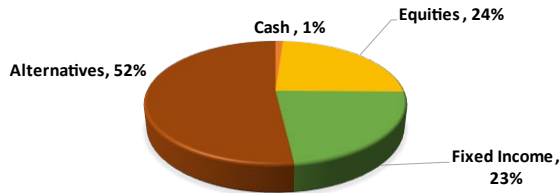


INVESTMENTS

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.

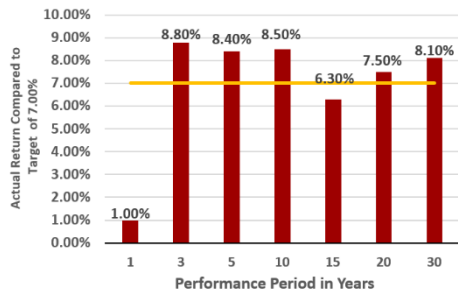
ACTUAL INVESTMENT ALLOCATION
JUNE 30, 2022



For the year ending June 30, 2022, the Fund's independent investment consultants reported the following:

The fund experienced a net investment gain of \$183.9 million, which includes a net investment loss of \$772.9 million during the last quarter of the fiscal year. Assets decreased from \$15.8 billion twelve months ago, to \$15.5 billion on June 30, 2022, with \$514.5 million in net distributions during the year. The Fund returned 1.0%, outperforming the policy index by 3.8% and ranking in the top 3rd percentile of its peers.

Fund Performance at June 30, 2022



From July 1, 1983, through June 30, 2022, NMERB's annualized investment return, net of fees, was 9.0%.

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 Fund's *Summary Statements of Fiduciary Net Position* show what NMERB owned (assets) and owed (liabilities) at the end of a fiscal year.

Summary Statements of Fiduciary Net Position (thousands)			
	2022	2021	2020
Assets	\$ 15,701,952	\$ 16,514,019	\$ 13,147,762
Liabilities	151,250	152,495	128,565
Net Position	\$ 15,550,702	\$ 16,361,524	\$ 13,019,197

The Fund's *Summary Statements of Changes in Net Position* show the financial activity occurring during a fiscal year.

Summary Statements of Changes in Net Position (thousands)			
	2022	2021	2020
Additions:			
Contributions	\$ 859,861	\$ 782,939	\$ 781,281
Net investment income	(336,990)	3,833,449	(75,878)
Other income	802	1,092	241
Total additions	523,673	4,617,480	705,644
Deductions:			
Benefit payments and refunds	1,321,514	1,263,064	1,220,260
Administrative	12,982	12,088	10,878
Total deductions	1,334,496	1,275,152	1,231,138
Net increase	(810,823)	3,342,328	(525,494)
Net position			
Beginning of the year	16,361,525	13,019,197	13,544,691
End of the year	\$ 15,550,702	\$ 16,361,525	\$ 13,019,197

Summary of Actuarial Information:

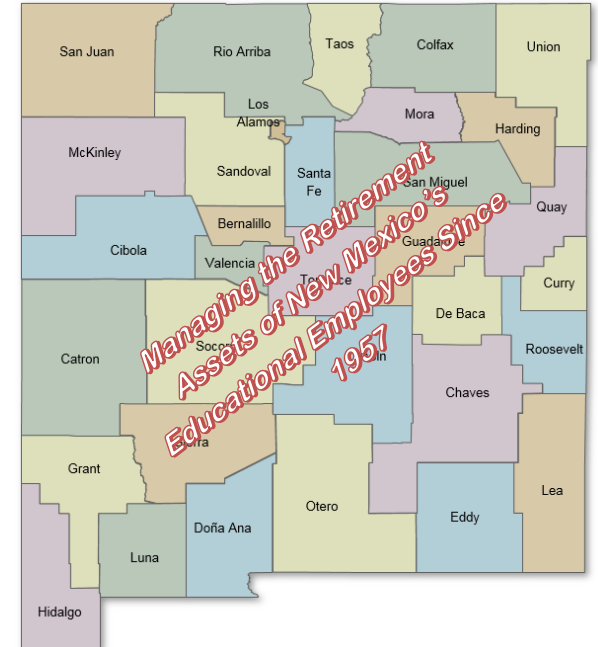
Year	Unfunded Actuarial Accrued Liability (millions), Funded Ratio, Funding Period		
	UAAL	Funded Ratio	Funding Period
2022	\$ 8,841	63.5%	29 yrs
2021	\$ 8,666	62.8%	42 yrs
2020	\$ 9,004	60.4%	Infinite
2019	\$ 7,904	62.9%	47 yrs
2018	\$ 7,461	63.5%	70 yrs

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.

Albuquerque Office: 8500 Menaul Blvd. NE, Suite B-450
Albuquerque, NM 87112 • (505) 888-1560
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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, 2022

For seven consecutive years, NMERB has received GFOA's Award for Outstanding Achievement in Popular Annual Reporting. NMERB believes this current PAFR also meets the criteria for the prestigious annual award.

ABOUT THIS REPORT

This report is a summary of NMERB's services, membership, investments, and financial results, as reported in its Annual Comprehensive Financial Report (Annual Report) for the fiscal year ended June 30, 2022. All funds administered by NMERB and presented in the Annual Report are included in this report.

The 2022 Annual Report is presented in conformity with accepted accounting principles (GAAP) and, therefore, includes more detailed information than this summary, including management's discussion and analysis of financial results and NMERB's Chief Financial Officer's Investment performance report.

The Annual Report can be viewed online at: <https://www.erb.nm.gov/annual-reports/>

NMERB's SERVICES

NMERB provides retirement benefit services to over 167,000 members and 220 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 employees of New Mexico's 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 2022, gross benefit payments paid to retirees living in New Mexico's 33 counties were **\$1,027,795,704**.



MANAGING THE RETIREMENT ASSETS OF NEW MEXICO'S EDUCATIONAL EMPLOYEES SINCE 1957

Retirement Benefits by New Mexico County

County	Amount (thousands)
Bernalillo	\$ 376,197
Doña Ana	135,143
Sandoval	60,125
Santa Fe	53,819
San Juan	45,966
Valencia	36,739
Chaves	28,985
Eddy	25,536
San Miguel	23,843
Rio Arriba	22,520
Otero	21,339
McKinley	20,432
Curry	20,257
Lea	19,917
Grant	19,811
Socorro	16,397
Taos	16,085
Roosevelt	13,492
Lincoln	11,822
Cibola	8,106
Los Alamos	7,823
Luna	7,456
Colfax	6,704
Torrance	5,462
Sierra	4,784
Mora	4,622
Quay	4,519
Guadalupe	2,661
Hidalgo	1,962
Union	1,892
Catron	1,308
De Baca	1,249
Harding	823
Total	\$1,027,796

MEMBERS AND EMPLOYERS

Total Membership Status by Year

Status	2022	2021	2020
Retirees and beneficiaries	53,972	52,790	51,397
Active working	59,887	58,988	61,091
Inactive, vested	12,648	12,215	11,513
Inactive, nonvested	40,625	39,321	39,401
Total	167,132	163,314	163,402

Schedule of Contributing Employers by Year

Employer Category	2022	2021
Charter schools	100	98
Public schools	89	89
Special schools	4	4
State agencies	11	11
Universities and colleges	16	15
Total	220	217

Fiscal Year 2022 Contribution Rates

Wages	Member	Employer	Total
Over \$24,000	10.70%	15.15%	25.85%
\$24,000 or less	7.90%	15.15%	23.05%

Board of Trustees

The Board of Trustees provides policy guidance and direction to NMERB. It also appoints NMERB's executive director. On December 10, 2021, the Board appointed the current executive director, David Archuleta, effective January 10, 2022. The board is comprised of nine elected, appointed, and ex-officio members:

- H. Russell Goff**, Chair, NMAER Appointee
- Mary Lou Cameron**, Vice-Chair, NEA Appointee
- Larry Magid**, Secretary, Governor Appointee
- Donald Duszynski**, Member, AAUP Appointee
- Matias Fontela**, Member, AFT Appointee
- Tim Eichenberg**, Ex-Officio Member, State Treasurer
- Antonio Ortiz**, Ex-Officio Designate for Secretary of PED
- Mario Suazo**, Ex-Officio Designate for Secretary of NMHED
- Vacant**, Governor Appointee

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