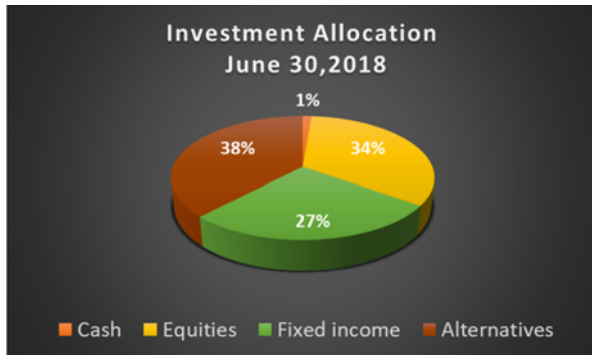
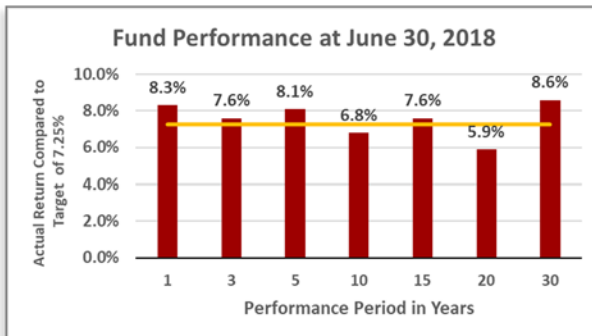


## INVESTMENTS

NMERB invests for the long term. Its **well diversified portfolio**, especially in times of investment market volatility, is the best way to ensure a secure retirement for NMERB's members.



From July 1, 1983 through June 30, 2018, NMERB's investment return, net of fees, was 9.1%. For fiscal year 2018, return net of fees was 8.3%, ranking NMERB in the 37<sup>th</sup> percentile of its peers, for an annual investment gain of approximately \$1.02 billion. The results for the year exceeded the Fund's long-term actuarial annual return assumption of 7.25%.



**Santa Fe (Main) Office:** 701 Camino de los Marquez  
Santa Fe, NM 87505 ▪ (505) 827-8030  
**Toll free number:** (866) 691-2345

## FINANCIAL RESULTS

The *Summary Statements of Fiduciary Net Position* shows what NMERB owned (assets) and owed (liabilities) at the end of a fiscal year.

	2018	2017	2016
<b>Assets</b>	\$13,106,033	\$12,646,682	\$11,755,860
<b>Liabilities</b>	135,732	137,326	223,022
<b>Net Position</b>	<u>\$12,970,301</u>	<u>\$12,509,356</u>	<u>\$11,532,838</u>

The *Summary Statements of Changes in Net Position* shows the financial activity occurring during a fiscal year.

	2018	2017	2016
<b>Additions:</b>			
Contributions	\$ 676,048	\$ 688,652	\$ 690,837
Net investment income	900,131	1,346,747	364,571
Other income	2,116	3,642	2,098
<b>Total additions</b>	<u>1,578,295</u>	<u>2,039,041</u>	<u>1,057,506</u>
<b>Deductions:</b>			
Benefit payments and refunds	1,107,442	1,052,675	1,012,731
Administrative expenses	9,908	9,848	9,660
<b>Total deductions</b>	<u>1,117,350</u>	<u>1,062,523</u>	<u>1,022,391</u>
<b>Net increase</b>	<u>460,945</u>	<u>976,518</u>	<u>35,115</u>
<b>Net position</b>			
Beginning of the year	12,509,356	11,532,838	11,497,723
End of the year	<u>\$12,970,301</u>	<u>\$12,509,356</u>	<u>\$11,532,838</u>

### Summary of Actuarial Information:

Year	UAAL	Funded Ratio	Funding Period
2018	\$ 7,461	63.5%	70 yrs
2017	\$ 7,363	62.9%	61 yrs
2016	\$ 6,631	64.2%	46 yrs
2015	\$ 6,542	63.7%	37 yrs
2014	\$ 6,256	60.1%	26 yrs

The unfunded actuarial accrued liability (UAAL) is the excess of the actuarial accrued liability over the actuarial value of assets. The funding period is a theoretical calculation of the length of time required for the UAAL to be completely paid off.

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# New Mexico Educational Retirement Board

*A Pension Trust Fund of the State of New Mexico*



## Popular Annual Financial Report

*For the Fiscal Year Ended June 30, 2018*

## ABOUT THIS REPORT

This report is a summary of NMERB's services, membership, investments, and financial results, as reported in its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. All funds administered by NMERB and presented in the CAFR are included in this report.

The 2018 CAFR is presented in conformity with generally accepted accounting principles (GAAP) and, therefore, includes more detailed information than this summary, including management's discussion and analysis of financial results. The CAFR can be viewed online at [https://www.nmerb.org/Annual\\_reports.html](https://www.nmerb.org/Annual_reports.html).

## NMERB's SERVICES

NMERB provides retirement benefit services to over 156,000 members and 216 educational employers. NMERB was created by the New Mexico Educational Retirement Act to administer the Educational Employees' Retirement Plan and to provide retirement and disability benefits for public schools, institutions of higher learning, and state agencies providing educational programs. NMERB has managed the retirement assets of New Mexico's educational employees since 1957.

*Pension benefit payments made by NMERB significantly contribute to New Mexico's economy. In fiscal year 2018, gross benefit payments paid to retirees living in New Mexico's 33 counties were \$901,738,611*



### Retirement Benefits by New Mexico County

County	Amount (thousands)
Bernalillo	\$ 329,498
Doña Ana	114,663
Sandoval	49,564
Santa Fe	47,882
San Juan	41,175
Valencia	31,987
Chaves	26,192
Eddy	23,332
San Miguel	21,708
Rio Arriba	21,391
Otero	19,300
Curry	18,529
Grant	18,075
McKinley	17,749
Lea	16,400
Taos	14,395
Socorro	14,217
Roosevelt	13,007
Lincoln	10,305
Los Alamos	6,917
Luna	6,603
Cibola	6,233
Colfax	6,077
Torrance	4,701
Sierra	4,038
Quay	4,029
Mora	3,899
Guadalupe	2,721
Union	2,148
Hidalgo	1,799
Catron	1,204
De Baca	1,198
Harding	803
<b>Total</b>	<b>\$ 901,739</b>

## MEMBERS AND EMPLOYERS

Total Membership Status by Year			
Status	2018	2017	2016
Retirees and beneficiaries	48,919	47,340	45,797
Active working	60,358	59,495	60,057
Inactive, vested	10,621	10,581	10,219
Inactive, nonvested	36,891	36,098	34,009
<b>Total</b>	<b>156,789</b>	<b>153,514</b>	<b>150,082</b>

Schedule of Contributing Employers by Year		
Employer Category	2018	2017
Charter schools	97	99
Public schools	89	89
Special schools	4	4
State agencies	11	11
Universities and colleges	15	15
<b>Total</b>	<b>216</b>	<b>218</b>

Fiscal Year 2018 Contribution Rates			
Wages	Member	Employer	Total
Over \$20,000	10.7%	13.9%	24.6%
\$20,000 or less	7.9%	13.9%	21.8%

### Board of Trustees

The Board of Trustees provides policy guidance and direction to NMERB. It also appoints NMERB's executive director. In 2008, the board appointed the current executive director, Jan Goodwin. The board is comprised of seven elected, appointed, and ex-officio members:

**Mary Lou Cameron**, Chair, NEA Appointee  
**H. Russell Goff**, Vice-Chair, NMAER Appointee  
**David Craig**, Designate for Secretary of PED  
**Donald Duszynski**, Member, AAUP Appointee  
**Larry Magid**, Member, Governor Appointee  
**Christopher Ruskowski**, Ex-Officio Member, PED Secretary  
**Tim Eichenberg**, Ex-Officio Member, State Treasurer

Board membership is established by the New Mexico Educational Retirement Act.