomberg Barclays EM USD Aggregate Index.

Equity Volatility¹ (As of December 31, 2019)



- This chart details historical implied equity market volatility. This metric tends to increase during times of stress/fear and while declining during more benign periods.

¹ Equity Volatility – Source: Bloomberg, and Meketa Investment Group. Equity Volatility proxied by VIX Index, a Measure of implied option volatility for US equity markets.

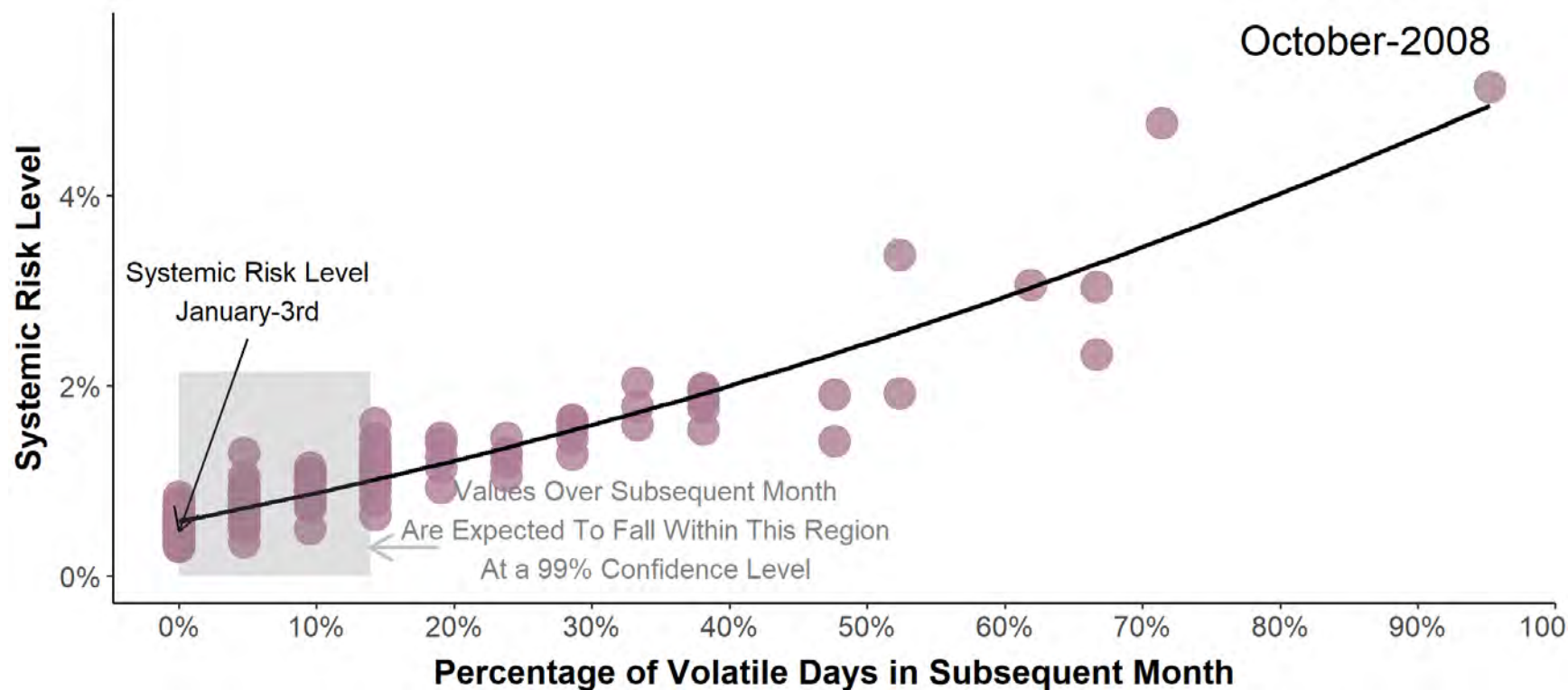
Fixed Income Volatility¹ (As of December 31, 2019)



- This chart details historical implied fixed income market volatility. This metric tends to increase during times of stress/fear and while declining during more benign periods.

¹ Fixed Income Volatility – Source: Bloomberg, and Meketa Investment Group. Fixed Income Volatility proxied by MOVE Index, a Measure of implied option volatility for US Treasury markets.

Systemic Risk and Volatile Market Days¹ (As of January 3, 2020)



- Systemic Risk is a measure of 'System-wide' risk, which indicates herding type behavior.

¹ Source: Meketa Investment Group. Volatile days are defined as the top 10 percent of realized turbulence, which is a multivariate distance between asset returns.

Yield Curve Slope (Ten Minus Two)¹ (As of December 31, 2019)



- This chart details the historical difference in yields between ten-year and two-year US Treasury bonds/notes. A higher (lower) figure indicates a steeper (flatter) yield curve slope.

¹ Yield Curve Slope (Ten Minus Two) – Source: Bloomberg, and Meketa Investment Group. Yield curve slope is calculated as the difference between the 10-Year US Treasury Yield and 2-Year US Treasury Yield.

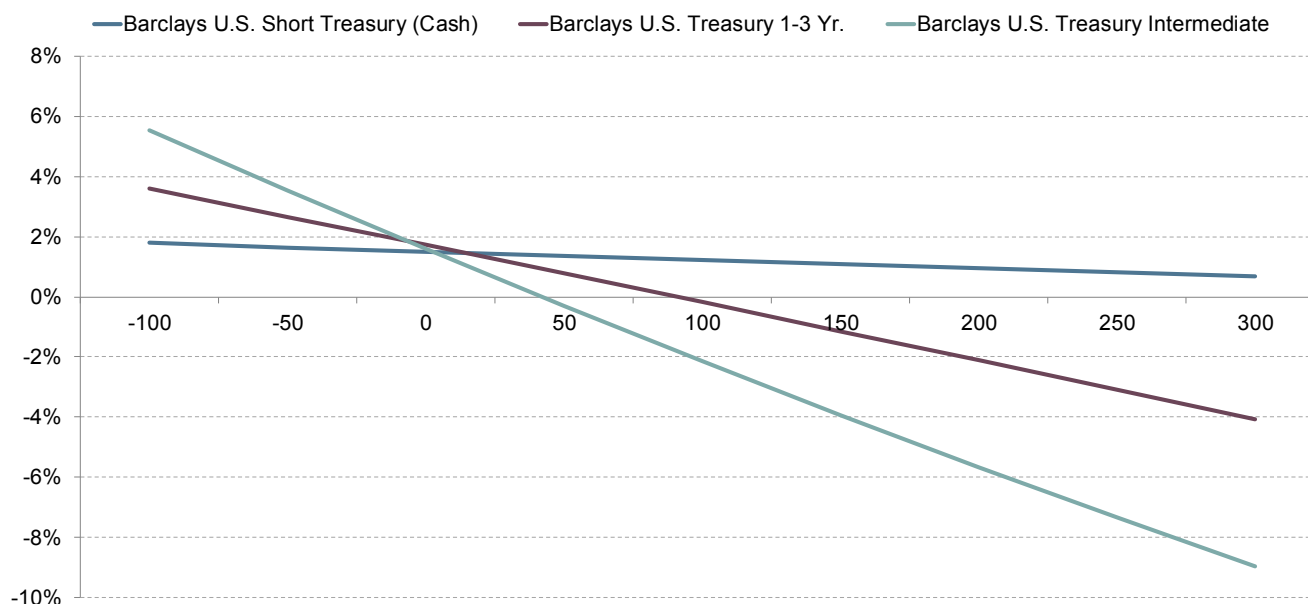
Ten-Year Breakeven Inflation¹ (As of December 31, 2019)



- This chart details the difference between nominal and inflation-adjusted US Treasury bonds. A higher (lower) figure indicates higher (lower) inflation expectations.

¹ Ten-Year Breakeven Inflation – Source: US Treasury and Federal Reserve. Inflation is measured by the Consumer Price Index (CPI-U NSA).

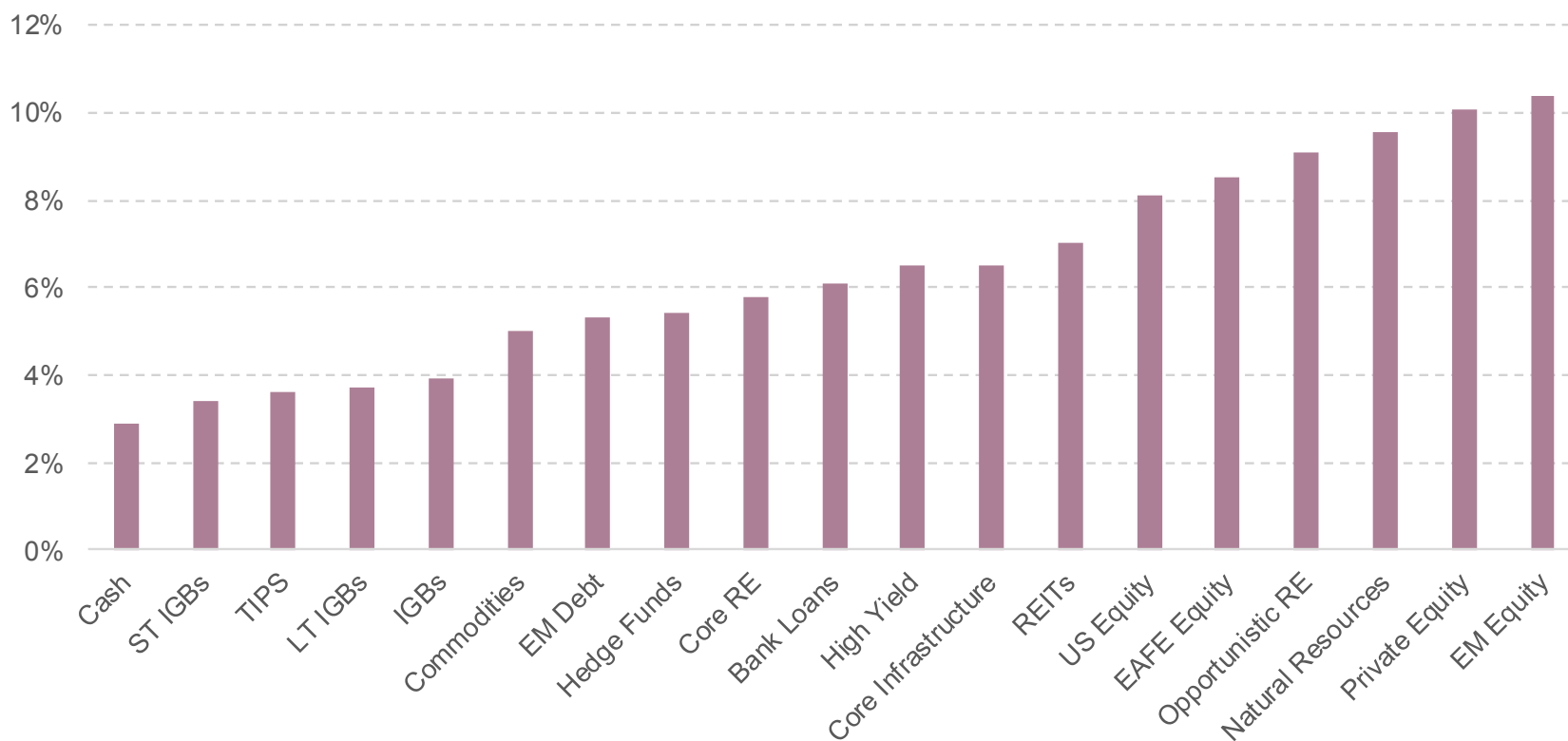
Total Return Given Changes in Interest Rates (bps)¹ (As of December 31, 2019)



	Total Return for Given Changes in Interest Rates (bps)									Statistics	
	-100	-50	0	50	100	150	200	250	300	Duration	YTW
Barclays US Short Treasury (Cash)	1.9%	1.8%	1.7%	1.5%	1.4%	1.2%	1.1%	1.0%	0.8%	0.7%	0.28
Barclays US Treasury 1-3 Yr.	4.5%	3.6%	2.7%	1.7%	0.8%	-0.2%	-1.1%	-2.1%	-3.1%	-4.1%	1.89
Barclays US Treasury Intermediate	7.6%	5.6%	3.6%	1.6%	-0.3%	-2.1%	-3.9%	-5.7%	-7.3%	-9.0%	3.85
Barclays US Treasury Long	34.1%	22.4%	11.8%	2.2%	-6.3%	-13.9%	-20.3%	-25.7%	-30.1%	-33.4%	18.15

¹ Data represents the expected total return from a given change in interest rates (shown in basis points) over a 12-month period assuming a parallel shift in rates. Source: Bloomberg, and Meketa Investment Group.

Long-Term Outlook – 20-Year Annualized Expected Returns¹



- This chart details Meketa's long-term forward-looking expectations for total returns across asset classes.

¹ Source: Meketa Investment Group's 2019 Annual Asset Study.

Appendix

Data Sources and Explanations¹

- US Equity Cyclically Adjusted P/E on S&P 500 Index – Source: Robert Shiller and Yale University.
- Small Cap P/E (Russell 2000 Index) vs. Large Cap P/E (Russell 1000 Index) – Source: Russell Investments. Earnings figures represent 12-month “as reported” earnings.
- Growth P/E (Russell 3000 Growth Index) vs. Value (Russell 3000 Value Index) P/E – Source: Bloomberg, MSCI, and Meketa Investment Group. Earnings figures represent 12-month “as reported” earnings.
- Developed International Equity (MSCI EAFE ex Japan Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.
- Emerging Market Equity (MSCI Emerging Markets Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.
- Private Equity Multiples – Source: S&P LCD Average EBITDA Multiples Paid in All LBOs
- Core Real Estate Spread vs. Ten-Year Treasury – Source: Real Capital Analytics, US Treasury, Bloomberg, and Meketa Investment Group. Core Real Estate is proxied by weighted sector transaction based indices from Real Capital Analytics and Meketa Investment Group.
- REITs Dividend Yield Spread vs. Ten-Year Treasury – Source: NAREIT, US Treasury. REITs are proxied by the yield for the NAREIT Equity index.

¹ All Data as of December 31, 2019 unless otherwise noted.

Appendix

Data Sources and Explanations¹

- Credit Spreads – Source: Barclays Capital. High Yield is proxied by the Barclays High Yield index and Investment Grade Corporates are proxied by the Barclays US Corporate Investment Grade index.
- EM Debt Spreads – Source: Bloomberg, and Meketa Investment Group. Option Adjusted Spread (OAS) for the Bloomberg Barclays EM USD Aggregate Index.
- Equity Volatility – Source: Bloomberg, and Meketa Investment Group. Equity Volatility proxied by VIX Index, a Measure of implied option volatility for US equity markets.
- Fixed Income Volatility – Source: Bloomberg, and Meketa Investment Group. Equity Volatility proxied by MOVE Index, a Measure of implied option volatility for US Treasury markets.
- Systemic Risk and Volatile Market Days – Source: Meketa Investment Group. Volatile days are defined as the top 10 percent of realized turbulence, which is a multivariate distance between asset returns.
- Systemic Risk, which measures risk across markets, is important because the more contagion of risk that exists between assets, the more likely it is that markets will experience volatile periods.
- Yield Curve Slope (Ten Minus Two) – Source: Bloomberg, and Meketa Investment Group. Yield curve slope is calculated as the difference between the 10-Year US Treasury Yield and 2-Year US Treasury Yield.
- Ten-Year Breakeven Inflation – Source: US Treasury and Federal Reserve. Inflation is measured by the Consumer Price Index (CPI-U NSA).

¹ All Data as of December 31, 2019 unless otherwise noted.

Meketa Market Sentiment Indicator

Explanation, Construction and Q&A

Meketa has created the MIG Market Sentiment Indicator (MIG-MSI) to complement our valuation-focused Risk Metrics. This measure of sentiment is meant to capture significant and persistent shifts in long-lived market trends of economic growth risk, either towards a risk-seeking trend or a risk-aversion trend.

This appendix explores:

- What is the Meketa Market Sentiment Indicator?
- How do I read the indicator graph?
- How is the Meketa Market Sentiment Indicator constructed?
- What do changes in the indicator mean?

Meketa has created a market sentiment indicator for monthly publication (the MIG-MSI – see below) to complement Meketa's Risk Metrics.

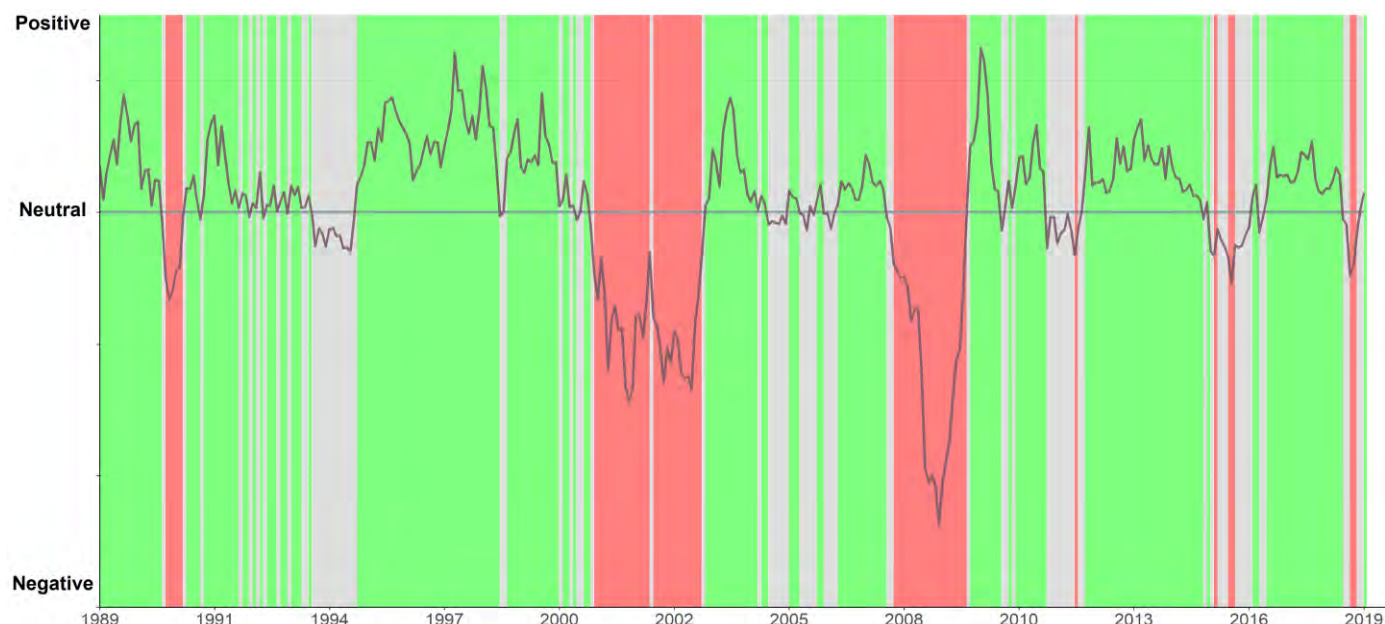
- Meketa's Risk Metrics, which rely significantly on standard market measures of relative valuation, often provide valid early signals of increasing long-term risk levels in the global investment markets. However, as is the case with numerous valuation measures, the Risk Metrics may convey such risk concerns long before a market corrections take place. The MIG-MSI helps to address this early-warning bias by measuring whether the markets are beginning to acknowledge key Risk Metrics trends, and / or indicating non-valuation based concerns. Once the MIG-MSI indicates that the market sentiment has shifted, it is our belief that investors should consider significant action, particularly if confirmed by the Risk Metrics. Importantly, Meketa believes the Risk Metrics and MIG-MSI should always be used in conjunction with one another and never in isolation. The questions and answers below highlight and discuss the basic underpinnings of the Meketa MIG-MSI:

What is the Meketa Market Sentiment Indicator (MIG-MSI)?

- The MIG-MSI is a measure meant to gauge the market's sentiment regarding economic growth risk. Growth risk cuts across most financial assets, and is the largest risk exposure that most portfolios bear. The MIG-MSI takes into account the momentum (trend over time, positive or negative) of the economic growth risk exposure of publicly traded stocks and bonds, as a signal of the future direction of growth risk returns; either positive (risk seeking market sentiment), or negative (risk averse market sentiment).

How do I read the Meketa Market Sentiment Indicator graph?

- Simply put, the MIG-MSI is a color-coded indicator that signals the market's sentiment regarding economic growth risk. It is read left to right chronologically. A green indicator on the MIG-MSI indicates that the market's sentiment towards growth risk is positive. A gray indicator indicates that the market's sentiment towards growth risk is neutral or inconclusive. A red indicator indicates that the market's sentiment towards growth risk is negative. The black line on the graph is the level of the MIG-MSI. The degree of the signal above or below the neutral reading is an indication the signal's current strength.
- Momentum as we are defining it is the use of the past behavior of a series as a predictor of its future behavior.



How is the Meketa Market Sentiment Indicator (MIG-MSI) Constructed?

- The MIG-MSI is constructed from two sub-elements representing investor sentiment in stocks and bonds:
 - Stock return momentum: Return momentum for the S&P 500 Equity Index (trailing 12-months)
 - Bond yield spread momentum: Momentum of bond yield spreads (excess of the measured bond yield over the identical duration US Treasury bond yield) for corporate bonds (trailing 12-months) for both investment grade bonds (75% weight) and high yield bonds (25% weight).
 - Both measures are converted to Z-scores and then combined to get an “apples to apples” comparison without the need of re-scaling.
- The black line reading on the graph is calculated as the average of the stock return momentum measure and the bonds spread momentum measure.¹ The color reading on the graph is determined as follows:
 - If both stock return momentum and bond spread momentum are positive = GREEN (positive)
 - If one of the momentum indicators is positive, and the other negative = GRAY (inconclusive)
 - If both stock return momentum and bond spread momentum are negative = RED (negative)

¹ Momentum as we are defining it is the use of the past behavior of a series as a predictor of its future behavior.

“Time Series Momentum” Moskowitz, Ooi, Pedersen, August 2010. <http://pages.stern.nyu.edu/~lpederse/papers/TimeSeriesMomentum.pdf>

What does the Meketa Market Sentiment Indicator (MIG-MSI) mean? Why might it be useful?

- There is strong evidence that time series momentum is significant and persistent. In particular, across an extensive array of asset classes, the sign of the trailing 12-month return (positive or negative) is indicative of future returns (positive or negative) over the next 12-month period. The MIG-MSI is constructed to measure this momentum in stocks and corporate bond spreads. A reading of green or red is agreement of both the equity and bond measures, indicating that it is likely that this trend (positive or negative) will continue over the next 12 months. When the measures disagree, the indicator turns gray. A gray reading does not necessarily mean a new trend is occurring, as the indicator may move back to green, or into the red from there. The level of the reading (black line) and the number of months at the red or green reading, gives the user additional information on which to form an opinion, and potentially take action.

Disclaimer, Glossary, and Notes

WE HAVE PREPARED THIS REPORT (THIS "REPORT") FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$.

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.

The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.

PERA *SmartSave*

Deferred Compensation Plan 

Public Employees Retirement Association of New Mexico

4Q2019

Plan Service Review

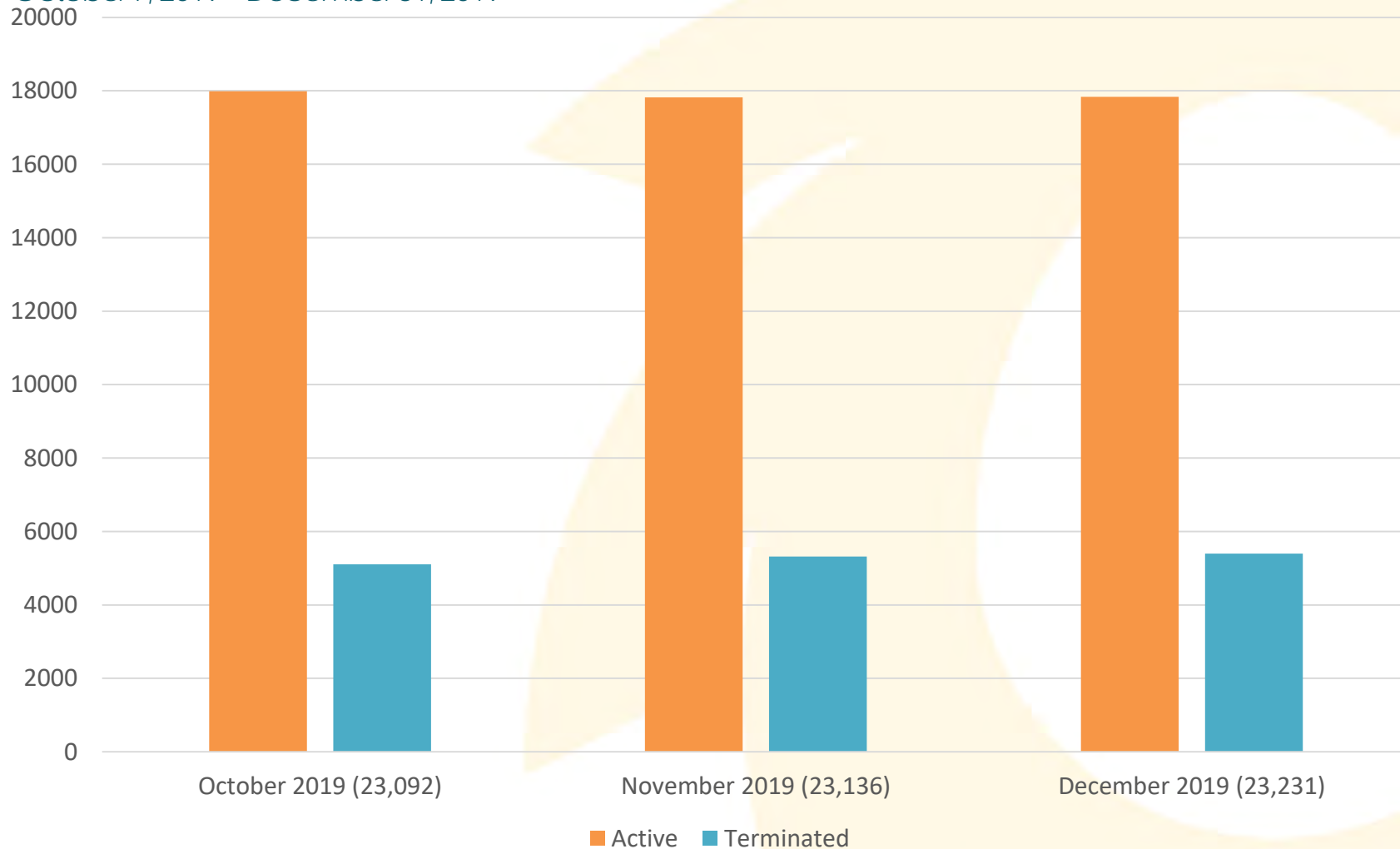


Participant Analysis



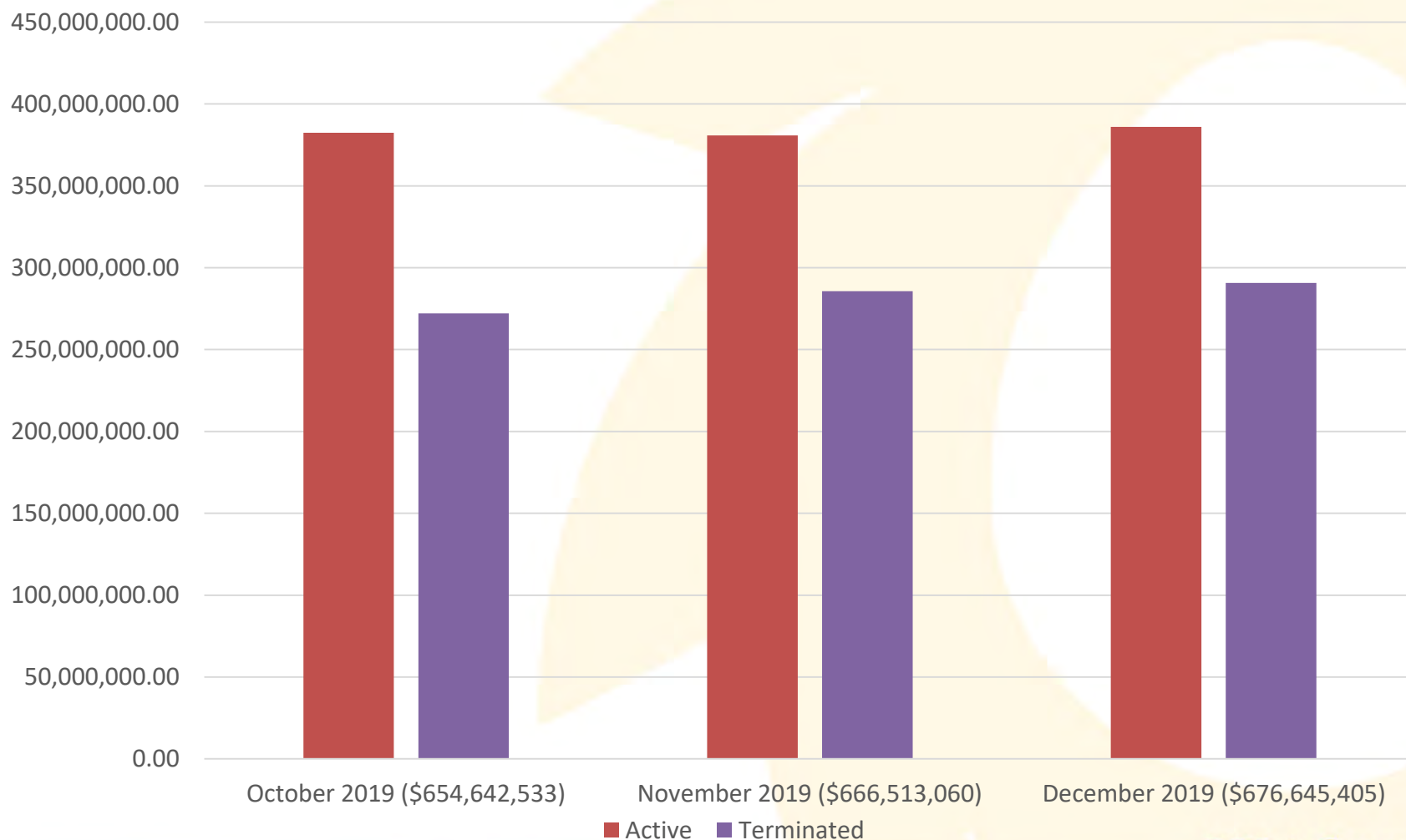
Participation Rate Summary

October 7, 2019 – December 31, 2019



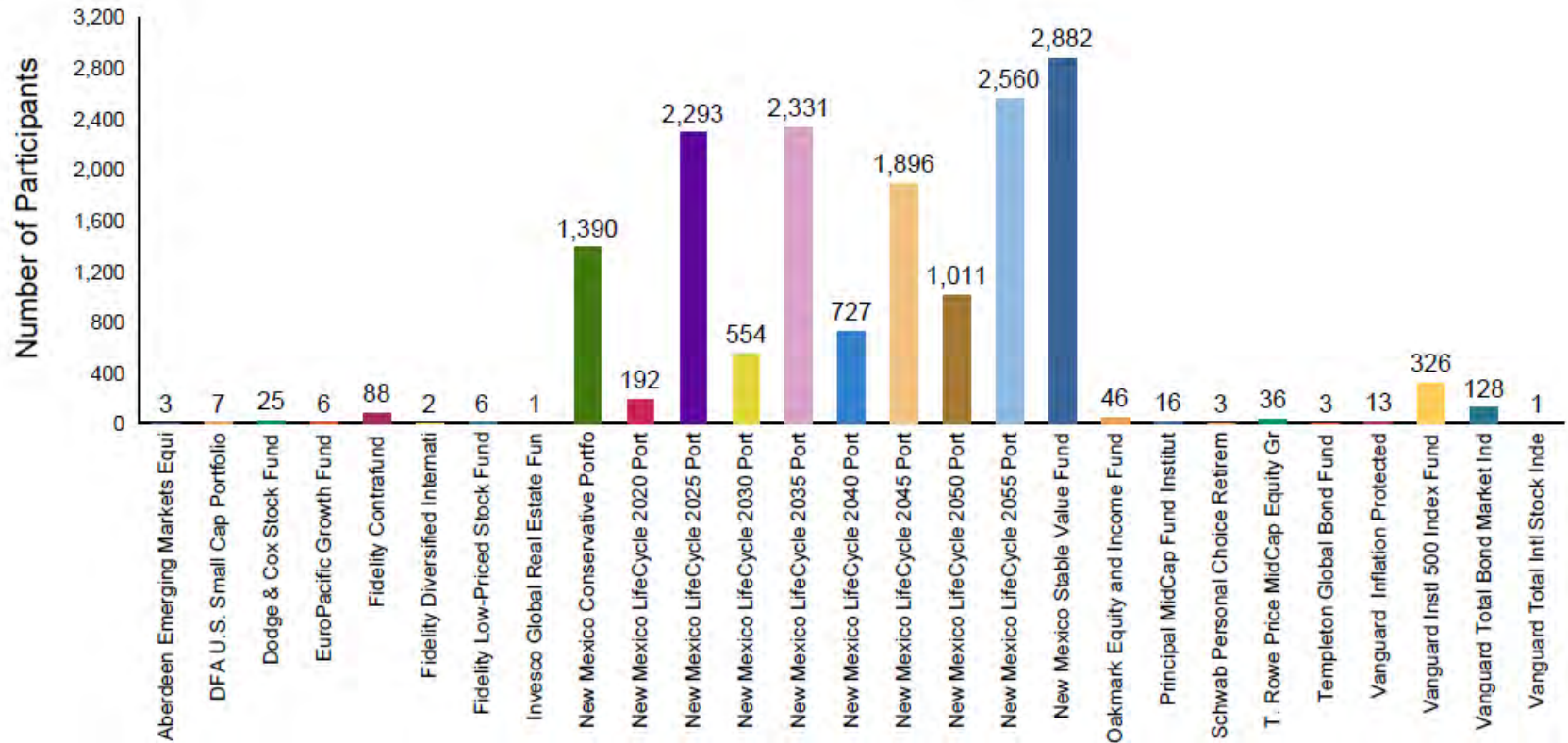
Participant Balance Summary

October 7, 2019 – December 31, 2019 Includes Deemed Loan



Participants with a Balance in a Single Investment

As of December 31, 2019



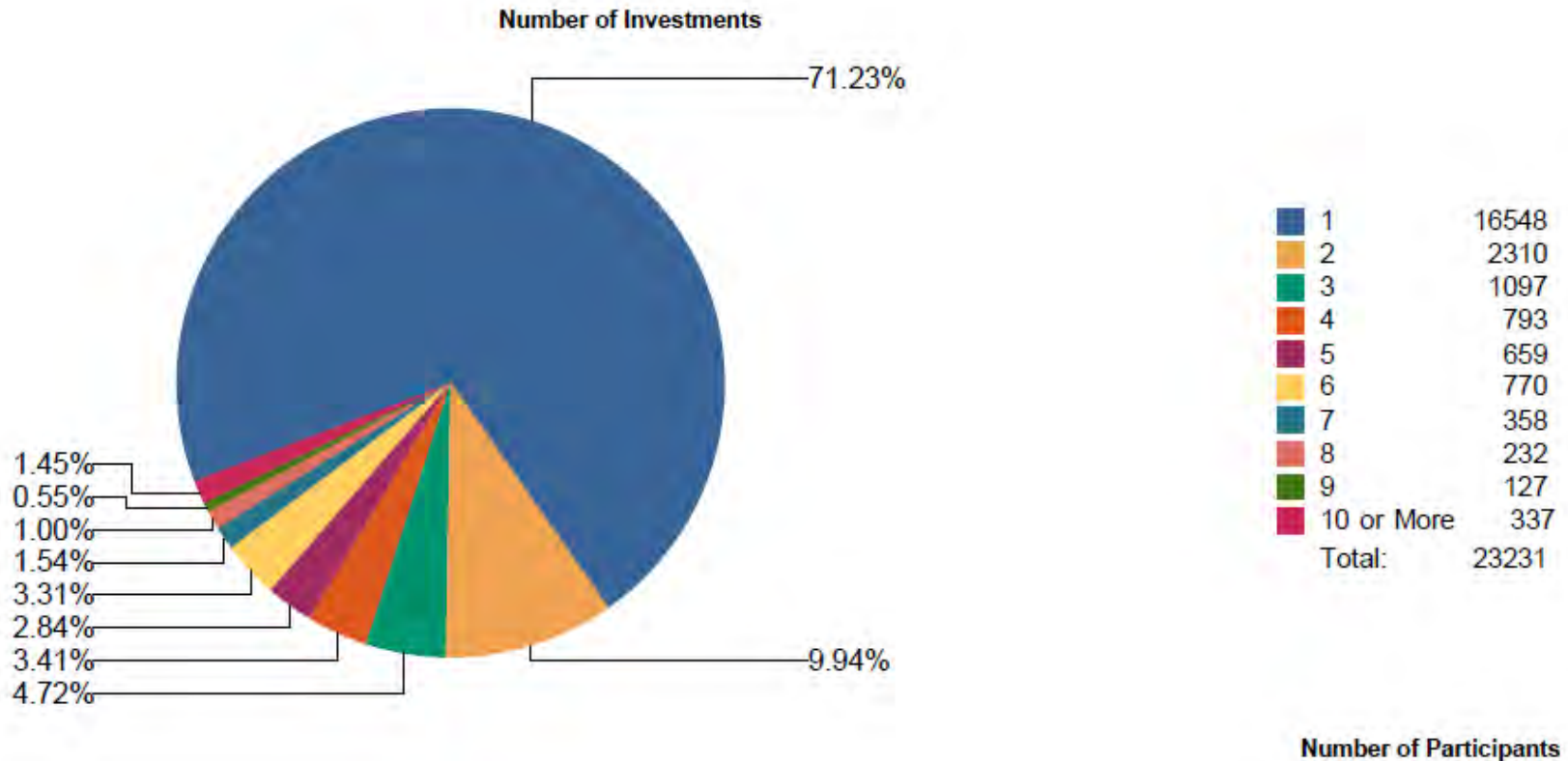
Balance by Investment

As of December 31, 2019

Investment	Investment Balance	Number of Participants	Average Balance	Average Age	Percentage of Plan Assets
Vanguard Instl 500 Index Fund	\$96,450,028.93	3,680	\$26,209.25	55.48	14.60%
Vanguard Inflation Protected	\$5,180,365.38	663	\$7,813.52	52.95	0.78%
EuroPacific Growth Fund	\$10,012,926.48	1,141	\$8,775.57	53.14	1.52%
Invesco Global Real Estate Fun	\$2,195,397.82	409	\$5,367.72	49.57	0.33%
Principal MidCap Fund Institut	\$16,351,758.19	1,346	\$12,148.41	52.64	2.48%
Dodge & Cox Stock Fund	\$32,967,870.54	2,171	\$15,185.57	53.70	4.99%
Principal Diversified Real Ass	\$417,359.98	120	\$3,478.00	51.52	0.06%
Templeton Global Bond Fund	\$2,561,078.07	376	\$6,811.38	50.79	0.39%
T. Rowe Price MidCap Equity Gr	\$34,590,682.26	2,314	\$14,948.44	53.45	5.24%
Oakmark Equity and Income Fund	\$20,312,307.17	1,730	\$11,741.22	56.01	3.07%
Vanguard Total Bond Market Ind	\$22,243,365.49	1,803	\$12,336.86	53.22	3.37%
Aberdeen Emerging Markets Equi	\$2,126,378.78	436	\$4,877.02	49.81	0.32%
DFA U.S. Small Cap Portfolio	\$11,792,848.44	1,899	\$6,210.03	51.97	1.79%
Vanguard Total Intl Stock Inde	\$6,371,536.83	779	\$8,179.12	49.30	0.96%
New Mexico Conservative Portfo	\$43,106,911.55	2,112	\$20,410.47	54.96	6.52%
New Mexico LifeCycle 2020 Port	\$4,042,336.62	302	\$13,385.22	59.91	0.61%
New Mexico LifeCycle 2025 Port	\$55,873,848.22	3,137	\$17,811.24	52.71	8.46%
New Mexico LifeCycle 2030 Port	\$6,162,429.28	743	\$8,293.98	52.57	0.93%
New Mexico LifeCycle 2035 Port	\$35,233,536.33	3,026	\$11,643.60	46.06	5.33%
New Mexico LifeCycle 2040 Port	\$5,319,658.32	897	\$5,930.50	43.85	0.81%
New Mexico LifeCycle 2045 Port	\$20,293,293.52	2,423	\$8,375.28	40.09	3.07%
New Mexico LifeCycle 2050 Port	\$3,952,738.50	1,155	\$3,422.28	34.57	0.60%
New Mexico LifeCycle 2055 Port	\$11,815,371.99	2,992	\$3,948.99	30.36	1.79%
New Mexico Stable Value Fund	\$132,291,686.70	5,928	\$22,316.41	55.99	20.02%
Fidelity Low-Priced Stock Fund	\$8,956,780.08	942	\$9,508.26	52.46	1.36%
Fidelity Contrafund	\$52,315,755.33	2,484	\$21,061.09	54.25	7.92%
Fidelity Diversified Internati	\$11,783,613.34	1,426	\$8,263.40	54.63	1.78%
Schwab Personal Choice Retirem	\$5,937,069.22	61	\$97,329.00	59.69	0.90%
Total Investment Balance:	\$660,658,933.36				
Total Loan Fund:	\$13,364,050.70				
Total Deemed Loan:	\$2,622,420.69				
Total Plan Assets:	\$674,022,984.06				

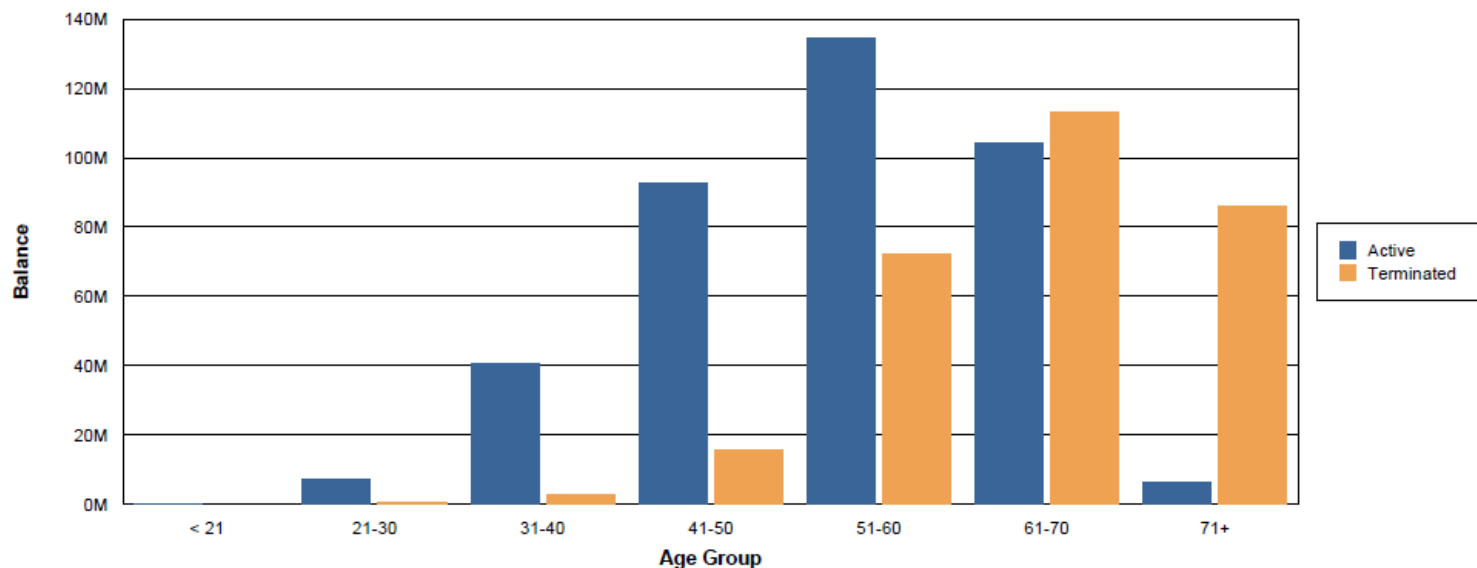
Participants with Balance by Number of Investments

As of December 31, 2019



Balances by Status

As of December 31, 2019 (Deemed Loan Included)



	< 21	21-30	31-40	41-50	51-60	61-70	71+	Total
Active	\$59,256.81	\$7,399,230.72	\$40,713,873.82	\$92,567,735.83	\$134,387,824.66	\$104,372,218.55	\$6,498,253.85	\$385,998,394.24
Terminated	\$4,114.72	\$492,781.10	\$2,649,830.00	\$15,646,858.13	\$72,172,665.11	\$113,433,274.03	\$86,247,486.92	\$290,647,010.01
Total	\$63,371.53	\$7,892,011.82	\$43,363,703.82	\$108,214,593.96	\$206,560,489.77	\$217,805,492.58	\$92,745,740.77	\$676,645,404.25

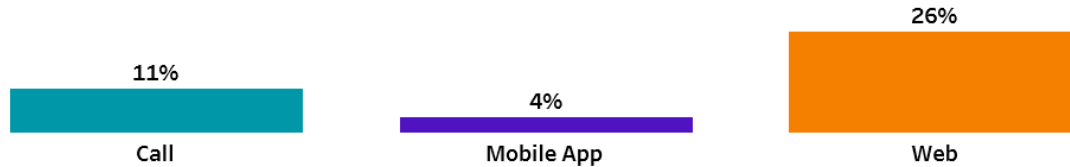
Digital Engagement



Participant Engagement – Q419

31% of Plan participants have engaged (calls, mobile, web) since October 2019
 26% of Plan participants have digitally engaged since October 2019

Unique Participant Engagement by Channel



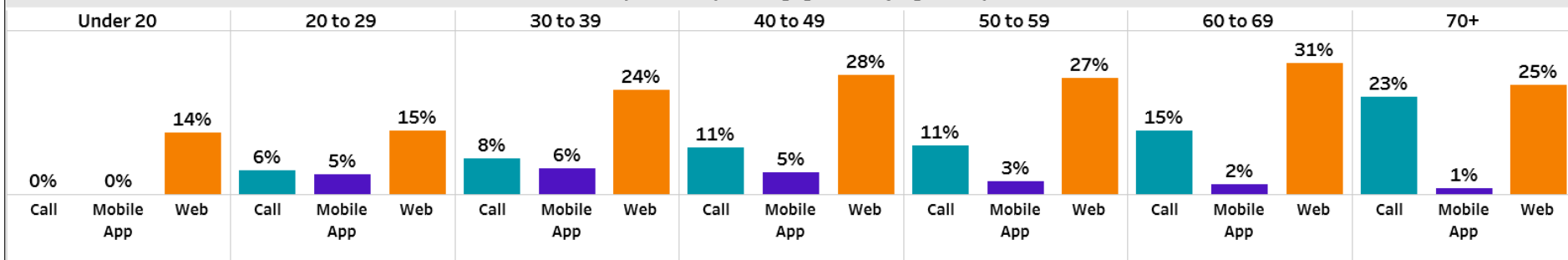
E-Delivery

83%
19,206

Web Registration

27%
6,325

Unique Participant Engagement by Age Group



Digital Engagement – Q419

myOrangeMoney Loans

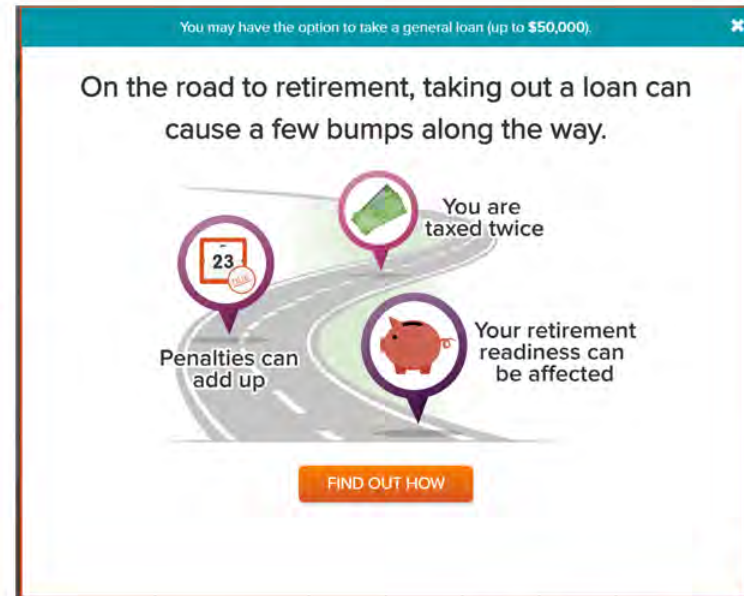
219 participants used loan guidance

108 (49%) participants used loan guidance and did not take a loan

111 (51%) participants used loan guidance and went on to take a loan

1 participants skipped loan guidance

1 (100%) participants skipped loan guidance and did not take a loan



Digital Engagement – Q419

myOrangeMoney Engagement

9% of participants took action after using *myOrangeMoney*

- 2 participants are saving an average of \$218 more per pay period:
- 1 participant changed allocations
- 1 participant rolled money into the Plan

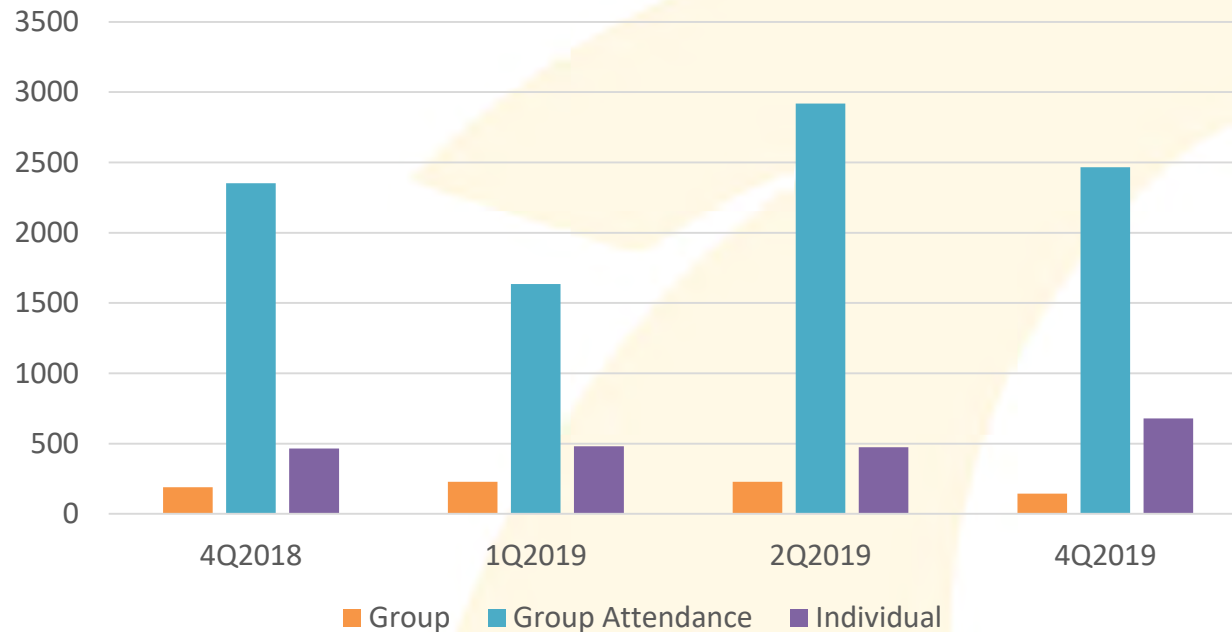
Activity	# of Participants
Logged in with access to <i>myOrangeMoney</i>	6,391
Viewed <i>myOrangeMoney</i>	108 (2%)
Engaged with <i>myOrangeMoney</i>	22 (20%)
Took action using <i>myOrangeMoney</i>	2 (9%)



Outreach Update



Outreach Meeting Activity



	4Q18	1Q19	2Q19	4Q19
Total Group Meetings	190	228	229	144
Total Attendance at Group Meetings	2,351	1,634	2,918	2,465
Total Individual Meetings	465	481	475	678

Outreach Meeting Activity

Week Ending	Entity/Agency	Department	Location	Rep	Group Attendees	One/One
10/04/2019	San Juan County	Benefits Fair	Farmington	Day	183	0
10/04/2019	City of Farmington	Fire Stations	Farmington	Day	8	0
10/04/2019	City of Farmington	Fire Stations	Farmington	Day	0	6
10/04/2019	San Juan County	Adminstration	Aztec	Day	4	0
10/04/2019	San Juan County	Adminstration	Aztec	Day	0	5
10/04/2019	City of Portales	Joint PERA	Portales	Lium	23	4
10/04/2019	City of Clovis	Joint PERA	Clovis	Lium	27	3
10/04/2019	Department of Public Safety	State Police	Clovis	Lium	6	2
10/04/2019	Curry County	Administration	Clovis	Lium	2	0
10/04/2019	Taxation and Revenue Department	Motor Vehicle Division	Clovis	Lium	2	0
10/04/2019	DeBaca County	Administration	Ft. Sumner	Lium	2	1
10/04/2019	Village of Ft. Sumner	Village Hall	Ft. Sumner	Lium	3	1
10/04/2019	City of Albuquerque		Albuquerque	Lium	2	0
10/04/2019	Bernalillo County		Albuquerque	Lium	0	1
10/11/2019	Santa Fe County	NEO	Santa Fe	Day	7	0
10/11/2019	City of Santa Fe	NEO	Santa Fe	Day	11	0
10/11/2019	NM Dept of Health	NEO	Santa Fe	Day	6	0
10/11/2019	City of Albuquerque	Benefits fair	Albuquerque	Lium	4	0
10/11/2019	Department of Health	New Employee Orientation	Albuquerque	Lium	6	0
10/11/2019	Central NM College	Benefits fair	Albuquerque	Lium	34	5
10/11/2019	City of Albuquerque	Retirement Seminar	Albuquerque	Lium	33	3
10/11/2019	Albuquerque Public Schools	Benefits fair	Albuquerque	Lium	100	5
10/11/2019	City of Albuquerque	Fire Station 13	Albuquerque	Lium	8	1
10/18/2019	NM Dept of Transportation	Maintenance Yard	Taos County	Day	5	0
10/18/2019	NM Dept of Transportation	Maintenance Yard	Taos County	Day	0	3
10/18/2019	Town of Taos	Staff	Taos	Day	9	0
10/18/2019	Town of Taos	Staff	Taos	Day	0	4
10/18/2019	Taos County	Staff	Taos	Day	11	0
10/18/2019	Taos County	Staff	Taos	Day	0	2
10/18/2019	Office of African American Affairs		Albuquerque	Lium	5	0
10/18/2019	Bernalillo County	New Employee Orientation	Albuquerque	Lium	28	6
10/18/2019	City of Albuquerque	Fire Station 13	Albuquerque	Lium	4	2
10/18/2019	Village of Los Lunas	Joint PERA AM	Albuquerque	Lium	11	4

Outreach Meeting Activity cont.

10/18/2019	Village of Los Lunas	Joint PERA PM	Albuquerque	Lium	8	2
10/18/2019	City of Albuquerque		Albuquerque	Lium	3	7
10/18/2019	Bernalillo County	Benefits fair	Albuquerque	Lium	4	1
10/18/2019	Dona Ana, County of	Admin	Las Cruces	Miller	20	20
10/18/2019	Health, NM Dept of	Regional Office	Las Cruces	Miller	15	18
10/25/2019	Santa Fe County	NEO	Santa Fe	Day	8	0
10/25/2019	City of Santa Fe	NEO	Santa Fe	Day	10	0
10/25/2019	City of Farmington	Staff	Farmington	Day	5	0
10/25/2019	City of Farmington	Staff	Farmington	Day	8	0
10/25/2019	City of Farmington	Staff	Farmington	Day	12	0
10/25/2019	City of Farmington	Staff	Farmington	Day	0	3
10/25/2019	NM Human Services Dept	Staff	Farmington	Day	7	0
10/25/2019	NM Human Services Dept	Staff	Farmington	Day	0	2
10/25/2019	NM Dept of Health - BHI	Staff	Las Vegas	Day	0	4
10/25/2019	NM Dept of Health - BHI	NEO	Las Vegas	Day	13	0
10/25/2019	City of Albuquerque	National Save for Ret Week	Albuquerque	Lium	5	2
10/25/2019	City of Albuquerque	National Save for Ret Week	Albuquerque	Lium	6	2
10/25/2019	Bernalillo County		Albuquerque	Lium	0	3
10/25/2019	Department of Transportation	Milan	Milan	Lium	2	0
10/25/2019	McKinley County	Human Resources	Gallup	Lium	3	1
10/25/2019	City of Albuquerque	Benefits fair	Albuquerque	Lium	700	14
10/25/2019	Las Cruces-City of	Admin	Las Cruces	Miller	32	15
11/01/2019	NM Dept of Transportation	Staff	Santa Fe	Day	9	0
11/01/2019	NM Dept of Transportation	Staff	Santa Fe	Day	14	0
11/01/2019	NM Dept of Transportation	Maintenance Yard	Wagon Mound	Day	4	0
11/01/2019	NM Dept of Transportation	Maintenance Yard	Wagon Mound	Day	0	1
11/01/2019	Colfax Miner's Medical Center	Hospital	Raton	Day	0	9
11/01/2019	Colfax Miner's Medical Center	Long Term Care	Raton	Day	0	3
11/01/2019	Rio Arriba County	Staff	Espanola	Day	0	2
11/01/2019	Rio Arriba County	Staff	Espanola	Day	12	0
11/01/2019	Administrative Office of the Courts	Metro Court Conference	Albuquerque	Lium	52	0
11/01/2019	Administrative Office of the Courts	Metro Court Conference	Albuquerque	Lium	23	0
11/01/2019	City of Albuquerque		Albuquerque	Lium	0	2
11/01/2019	Bernalillo County		Albuquerque	Lium	0	2

Outreach Meeting Activity cont.

11/01/2019	Town of Moriarty	Town Hall	Albuquerque	Lium	6	3
11/01/2019	Torrance County	Human Resources	Estancia	Lium	3	1
11/01/2019	Town of Estancia	Town Hall	Estancia	Lium	3	0
11/01/2019	Estancia Solid Waste Authority		Estancia	Lium	3	1
11/01/2019	City of Albuquerque	Pollution Control	Albuquerque	Lium	5	1
11/01/2019	City of Albuquerque	Fire Station 6	Albuquerque	Lium	2	0
11/01/2019	Las Cruces-City of	Fire	Las Cruces	Miller	12	6
11/01/2019	Las Cruces-City of	Police	Las Cruces	Miller	10	5
11/01/2019	Las Cruces-City of	Police Substation	Las Cruces	Miller	5	5
11/01/2019	Corrections-NM Dept of	Southern Facility	Las Cruces	Miller	0	30
11/01/2019	Las Cruces-City of	Utilities	Las Cruces	Miller	8	8
11/01/2019	Dona Ana, County of	Detention	Las Cruces	Miller	0	23
11/01/2019	District Attorney-Admin Office	3rd Judicial District	Las Cruces	Miller	17	12
11/01/2019	Alamogordo, City of	Administration	Alamogordo	Miller	6	9
11/08/2019	Santa Fe County	NEO	Santa Fe	Day	6	0
11/08/2019	City of Santa Fe	NEO	Santa Fe	Day	4	0
11/08/2019	NM State Auditor's Office	Staff	Santa Fe	Day	21	0
11/08/2019	City of Santa Fe	Staff	Santa Fe	Day	0	3
11/08/2019	NM Dept of Health - BHI	NEO	Las Vegas	Day	16	0
11/08/2019	Bernalillo County		Albuquerque	Lium	3	1
11/08/2019	City of Albuquerque		Albuquerque	Lium	0	3
11/08/2019	Department of Game and Fish		Albuquerque	Lium	0	1
11/08/2019	Taxation and Revenue Department	New Employee Orientation	Albuquerque	Lium	4	0
11/08/2019	Department of Health	Public Health	Albuquerque	Lium	2	0
11/08/2019	Transportation, NM Dept of	DOT-District 1 LC Patrol	Las Cruces	Miller	16	14
11/08/2019	Transportation, NM Dept of	DOT-District 1 Office	Deming	Miller	14	7
11/08/2019	Engineer, Office of the State	Administration	Deming	Miller	7	2
11/08/2019	Las Cruces-City of	Benefits Fair	Las Cruces	Miller	200	15
11/08/2019	Luna, County of	Administration	Deming	Miller	5	5
11/15/2019	NM Dept of Health	NEO	Santa Fe	Day	11	0
11/15/2019	NM State Police	Staff	Las Vegas	Day	8	0
11/15/2019	McKinley County	Roads	Gallup	Lium	11	3
11/15/2019	Department of Health	New Employee Orientation	Albuquerque	Lium	6	1
11/15/2019	Office of African American Affairs	New Employee Orientation	Albuquerque	Lium	2	0

Outreach Meeting Activity cont.

11/15/2019	McKinley County	Sheriff	Gallup	Lium	0	3
11/15/2019	McKinley County	Adult Detention	Gallup	Lium	0	4
11/15/2019	McKinley County	Administration	Gallup	Lium	5	7
11/15/2019	PERA	Retirement Seminar	Albuquerque	Lium	3	2
11/15/2019	Workforce Solutions		Albuquerque	Lium	3	13
11/15/2019	Elephant Butte Irrigation District	Administration	Las Cruces	Miller	3	3
11/15/2019	Engineer, Office of the State	Administration	Las Cruces	Miller	10	8
11/15/2019	Court-3rd Judicial District	Administration	Las Cruces	Miller	4	4
11/15/2019	Blind & Visually Impaired, School of	Administration	Alamogordo	Miller	4	4
11/15/2019	Public Safety, Dept of	State Police Office	Alamogordo	Miller	0	5
11/22/2019	Santa Fe County	NEO	Santa Fe	Day	6	0
11/22/2019	City of Santa Fe	NEO	Santa Fe	Day	13	0
11/22/2019	8th Judicial Court	Staff	Taos	Day	15	0
11/22/2019	8th Judicial Court	Staff	Taos	Day	0	5
11/22/2019	City of Espanola	Staff	Espanola	Day	0	2
11/22/2019	City of Albuquerque	Fire Station 12	Albuquerque	Lium	3	0
11/22/2019	Department of Transportation		Milan	Lium	13	21
11/22/2019	Bernalillo County	Pre-retirement Seminar	Albuquerque	Lium	23	6
11/22/2019	Bernalillo County	New Employee Orientation	Albuquerque	Lium	26	0
11/22/2019	Children Youth and Families Dept	Lamberton	Albuquerque	Lium	4	1
11/22/2019	Taxation and Revenue Department	Motor Vehicle Division	Albuquerque	Lium	0	2
11/22/2019	City of Albuquerque		Albuquerque	Lium	3	2
11/22/2019	Children, Youth & Families	Juvenile Probation	Las Cruces	Miller	4	4
11/22/2019	Human Services Dept	Child Enforcement	Las Cruces	Miller	3	3
11/22/2019	Eddy, County of	Assessors	Artesia	Miller	2	2
11/22/2019	Eddy, County of	Treasurers	Artesia	Miller	3	3
11/22/2019	Eddy, County of	Roads	Artesia	Miller	12	7
11/22/2019	Eddy, County of	Roads	Carlsbad	Miller	15	9
11/22/2019	Eddy, County of	Clerks	Carlsbad	Miller	3	3
11/22/2019	Eddy, County of	DWI	Carlsbad	Miller	2	2
11/22/2019	Eddy, County of	Fire Service	Carlsbad	Miller	6	5
11/22/2019	Eddy, County of	Sheriff	Carlsbad	Miller	3	3
11/22/2019	Eddy, County of	Administration	Carlsbad	Miller	7	7
11/22/2019	Eddy, County of	Detention	Carlsbad	Miller	0	8

Outreach Meeting Activity cont.

11/22/2019	Public Safety, Dept of	Office	Las Cruces	Miller	0	7
11/29/2019	Las Cruces-City of	Utilities	Las Cruces	Miller	2	2
11/29/2019	Las Cruces-City of	Police	Las Cruces	Miller	2	2
12/06/2019	Santa Fe County	NEO	Santa Fe	Day	10	0
12/06/2019	NM Dept of Public Safety	Retirees	Santa Fe	Day	26	0
12/06/2019	City of Farmington	Fire Stations	Farmington	Day	0	8
12/06/2019	City of Farmington	Police Dept	Farmington	Day	0	5
12/06/2019	San Juan County	Staff	Aztec	Day	7	0
12/06/2019	San Juan County	Staff	Aztec	Day	0	5
12/06/2019	NM Dept of Health	Staff	Farmington	Day	14	0
12/06/2019	NM Dept of Health	Staff	Farmington	Day	0	4
12/06/2019	City of Albuquerque		Albuquerque	Lium	0	8
12/06/2019	Torrance County	Benefits fair	Estancia	Lium	13	5
12/06/2019	Administrative Office of the Courts	metropolitan Court	Albuquerque	Lium	0	12
12/06/2019	Lovington, City of	Police	Lovington	Miller	3	3
12/06/2019	Lovington, City of	Administration	Lovington	Miller	2	2
12/06/2019	Lovington, City of	Fire	Lovington	Miller	5	4
12/06/2019	Hobbs, City of	Utilities	Hobbs	Miller	9	5
12/06/2019	Hobbs, City of	Administration	Hobbs	Miller	0	11
12/06/2019	Human Services Dept	ISD	Las Cruces	Miller	3	3
12/06/2019	Children, Youth & Families	Juvenile Probation	Deming	Miller	8	2
12/06/2019	Human Services Dept	Administration	Deming	Miller	3	3
12/13/2019	NM General Services Dept	Staff	Santa Fe	Day	0	3
12/13/2019	NM Dept of Health	NEO	Santa Fe	Day	12	0
12/13/2019	NM Tax & Revenue Dept	NEO	Santa Fe	Day	11	0
12/13/2019	Bernalillo County		Albuquerque	Lium	0	3
12/13/2019	Torrance County		Estancia	Lium	2	1
12/13/2019	Alb Bernalillo County Water Utility	Water Reclamation AM	Albuquerque	Lium	18	2
12/13/2019	Alb Bernalillo County Water Utility	Water Reclamation PM	Albuquerque	Lium	10	1
12/13/2019	Department of Health	New Employee Orientation	Albuquerque	Lium	6	0
12/13/2019	City of Albuquerque		Albuquerque	Lium	0	4
12/13/2019	City of Gallup	City Hall AM	Gallup	Lium	20	8
12/13/2019	City of Gallup	City Hall PM	Gallup	Lium	17	7
12/13/2019	Alb Bernalillo County Water Utility	Water Reclamation AM	Albuquerque	Lium	15	2

Outreach Meeting Activity cont.

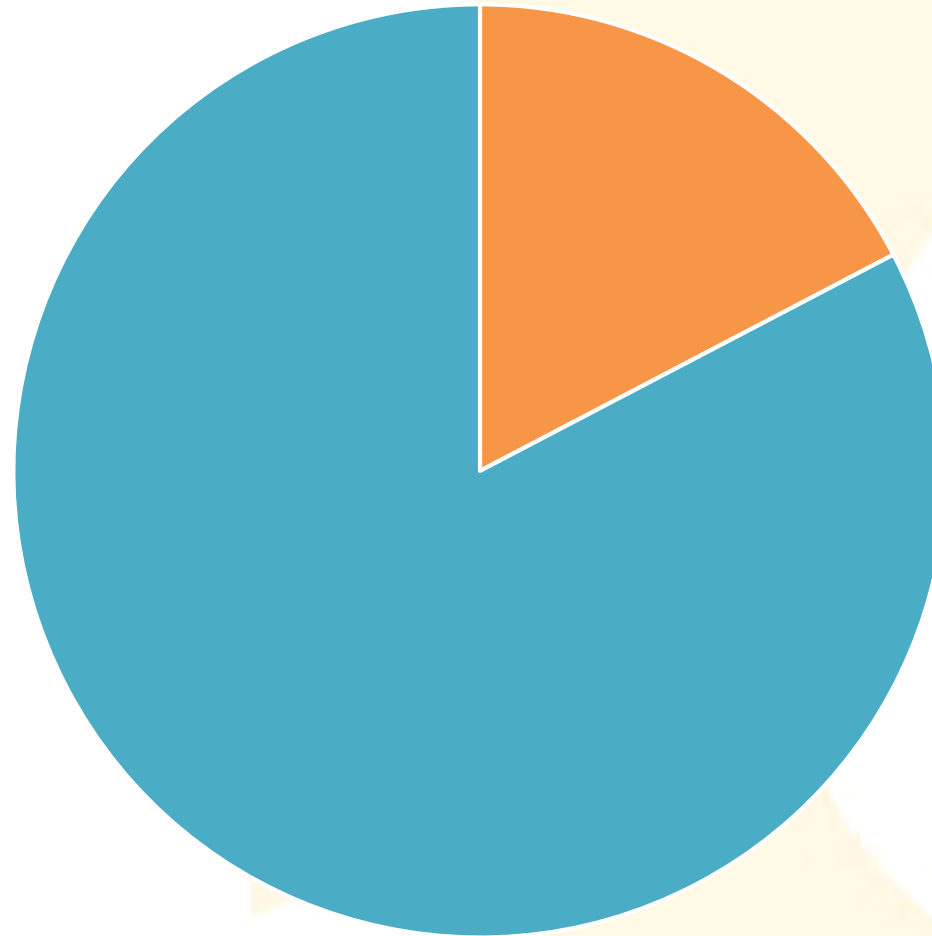
12/13/2019	Alb Bernalillo County Water Utility	Water Reclamation PM	Albuquerque	Lium	22	4
12/13/2019	Lincoln, County of	Administration	Carrizozo	Miller	0	9
12/13/2019	Lincoln, County of	Roads	Capitan	Miller	2	2
12/20/2019	Santa Fe County	NEO	Santa Fe	Day	7	0
12/20/2019	City of Santa Fe	NEO	Santa Fe	Day	16	0
12/20/2019	NM Dept of Transportation	Staff	Santa Fe	Day	0	5
12/20/2019	City of Santa Fe	Fire Stations	Santa Fe	Day	0	7
12/20/2019	NM Dept of Health BHI	NEO	Las Vegas	Day	10	0
12/20/2019	NM Dept of Health BHI	Staff	Las Vegas	Day	0	6
12/20/2019	NM Dept of Transportation	Staff	Pecos	Day	0	4
12/20/2019	City of Albuquerque	Fire Station 6	Albuquerque	Lium	4	1
12/20/2019	Bernalillo County	Assessor	Albuquerque	Lium	0	1
12/20/2019	Environment	office	Las Cruces	Miller	8	2
12/20/2019	Workforce Solutions, NM Dept of	Administration	Las Cruces	Miller	0	5
12/20/2019	Transportation, NM Dept of	DOT-District 1 Patrol	Anthony	Miller	11	9
12/20/2019	Public Safety, Dept of	Port of Entry	Anthony	Miller	3	3
12/20/2019	Health, NM Dept of	Public	Anthony	Miller	5	5
12/20/2019	Health, NM Dept of	Public	Sunland Park	Miller	4	4
12/20/2019	Public Defender Dept	Administration	Las Cruces	Miller	7	2
12/20/2019	Aging & Long Term Services	Administration	Las Cruces	Miller	9	2
12/27/2019	Santa Fe County	NEO	Santa Fe	Day	6	0
12/27/2019	City of Albuquerque		Albuquerque	Lium	0	4
12/27/2019	Bernalillo County		Albuquerque	Lium	0	3

Participant Services



Participant Contact Summary

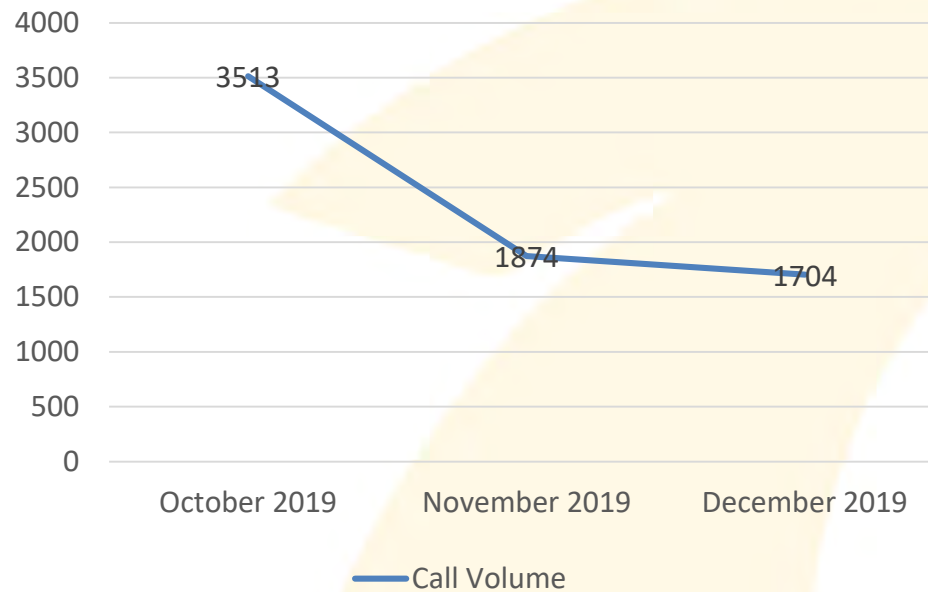
October 7, 2019-December 31, 2019



■ Call Center (7,091) ■ Participant Web (33,828)

Call Center Activity

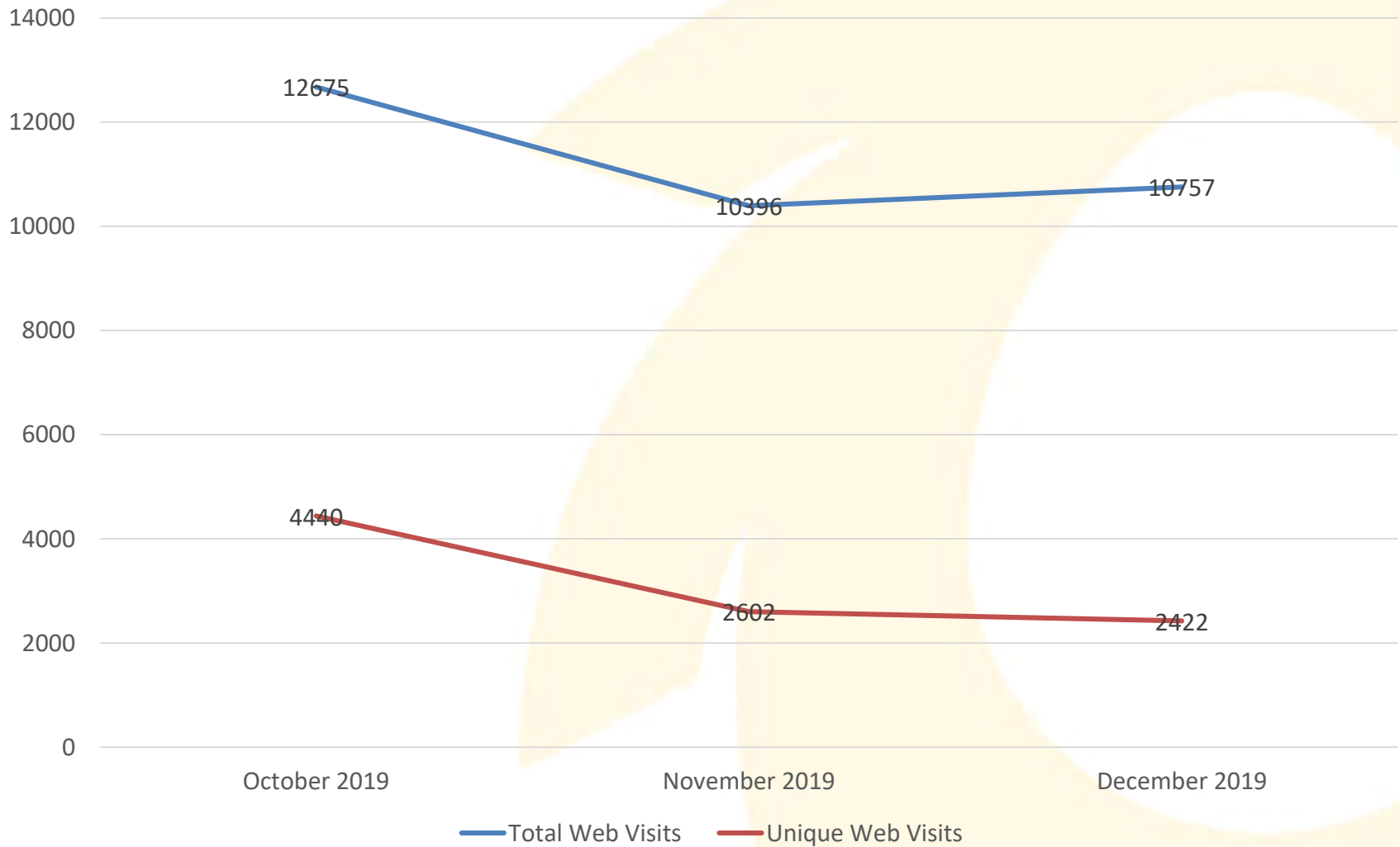
October 7, 2019-December 31, 2019



	Call Volume	Average Speed of Answer (Seconds)	Average Call Length (Minutes)	Number of Abandoned Calls	Percentage of Abandoned Calls
October 2019	3,513	12	6.23	24	.01%
November 2019	1,874	61	6.68	64	.03%
December 2019	1,704	33	6.67	36	.02%

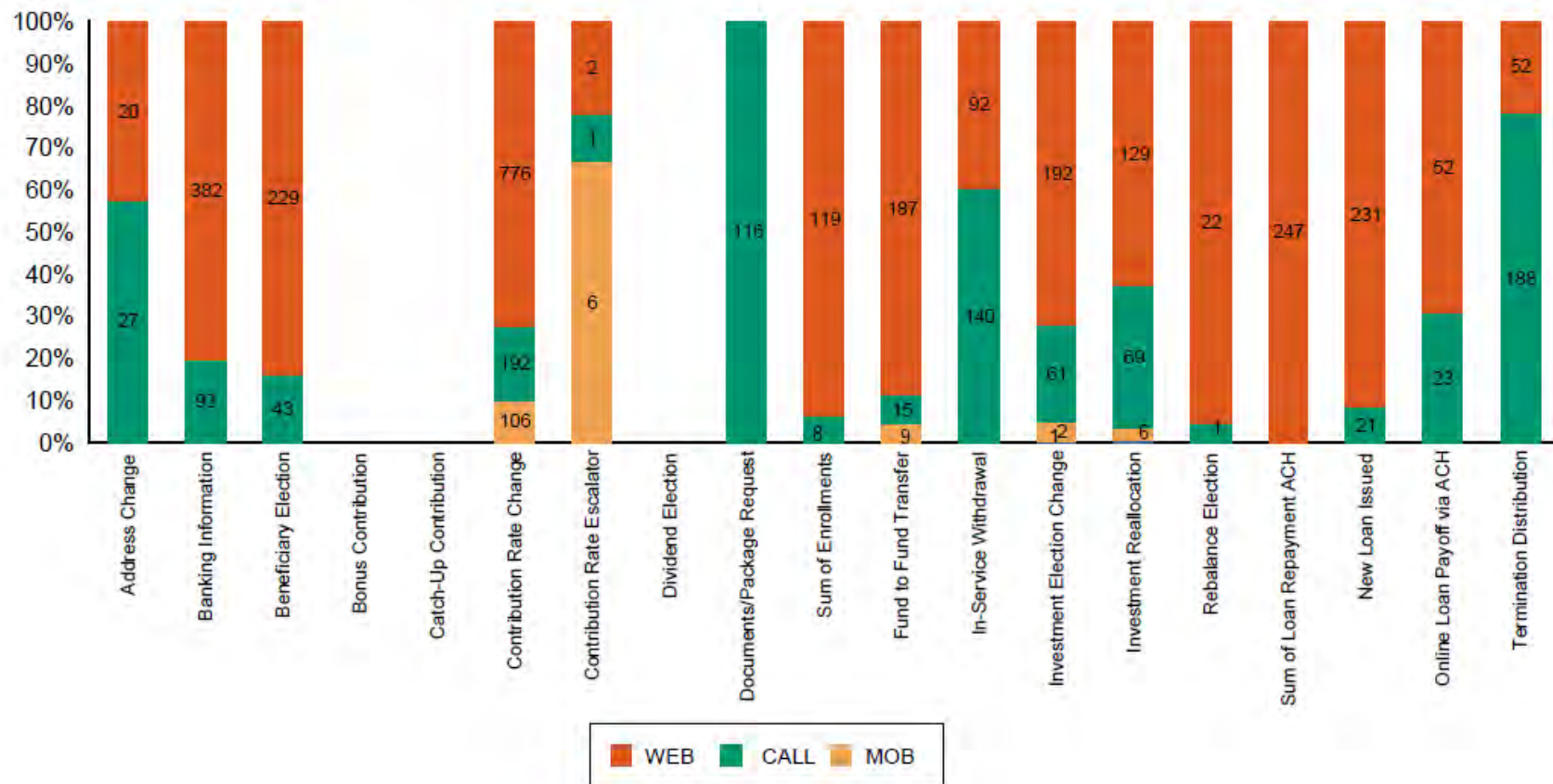
Participant Web Activity

October 7, 2019-December 31, 2019



Paperless Transactions by Channel

As of December 31, 2019



Paperless Transactions Volume

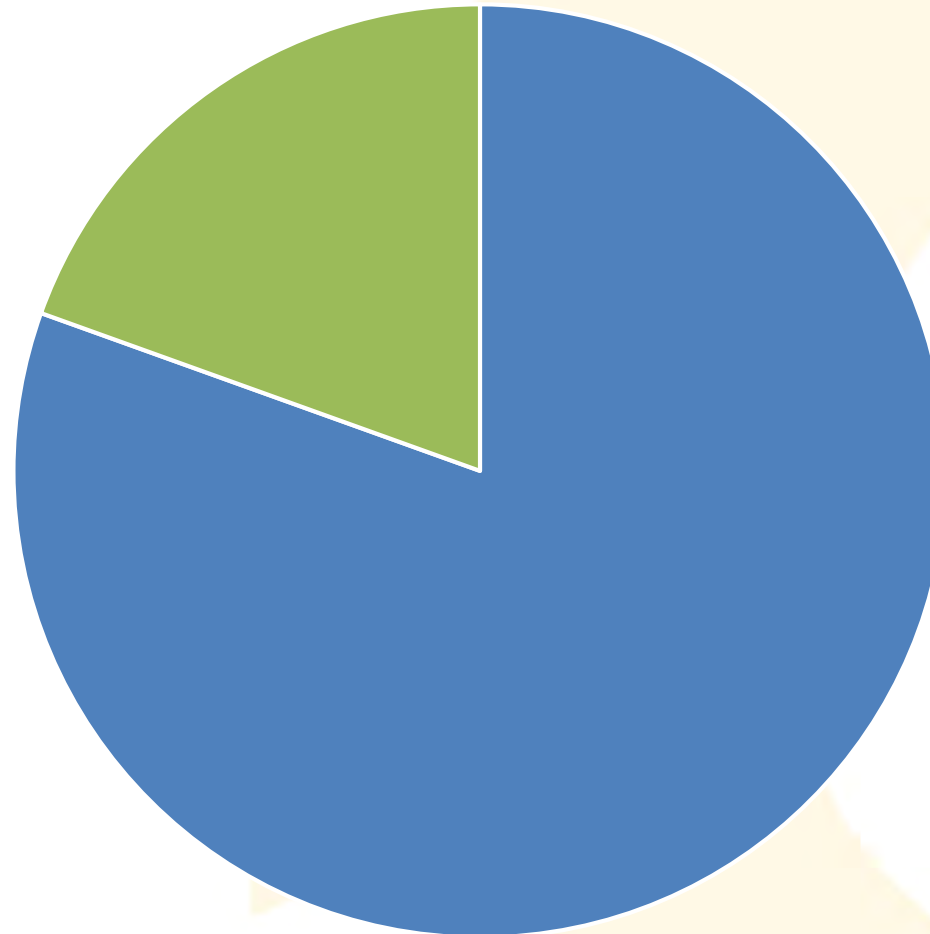
As of December 31, 2019

Paperless Transaction Description	Transaction Volume
Address Change	47
Banking Information	475
Beneficiary Election	272
Bonus Contribution	0
Catch-up Contribution	0
Contribution Rate Change	1,074
Contribution Rate Escalator	9
Dividend Election	0
Document/Package Request	116
Fund to Fund Transfer	211
In-service Withdrawal	232
Investment Election Change	266
Investment Reallocation	205
Rebalance Election	23
Loan Repayment ACH Election	247
New Loans Issued	252
Online Loan Payoff via ACH	75
Termination Distribution	240

Enrollments for the Period: 127

Enrollment Summary

October 7, 2019-December 31, 2019



■ Form Enrollment (524) ■ Online Enrollment (127)

Transaction Processed Summary

As of December 31, 2019

Transactions	Transaction Volume
Contributions	91,538
Rebalance Transfers	177
Loan Repayment	4,994
Loans Re-amortized	0
Dividend Pass-Throughs	0
Dividend Reinvestments	21,227
Fee Deductions	382
Installment Distributions via Check	420
Installment Distributions via ACH	913
Forced Deminimus Distributions	0
Required Minimum Distributions	207
Forced Default Rollover Distributions	0
Total:	119,858

Voya Retirement Advisors, LLC Summary

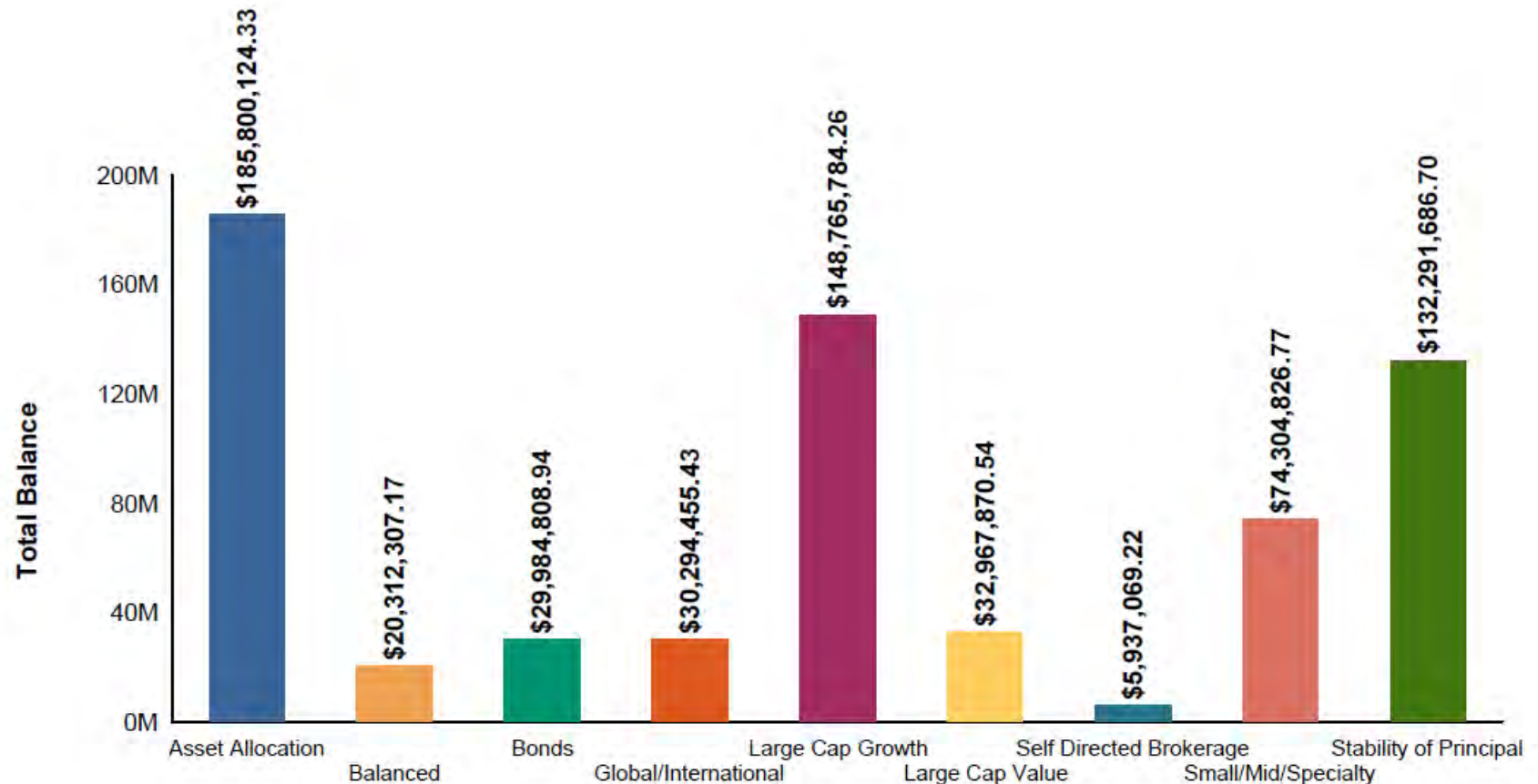
	October 2019	November 2019	December 2019
Total participants eligible for advice	22,832	22,874	22,945
Advisor Service Activity			
# Participants with a balance that have used the VRA Services	426	594	707
% Participants with a balance that have used the VRA Services	1.87%	2.60%	3.08%
VRA Advisor Calls	79	128	161
Online Advice Adopters	222	258	303
Professional Management Members	125	208	243
Monthly VRA Investment Advisor Activity			
Calls	79	49	33
Received a Retirement Plan	-	-	-
Processed a Transaction	-	-	-
Monthly Online Activity			
New Adopters	220	40	44
Received Forecast	184	37	40
Received Advice Online	82	36	39
Professional Management Activity			
Net Activity	125	83	35
Total Members	125	208	243
Total Members Assets	\$ 7,220,583	\$ 12,289,791	\$ 13,271,692
Average Member Balance	\$ 57,765	\$ 59,086	\$ 54,616

Asset Analysis



Asset Class Summary

As of December 31, 2019



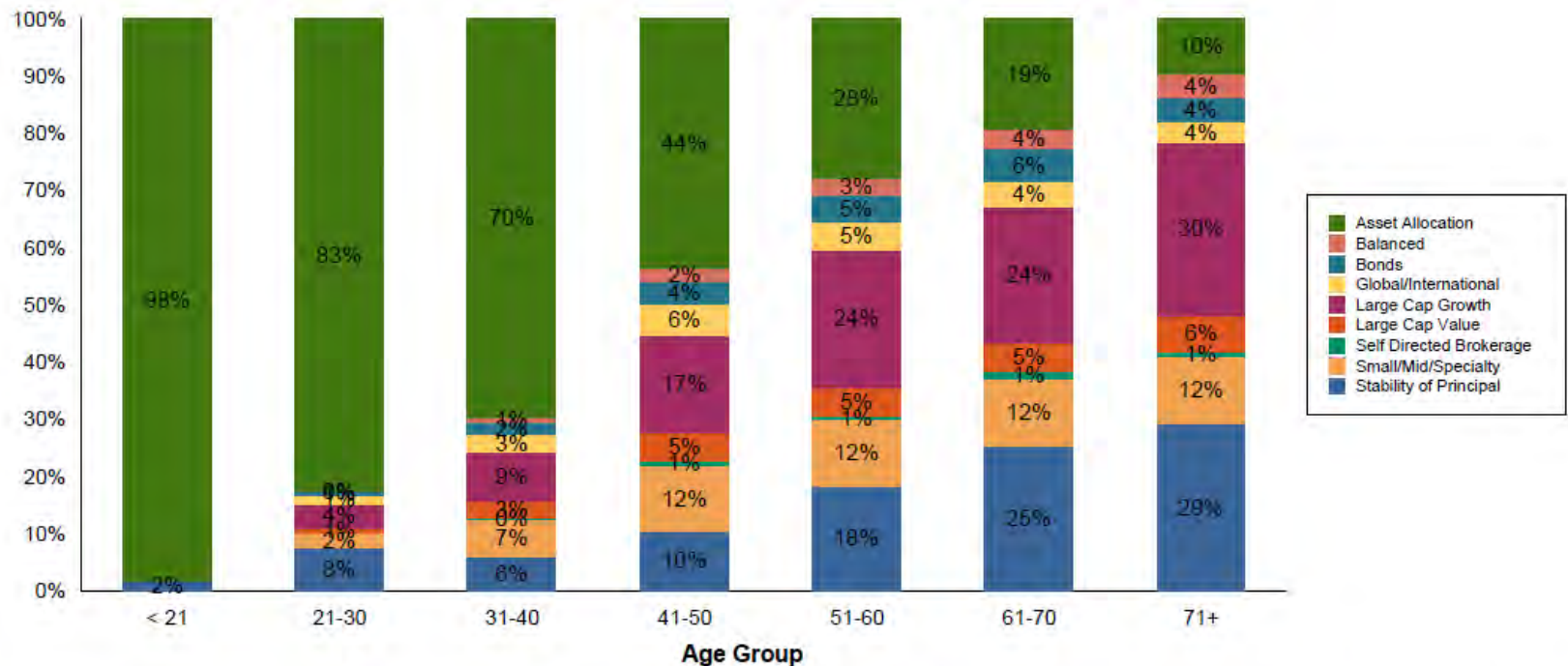
Asset Class Summary

As of December 31, 2019

Asset Class	Balance	Percentage of Total Assets
Asset Allocation	\$185,800,124.33	28.12%
Balanced	\$20,312,307.17	3.07%
Bonds	\$29,984,808.94	4.54%
Global/International	\$30,294,455.43	4.59%
Large Cap Growth	\$148,765,784.26	22.52%
Large Cap Value	\$32,967,870.54	4.99%
Self Directed Brokerage	\$5,937,069.22	0.90%
Small/Mid/Specialty	\$74,304,826.77	11.25%
Stability of Principal	\$132,291,686.70	20.02%

Asset Class Balances by Age Group

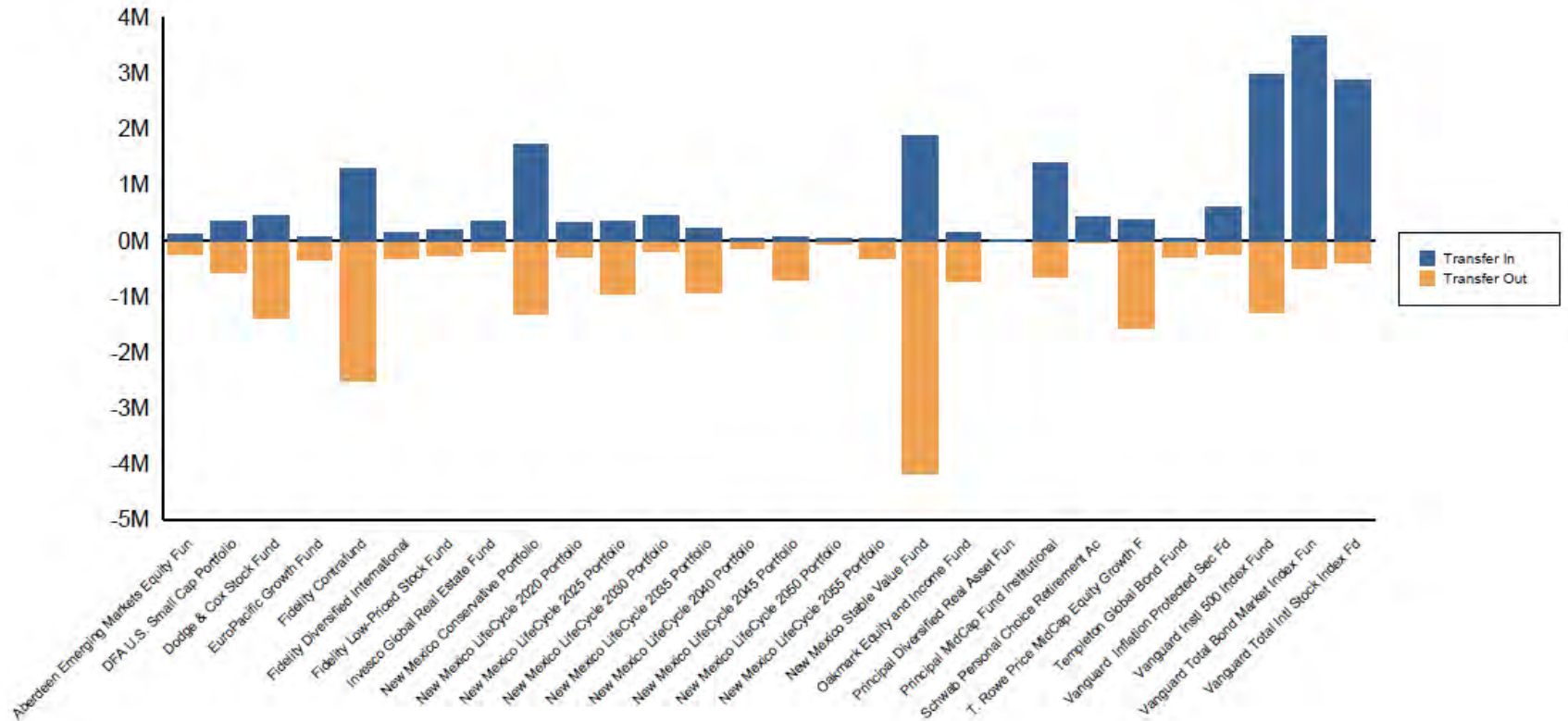
As of December 31, 2019



Age Range	< 21	21 - 30	31 - 40	41 - 50	51 - 60	61 - 70	71+
Total Balance	\$62,367.83	\$7,593,680.66	\$40,665,062.75	\$103,255,029.27	\$201,312,117.60	\$215,258,931.34	\$92,511,743.91

Transfer Activity by Investment

As of December 31, 2019



Transfer Activity by Investment

As of December 31, 2019

Investment Name	Transfers In	Transfers Out	Net
Aberdeen Emerging Markets Equity Fun	\$107,820.65	(\$245,715.05)	-\$137,894.40
DFA U.S. Small Cap Portfolio	\$340,744.35	(\$565,783.92)	-\$225,039.57
Dodge & Cox Stock Fund	\$454,723.57	(\$1,381,794.62)	-\$927,071.05
EuroPacific Growth Fund	\$71,610.55	(\$348,318.18)	-\$276,707.63
Fidelity Contrafund	\$1,293,950.74	(\$2,520,228.07)	-\$1,226,277.33
Fidelity Diversified International	\$141,311.86	(\$324,443.58)	-\$183,131.72
Fidelity Low-Priced Stock Fund	\$191,281.29	(\$254,388.24)	-\$63,106.95
Invesco Global Real Estate Fund	\$353,377.44	(\$180,154.59)	\$173,222.85
New Mexico Conservative Portfolio	\$1,718,924.54	(\$1,314,867.44)	\$404,057.10
New Mexico LifeCycle 2020 Portfolio	\$323,659.72	(\$291,092.64)	\$32,567.08
New Mexico LifeCycle 2025 Portfolio	\$341,514.47	(\$948,274.07)	-\$606,759.60
New Mexico LifeCycle 2030 Portfolio	\$460,985.68	(\$184,086.69)	\$276,898.99
New Mexico LifeCycle 2035 Portfolio	\$214,416.20	(\$940,411.17)	-\$725,994.97
New Mexico LifeCycle 2040 Portfolio	\$47,825.87	(\$137,691.37)	-\$89,865.50
New Mexico LifeCycle 2045 Portfolio	\$54,291.65	(\$693,098.42)	-\$638,806.77
New Mexico LifeCycle 2050 Portfolio	\$46,177.55	(\$48,872.37)	-\$2,694.82
New Mexico LifeCycle 2055 Portfolio	\$35,730.59	(\$310,469.61)	-\$274,739.02
New Mexico Stable Value Fund	\$1,881,451.07	(\$4,173,373.45)	-\$2,291,922.38
Oakmark Equity and Income Fund	\$148,447.35	(\$736,064.85)	-\$587,617.50
Principal Diversified Real Asset Fun	\$13,086.79	(\$10,462.53)	\$2,624.26
Principal MidCap Fund Institutional	\$1,397,988.12	(\$644,982.33)	\$753,005.79
Schwab Personal Choice Retirement Ac	\$430,484.02	(\$37,284.49)	\$393,199.53
T. Rowe Price MidCap Equity Growth F	\$371,494.96	(\$1,578,921.50)	-\$1,207,426.54
Templeton Global Bond Fund	\$34,538.10	(\$277,891.48)	-\$243,353.38
Vanguard Inflation Protected Sec Fd	\$606,592.54	(\$253,520.53)	\$353,072.01
Vanguard Instl 500 Index Fund	\$2,986,291.97	(\$1,300,843.02)	\$1,685,448.95
Vanguard Total Bond Market Index Fun	\$3,659,935.05	(\$504,067.81)	\$3,155,867.24
Vanguard Total Intl Stock Index Fd	\$2,880,219.14	(\$404,273.81)	\$2,475,945.33
	\$20,608,875.83	(\$20,611,375.83)	(\$2,500.00)

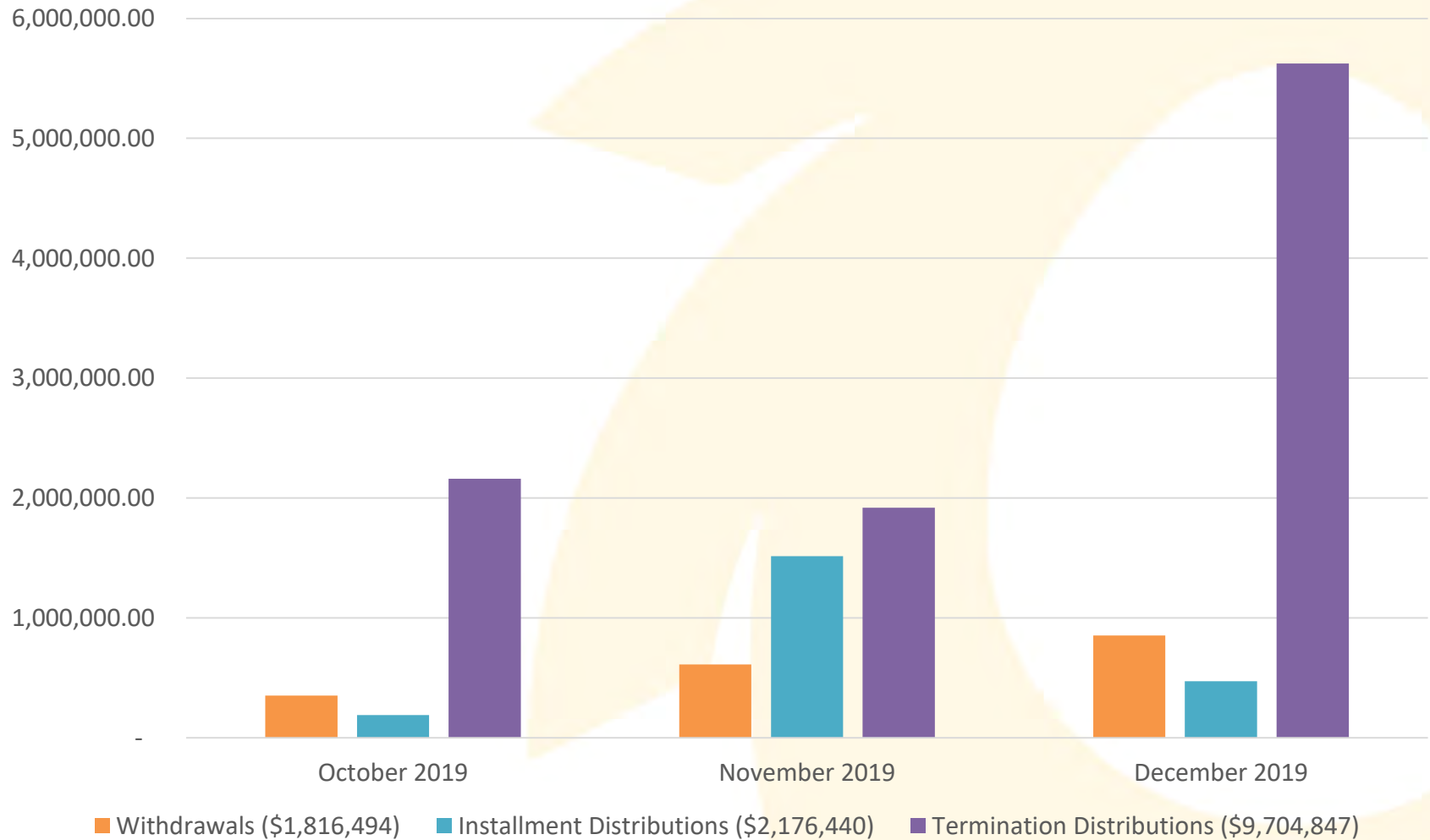
Withdrawals and Distributions by Investment

As of December 31, 2019

Investment Name	Withdrawals	Termination
Aberdeen Emerging Markets Equity Fun	\$8,326.60	\$56,961.64
DFA U.S. Small Cap Portfolio	\$35,723.42	\$181,674.85
Dodge & Cox Stock Fund	\$102,459.70	\$904,203.52
EuroPacific Growth Fund	\$36,062.35	\$332,329.58
Fidelity Contrafund	\$146,235.91	\$726,226.44
Fidelity Diversified International	\$34,340.72	\$97,468.38
Fidelity Low-Priced Stock Fund	\$7,672.42	\$99,056.69
Invesco Global Real Estate Fund	\$8,802.15	\$13,441.10
New Mexico Conservative Portfolio	\$109,907.70	\$698,715.75
New Mexico LifeCycle 2020 Portfolio	\$2.02	\$76,926.34
New Mexico LifeCycle 2025 Portfolio	\$86,753.06	\$291,633.34
New Mexico LifeCycle 2030 Portfolio	\$7,695.29	\$56,959.15
New Mexico LifeCycle 2035 Portfolio	\$210,313.51	\$223,286.65
New Mexico LifeCycle 2040 Portfolio	\$2,975.43	\$34,086.89
New Mexico LifeCycle 2045 Portfolio	\$87,269.72	\$178,768.57
New Mexico LifeCycle 2050 Portfolio	\$1,452.32	\$33,100.94
New Mexico LifeCycle 2055 Portfolio	\$122,925.47	\$49,167.72
New Mexico Stable Value Fund	\$342,678.93	\$1,737,307.36
Oakmark Equity and Income Fund	\$20,005.70	\$551,129.61
Principal Diversified Real Asset Fun	\$99.01	\$343.26
Principal MidCap Fund Institutional	\$24,381.08	\$450,185.04
Schwab Personal Choice Retirement Ac	\$0.00	\$0.00
T. Rowe Price MidCap Equity Growth F	\$78,557.64	\$736,601.35
Templeton Global Bond Fund	\$3,021.41	\$106,261.67
Transamerica Life	\$0.00	\$0.00
Vanguard Inflation Protected Sec Fd	\$27,663.54	\$41,471.13
Vanguard Instl 500 Index Fund	\$253,266.96	\$1,384,927.00
Vanguard Total Bond Market Index Fun	\$48,808.37	\$575,667.85
Vanguard Total Intl Stock Index Fd	\$9,093.59	\$66,945.43
	\$1,816,494.02	\$9,704,847.25

Withdrawal and Distribution Breakdown

As of December 31, 2019



Quarterly Fee Reconciliation

REVENUES	1Q2019	2Q2019	3Q2019	4Q2019
PARTICIPANT REVENUES				
Asset / Admin Fee Amount Collected*	\$308,398.78			
Asset / Admin Fee Amount Collected**		\$303,811.41	\$299,059.34	
Asset / Admin Fee Amount Collected***				\$337,585.20
PRODUCT PROVIDER REVENUES				
Total Product Provider Revenues	\$30,815.41	\$31,936.08	\$31,462.60	\$31,000.00
GRAND TOTAL REVENUES	\$30,815.41	\$335,747.49	\$330,521.94	\$368,585.20
PAYMENTS				
Voya Recordkeeping Fee				
Participants				
Per Participant Fee	\$13.00	\$13.00	\$13.00	\$12.701359
Number of Participants collected from	21946	22214	22403	22091
Total Recordkeeping Fee	\$285,298.00	\$288,782.00	\$291,239.00	\$280,585.71
MEKETA CONSULTING FEE	\$21,250.00	\$21,250.00	\$21,250.00	\$22,500.00
PERA PAYMENT FOR EXPENSES	\$20,500.00	\$26,600.00	\$22,035.83	\$30,000.00
GRAND TOTAL PAYMENT	\$327,048.00	\$336,632.00	\$334,524.83	\$333,085.71

* Nationwide Asset/Admin adjustment began 3rd qtr 2018. Admin fee of \$8.50 per quarter and a basis point fee of 13.5 (.135%) not to exceed \$17.50 per quarter per participant.

** Nationwide Asset/Admin adjustment began 1st qtr 2019. Admin fee of \$9.00 per quarter and a basis point fee of 13.5 (.135%) not to exceed \$17.00 per quarter per participant.

***Voya recordkeeping began 4th qtr 2019.

Important disclosure

Not FDIC/NCUA/NCUSIF Insured • Not a Deposit of a Bank/Credit Union • May Lose Value • Not Bank/Credit Union Guaranteed • Not Insured by Any Federal Government Agency

Any insurance products, annuities and funding agreements that you may have purchased are sold as securities and are issued by Voya Retirement Insurance and Annuity Company ("VRIAC"). Fixed annuities are issued by VRIAC. VRIAC is solely responsible for meeting its obligations. Plan administrative services provided by VRIAC or Voya Institutional Plan Services, LLC ("VIPS"). Neither VRIAC nor VIPS engage in the sale or solicitation of securities. If custodial or trust agreements are part of this arrangement, they may be provided by Voya Institutional Trust Company. All companies are members of the Voya family of companies. Securities distributed by Voya Financial Partners, LLC (member SIPC) or other broker-dealers with which it has a selling agreement. All products or services may not be available in all states.

NEW MEXICO
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION
SMARTSAVE
COMMITTEE MEETING

December 10, 2019

1. This meeting of the Public Employees Retirement Board SmartSave Committee was called to order by PERA Board Vice Chair John Melia at approximately 9:10 a.m. on the above-cited date at the Senator Fabian Chavez, Jr. Board Room, PERA Building, 33 Plaza La Prensa, Santa Fe, New Mexico.

2. & 3. Mr. Melia appointed himself and the three other present Board members to serve on the SmartSave committee. Following the Pledge of Allegiance, roll was called and a quorum was confirmed as follows:

Members Present:

John Melia
Loretta Naranjo Lopez [appointed]
David Roybal [appointed]
Shirley Ragin [appointed]
Lawrence Davis, Vice Chair [late arrival]

Member(s) Absent:

Claudia Armijo, Chair
Jackie Kohlasch
Patricia French

Other Member(s) Present:

Dan Mayfield
Steve Neel

Staff Members Present:

Wayne Propst, Executive Director
Susan Pittard, Chief of Staff/General Counsel
Dominic Garcia, Chief Investment Officer
Greg Trujillo, Deputy Director/Chief Information Officer
Renada Peery-Galon, Administrator Services Director
Trish Winter, Executive Assistant
Karyn Lujan, SmartSave Plan Manager
Anna Williams, Chief Financial Officer
Misty Schoeppner, Deputy General Counsel
Geraldine Garduño, Assistant General Counsel

Others Present:

Harvey Leiderman, Reed Smith
Jessica Bundy, REDW
Cait Gutierrez, REDW
Lenora Chavez, Retiree
Paul Cowie, Meketa Investment Group
Tom Toth, Wilshire
Joseph E. Montoya, Retired
Jake Salazar, Retired
Ernest Marquez, AES

4. APPROVAL OF AGENDA

Ms. Naranjo Lopez moved to approve the agenda as presented. Her motion was seconded by Mr. Roybal and passed by unanimous voice vote.

5. APPROVAL OF CONSENT AGENDA

Mr. Roybal moved approval and Ms. Ragin seconded. The motion passed without opposition.

4. CURRENT BUSINESS

A. Q1 FY20 Investment Performance Review

Paul Cowie, Meketa, reviewed the structure of the SmartSave investments and noted there have been no changes to the four tiers. As of September 30, 2019 the assets were at \$642.7 million which was down slightly from the end of the previous quarter. There was a net cash outflow of \$2.8 million. There were 23,000 participants with an average balance of \$28,000; although 2/3's of the participants have a balance under \$15,000.

The lifecycle portfolios continue to have the largest holding, representing 27 percent of the plan participants.

Referring to the outflows from the passive funds, Karyn Lujan, SmartSave Plan Manager, said it could be due to retirees who rolled over their accounts before the transition to the new third-party administrator Voya.

Mr. Cowie reviewed the returns by manager. Domestic equity had returns that ranged from -2.4 to +3.2 percent. The year-to-date US equity numbers were very strong. International stocks did not do well during the 3rd quarter, other than Fidelity Diversified International. Again, for the year-to-date period, the managers did well against benchmarks and peers.

Fixed income/bonds portfolio contains one of the largest market values with \$135 million in NM Stable Value Fund. As the Fed reduces interest rates, there are strong returns in the fixed income portfolio. He noted that Franklin Templeton Global Bond continues to be problematic. Columbia Institutional High Yield, while only available

through the lifecycle plan, is performing very well.

Mr. Cowie reviewed the real assets, noting that REITs had a good quarter. Longer term, REITs may be an asset class to eliminate from the plan.

Mr. Cowie reviewed an investment expense analysis, and noted that only two of the funds are more expensive than the average: Fidelity Contra Fund and NM Global REITs. Overall, the plan is inexpensive for the participants.

Mr. Cowie reviewed the most recent results from November 30, 2019. The plan assets are almost \$664 million, up \$20 million from the 3rd quarter report. Year-to-date show some “remarkable” returns greater than 20 percent, and the Principal Fund has 41 percent return. This has been a very strong year, stated Mr. Cowie.

B. Q1 FY20 Plan Activity Review

Ms. Lujan provided a review of all the plan transactions during July, August and September 2019. The focus of the quarter has been on the transition to the new third-party manager. The net asset of the plan was just over \$641 million.

Workshops and individual meetings continued through the quarter, and 461 new employees were enrolled in the program.

C. Voya Transition Update

Ms. Lujan said the plan has been live with Voya since October 7th. There was a lot of data that was transferred from Nationwide to Voya which included \$645 million in assets, 22,871 individual accounts of which 10,000 had balances of zero, 154 local public body employers, and state of New Mexico employer data. She said staff is reviewing the zero dollar balance population for termination dates to close those accounts.

The new features offered in the plan include online enrollment, contribution changes, each employer has a Voya portal for uploading payroll files and employee information, and outreach printed marketing information is available to employers from Voya.

The plan has a new website, call center number, mobile app, employer payroll help line and email for employer payroll help. Ms. Lujan said the local Nationwide outreach representatives were offered positions with Voya and they accepted. Voya is leasing an office at the PERA Building. She provided numbers of plan participants who have utilized the new paperless features offered by Voya.

Mr. Garcia said that the SmartSave plan has been moved to the 21st century with the transition to Voya. He commended Ms. Lujan for her dedication and contribution to the transition.

Regarding the marketing materials, Ms. Lujan pointed out that PERA’s logo is predominant, and she was pleased Voya was not using it for their own promotion.

Ms. Naranjo Lopez asked whether those individuals who withdrew from SmartSave did so to stay with Nationwide. Ms. Lujan explained that PERA has transitioned to Voya, and Nationwide was no longer an option for PERA's SmartSave participants.

5. OTHER BUSINESS

None was presented.

6. ADJOURNMENT

Having completed the agenda, Vice Chair Davis adjourned this meeting at approximately 10:00 a.m.

Approved by:

Lawrence Davis, Vice Chair
SmartSave Committee

ATTEST:

Wayne Propst, Executive Director