

*PUBLIC EMPLOYEES RETIREMENT ASSOCIATION
OF NEW MEXICO*



PERA

Public Employees
Retirement Association
of New Mexico

INVESTED IN TOMORROW.

***FISCAL YEAR 2027
APPROPRIATION REQUEST***



PERA

Public Employees
Retirement Association
of New Mexico

P: (505) 476-9300

F: (505) 476-9401

Toll Free:

1 (800) 342-3422

INVESTED IN TOMORROW.

August 29, 2025

Wayne Propst Cabinet Secretary
State Budget Division
190 Bataan Memorial Bldg.
Santa Fe, NM 87501

Mr. Charles Sallee, Director
Legislative Finance Committee
325 Don Gaspar, Suite 101
Santa Fe, NM 87501

Dear Mr. Propst and Mr. Sallee:

PERA's Fiscal Year (FY) 2027 appropriation request is a total budget request of \$42,325,039 a decrease of -2.35% from PERA's FY26 operating budget. A majority of PERA's budget is related to investment activities, which requires PERA to meet a 7.25 percent actuarial hurdle rate.

Listed below are the highlights of the FY27 appropriation request.

Personal Services and Employee Benefits (200 category)

- An increase of \$1,597,758 or 13.45% based on the amount in the FY 26 operating budget. However, DFA is requiring us to exclude funds provided for SB 376 of \$305,900 in PERA's base budget from FY 26. Considering this, our appropriation request shows an increase of 1,903,658 or 16.45%.
- The following are some line-item changes to our budget:
 - Exempt position salary increased from \$2,655,038 to \$3,649,328 or 37.45% due to legislative salary increases for FY26 and longevity pay, and potential increases in salaries for exempt employees.
 - Classified position salary increased from \$5,729,518 to \$5,900,535 or \$171,017 due to legislative salary increase for FY26 and longevity pay.
 - Employee group health insurance premium increased from \$708,738 to \$1,091,049 or 53.94% due to higher premium rates and Senate Bill 376 which created a new cost split for health insurance that requires employers to pay 80% of the health insurance costs.

Contractual Services (300 category)

- A decrease of -\$3,122,837 or -11.84% which includes the following:
 - Investment consultant and money manager fees and other contractual services decreased -\$2,668,900 or -11.93% which is result of realigning investment managers and negotiating lower fees.
 - Investment attorney fees decreased -\$400,000 or -18.10% which is result of reducing the number of attorney contractors.



Other (400 category)

- An increase of \$198,590 or 3.68%, which includes the following:
 - In state board member mileage & fares increased from \$10,000 to \$20,000 or 100% to ensure appropriate funding for mileage for board members to attend board meetings.
 - IT hardware/software agreements increased \$157,550 or 4.95% due to the rising cost in IT services for security, applications and maintenance.
 - Building costs increased from \$150,000 to \$175,000 due to anticipated replacement of another air conditioning unit at the Santa Fe office building.

If you require additional information or have any questions please contact Anna Williams, Deputy Director, at 505-259-8489.

Sincerely,

Greg Trujillo
Executive Director

Agency Name: Public Employees Retirement Association

Business Unit: 36600

I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the arithmetic accuracy of all numeric information has been verified.



Greg Trujillo, Executive Director

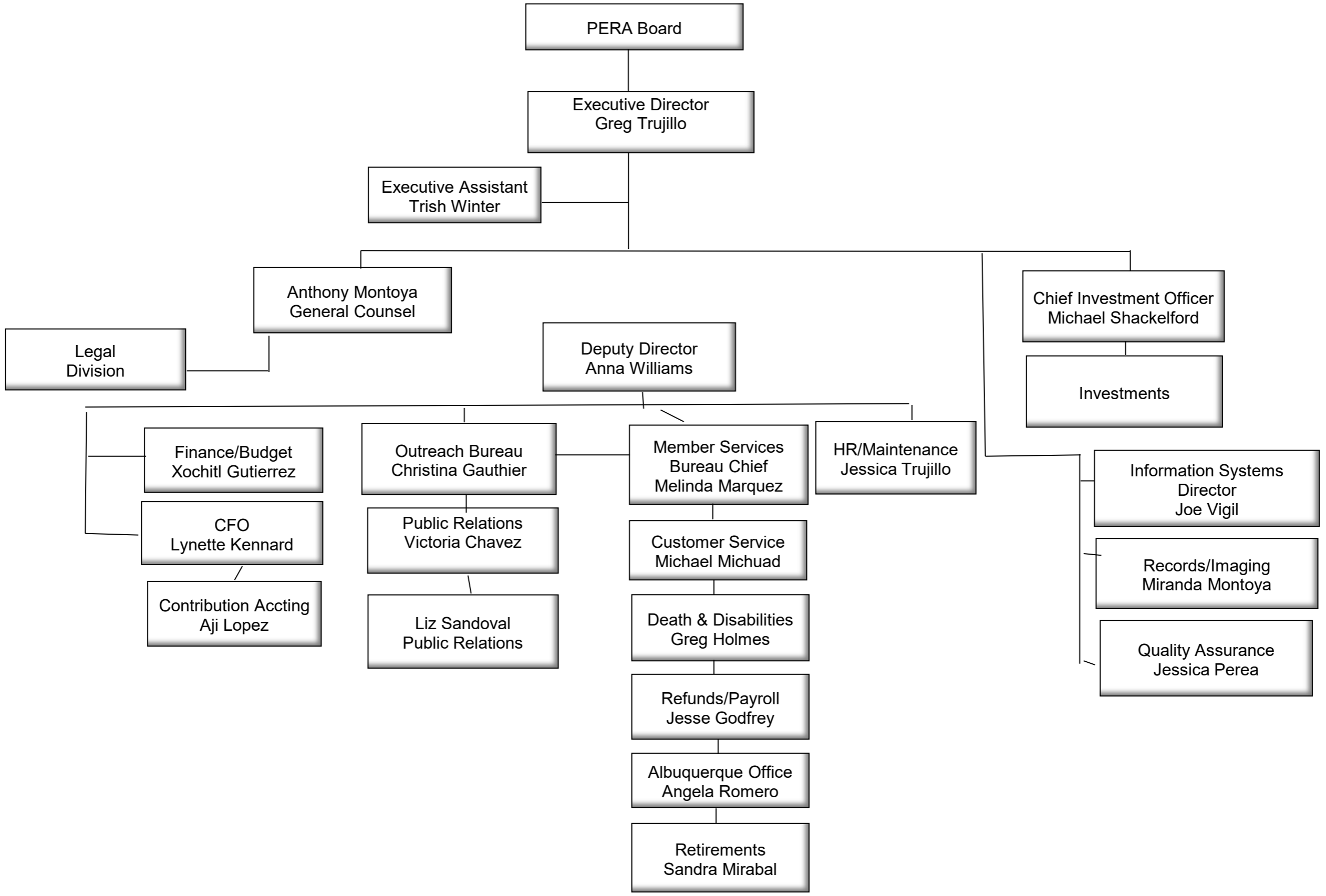


Paula Fisher, Board Chair



Lynette Sanders, Chief Financial Officer

Note: Appropriation Requests for agencies headed by a board or commission must be approved by the board or commission by official action and signed by the chairperson. Operating Budgets of other agencies must be signed by the director or secretary. Appropriation Requests not properly signed will be returned.



PERA Board

Executive Director
Greg Trujillo

Executive Assistant
Trish Winter

Anthony Montoya
General Counsel

Legal
Division

Deputy Director
Anna Williams

Chief Investment Officer
Michael Shackelford

Investments

Finance/Budget
Xochitl Gutierrez

CFO
Lynette Kennard

Contribution Accting
Aji Lopez

Outreach Bureau
Christina Gauthier

Public Relations
Victoria Chavez

Liz Sandoval
Public Relations

Member Services
Bureau Chief
Melinda Marquez

Customer Service
Michael Michuad

Death & Disabilities
Greg Holmes

Refunds/Payroll
Jesse Godfrey

Albuquerque Office
Angela Romero

Retirements
Sandra Mirabal

HR/Maintenance
Jessica Trujillo

Information Systems
Director
Joe Vigil

Records/Imaging
Miranda Montoya

Quality Assurance
Jessica Perea

S-8 Financial Summary

(Dollars in Thousands)

BU PCode Department
36600 0000 0000000000

	2024-25 Opbud	2024-25 Actuals	2025-26 Opbud	2026-27 PCF Proj	Base	----- FY 2027 Agency Request -----		Total
						Expansion		
REVENUE								
111 General Fund Transfers	57.4	55.7	163.4	0.0	70.0	0.0		70.0
112 Other Transfers	0.0	0.0	0.0	0.0	0.0	0.0		0.0
130 Other Revenues	41,312.7	29,786.0	43,182.2	0.0	42,255.0	0.0		42,255.0
REVENUE, TRANSFERS	41,370.1	29,841.7	43,345.6	0	42,325.0	0.0		42,325.0
REVENUE	41,370.1	29,841.7	43,345.6	0	42,325.0	0.0		42,325.0
EXPENSE								
200 Personal services and employee benefits	10,490.8	10,903.1	11,569.5	11,980.5	13,473.0	0.0		13,473.0
300 Contractual services	25,968.8	14,795.5	26,379.6	0.0	23,256.8	0.0		23,256.8
400 Other	4,910.5	4,143.1	5,396.5	0.0	5,595.2	0.0		5,595.2
EXPENDITURES	41,370.1	29,841.7	43,345.6	11,980.53	42,325.0	0.0		42,325.0
EXPENSE	41,370.1	29,841.7	43,345.6	11,980.53	42,325.0	0.0		42,325.0
FTE POSITIONS								
810 Permanent	88.00	87.00	88.00	87.00	87.00	0.00		87.00
FTEs	88.00	87.00	88.00	87.00	87.00	0.00		87.00
FTE POSITIONS	88.00	87.00	88.00	87.00	87.00	0.00		87.00

Public Employees Retirement Association

BU PCode Department
 36600 0000 0000000000

State of New Mexico
S-9 Account Code Revenue/Expenditure Summary
 (Dollars in Thousands)

		2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
499105	General Fd. Appropriation	57.4	55.7	163.4	0.0	70.0	0.0	70.0
111	General Fund Transfers	57.4	55.7	163.4	0.0	70.0	0.0	70.0
499905	Other Financing Sources	0.0	0.0	0.0	0.0	0.0	0.0	0.0
112	Other Transfers	0.0	0.0	0.0	0.0	0.0	0.0	0.0
402401	Fiduciary Income Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0
418302	Civil Action Filing Fees	0.0	0.0	0.0	0.0	0.0	0.0	0.0
425902	Other Services	179.1	136.1	196.8	0.0	237.2	0.0	237.2
441201	Interest On Investments	41,133.6	29,649.9	42,985.4	0.0	42,017.8	0.0	42,017.8
441301	Dividend Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
441501	Other Investment Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
441851	Unrealized Gain (Loss) on Invs	0.0	0.0	0.0	0.0	0.0	0.0	0.0
442209	Rent of Land/Buildings Interag	0.0	0.0	0.0	0.0	0.0	0.0	0.0
471108	Employee Contributions/Ret.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
471208	Employer Contributions/Ret.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
494901	Sale Of Other Investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
496901	Miscellaneous Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
496909	Misc Revenue - Interagency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
499205	Other Appropriations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
130	Other Revenues	41,312.7	29,786.0	43,182.2	0.0	42,255.0	0.0	42,255.0
TOTAL REVENUE		41,370.1	29,841.7	43,345.6	0	42,325.0	0.0	42,325.0
520000	Payroll	0.0	0.0	0.0	0.0	0.0	0.0	0.0
520100	Exempt Perm Positions P/T&F/T	2,443.4	2,485.2	2,654.5	2,895.3	3,649.4	0.0	3,649.4
520300	Classified Perm Positions F/T	5,170.9	5,395.3	5,730.4	5,957.9	5,900.4	0.0	5,900.4
520600	Paid Unused Sick Leave	0.0	15.2	0.0	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	0.0	0.3	0.0	0.0	0.0	0.0	0.0
520800	Annl & Comp Paid At Separation	0.0	28.9	0.0	0.0	0.0	0.0	0.0
521100	Group Insurance Premium	666.4	695.2	708.8	1,214.2	1,091.0	0.0	1,091.0
521200	Retirement Contributions	1,447.6	1,516.1	1,588.3	1,688.1	1,833.9	0.0	1,833.9
521300	F I C A	563.8	561.3	614.1	544.0	699.8	0.0	699.8
521400	Workers' Comp Assessment Fee	0.8	0.8	0.8	0.0	0.8	0.0	0.8
521410	GSD Work Comp Insur Premium	5.7	5.7	6.7	0.0	5.3	0.0	5.3
521600	Employee Liability Ins Premium	41.4	41.4	100.8	0.0	102.0	0.0	102.0

521700	RHC Act Contributions	150.8	157.6	165.1	177.3	190.4	0.0	190.4
200	Personal services and employee ben	10,490.8	10,903.1	11,569.5	12,476.8	13,473.0	0.0	13,473.0
530000	Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
535100	Medical Services	240.0	259.6	280.0	0.0	350.0	0.0	350.0
535200	Professional Services	836.0	643.7	836.0	0.0	836.0	0.0	836.0
535300	Other Services	22,417.8	12,767.0	22,379.8	0.0	19,711.0	0.0	19,711.0
535400	Audit Services	165.0	158.7	173.8	0.0	199.8	0.0	199.8
535500	Attorney Services	1,810.0	631.9	2,210.0	0.0	1,810.0	0.0	1,810.0
535600	IT Services	500.0	334.5	500.0	0.0	350.0	0.0	350.0
300	Contractual services	25,968.8	14,795.5	26,379.6	0.0	23,256.8	0.0	23,256.8
540000	Other Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542100	Employee I/S Mileage & Fares	10.0	5.5	13.3	0.0	13.3	0.0	13.3
542200	Employee I/S Meals & Lodging	16.2	11.6	19.7	0.0	22.2	0.0	22.2
542300	Brd & Comm Mbr Meals & Lodging	20.0	12.3	20.0	0.0	20.0	0.0	20.0
542310	Brd & Comm Mbr Mileage & Fares	5.0	14.7	10.0	0.0	20.0	0.0	20.0
542500	Transp - Fuel & Oil	2.5	0.8	2.5	0.0	2.5	0.0	2.5
542600	Transp - Parts & Supplies	5.0	1.4	5.0	0.0	5.0	0.0	5.0
542700	Transp - Transp Insurance	0.4	0.4	0.3	0.0	0.3	0.0	0.3
542800	State Transp Pool Charges	6.0	5.9	6.0	0.0	8.9	0.0	8.9
542900	Transp - Other Travel	0.1	0.0	0.1	0.0	0.0	0.0	0.0
543100	Maint - Grounds & Roadways	20.0	16.0	35.0	0.0	35.0	0.0	35.0
543200	Maint - Furn, Fixt, Equipment	13.0	13.3	12.0	0.0	18.0	0.0	18.0
543300	Maint - Buildings & Structures	100.0	174.0	100.0	0.0	100.0	0.0	100.0
543400	Maint - Property Insurance	10.0	9.9	11.0	0.0	10.9	0.0	10.9
543500	Maint - Supplies	1.5	1.7	3.0	0.0	3.0	0.0	3.0
543700	Maintenance Services	5.0	2.2	5.0	0.0	5.0	0.0	5.0
543830	IT HW/SW Agreements	3,015.6	2,198.1	3,180.4	0.0	3,338.0	0.0	3,338.0
544000	Supply Inventory IT	101.6	274.4	137.8	0.0	129.8	0.0	129.8
544100	Supplies-Office Supplies	18.0	11.2	18.0	0.0	20.5	0.0	20.5
544200	Supplies-Medical,Lab,Personal	0.0	2.1	0.0	0.0	2.7	0.0	2.7
544400	Supplies-Field Supplies	1.0	0.3	1.2	0.0	1.2	0.0	1.2
544700	Supplies-Clothng,Unifrms,Linen	0.4	0.0	0.4	0.0	0.4	0.0	0.4
544900	Supplies-Inventory Exempt	13.0	16.5	16.0	0.0	15.0	0.0	15.0
545600	Reporting & Recording	20.5	2.2	20.5	0.0	25.5	0.0	25.5
545609	Report/Record Inter St Agency	0.0	0.1	0.0	0.0	0.0	0.0	0.0
545700	ISD Services	46.8	55.8	57.8	0.0	95.4	0.0	95.4
545710	DOIT HCM Assessment Fees	32.0	28.9	31.5	0.0	33.1	0.0	33.1
545900	Printing & Photo Services	97.3	89.9	98.5	0.0	101.3	0.0	101.3
546100	Postage & Mail Services	145.3	82.3	145.3	0.0	100.3	0.0	100.3

546310	Utilities - Sewer/Garbage	6.6	3.1	6.6	0.0	6.6	0.0	6.6
546320	Utilities - Electricity	80.0	52.1	80.0	0.0	85.0	0.0	85.0
546330	Utilities - Water	4.5	3.7	4.5	0.0	5.5	0.0	5.5
546340	Utilities - Natural Gas	35.0	17.6	35.0	0.0	35.0	0.0	35.0
546400	Rent Of Land & Buildings	120.1	119.0	124.0	0.0	128.0	0.0	128.0
546500	Rent Of Equipment	82.4	57.5	82.4	0.0	86.4	0.0	86.4
546600	Communications	9.1	8.7	9.6	0.0	9.6	0.0	9.6
546610	DOIT Telecommunications	180.0	99.1	166.7	0.0	108.9	0.0	108.9
546700	Subscriptions/Dues/License Fee	216.3	125.6	267.3	0.0	264.3	0.0	264.3
546709	Subscription & Due Interagency	0.0	0.4	0.0	0.0	0.0	0.0	0.0
546800	Employee Training & Education	63.5	39.3	71.8	0.0	78.8	0.0	78.8
546810	Board Member Training	25.0	9.4	25.0	0.0	25.0	0.0	25.0
546900	Advertising	8.1	0.7	11.1	0.0	11.1	0.0	11.1
547360	Insurance Premiums-non_payroll	50.0	0.0	50.0	0.0	50.0	0.0	50.0
547900	Miscellaneous Expense	41.2	24.6	43.7	0.0	48.2	0.0	48.2
547999	Request to Pay Prior Year	0.0	1.9	0.0	0.0	0.0	0.0	0.0
548300	Information Tech Equipment	70.0	76.4	70.0	0.0	75.0	0.0	75.0
548400	Other Equipment	0.0	9.0	0.0	0.0	0.0	0.0	0.0
548900	Buildings & Structures	0.0	369.2	150.0	0.0	175.0	0.0	175.0
549600	Employee O/S Mileage & Fares	83.5	29.5	95.5	0.0	97.0	0.0	97.0
549700	Employee O/S Meals & Lodging	94.0	47.8	108.0	0.0	128.5	0.0	128.5
549800	Brd & Comm O/S Mileage & Fares	15.0	5.1	20.0	0.0	20.0	0.0	20.0
549900	Brd & Comm O/S Meals & Lodging	20.0	11.7	25.0	0.0	30.0	0.0	30.0
400	Other	4,910.5	4,143.1	5,396.5	0.0	5,595.2	0.0	5,595.2
TOTAL EXPENSE		41,370.1	29,841.7	43,345.6	12476.833	42,325.0	0.0	42,325.0
810	Permanent	88.00	0.00	88.00	91.00	0.00	0.00	0.00
810	Permanent	88.00	0.00	88.00	91.00	0.00	0.00	0.00
TOTAL FTE POSITIONS		88.00	0.00	88.00	91.00	0.00	0.00	0.00

State of New Mexico

S-13 Line Items by Business Unit Expenditures

(Dollars in Thousands)

BusUnit	Line Item	2024-25	2025-26	Request		Recommendation		Opbud
		Actuals	Opbud	Base	Expansion	Base	Expansion	
36600	P640-R Pension Administration							
	521410 GSD Work Comp Insur Premium	5.71	6.7	5.3	0	0	0	0.0
	521600 Employee Liability Ins Premium	41.42	100.8	102	0	0	0	0.0
	535400 Audit Services	158.75	173.8	199.8	0	0	0	0.0
	542700 Transp - Transp Insurance	0.39	0.3	0.3	0	0	0	0.0
	542800 State Transp Pool Charges	5.88	6	8.9	0	0	0	0.0
	543400 Maint - Property Insurance	9.87	11	10.9	0	0	0	0.0
	545700 ISD Services	55.8	57.8	95.4	0	0	0	0.0
	545710 DOIT HCM Assessment Fees	28.86	31.5	33.1	0	0	0	0.0
546610 DOIT Telecommunications	99.05	166.7	108.9	0	0	0	0.0	
Subtotal for:	36600 P640-R Pension Administration	405.73	554.6	564.6	0	0	0	0.0
36600		405.73	554.6	564.6	0	0	0	0.0

Totals by Line Item

BusUnit	Line Item	2024-25	2025-26	Request		Recommendation		Opbud
		Actuals	Opbud	Base	Expansion	Base	Expansion	
36600	521410 GSD Work Comp Insur Premium	5.71	6.7	5.3	0	0	0	0.0
	521600 Employee Liability Ins Premium	41.42	100.8	102	0	0	0	0.0
	535400 Audit Services	158.75	173.8	199.8	0	0	0	0.0
	542700 Transp - Transp Insurance	0.39	0.3	0.3	0	0	0	0.0
	542800 State Transp Pool Charges	5.88	6	8.9	0	0	0	0.0
	543400 Maint - Property Insurance	9.87	11	10.9	0	0	0	0.0
	545700 ISD Services	55.8	57.8	95.4	0	0	0	0.0
	545710 DOIT HCM Assessment Fees	28.86	31.5	33.1	0	0	0	0.0
	546610 DOIT Telecommunications	99.05	166.7	108.9	0	0	0	0.0
Grand Total		405.73	554.6	564.6	0	0	0	0.0

State of New Mexico

S-13 Line Items by Business Unit Expenditures

(Dollars in Thousands)

Program Description:

The purpose of the Public Employees Retirement Association (PERA) Pension Administration Program is to oversee the PERA trust fund from which members and their beneficiaries can receive a lifetime pension benefit when eligible (based on age and service) after retirement from public service. PERA's mission statement and strategic plan are focused on maintaining an actuarially sound retirement system (consisting of 31 different coverage plans and 2 tiers of benefits) and providing excellent customer service to PERA's members.

Pension administrative functions include: customer services, benefit estimates, service credit verification, retirement processing, quality control, annuitant payroll, service/military credit purchases, retirement seminars, records management, document imaging, and member contribution refunds. PERA primarily serves seven constituencies: 1) employees and elected officials who currently work for affiliated public employers throughout the State of New Mexico; 2) employees and elected officials who have retired from New Mexico public service in both normal and disabled status; 3) survivor beneficiaries; 4) former public employees and elected officials who elect to receive a refund of contributions; 5) former public employees and elected officials who leave their contributions in PERA in order to receive a deferred pension; 6) affiliated public employers; and 7) participants in the state-sponsored deferred compensation program.

Major Issues and Accomplishments:

PERA considered the following issues in developing its budget request: 1) strengthening of PERA's actuarial funding status of the retirement funds and safeguarding the PERA fund to ensure current and future obligations are met; 2) maximizing the Retirement Information Online (RIO) system's business capabilities to provide timely and accurate data; 3) increasing emphasis on employer outreach to assist in timely and accurate submission of employer payments and reports; 4) timely and accurate analysis of PERA's investment fund; and 5) prudent oversight of PERA's administrative and investment operations.

In the past three years, PERA has accomplished the following: set up bar codes on several of PERA forms; created webpages dedicated to return to work; outreach team providing seminars in person and via Zoom to reach a variety of audiences; received unmodified opinion for FY22, FY23, and FY24 audits; created a snapshot page on our website that is an interactive financial page of PERA, continuous employer training from the contribution accounting team; continual improvements to Information Technology security, improved our VPN access and security; and undertook enhancements to RIO self-service for our members to allow them to upload documents to their PERA account and created a succession plan for the agency.

Overview of Request:

The FY27 base budget of \$42,325,039 was based on ensuring that PERA has the staff, resources and information technology to provide pension payments to retirees, receive contributions from active members through their employers and helping ensure PERA meets the required 7.25 percent actuarial hurdle rate based on the current market value of investments. PERA is funded from interest earned on investments. PERA's primary mission is to serve our members and provide a stable secure retirement to current and future generations of public employees. The requested appropriation request will ensure PERA is able to provide our members with a stable lifetime benefit through leadership, stewardship, and quality customer service. PERA members are made up of 48,000+ retirees, 57,000+ active members and 30,000+ inactive members. During FY25 PERA paid out \$1.52 billion in benefit payments to our retirees and \$61 million in refunds to members who left employment.

FY27 base budget request of \$42,325,039 is a -2.35 percent decrease from the FY26 operating budget and applies a 0.0 percent vacancy savings factored in personnel services and benefits. The majority of PERA's budget is related to investment activities, which requires PERA to meet a 7.25 percent actuarial hurdle rate. The decrease in PERA's FY27 base budget request is related to the decrease in the costs of investment manager fees.

P-1 Program Overview

BU PCode
36600 P640

Programmatic Changes: PERA will continue to implement Senate Bill 72 and monitor the effects of the Senate Bill on the PERA fund. PERA also continues to work on; easier ability for members to print IRS Form 1099-Rs, view a benefit, view COLA amounts, and submit some demographic changes. PERA has working on bar codes on PERA forms for improved efficiency in imaging and processing.

Base Budget Justification: The FY27 base budget request of \$42,325,039 is a -2.35 percent decrease from the FY26 budget and applies a 0.0 percent vacancy savings factored in personal services and employee benefits. The base budget request decreases the contractual services category by \$(3,122,837), or -11.84 percent which is related to realigning investment managers and negotiating lower fees. The base budget request increases the personal services and employee benefits category by \$1,908,658, or 16.45 percent which is related to increases in health insurance and salary. The base budget request increases the other category by \$198,590, or 3.68 percent which is related to the increases in other costs of travel, building maintenance, and IT software agreement.

REV EXP COMPARISON

(Dollars in Thousands)

36600 - Public Employees Retirement Association

P640 - Pension Administration

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	70.0	42,255.0	0.0	0.0	42,325.0
Personal services and employee benefits	61.2	13,411.8	0.0	0.0	13,473
Contractual services	0.0	23,256.8	0.0	0.0	23,256.8
Other	8.8	5,586.4	0.0	0.0	5,595.2
USES Total:	70.0	42,255.0	0.0	0.0	42,325.0
Net:	0.0	0.0	0.0	0.0	0.0

Pension Administration

BU PCode Department
 36600 P640 000000

State of New Mexico

E4/E5 Summary
 (Dollars in Thousands)

		2024-25	2025-26	FY 2027 Agency Request				Total
		Actuals	Opbud	GF	OSF	ISF/IAT	FF	
520000	Payroll	0.0	0.0	0.0	0.0	0.0	0.0	0.0
520100	Exempt Perm Positions P/T&F/T	2,485.2	2,654.5	0.0	3,649.4	0.0	0.0	3,649.4
520300	Classified Perm Positions F/T	5,395.3	5,730.4	46.6	5,853.8	0.0	0.0	5,900.4
520600	Paid Unused Sick Leave	15.2	0.0	0.0	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	0.3	0.0	0.0	0.0	0.0	0.0	0.0
520800	Annl & Comp Paid At Separation	28.9	0.0	0.0	0.0	0.0	0.0	0.0
521100	Group Insurance Premium	695.2	708.8	5.1	1,085.9	0.0	0.0	1,091.0
521200	Retirement Contributions	1,516.1	1,588.3	6.3	1,827.6	0.0	0.0	1,833.9
521300	F I C A	561.3	614.1	2.5	697.3	0.0	0.0	699.8
521400	Workers' Comp Assessment Fee	0.8	0.8	0.0	0.8	0.0	0.0	0.8
521410	GSD Work Comp Insur Premium	5.7	6.7	0.0	5.3	0.0	0.0	5.3
521600	Employee Liability Ins Premium	41.4	100.8	0.0	102.0	0.0	0.0	102.0
521700	RHC Act Contributions	157.6	165.1	0.7	189.7	0.0	0.0	190.4
200	Personal services and employee benef	10,903.1	11,569.5	61.2	13,411.8	0.0	0.0	13,473.0
530000	Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
535100	Medical Services	259.6	280.0	0.0	350.0	0.0	0.0	350.0
535200	Professional Services	643.7	836.0	0.0	836.0	0.0	0.0	836.0
535300	Other Services	12,767.0	22,379.8	0.0	19,711.0	0.0	0.0	19,711.0
535400	Audit Services	158.7	173.8	0.0	199.8	0.0	0.0	199.8
535500	Attorney Services	631.9	2,210.0	0.0	1,810.0	0.0	0.0	1,810.0
535600	IT Services	334.5	500.0	0.0	350.0	0.0	0.0	350.0
300	Contractual services	14,795.5	26,379.6	0.0	23,256.8	0.0	0.0	23,256.8
540000	Other Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542100	Employee I/S Mileage & Fares	5.5	13.3	0.0	13.3	0.0	0.0	13.3
542200	Employee I/S Meals & Lodging	11.6	19.7	0.0	22.2	0.0	0.0	22.2
542300	Brd & Comm Mbr Meals & Lodging	12.3	20.0	0.0	20.0	0.0	0.0	20.0
542310	Brd & Comm Mbr Mileage & Fares	14.7	10.0	0.0	20.0	0.0	0.0	20.0
542500	Transp - Fuel & Oil	0.8	2.5	0.0	2.5	0.0	0.0	2.5
542600	Transp - Parts & Supplies	1.4	5.0	0.0	5.0	0.0	0.0	5.0
542700	Transp - Transp Insurance	0.4	0.3	0.0	0.3	0.0	0.0	0.3
542800	State Transp Pool Charges	5.9	6.0	0.0	8.9	0.0	0.0	8.9
542900	Transp - Other Travel	0.0	0.1	0.0	0.0	0.0	0.0	0.0
543100	Maint - Grounds & Roadways	16.0	35.0	0.0	35.0	0.0	0.0	35.0

Pension Administration

BU PCode Department
 36600 P640 000000

State of New Mexico

E4/E5 Summary
 (Dollars in Thousands)

		2024-25	2025-26	FY 2027 Agency Request				Total
		Actuals	Opbud	GF	OSF	ISF/IAT	FF	
543200	Maint - Furn, Fixt, Equipment	13.3	12.0	0.0	18.0	0.0	0.0	18.0
543300	Maint - Buildings & Structures	174.0	100.0	0.0	100.0	0.0	0.0	100.0
543400	Maint - Property Insurance	9.9	11.0	0.0	10.9	0.0	0.0	10.9
543500	Maint - Supplies	1.7	3.0	0.0	3.0	0.0	0.0	3.0
543700	Maintenance Services	2.2	5.0	0.0	5.0	0.0	0.0	5.0
543830	IT HW/SW Agreements	2,198.1	3,180.4	0.0	3,338.0	0.0	0.0	3,338.0
544000	Supply Inventory IT	274.4	137.8	0.0	129.8	0.0	0.0	129.8
544100	Supplies-Office Supplies	11.2	18.0	0.0	20.5	0.0	0.0	20.5
544200	Supplies-Medical,Lab,Personal	2.1	0.0	0.0	2.7	0.0	0.0	2.7
544400	Supplies-Field Supplies	0.3	1.2	0.0	1.2	0.0	0.0	1.2
544700	Supplies-Clothing,Unifrms,Linen	0.0	0.4	0.0	0.4	0.0	0.0	0.4
544900	Supplies-Inventory Exempt	16.5	16.0	1.0	14.0	0.0	0.0	15.0
545600	Reporting & Recording	2.2	20.5	0.0	25.5	0.0	0.0	25.5
545609	Report/Record Inter St Agency	0.1	0.0	0.0	0.0	0.0	0.0	0.0
545700	ISD Services	55.8	57.8	0.0	95.4	0.0	0.0	95.4
545710	DOIT HCM Assessment Fees	28.9	31.5	0.0	33.1	0.0	0.0	33.1
545900	Printing & Photo Services	89.9	98.5	0.0	101.3	0.0	0.0	101.3
546100	Postage & Mail Services	82.3	145.3	0.0	100.3	0.0	0.0	100.3
546310	Utilities - Sewer/Garbage	3.1	6.6	0.0	6.6	0.0	0.0	6.6
546320	Utilities - Electricity	52.1	80.0	0.0	85.0	0.0	0.0	85.0
546330	Utilities - Water	3.7	4.5	0.0	5.5	0.0	0.0	5.5
546340	Utilities - Natural Gas	17.6	35.0	0.0	35.0	0.0	0.0	35.0
546400	Rent Of Land & Buildings	119.0	124.0	0.0	128.0	0.0	0.0	128.0
546500	Rent Of Equipment	57.5	82.4	0.0	86.4	0.0	0.0	86.4
546600	Communications	8.7	9.6	0.0	9.6	0.0	0.0	9.6
546610	DOIT Telecommunications	99.1	166.7	0.0	108.9	0.0	0.0	108.9
546700	Subscriptions/Dues/License Fee	125.6	267.3	1.0	263.3	0.0	0.0	264.3
546709	Subscription & Due Interagency	0.4	0.0	0.0	0.0	0.0	0.0	0.0
546800	Employee Training & Education	39.3	71.8	0.8	78.0	0.0	0.0	78.8
546810	Board Member Training	9.4	25.0	0.0	25.0	0.0	0.0	25.0
546900	Advertising	0.7	11.1	0.0	11.1	0.0	0.0	11.1
547360	Insurance Premiums-non_payroll	0.0	50.0	0.0	50.0	0.0	0.0	50.0
547900	Miscellaneous Expense	24.6	43.7	0.0	48.2	0.0	0.0	48.2
547999	Request to Pay Prior Year	1.9	0.0	0.0	0.0	0.0	0.0	0.0

Pension Administration

BU PCode Department
 36600 P640 000000

State of New Mexico

E4/E5 Summary
 (Dollars in Thousands)

		2024-25	2025-26	FY 2027 Agency Request				Total
		Actuals	Opbud	GF	OSF	ISF/IAT	FF	
548300	Information Tech Equipment	76.4	70.0	0.0	75.0	0.0	0.0	75.0
548400	Other Equipment	9.0	0.0	0.0	0.0	0.0	0.0	0.0
548900	Buildings & Structures	369.2	150.0	0.0	175.0	0.0	0.0	175.0
549600	Employee O/S Mileage & Fares	29.5	95.5	3.0	94.0	0.0	0.0	97.0
549700	Employee O/S Meals & Lodging	47.8	108.0	3.0	125.5	0.0	0.0	128.5
549800	Brd & Comm O/S Mileage & Fares	5.1	20.0	0.0	20.0	0.0	0.0	20.0
549900	Brd & Comm O/S Meals & Lodging	11.7	25.0	0.0	30.0	0.0	0.0	30.0
400	Other	4,143.1	5,396.5	8.8	5,586.4	0.0	0.0	5,595.2
TOTAL EXPENSE		29,841.7	43,345.6	70.0	42,255.0	0.0	0.0	42,325.0

Pension Administration

BU PCode
36600 P640

State of New Mexico
Contract by PCode Detail
(Dollars in Thousands)

Fund	Account	#	Contract Purpose	Actuals	FY 2027 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
60600	535100	Medical Services	1000	259.6	0.0	350.0	0.0	0.0	350.0	
60600	535200	Professional Services	1000	643.7	0.0	836.0	0.0	0.0	836.0	
60600	535300	Other Services	1000	12,767.0	0.0	19,711.0	0.0	0.0	19,711.0	
60600	535400	Audit Services	1000	158.7	0.0	199.8	0.0	0.0	199.8	
60600	535500	Attorney Services	1000	628.3	0.0	1,800.0	0.0	0.0	1,800.0	
60600	535600	IT Services	1000	334.5	0.0	350.0	0.0	0.0	350.0	
75500	535500	Attorney Services	1000	3.6	0.0	10.0	0.0	0.0	10.0	
TOTAL EXPENSE				14,795.5	0.0	23,256.8	0.0	0.0	23,256.8	

DFA Performance Based Budgeting Data System

Annual Performance Report

Agency: 36600 Public Employees Retirement Association

Program: P640 Pension Administration

The purpose of the pension administration program is to provide information, retirement benefits and an actuarially sound fund to association members so they can receive the defined benefit they are entitled to when they retire from public service.

Performance Measures:		2024-25 Target	2024-25 Result	Met Target	Year End Result Narrative
Explanatory	Average rate of net return over the last five years	N/A	8.66%	N/A	When measuring success in implementation against key strategic goals, PERA's experience continues to mark favorably. First, long-term absolute returns have outpaced PERA's discount rate (7.25%) across the 3-, 5-, 30-year and Since Inception periods at 7.50%, 8.66%, 7.53% and 8.60%, respectively. Second, relative results are exceeding PERA's diversified Policy benchmark across intermediate and long-term horizons. Most notably, outpacing this benchmark by 25 basis points, 9 bps, 2 bps and 31 bps for the 5-, 7-, 10-, and 30-year periods; displaying strong implementation and manager selection attribution.
Explanatory	Average rate of net return over the last ten years	N/A	6.60%	N/A	When measuring success in implementation against key strategic goals, PERA's experience continues to mark favorably. First, long-term absolute returns have outpaced PERA's discount rate (7.25%) across the 3-, 5-, 30-year and Since Inception periods at 7.50%, 8.66%, 7.53% and 8.60%, respectively. Second, relative results are exceeding PERA's diversified Policy benchmark across intermediate and long-term horizons. Most notably, outpacing this benchmark by 25 basis points, 9 bps, 2 bps and 31 bps for the 5-, 7-, 10-, and 30-year periods; displaying strong implementation and manager selection attribution.

DFA Performance Based Budgeting Data System

Annual Performance Report

Program: P640 Pension Administration

Performance Measures:		2024-25 Target	2024-25 Result	Met Target	Year End Result Narrative
Outcome	Number of basis points that five-year annualized investment return differs from board-approved total fund benchmark	30.00	141.00	Yes	When measuring success in implementation against key strategic goals, PERA's experience continues to mark favorably. First, long-term absolute returns have outpaced PERA's discount rate (7.25%) across the 3-, 5-, 30-year and Since Inception periods at 7.50%, 8.66%, 7.53% and 8.60%, respectively. Second, relative results are exceeding PERA's diversified Policy benchmark across intermediate and long-term horizons. Most notably, outpacing this benchmark by 25 basis points, 9 bps, 2 bps and 31 bps for the 5-, 7-, 10-, and 30-year periods; displaying strong implementation and manager selection attribution.
Outcome	Number of basis points that ten-year annualized investment return differs from board-approved total fund benchmark	30.00	-70.00	No	When measuring success in implementation against key strategic goals, PERA's experience continues to mark favorably. First, long-term absolute returns have outpaced PERA's discount rate (7.25%) across the 3-, 5-, 30-year and Since Inception periods at 7.50%, 8.66%, 7.53% and 8.60%, respectively. Second, relative results are exceeding PERA's diversified Policy benchmark across intermediate and long-term horizons. Most notably, outpacing this benchmark by 25 basis points, 9 bps, 2 bps and 31 bps for the 5-, 7-, 10-, and 30-year periods; displaying strong implementation and manager selection attribution.
Outcome	Number of years to eliminate actuarial accrued liability	30	52	No	PERA amortization period reduced from 53 years to 52 years.
Outcome	Rate of the cost of investment comparable with an industry median cost of peers adjusted for differences in fund size and asset mix	85	46	Yes	PERA implements the Board's asset allocation with an view toward minimizing investment fees wherever possible. With regard to investment funds, data shows that highly liquid markets do not lend themselves to active management outperformance, therefore Staff prefers to implement using ultra-low cost passive (index) strategies. Thus, allocating investment fees toward illiquid and private market funds that have a higher probability of generating alpha. This has allowed PERA to implement below its target cost of 85 bps.

STRATEGIC PLAN

Fiscal Years 2025-2028



PERA

Public Employees
Retirement Association
of New Mexico

INVESTED IN TOMORROW.

33 Plaza La Prensa, Santa Fe, NM 87507

AGENCY OVERVIEW

The Public Employees Retirement Association (PERA) administers defined benefit retirement system with 31 different retirement coverage plans and two tiers of benefits for state, county, municipal and other political subdivision employees in the State of New Mexico. PERA is governed by the PERA Board consisting of two ex-officio members and ten members elected by the Association's membership. The Board's mission is to preserve, protect, and administer the Trust to meet its current and future obligations and provide quality customer service to Association members. The Board of Trustees appoints an Executive Director, who manages PERA's agency operations.

The Public Employees Retirement Association (PERA) of New Mexico operates under the authority of the Public Employees Retirement Act, NMSA 1978, Sections 10-11-1 to 10-11-142, as amended; the Volunteer Firefighters Retirement Act, NMSA 1978, Sections 10-11A-1 to 10-11A-8, as amended; the Judicial Retirement Act, NMSA 1978, Sections 10-12B-1 to 10-12B-19, as amended; the Magistrate Retirement Act, NMSA 1978, Sections 10-12C-1 to 10-12C-18, as amended; and the Public Employees Reciprocity Act, NMSA 1978, Sections 10-13A-1 to 10-13A-4, as amended. PERA is a governmental qualified plan responsible for the investment of all moneys constituting the net assets of the Public Employees Retirement Fund, the Judicial Retirement Fund, the Magistrate Retirement Fund, the Volunteer Firefighters Retirement Fund. The Funds' net assets are currently valued at approximately \$19.0 billion.

In July 2022, PERA Board underwent a process to update the agency's strategic plan. The mission statement and values were revised from the prior strategic plan. Objectives and strategies were created to reach goals established through a Strengths, Weaknesses, Opportunities and Threats (SWOT) assessment. The SWOT focused on where PERA currently was and where the agency wants to be within the next five years. PERA's goals, objectives and strategies were developed to be realistic, meaningful and obtainable.

MISSION AND VALUE STATEMENTS

Preserve and protect the PERA Trust to meet all current and future pension obligations.

PERA Guiding principles:

- ⚙ *Meet fiduciary and financial obligations.*
- ⚙ *Manage assets and liabilities with prudence and due diligence.*
- ⚙ *Timely provide quality services to all Association members*
- ⚙ *Build and maintain a collegial environment for Board and staff development and growth.*

GOALS, OBJECTIVES AND STRATEGIES

Goals	Objectives	Strategies	Status
1. Effective Governance	1.A Enhance Board Governance, polices, oversight and decision-making.	<ul style="list-style-type: none"> • Develop an effective Board onboarding and continuing education program. • Develop a strategic plan with full Board engagement and buy-in • Develop a Board strategic agenda and plan to anticipate key decision timing. • Review and enforce board policies and procedures. 	The PERA board has a Board Smart Subscription for education is developing individualized learning plans and has approved the current strategic plan. The PERA Board did a self-evaluation 2023 fiscal year. The PERA staff and Board created and adopted a new self-evaluation and conducted an evaluation in November 2024.
		•	•

GOALS, OBJECTIVES AND STRATEGIES continued

Goals	Objectives	Strategies	Status
2.1 Stakeholder Engagement	2.A Effective engage stakeholders.	<ul style="list-style-type: none"> • Identity stakeholders; categorize, by groups. • Strengthen PERA communications resources and improve messaging, make recommendations to Governance Committee • Develop stakeholder education and outreach short-and-long-term plans, make recommendation to Governance Committee 	<ul style="list-style-type: none"> • PERA identified different groups of members to focus on, new, mid-career, ready to retire, and retirees. PERA will continue to develop strategies. PERA created website pages related to early, mid-career and ready-to-retire. PERA also made a financial snapshot page showing PERA's finances in an interactive environment. Created a VFF webpage to centralize the information.
	2.B Effectively engage with Policymakers.	<ul style="list-style-type: none"> • Identify key legislative stakeholders and PERA roles and responsibilities for communications. • Build methods and lines of communication. • Meet with Policymakers to educate and take questions and recommendations. 	<p>PERA executive team will keep the board members updated on bills that are introduced, status, and changes during the legislative session. PERA also created a spreadsheet to send to the board members so they can track bills easily. PERA will continue to work on this strategy.</p>

GOALS, OBJECTIVES AND STRATEGIES continued

Goals	Objectives	Strategies	Status
3. Organizational Excellence	3.A Attain and maintain adequate staffing levels along with succession planning and retention.	<ul style="list-style-type: none"> • Create an organizational development plan. • Develop a succession planning process for all key positions and retirement-eligible staff. • Benchmark compensation and ensure PERA has competitive levels. • Develop relationships and internships programs with local universities. 	<ul style="list-style-type: none"> • PERA created a succession plan for key positions and will review annually and complete a succession and modern management audit this past year.
	3.B Continually assess and strengthen cyber security.	<ul style="list-style-type: none"> • Regularly have third party vulnerability and penetration testing • Develop a Board-approved ransomware policy in case of attack. • Ensure the PERA Business Continuity Plan is complete and ready. 	PERA business continuity plan has been updated and PERA works with a contract to conduct vulnerability testing annually.

GOALS, OBJECTIVES AND STRATEGIES continued

Goals	Objectives	Strategies	Status
	<p>3.C Continually address and strengthen internal controls.</p>	<ul style="list-style-type: none"> • Ensure an effective internal audit function with Audit Committee oversight. • Develop an enterprise compliance program. • Engage third party firm(s) to review PERA internal controls. 	<ul style="list-style-type: none"> • . PERA has a contract with a firm to conduct internal control reviews and staff meet with A&B committee and group discussed that any future items that are identified we will work as a group to address.

GOALS, OBJECTIVES AND STRATEGIES continued

Goals	Objectives	Strategies	Status
4. Meet Risk-Adjusted Investment Targets	4.A. Review and improve as necessary the asset liability planning process	<ul style="list-style-type: none"> • Implement a multi-year asset liability management process integrated with Board continuing education support. • Have the general investment consultant review asset allocation methodologies with the board. • Board review and adopt an investment statement. 	<ul style="list-style-type: none"> • PERA staff and investment consultant will conduct an asset liability management review at least every three years. PERA will work on adding an annual analysis of asset liability management based on annual actuarial report.
	4.B. On an ongoing basis improve understanding of actuarial risks with changing workforce	<ul style="list-style-type: none"> • Direct the actuary to develop a risk and sensitivity analysis. • Implement additional Board training as recommended by Investment Staff. 	PERA board has access to BoardSmart in which they can receive tailored training. PERA provide annual refresher on asset allocation in context of actuarial risks for the board at the board retreat and offer board orientation refresher periodically.
		•	

GOALS, OBJECTIVES AND STRATEGIES continued

Goals	Objectives	Strategies	Status
<p>5. Exceptional Member Service</p>	<p>4.C Develop & enhance investment staff capabilities</p>	<ul style="list-style-type: none"> • Develop a competitive CIO compensation package with appropriate goals, metrics, and incentives. education support. • Direct the CIO to develop a long-term investment staffing and development plan. • Develop effective Board investment oversight policies and practices. 	<ul style="list-style-type: none"> • PERA shows a designated career path for each investment role and encourages continued education and certifications. PERA receives compensation studies from a variety of organizations help PERA review compensation to help us stay competitive.
	<p>5.A. Continuous improvement of member services levels</p>	<ul style="list-style-type: none"> • Develop long-range pension administration technology strategy and plan. • Participate in CEM pension Administration benchmarking to identify improvement opportunities. • Develop a member satisfaction survey program. 	<p>PERA continues to work on improving technology for our staff and members. PERA is working on moving disability cases to a case manager. In fiscal year 2024 PERA to part in a CEM benchmarking to help identify areas of improvement. In 2025 PERA created BAR codes for forms to provide efficiency for imaging and cases.</p>

PERA ORGANIZATION

PERA administers 31 different types of retirement coverage plans and two tiers of benefits for state, county, municipal and other political subdivision employees in the State of New Mexico. PERA is governed by a Board of Trustees consisting of two ex-officio members and ten members elected by the Association's membership. The Board serves as the trustee for the Funds administered by PERA and is authorized to invest the funds on behalf of PERA. The Board appoints an Executive Director to oversee daily operations of the agency.

PERA membership is supported by the agency's Member Services, Investment Services and Deferred Compensation Divisions. Providing quality customer service to our members is the most important function of PERA. The Member Services Division serves PERA's active members and retirees. Staff provides information over the telephone, through written correspondence, by personal counseling appointments and through group presentations. In fiscal year 2024, staff processed over 1,739 retirements and around 3,407 refunds of employee contributions. The purpose of the investments is to provide for long-term growth, while also ensuring sufficient liquidity to meet the funding requirements of the current pension obligations. The investments are allocated to a variety of asset types and strategies in order to meet the current funding needs and future growth requirements of the pension liability subject to reasonable risk levels. Equity-related investments are included for their long-term return and growth characteristics, while fixed income and debt-related investments are included in the allocation for their ability to control investment risk and provide for a reliable cash flow that meets the funding requirement of current pension payments. These three divisions are supported and maintained by staff in the following areas: the Executive Office, Administrative Services and Information Systems.

PERA business operations are funded from employer and member contributions and from investment income. The agency's fiscal year 2027 operating budget totals \$42,325,039.



INVESTED IN TOMORROW.

Strategic Plan

FOR FISCAL YEARS 2026-2029

Pension Trust Funds of the State of New Mexico

PREPARED BY PERA STAFF

SANTA FE

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Fiscal Year 2027
Public Employees Retirement Association
IT STRATEGIC PLAN
September 1, 2025

Joe Vigil
Chief Information Officer

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EXECUTIVE SUMMARY

The New Mexico Public Employees Retirement Association (NMPERA) at its core is a 401(a) qualified defined benefit pension plan. We currently have around 49,000 contributing members and around 47,000 retirees. NMPERA is now in its 78th year of service and is currently paying out approximately \$128,000,000.00 per month in benefits to New Mexico retirees. These benefits total about 1.5 billion dollars added to the economy annually.

Beyond this core functionality NMPERA provides much more to its members and retirees ranging from self-service websites, to providing educational seminars, retirement planning, guidance through deaths and disabilities, and a deferred compensation 457(b) plan. These benefits are made possible through employee/employer contributions as well as a sound investment strategy supported by our Investment Staff, Board of Trustees, and the Executive Director.

The one common thread in all that we do at NMPERA is our commitment to serving our members, and it is our mission to continually enhance our technological approach and platforms that make that possible. Over the next year NMPERA will continue to provide enhancements to our online portal to improve efficiency and user experience.

I. AGENCY OVERVIEW

A. AGENCY PURPOSE AND MISSION

It is the mission of NMPERA, as stated by the Board of Trustees, to preserve, protect and administer the Trust to meet it's current and future obligations and provide quality services to association members.

B. AGENCY BUSINESS GOALS

It is the goal of NMPERA to follow through on the agency's mission statement by providing quality services through enhanced functionality of web resources, a highly functional, accurate and reliable internal user experience, and to protect the fund by maintaining a strong cybersecurity presence and posture.

C. AGENCY VISION

NMPERA's vision and priority for this fiscal year is to continue along the path of system enhancement and to continually refine IT systems and security. Highlights of this vision for NMPERA are as follows:

- Continue to provide users with Security Awareness training on a quarterly basis with evolving dynamic content to keep users engaged with security trends and changes as they happen in the organizational zeitgeist.

- Continue to enhance and fine tune our internal and external cybersecurity posture utilizing internal and external tools and resources.
- Upgrade PERA Santa Fe and Albuquerque communication systems to provide enhanced capabilities and services to PERA employees and improve the customer service experience.
- Continue to enhance the online capabilities available to members, retirees, counties and municipalities.
- Maintain a high level of skilled and dedicated IT professionals.
- Maintain a modern, secure and effective IT infrastructure.

D. AGENCY BUSINESS PRIORITIES AND PRIORITY CHANGES

NMPERA consists of 89 Full Time Equivalent positions spread across the main Santa Fe location and the Albuquerque branch office. NMPERA also utilizes contractual services for investments as well as application development. From an organizational perspective, NMPERA consists of a 12-member Board of Trustees. In addition to the Board of Trustees, the Agency functionally consists of the following:

- Information Technology
 - Quality Assurance
 - Workflow, Imaging and Records
- Member Services
 - Retirements
 - Customer Assistance
 - Refunds and Payroll
 - Deaths and Disability
- Legal Services
- Investments
 - Alpha
 - Beta
 - Operations
 - Deferred Compensation (Smart-Save)
- Administrative Services
 - Budget
 - Contribution Accounting
 - Human Resources
 - Maintenance
- Executive Office
- Member Outreach

This can be seen in additional detail in appendix A-I which outlines the Agency to a bureau level and A-II which covers Information Technology.

E. AGENCY ACCOMPLISHMENTS, GOALS, AND CHALLENGES

NMPERA has progressed by implementing a robust contact center application, enhanced form integration and indexing, and up to date security infrastructure among other things.

It is our goal to continue the progression towards securing and enhancing our infrastructure in ways that provide the most security possible and make members' lives easier.

II. IT ENVIRONMENT

1. Major Applications

Applications in use by NMPERA are for the collection, monitoring or support of contributions from members, the State of New Mexico, cities, counties, and the Legislative and Judicial Branches. Those contributions are then integrated into the Trust, invested through various channels, and paid out in the form of pension, disability, or refund. This includes ties into the Retiree Health program, the Educational Retirement system, and various other health insurance systems. Highlights of those systems are as follows:

- User web interface for procession retirements, refunds, payroll, contributions, and disabilities.
- Public web interface for document submittal, requests, demographics, and other relative information.
- Workflow processing system used to intelligently schedule, create and process documentation.
- Helpdesk software
- Code repository and version control
- Document capture and imaging
- Network Monitoring
- Network Scanning
- Database monitoring
- Intrusion detection and prevention
- Batch processing
- Reporting

2. Infrastructure

NMPERA operates two secured data centers in separate physical locations incorporating a combination of physical, virtual, wireless and cloud infrastructure.

3. Security

At NMPERA we work diligently to regularly evaluate our security posture and dynamically incorporate new technologies and strategies as needed. Information Technology staff continually performs internal and external scans and monitors systems for potential threats. NMPERA also contracts third party vulnerability testing annually with the most recent assessment concluding in FY 2025. The agency has implemented a wide range of security related policies and procedures following NIST guidelines and best practices to include inventories of hardware and software. In addition to multifactor security enhancements, we have also incorporated a Security Awareness training program with fresh content every calendar quarter which is mandatory for all employees. NMPERA also regularly simulates phishing attacks to train and educate employees on common tactics to be aware of.

4. Agency IT Certified Projects

The New Mexico Public Employees Retirement Association does not have any certified projects in place currently.

5. Workforce

A. Full Time IT Employees

NMPERA has a total of 89 FTE with the Information Technology division having 17 total FTE with no current vacancies. In addition to the 17 FTE, we also utilize 12 contract resources for applications development and support of our major retirements, workflow and image processing systems. IT support services are supplied to internal users as well as support to Retirees and Members to include County and Municipality staff. Please refer to appendix items A-I, A-II for additional detail.

6. Challenges

The challenges we face are similar to those that many face in the context of maintaining a diverse and complex technical infrastructure while serving our users, partners and members/retirees with secure, accessible and reliable systems. Some of those challenges are as follows:

- Incorporating functional and architectural changes made at a DoIT level into our ecosystem that may not provide any benefit to security or useability but have large man hour demands.
- Keeping users informed on cybersecurity best practices and proper computer hygiene. This has been vastly improved by the implementation of a formal security awareness program and regular coaching, but the time invested takes away from other needs.
- Maintaining multiple work locations with the same number of resources. Balancing resources between maintaining current systems and investing in new projects can be challenging.
- Maintaining staffing levels as the Information Technology compensation ranges have not kept pace with other competing employers.
- Implementing automation to improve efficiency, while ensuring that it doesn't disrupt existing workflows is a delicate balance.

- Adhering to industry regulations and compliance standards requires continuous monitoring and updates to policies and procedures.

III. KEY ACCOMPLISHMENTS – PRIOR FISCAL YEAR

Security and customer service enhancements have been and will continue to be a priority.

A. STRATEGIC IT ACCOMPLISHMENTS

STRATEGIC PRIORITY 1 – Major Application Support	
Continued functional and security enhancements to improve user and customer experience, maintain security and prolong service life expectancy.	
Strategy 1	Create barcodes for forms to improve automation.
Accomplishments	A standardized form header was created that incorporates barcodes and a unique document ID to automate indexing and improve accuracy. The most utilized 11 forms were given these header barcodes, and a tool was created to create these for other forms.
Outcomes/Metrics	Records staff have benefited from the automation of indexing forms and accuracy of indexing has increased.
Strategy 2	Evaluate data workflows.
Accomplishments	Regular evaluation of workflows were performed to create what may appear as minor enhancements on the surface, but lead to greater usability for end users and efficiency in their work.
Outcomes/Metrics	Case type recommendations and progress towards creation have been performed. The correct and most effective business rules are applied to help in processing work efficiently and according to the current business record.
Strategy 3	Improve online customer portal useability.
Accomplishments	Continued implementation of enhancements to the online portal to enhance the security and useability of the portal.
Outcomes/Metrics	Document upload security through the online portal was enhanced. Many security fixes and upgrades were applied on the backend.
Strategy 4	Audit and maintain data quality.
Accomplishments	Data cleansing and data integrity reporting and reconciliation processes are performed regularly
Outcomes/Metrics	Extensive monthly reports are now in place to identify potential data integrity issues that could result in further downstream issues if not remediated quickly. Processes to reconcile member financial data have also been put into place to prevent reporting of incorrect data to retirees. Reports are continually updated as needed.

STRATEGIC PRIORITY 2 – Security and Infrastructure	
Provide a secure working environment to users and members and protect the integrity of data and systems.	
Strategy 1	Continue to update, enhance, and add new needed policies and procedures.
Accomplishments	The comprehensive IT Acceptable Use Policy was overhauled to adhere to the latest NIST standards. The IT Ransomware Policy was put into place, and the Media Destruction Form was created.
Outcomes/Metrics	Audits continue to keep NM PERA IT policies up to date with the latest standards.
Strategy 2	Provide cybersecurity awareness training to include Phishing awareness.
Accomplishments	A comprehensive cybersecurity awareness training program has been created with new content assigned to staff each calendar quarter at a minimum.
Outcomes/Metrics	Mandatory training is now provided once a quarter to all employees with new and relevant content with each session. This training program has also been incorporated into the onboarding process. The agency’s policy acknowledgement process has also been integrated into this program creating a single location for training and policy/procedure. We have also begun recurring phishing campaigns to educate staff on the dangers of malicious email.
Strategy 3	Major database server infrastructure upgrades and refreshes were applied
Accomplishments	New hardware with the latest software and operating systems were applied for the agency’s database server to secure and improve performance.
Outcomes/Metrics	The systems are more secure, up to date, and reliable.
Strategy 4	Camera, alarm, and badge system upgrades
Accomplishments	The cameras in the parking lot have not worked for many years. They were replaced with functioning cameras on the latest PoE technology. The badge system was unsupported and has been upgraded to a modern supported system. The alarm system in Albuquerque was upgraded to a system that supports scheduling.
Outcomes/Metrics	Physical security of the agency’s assets is dramatically increased.
Strategy 5	Keep systems up to date on the latest security enhancements
Accomplishments	A patch management system was installed to automate and keep systems up to date on the latest security enhancements.
Outcomes/Metrics	Updates are applied regularly and consistently. Systems remain as secure as the latest patches allow them to be.

B. OTHER KEY IT ACCOMPLISHMENTS – PRIOR FISCAL YEAR

Listed below are highlights of various accomplishments for last FY.

APPLICATION	
Accomplishment	Extensive security upgrades and enhancements were applied to core applications.
Value or Impact	The security and usability of the core applications were improved.
DATA	
Accomplishment	Data cleansing processes were revised to reflect current processes.
Value or Impact	Quality Assurance staff along with Business Unit leaders continued the review and revision of data cleansing processes and procedures to fit with the current needs of functional areas.
PROCESS IMPROVEMENT	
Accomplishment	Business case requirements were completed for disability cases in the core software to prepare for this future enhancement.
Value or Impact	When complete, the future enhancement will greatly increase employee processes and capabilities.
WORKFORCE	
Accomplishments	NMPERA hired and maintained staff for critical infrastructure positions.
Value or Impact	Assures minimal staffing is maintained to ensure the stability and integrity of systems and processes. IT has been fully staffed for 1 year now.
CUSTOMER SERVICE	
Accomplishments	Enhancements to business workflow processes.
Value or Impact	We have enacted process improvements to business workflows increasing processing times while allowing further insight to process progress of potential processing roadblocks.
TELEWORK	
Accomplishments	Implemented Zoom Contact Center phone system and provided an efficient and secure method for staff to continue to access critical resources from external locations.
Value or Impact	This allowed NMPERA to continue to provide an uninterrupted call center, payroll and support to all New Mexico retirees and PERA members. This also allowed staff to continue to collaborate and accomplish team goals in a remote setting.
SECURITY	
Accomplishments	Continued proactive approach to systems monitoring and implementation of enhanced user authentication processes.
Value or Impact	Providing users and customers with a secure environment and maintaining system integrity are vital to maintaining the fund.

IV. FY27 IT STRATEGIC GOALS AND STRATEGIES

Below is a listing of priorities for the 2027 Fiscal Year:

STRATEGIC PRIORITY 1 – Application Enhancements	
Goal Statement	
Strategy 1	Continue enhancement and improvement of barcodes for forms to improve automation.
Outcomes/Metrics	The long term goal is to achieve pre-filled forms for members and digital forms that will further automate and increase accuracy in indexing.
Strategy 2	Evaluate data workflows.
Outcomes/Metrics	Periodic evaluation will ensure that workflows have the correct and most effective business rules applied to help in processing work efficiently and according to the current business need.
Strategy 3	Security enhancements.
Outcomes/Metrics	Perform routine and extensive web application security scans. Fixes will be performed as they are identified.
Strategy 4	Implement two factor authentication for core application
Outcomes/Metrics	The goal is to implement secure two factor authentication for logins to the core application.
Strategy 5	Improve web applications to meet accessibility standard WCAG 2.1 AA
Outcomes/Metrics	Websites will adhere to the standard.

STRATEGIC PRIORITY 2 – Cybersecurity	
Goal Statement	
Strategy 1	Fine tune security awareness training.
Outcomes/Metrics	With the use of data and knowledge gained from previous campaigns we will be able to adjust teaching methodologies and more accurately target potential gaps in learning for our users.

Strategy 2	Intelligent security log aggregation.
Outcomes/Metrics	Implement tools to and techniques to prioritize log events for inspection and or remediation. This will free up time for security personnel to focus on other needs.
Strategy 3	Comprehensive risk-based vulnerability management
Outcomes/Metrics	Continue to use existing and new tools to perform internal and external vulnerability and web app scanning. These tools will then be used to manage prioritize remediation.
Strategy 4	Fine tune patch management systems
Outcomes/Metrics	Maintain and tune systems that keep security patches up to date.

STRATEGIC PRIORITY 3 – Data	
Goal Statement	
Strategy 1	Review and update/modify data integrity reports as changes warrant.
Outcomes/Metrics	Changes in business rules such as those imposed by statute or rule need to be reflected in reconciliation reporting to assist staff in identifying any potential data issues.
Strategy 2	Financial data reconciliation
Outcomes/Metrics	Continue to perform monetary reconciliation to assure benefits are not misallocated.
Strategy 3	Classify and assign ownership
Outcomes/Metrics	Aggregate data quality reports by functional area and designate ownership of groupings to their perspective business unit. This will give each business unit power over the data that directly impacts them and will help to assure discrepancies are worked in a timely manner.

V. IT FISCAL AND BUDGET MANAGEMENT

FY24 Actual	FY25 Actual	FY26 OpBud	FY27 Request	FY28 Estimate
0.0	0.0	0.0	0.0	0.0
4,762.5	5,074.0	6,019.4	6,329.0	6,582.0
0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0
4,762.5	5,074.0	6,019.4	6,329.0	6,582.0


Expenditure Categories (dollars in thousands)				
FY24 Actual	FY25 Actual	FY26 OpBud	FY27 Request	FY28 Estimate
1,900.3	2,165.1	2,164.8	2,333.8	2,427.2
40.4	76.6	124.9	170.0	170.0
2,821.8	2,832.3	3,729.7	3,825.2	3,984.8
0.0	0.0	0.0	0.0	0.0
4,762.5	5,074.0	6,019.4	6,329.0	6,582.0

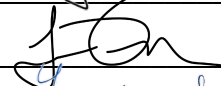
Print Name	Phone	Email Address	Date
Greg Trujillo	505-616-1700	Greg.Trujillo@pera.nm.gov	8/5/2025
Joe Vigil	505-490-1090	Joe.Vigil@pera.nm.gov	8/5/2025
Lynette Sanders	505-470-3047	Lynette.Sanders@pera.nm.gov	8/5/2025


Agency Cabinet Secretary/Director Signature

Chief Information Officer/IT Lead Signature

Chief Financial Officer Signature

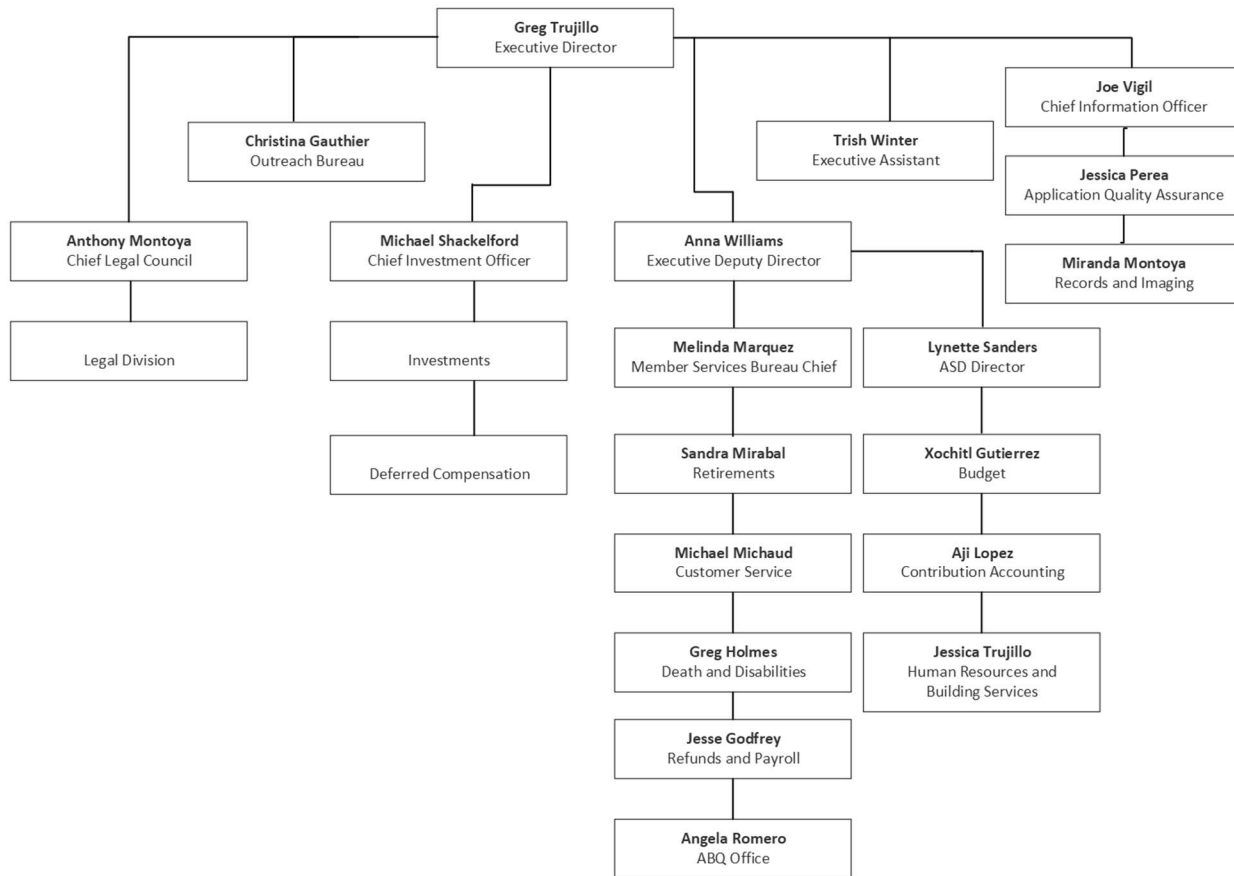






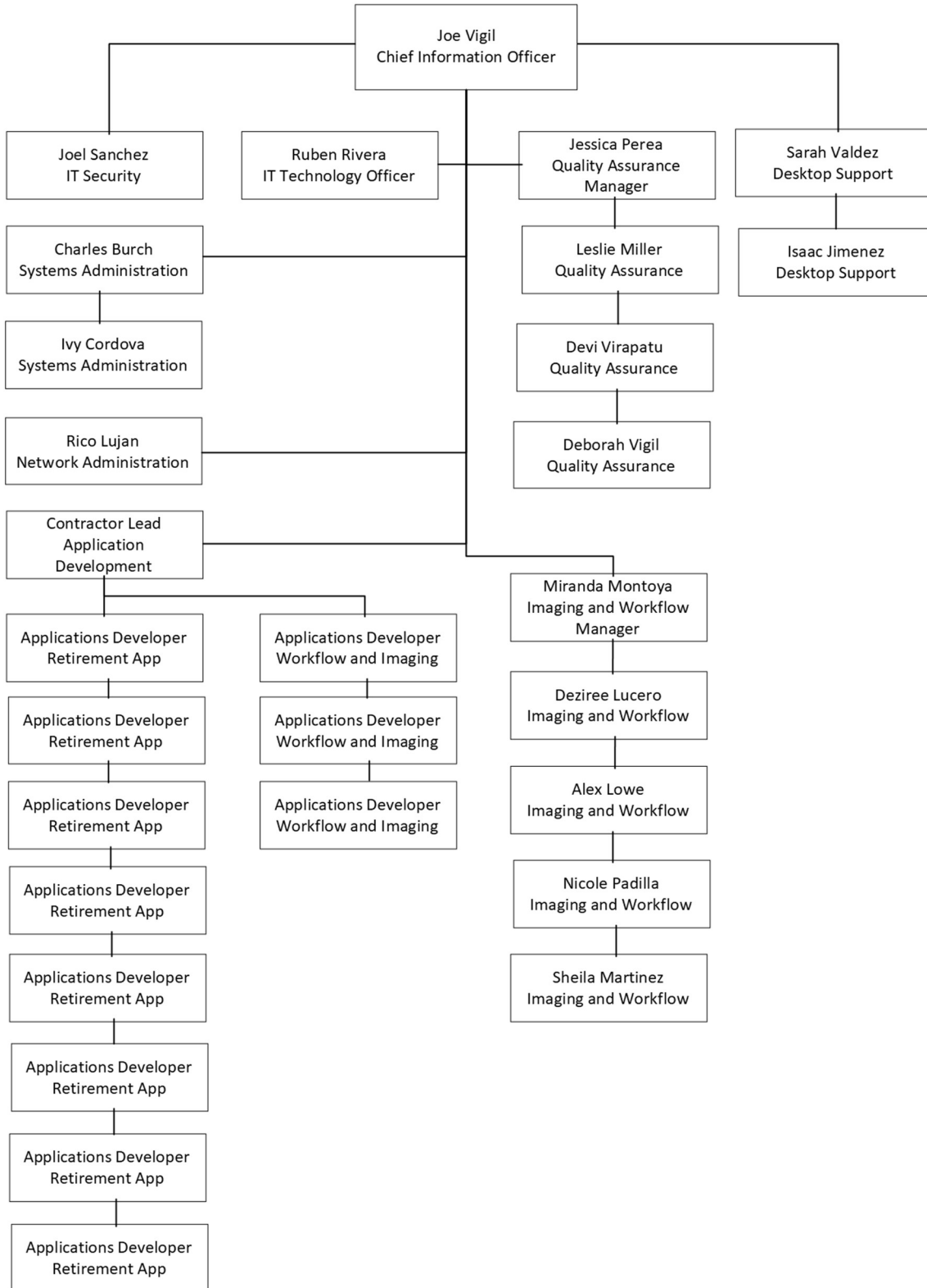
APPENDIX A-I: AGENCY ORGANIZATION CHART

NM PERA
(Bureau Level Only)



APPENDIX A-II: IT ORGANIZATION CHART

NM PERA
(Information Technology)



**FY26 APPROPRIATION REQUEST
FORM E-6B LEASED PASSENGER-RELATED VEHICLES**

Account code 542800

LEASED VEHICLE INFORMATION @ 7/1/25

Agency Name: Public Employees Retirement Assoc

Business Unit: 36600

Program Name: _____

Program Code: P640

Item No.	LONG TERM LEASES ONLY						Lease Type Operational (O) or Standard (S)	Long Term Only			SHORT TERM ONLY			Put (x) if Fed \$
	Year	Make/Model	Vehicle Type	A** R C	License Plate Number	Mileage As of 7/1/25		A	B	A x B = C	D	E	D x E = F	
								FY27 Monthly Rate S= Rate Schedule	Number of months to lease	Total cost Rate FY27	Daily Rate Based On Vehicle Type	No. of Days	Total Lease Rate	
Example	2011	Ford/Taurus	02B	C	00000SG	5,000	Standard (S)	350	12	4,200.0	15.90	2	31.80	
1	2026	Honda Accord	02BA	C	008440SG	0	Standard (S)	739	12	8,869.4			-	
2										-			-	
3										-			-	
4										-			-	
5										-			-	
6										-			-	
7										-			-	
8										-			-	
9										-			-	
10										-			-	
11										-			-	
12										-			-	
13										-	-		-	
14										-			-	
15										-			-	
16										-			-	
17										-			-	
18										-			-	
19										-			-	
								TOTAL LONG TERM:	13,069.4	TOTAL SHORT TERM:	31.80			

Operational(O) rate for FY27 will be

** Code A = additional leased vehicle request C = vehicle currently leased R = request to replace previously purchased vehicle