

PERA Board Meeting
meeting via zoom
Thursday, January 28, 2021
9:00am

AGENDA

- 1. Call to Order**
- 2. Roll Call**
- 3. Approval of Agenda**
- 4. Approval of Consent Agenda**
- 5. Unfinished Business**
 - A.** Approval of Amended Resolution No. 21-04 Calling for Nominations of State and Municipal Member Positions for a Four-Year Term. Action John Melia, Board Chair
 - B.** Items removed from Consent Agenda if necessary Action John Melia, Board Chair
- 6. New Business**
 - A.** Dedication/Naming of Albuquerque Office Board Room to Ericka Chavez Board Room Action Wayne Propst, Executive Director

Board will Recess to Executive Session NMSA 1978, §10-15-1 (H) (2)

Resignation of Executive Director/Appointment of Acting Executive Director

Board will Convene to Regular Session

 - B.** Appointment of Greg Trujillo as Acting Executive Director Effective February 13, 2021 Action John Melia, Board Chair
 - C.** Election of 2021 Board Officers John Melia, Board Chair
 1. Board Chair Nominee Presentation of Goals & Priorities
 2. Vice Chair Nominee Presentation of Goals & Priorities
 3. Board Chair Election Action
 4. Board Vice Chair Election Action
 - D.** Consideration of 2021 Legislation Action
 1. HB 65 - Increase Certain PERA Member Contributions. Representative William "Bill" Rehm Action Wayne Propst, Executive Director
 2. SB 90 - Certain Overtime Pay as Salary in PERA; Senator George Munoz Action
 3. Possible additional Legislation Action
 - E.** 2020 Administrative Review Informational
 - F.** Executive Director's Report Informational Wayne Propst, Executive Director
- 8. Adjournment**

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 505-476-9305 or patriciab.winter@state.nm.us 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.



PERA

Public Employees
Retirement Association
of New Mexico

John Melia
Chair, Municipal Member
Wayne Propst
Executive Director

P: (505) 476-9300
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1(800) 342-3422

INVESTED IN TOMORROW.

To: PERA Board

From: Susan Pittard, Chief of Staff/General Counsel

Re: 2021 Annual Resolutions

Date: January 12, 2021

The purpose of this memorandum is to provide a summary of the annual resolutions approved by the Board for the current calendar year 2021. The resolutions have not changed substantively from last year, with the exception of language clarifying notice as outlined below and dates for the 2021 election cycle.

Resolution 21-01 Open Meetings Act

The Open Meetings Act requires that a public body such as the PERA Board determine at least annually what public notice it will provide for its meetings. See, NMSA 1978, Section 10-15-1 (D). The PERA Board is statutorily required to hold four regular board meetings annually. See, NMSA 1978, Section 10-11-130 (G). Language has been added to provide notice to the public related to: 1) state office closure or delays; and 2) virtual meeting necessitated by emergency such as the current public health emergency.

Resolution 21-02 Authorization to Transact Investment Business

Annually the Board authorizes the Executive Director, Chief Investment Officer and Deputy Chief Investment Officer to execute necessary investment-related transactions, such as investment management agreements, capital call wire transactions and custody bank fund transfers. The resolution specifically identifies the staff member in the designated positions. This documents is also used externally with private fund managers to provide authority for certain transactions.

Resolution 21-03 Call for the Annual Meeting

The PERA Act requires an annual meeting of the Association's membership be held in Santa Fe with written notice mailed to all members. NMSA 1978, Section 10-11-130 (H). Written notice is provided to members and retirees to the last address of record by notices on all election ballots, annual member statements, COLA letters and retiree/non-retiree publications (La Voz).

Resolution 21-04 Call for Nominations for Board Election

Each January the Board is required to approve a resolution specifying the calendar year election cycle and deadline for nominations to the PERA Board in accordance with 2.80.200.60 NMAC and 2.80.200.70 NMAC. Nominating petitions are required to be due not earlier than six months prior and not later than one month prior to the election for retired or non-retired board member positions. It is the PERA Board's current practice to utilize an independent election contractor to conduct its elections.



A regular term of the elected members of the Board is four years. The terms of municipal and state members expire on December 31 of non-coinciding years in the pattern set by the Board. See, NMSA 1978, Section 10-11-130 (D). In calendar year 2021, the election will be held for a state and a municipal seat¹.

Resolution 21-05 Board Policy on Legislation

Annually the Board authorizes the Board Chair, the Legislative Committee Chair and the Executive Director or designees, to testify before the legislature regarding PERA-related legislation when circumstances do not permit full action by the Board. Generally, the PERA Board takes action on PERA benefits-related legislation. The Executive Director provides regular, weekly updates to the Board throughout the legislative session on all PERA-related and budget legislative developments.

¹ The state seat currently held by David Roybal and the municipal seat currently held by John Melia expire December 31.



INVESTED IN TOMORROW.

AMENDED RESOLUTION NO. 21-04

**RESOLUTION CALLING FOR NOMINATIONS
FOR ONE STATE MEMBER FOR A FOUR-YEAR TERM AND
ONE MUNICIPAL MEMBER FOR A FOUR-YEAR TERM.**

WHEREAS NMSA 1978, Section 10-11-130(C), provides that the elections of elected members of the retirement board shall be certified at the time of the annual meeting of the association and conducted according to the rules and regulations of the retirement board; and

WHEREAS, pursuant to NMSA 1978, Section 10-11-130(D), the regular term of office of the elected members of the retirement board is four years, the term of one retirement board member under a state coverage plan and the term of one retirement board member under a municipal coverage plan shall expire on December 31 of non-coinciding years in the pattern set by the retirement board; and

WHEREAS, the New Mexico Public Employees Retirement Board has adopted rules and regulations establishing procedures for nominating and electing members of the Public Employees Retirement Association for positions on the Public Employees Retirement Board; and

WHEREAS, the New Mexico Public Employees Retirement Board, by Resolution 21-03, fixed the date of the annual meeting to be on Thursday, September 30, 2021; and

WHEREAS, PERA Rule 2.80.200.70 (A) NMAC requires the Public Employees Retirement Board to adopt a resolution during its January meeting specifying when nominating petitions are due to be returned for the non-retired member positions, which shall be not earlier than six months prior and not later than one month prior to the election for the position; and

WHEREAS, PERA Rule 2.80.200.70 (A) (1) NMAC requires that candidates nominated for any non-retired board member position shall be vested members under the Public Employees Retirement Act, Judicial Retirement Act or the Magistrate Retirement Act;

NOW, THEREFORE; BE IT RESOLVED BY THE PUBLIC EMPLOYEES RETIREMENT BOARD as follows:

The 2021 PERA Board election shall be held in accordance with PERA Rule 2.80.200 NMAC and the results shall be certified at the PERA annual meeting on Thursday, September 30, 2021.

Nominating petitions for one state member position for a four-year term and for one non-county municipal board member position for a four-year term on the Public Employees

Retirement Board shall be available from Automated Election Services (1-800-833-5568 ext. 6534) beginning on Wednesday, January 13, 2021. Nominating petitions with original signatures must be received at Automated Election Services, 7000 Zenith Ct., Rio Rancho, New Mexico 87144-6467 by 5 p.m. on Monday, April 12, 2021 to be counted. Nominating petitions with electronic signatures must be received at Automated Election Services at XXXXXX by 5 p.m. on Monday, April 12, 2021 to be counted. Only one electronic signature from each email address will be counted.

The method of voting for the 2021 PERA Board election shall be mailed paper ballots.

The Executive Director of the Public Employees Retirement Association is authorized and directed to take any and all steps necessary for the proper conduct of the nominating and election process, including retaining Automated Election Services, an independent contractor firm, for the 2021 Board election.

ADOPTED AND APPROVED THIS 28TH DAY OF JANUARY, 2021.

Deleted: 12TH

**RETIREMENT BOARD OF THE
PUBLIC EMPLOYEES RETIREMENT
ASSOCIATION OF NEW MEXICO**

BY: _____
PERA Board Chair

ATTEST: _____
Wayne Propst, Executive Director



underscored material = new
[bracketed material] = delete

HOUSE BILL 65

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

William "Bill" R. Rehm

AN ACT

RELATING TO PUBLIC RETIREMENT; INCREASING CERTAIN EMPLOYEE
CONTRIBUTION RATES; ADJUSTING THE CALCULATION TO DETERMINE
MAXIMUM PENSION BENEFITS; CHANGING COST-OF-LIVING ADJUSTMENT
PROVISIONS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 10-11-26.3 NMSA 1978 (being Laws 1994,
Chapter 128, Section 4, as amended) is amended to read:

"10-11-26.3. STATE GENERAL MEMBER COVERAGE PLAN 3--AMOUNT
OF PENSION--FORM OF PAYMENT A.--Under state general member
coverage plan 3:

A. for a member with age and service requirements
provided under Paragraph (1) or (3) of Subsection A of Section
10-11-26.2 NMSA 1978, the amount of pension under form of
payment A is equal to three percent of final average salary

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1 multiplied by service credit [~~The amount shall not exceed~~
2 ~~ninety percent of the final average salary~~]; provided that the
3 final average salary shall be multiplied by one percent for
4 that portion of service credit that would increase the amount
5 of pension in excess of ninety percent of the final average
6 salary if the final average salary was otherwise multiplied by
7 three percent; and

8 B. for a member with age and service requirements
9 provided under Paragraph (2) of Subsection A of Section
10 10-11-26.2 NMSA 1978, the amount of pension under form of
11 payment A is equal to two and one-half percent of the final
12 average salary multiplied by service credit [~~The amount shall~~
13 ~~not exceed ninety percent of the final average salary~~];
14 provided that the final average salary shall be multiplied by
15 one percent for that portion of service credit that would
16 increase the amount of pension in excess of ninety percent of
17 the final average salary if the final average salary was
18 otherwise multiplied by two and one-half percent."

19 SECTION 2. Section 10-11-26.5 NMSA 1978 (being Laws 1994,
20 Chapter 128, Section 6, as amended) is amended to read:

21 "10-11-26.5. STATE GENERAL MEMBER COVERAGE PLAN 3--MEMBER
22 CONTRIBUTION RATE.--A member under state general member
23 coverage plan 3 shall contribute seven and forty-two hundredths
24 percent of salary starting with the first full pay period that
25 ends within the calendar month in which state general member

1 coverage plan 3 becomes applicable to the member, except that a
2 member whose annual salary is greater than twenty-five thousand
3 dollars (\$25,000) shall contribute:

4 A. beginning July 1, 2020 and continuing through
5 June 30, 2021, nine and forty-two hundredths percent of salary;

6 B. beginning July 1, 2021 and continuing through
7 June 30, 2022, nine and ninety-two hundredths percent of
8 salary;

9 C. beginning July 1, 2022 and continuing through
10 June 30, 2023, ten and forty-two hundredths percent of salary;
11 [and]

12 D. beginning July 1, 2023 and [~~thereafter, ten and~~
13 ~~ninety-two hundredths percent of salary~~] continuing through
14 June 30, 2024, ten and ninety-two hundredths percent of salary;

15 E. beginning July 1, 2024 and continuing through
16 June 30, 2025, twelve and forty-two hundredths percent of
17 salary;

18 F. beginning July 1, 2025 and continuing through
19 June 30, 2026, thirteen and ninety-two hundredths percent of
20 salary;

21 G. beginning July 1, 2026 and continuing through
22 June 30, 2027, fifteen and forty-two hundredths percent of
23 salary;

24 H. beginning July 1, 2027 and continuing through
25 June 30, 2028, sixteen and ninety-two hundredths percent of

1 salary;

2 I. beginning July 1, 2028 and continuing through
3 June 30, 2029, eighteen and forty-two hundredths percent of
4 salary; and

5 J. beginning July 1, 2029 and thereafter, nineteen
6 and forty-two hundredths percent of salary."

7 SECTION 3. Section 10-11-29 NMSA 1978 (being Laws 1987,
8 Chapter 253, Section 29, as amended) is amended to read:

9 "10-11-29. STATE POLICE MEMBER, CORRECTIONAL OFFICER
10 MEMBER AND PROBATION AND PAROLE OFFICER MEMBER COVERAGE PLAN
11 1--AMOUNT OF PENSION--FORM OF PAYMENT A.--Under state police
12 member, correctional officer member and probation and parole
13 officer member coverage plan 1, the amount of pension under
14 form of payment A is equal to three percent of final average
15 salary multiplied by credited service [~~The amount shall not~~
16 ~~exceed ninety percent of the final average salary~~]; provided
17 that the final average salary shall be multiplied by one and
18 one-half percent for that portion of service credit that would
19 increase the amount of pension in excess of ninety percent of
20 the final average salary if the final average salary was
21 otherwise multiplied by three percent."

22 SECTION 4. Section 10-11-38.3 NMSA 1978 (being Laws 1994,
23 Chapter 128, Section 11, as amended) is amended to read:

24 "10-11-38.3. JUVENILE CORRECTIONAL OFFICER MEMBER
25 COVERAGE PLAN 2--AMOUNT OF PENSION--FORM OF PAYMENT A.--Under

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1 juvenile correctional officer member coverage plan 2, the
2 amount of pension under form of payment A is equal to three
3 percent of final average salary multiplied by service credit
4 ~~[The amount shall not exceed ninety percent of the final~~
5 ~~average salary]~~; provided that the final average salary shall
6 be multiplied by one and one-half percent for that portion of
7 service credit that would increase the amount of pension in
8 excess of ninety percent of the final average salary if the
9 final average salary was otherwise multiplied by three
10 percent."

11 SECTION 5. Section 10-11-38.5 NMSA 1978 (being Laws 1994,
12 Chapter 128, Section 13, as amended) is amended to read:

13 "10-11-38.5. JUVENILE CORRECTIONAL OFFICER MEMBER
14 COVERAGE PLAN 2--MEMBER CONTRIBUTION RATE.--A member under
15 juvenile correctional officer member coverage plan 2 shall
16 contribute four and seventy-eight hundredths percent of salary
17 starting with the first full pay period that ends within the
18 calendar month in which juvenile correctional officer member
19 coverage plan 2 becomes applicable to the member, except that a
20 member whose annual salary is greater than twenty-five thousand
21 dollars (\$25,000) shall contribute:

22 A. beginning July 1, 2020 and continuing through
23 June 30, 2021, six and seventy-eight hundredths percent of
24 salary;

25 B. beginning July 1, 2021 and continuing through

1 June 30, 2022, seven and twenty-eight hundredths percent of
2 salary;

3 C. beginning July 1, 2022 and continuing through
4 June 30, 2023, seven and seventy-eight hundredths percent of
5 salary; ~~[and]~~

6 D. beginning July 1, 2023 and ~~[thereafter, eight~~
7 ~~and twenty-eight hundredths percent of salary]~~ continuing
8 through June 30, 2024, eight and twenty-eight hundredths
9 percent of salary;

10 E. beginning July 1, 2024 and continuing through
11 June 30, 2025, nine and seventy-eight hundredths percent of
12 salary;

13 F. beginning July 1, 2025 and continuing through
14 June 30, 2026, eleven and twenty-eight hundredths percent of
15 salary;

16 G. beginning July 1, 2026 and continuing through
17 June 30, 2027, twelve and seventy-eight hundredths percent of
18 salary;

19 H. beginning July 1, 2027 and continuing through
20 June 30, 2028, fourteen and twenty-eight hundredths percent of
21 salary;

22 I. beginning July 1, 2028 and continuing through
23 June 30, 2029, fifteen and seventy-eight hundredths percent of
24 salary; and

25 J. beginning July 1, 2029 and thereafter, sixteen

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1 and seventy-eight hundredths percent of salary."

2 SECTION 6. Section 10-11-46 NMSA 1978 (being Laws 1987,
3 Chapter 253, Section 46, as amended) is amended to read:

4 "10-11-46. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--
5 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal general
6 member coverage plan 1, the amount of pension under form of
7 payment A is equal to two percent of the final average salary
8 multiplied by credited service [~~The amount shall not exceed~~
9 ~~ninety percent of the final average salary~~]; provided that the
10 final average salary shall be multiplied by one percent for
11 that portion of service credit that would increase the amount
12 of pension in excess of ninety percent of the final average
13 salary if the final average salary was otherwise multiplied by
14 two percent."

15 SECTION 7. Section 10-11-48 NMSA 1978 (being Laws 1987,
16 Chapter 253, Section 48, as amended) is amended to read:

17 "10-11-48. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--
18 MEMBER CONTRIBUTION RATE.--A member under municipal general
19 member coverage plan 1 shall contribute seven percent of salary
20 starting with the first full pay period in the calendar month
21 in which municipal general member coverage plan 1 becomes
22 applicable to the member, except that a member whose annual
23 salary is greater than twenty-five thousand dollars (\$25,000)
24 shall contribute:

25 A. prior to July 1, 2022, eight and one-half

1 percent of salary;

2 B. beginning July 1, 2022 and continuing through
3 June 30, 2023, nine percent of salary;

4 C. beginning July 1, 2023 and continuing through
5 June 30, 2024, nine and one-half percent of salary;

6 D. beginning July 1, 2024 and continuing through
7 June 30, 2025, ten percent of salary; ~~[and]~~

8 E. beginning July 1, 2025 and ~~[thereafter, ten and~~
9 ~~one-half percent of salary]~~ continuing through June 30, 2026,
10 ten and one-half percent of salary;

11 F. beginning July 1, 2026 and continuing through
12 June 30, 2027, twelve percent of salary;

13 G. beginning July 1, 2027 and continuing through
14 June 30, 2028, thirteen and one-half percent of salary;

15 H. beginning July 1, 2028 and continuing through
16 June 30, 2029, fifteen percent of salary;

17 I. beginning July 1, 2029 and continuing through
18 June 30, 2030, seventeen and one-half percent of salary; and

19 J. beginning July 1, 2030 and thereafter, eighteen
20 and one-half percent of salary."

21 SECTION 8. Section 10-11-52 NMSA 1978 (being Laws 1987,
22 Chapter 253, Section 52, as amended) is amended to read:

23 "10-11-52. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--
24 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal general
25 member coverage plan 2:

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1 A. for a member with age and service requirements
2 provided in Subsection A of Section 10-11-51 NMSA 1978, the
3 amount of pension under form of payment A is equal to two and
4 one-half percent of the final average salary multiplied by
5 credited service [~~The amount shall not exceed ninety percent of~~
6 ~~the final average salary~~]; provided that the final average
7 salary shall be multiplied by one percent for that portion of
8 service credit that would increase the amount of pension in
9 excess of ninety percent of the final average salary if the
10 final average salary was otherwise multiplied by two and one-
11 half percent; and

12 B. for a member with age and service requirements
13 provided in Subsection B of Section 10-11-51 NMSA 1978, the
14 amount of pension under form of payment A is equal to two
15 percent of the final average salary multiplied by service
16 credit [~~The amount shall not exceed ninety percent of the final~~
17 ~~average salary~~]; provided that the final average salary shall
18 be multiplied by one percent for that portion of service credit
19 that would increase the amount of pension in excess of ninety
20 percent of the final average salary if the final average salary
21 was otherwise multiplied by two percent."

22 SECTION 9. Section 10-11-54 NMSA 1978 (being Laws 1987,
23 Chapter 253, Section 54, as amended) is amended to read:

24 "10-11-54. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--
25 MEMBER CONTRIBUTION RATE.--A member under municipal general

1 member coverage plan 2 shall contribute nine and fifteen-
2 hundredths percent of salary starting with the first full pay
3 period in the calendar month in which municipal general member
4 coverage plan 2 becomes applicable to the member, except that a
5 member whose annual salary is greater than twenty-five thousand
6 dollars (\$25,000) shall contribute:

7 A. prior to July 1, 2022, ten and sixty-five
8 hundredths percent of salary;

9 B. beginning July 1, 2022 and continuing through
10 June 30, 2023, eleven and fifteen-hundredths percent of salary;

11 C. beginning July 1, 2023 and continuing through
12 June 30, 2024, eleven and sixty-five hundredths percent of
13 salary;

14 D. beginning July 1, 2024 and continuing through
15 June 30, 2025, twelve and fifteen-hundredths percent of salary;
16 [and]

17 E. beginning July 1, 2025 and ~~[thereafter, twelve~~
18 ~~and sixty-five hundredths percent of salary]~~ continuing through
19 June 30, 2026, twelve and sixty-five hundredths percent of
20 salary;

21 F. beginning July 1, 2026 and continuing through
22 June 30, 2027, fourteen and fifteen-hundredths percent of
23 salary;

24 G. beginning July 1, 2027 and continuing through
25 June 30, 2028, fifteen and sixty-five hundredths percent of

1 salary;

2 H. beginning July 1, 2028 and continuing through
3 June 30, 2029, seventeen and fifteen-hundredths percent of
4 salary;

5 I. beginning July 1, 2029 and continuing through
6 June 30, 2030, eighteen and sixty-five hundredths percent of
7 salary;

8 J. beginning July 1, 2030 and continuing through
9 June 30, 2031, nineteen and sixty-five hundredths percent of
10 salary; and

11 K. beginning July 1, 2031 and thereafter, twenty
12 and sixty-five hundredths percent of salary."

13 SECTION 10. Section 10-11-55.3 NMSA 1978 (being Laws
14 1993, Chapter 58, Section 3, as amended) is amended to read:

15 "10-11-55.3. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--
16 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal general
17 member coverage plan 3:

18 A. for a member with age and service requirements
19 provided under Subsection A of Section 10-11-55.2 NMSA 1978,
20 the amount of pension under form of payment A is equal to three
21 percent of the final average salary multiplied by credited
22 service [~~The amount shall not exceed ninety percent of the~~
23 ~~final average salary~~]; provided that the final average salary
24 shall be multiplied by one percent for that portion of service
25 credit that would increase the amount of pension in excess of

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1 ninety percent of the final average salary if the final average
2 salary was otherwise multiplied by three percent; and

3 B. for a member with age and service requirements
4 provided under Subsection B of Section 10-11-55.2 NMSA 1978,
5 the amount of pension under form of payment A is equal to two
6 and one-half percent of the final average salary multiplied by
7 credited service [~~The amount shall not exceed ninety percent of~~
8 ~~the final average salary~~]; provided that the final average
9 salary shall be multiplied by one percent for that portion of
10 service credit that would increase the amount of pension in
11 excess of ninety percent of the final average salary if the
12 final average salary was otherwise multiplied by two and one-
13 half percent."

14 SECTION 11. Section 10-11-55.5 NMSA 1978 (being Laws
15 1993, Chapter 58, Section 5, as amended) is amended to read:

16 "10-11-55.5. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--
17 MEMBER CONTRIBUTION RATE.--A member under municipal general
18 member coverage plan 3 shall contribute thirteen and fifteen-
19 hundredths percent of salary starting with the first full pay
20 period in the calendar month in which municipal general member
21 coverage plan 3 becomes applicable to the member, except that a
22 member whose annual salary is greater than twenty-five thousand
23 dollars (\$25,000) shall contribute:

24 A. prior to July 1, 2022, fourteen and sixty-five
25 hundredths percent of salary;

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1 B. beginning July 1, 2022 and continuing through
2 June 30, 2023, fifteen and fifteen-hundredths percent of
3 salary;

4 C. beginning July 1, 2023 and continuing through
5 June 30, 2024, fifteen and sixty-five hundredths percent of
6 salary;

7 D. beginning July 1, 2024 and continuing through
8 June 30, 2025, sixteen and fifteen-hundredths percent of
9 salary; [and]

10 E. beginning July 1, 2025 and [~~thereafter, sixteen~~
11 ~~and sixty-five hundredths percent of salary~~] continuing through
12 June 30, 2026, sixteen and sixty-five hundredths percent of
13 salary;

14 F. beginning July 1, 2026 and continuing through
15 June 30, 2027, eighteen and fifteen-hundredths percent of
16 salary;

17 G. beginning July 1, 2027 and continuing through
18 June 30, 2028, nineteen and sixty-five hundredths percent of
19 salary;

20 H. beginning July 1, 2028 and continuing through
21 June 30, 2029, twenty-one and fifteen-hundredths percent of
22 salary;

23 I. beginning July 1, 2029 and continuing through
24 June 30, 2030, twenty-two and sixty-five hundredths percent of
25 salary;

1 J. beginning July 1, 2030 and continuing through
2 June 30, 2031, twenty-three and sixty-five hundredths percent
3 of salary; and

4 K. beginning July 1, 2031 and thereafter, twenty-
5 four and sixty-five hundredths percent of salary."

6 SECTION 12. Section 10-11-55.9 NMSA 1978 (being Laws
7 1998, Chapter 106, Section 3, as amended) is amended to read:

8 "10-11-55.9. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--
9 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal general
10 member coverage plan 4:

11 A. for a member with age and service requirements
12 provided under Subsection A of Section 10-11-55.8 NMSA 1978,
13 the amount of pension under form of payment A is equal to three
14 percent of the final average salary multiplied by credited
15 service [~~The amount shall not exceed ninety percent of the~~
16 ~~final average salary~~]; provided that the final average salary
17 shall be multiplied by one percent for that portion of service
18 credit that would increase the amount of pension in excess of
19 ninety percent of the final average salary if the final average
20 salary was otherwise multiplied by three percent; and

21 B. for a member with age and service requirements
22 provided under Subsection B of Section 10-11-55.8 NMSA 1978,
23 the amount of pension under form of payment A is equal to two
24 and one-half percent of the final average salary multiplied by
25 credited service [~~The amount shall not exceed ninety percent of~~

1 ~~the final average salary~~]; provided that the final average
2 salary shall be multiplied by one percent for that portion of
3 service credit that would increase the amount of pension in
4 excess of ninety percent of the final average salary if the
5 final average salary was otherwise multiplied by two and one-
6 half percent."

7 SECTION 13. Section 10-11-55.11 NMSA 1978 (being Laws
8 1998, Chapter 106, Section 5, as amended) is amended to read:

9 "10-11-55.11. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--
10 MEMBER CONTRIBUTION RATE.--A member under municipal general
11 member coverage plan 4 shall contribute fifteen and sixty-five
12 hundredths percent of salary starting with the first full pay
13 period in the calendar month in which municipal general member
14 coverage plan 4 becomes applicable to the member, except that a
15 member whose annual salary is greater than twenty-five thousand
16 dollars (\$25,000) shall contribute:

17 A. prior to July 1, 2022, seventeen and [~~fifteen~~
18 ~~hundredths~~] fifteen-hundredths percent of salary;

19 B. beginning July 1, 2022 and continuing through
20 June 30, 2023, seventeen and sixty-five hundredths percent of
21 salary;

22 C. beginning July 1, 2023 and continuing through
23 June 30, 2024, eighteen and [~~fifteen hundredths~~] fifteen-
24 hundredths percent of salary;

25 D. beginning July 1, 2024 and continuing through

1 June 30, 2025, eighteen and sixty-five hundredths percent of
2 salary; ~~and~~

3 E. beginning July 1, 2025 and ~~[thereafter, nineteen~~
4 ~~and fifteen hundredths percent of salary]~~ continuing through
5 June 30, 2026, nineteen and fifteen-hundredths percent of
6 salary;

7 F. beginning July 1, 2026 and continuing through
8 June 30, 2027, twenty and sixty-five hundredths percent of
9 salary;

10 G. beginning July 1, 2027 and continuing through
11 June 30, 2028, twenty-two and fifteen-hundredths percent of
12 salary;

13 H. beginning July 1, 2028 and continuing through
14 June 30, 2029, twenty-three and sixty-five hundredths percent
15 of salary;

16 I. beginning July 1, 2029 and continuing through
17 June 30, 2030, twenty-five and fifteen-hundredths percent of
18 salary;

19 J. beginning July 1, 2030 and continuing through
20 June 30, 2031, twenty-six and fifteen-hundredths percent of
21 salary; and

22 K. beginning July 1, 2031 and thereafter, twenty-
23 seven and fifteen-hundredths percent of salary."

24 SECTION 14. Section 10-11-58 NMSA 1978 (being Laws 1987,
25 Chapter 253, Section 58, as amended) is amended to read:

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1 "10-11-58. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--
2 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal police
3 member coverage plan 1, the amount of pension under form of
4 payment A is equal to two percent of the final average salary
5 multiplied by credited service [~~The amount shall not exceed~~
6 ~~ninety percent of the final average salary~~]; provided that the
7 final average salary shall be multiplied by one and one-half
8 percent for that portion of service credit that would increase
9 the amount of pension in excess of ninety percent of the final
10 average salary if the final average salary was otherwise
11 multiplied by two percent."

12 SECTION 15. Section 10-11-60 NMSA 1978 (being Laws 1987,
13 Chapter 253, Section 60, as amended) is amended to read:

14 "10-11-60. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--
15 MEMBER CONTRIBUTION RATE.--A member under municipal police
16 member coverage plan 1 shall contribute seven percent of salary
17 starting with the first full pay period in the calendar month
18 in which municipal police member coverage plan 1 becomes
19 applicable to the member, except that a member whose annual
20 salary is greater than twenty-five thousand dollars (\$25,000)
21 shall contribute:

22 A. prior to July 1, 2022, eight and one-half
23 percent of salary;

24 B. beginning July 1, 2022 and continuing through
25 June 30, 2023, nine percent of salary;

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1 C. beginning July 1, 2023 and continuing through
2 June 30, 2024, nine and one-half percent of salary;

3 D. beginning July 1, 2024 and continuing through
4 June 30, 2025, ten percent of salary; ~~[and]~~

5 E. beginning July 1, 2025 and ~~[thereafter, ten and~~
6 ~~one-half percent of salary]~~ continuing through June 30, 2026,
7 ten and one-half percent of salary;

8 F. beginning July 1, 2026 and continuing through
9 June 30, 2027, eleven and one-half percent of salary;

10 G. beginning July 1, 2027 and continuing through
11 June 30, 2028, twelve and one-half percent of salary;

12 H. beginning July 1, 2028 and continuing through
13 June 30, 2029, thirteen and one-half percent of salary; and

14 I. beginning July 1, 2029 and thereafter, fourteen
15 and one-half percent of salary."

16 SECTION 16. Section 10-11-64 NMSA 1978 (being Laws 1987,
17 Chapter 253, Section 64, as amended) is amended to read:

18 "10-11-64. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--
19 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal police
20 member coverage plan 2:

21 A. for a member with age and service requirements
22 provided under Subsection A of Section 10-11-63 NMSA 1978, the
23 amount of pension under form of payment A is equal to two and
24 one-half percent of the final average salary multiplied by
25 credited service ~~[The amount shall not exceed ninety percent of~~

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1 ~~the final average salary~~]; provided that the final average
2 salary shall be multiplied by one and one-half percent for that
3 portion of service credit that would increase the amount of
4 pension in excess of ninety percent of the final average salary
5 if the final average salary was otherwise multiplied by two and
6 one-half percent; and

7 B. for a member with age and service requirements
8 provided under Subsection B of Section 10-11-63 NMSA 1978, the
9 amount of pension under form of payment A is equal to two
10 percent of the final average salary multiplied by credited
11 service [~~The amount shall not exceed ninety percent of the~~
12 ~~final average salary~~]; provided that the final average salary
13 shall be multiplied by one and one-half percent for that
14 portion of service credit that would increase the amount of
15 pension in excess of ninety percent of the final average salary
16 if the final average salary was otherwise multiplied by two
17 percent."

18 SECTION 17. Section 10-11-66 NMSA 1978 (being Laws 1987,
19 Chapter 253, Section 66, as amended) is amended to read:

20 "10-11-66. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--
21 MEMBER CONTRIBUTION RATE.--A member under municipal police
22 member coverage plan 2 shall contribute seven percent of salary
23 with the first full pay period in the calendar month in which
24 municipal police member coverage plan 2 becomes applicable to
25 the member, except that a member whose annual salary is greater

1 than twenty-five thousand dollars (\$25,000) shall contribute:

2 A. prior to July 1, 2022, eight and one-half
3 percent of salary;

4 B. beginning July 1, 2022 and continuing through
5 June 30, 2023, nine percent of salary;

6 C. beginning July 1, 2023 and continuing through
7 June 30, 2024, nine and one-half percent of salary;

8 D. beginning July 1, 2024 and continuing through
9 June 30, 2025, ten percent of salary; ~~[and]~~

10 E. beginning July 1, 2025 and ~~[thereafter, ten and~~
11 ~~one-half percent of salary]~~ continuing through June 30, 2026,
12 ten and one-half percent of salary;

13 F. beginning July 1, 2026 and continuing through
14 June 30, 2027, eleven and one-half percent of salary;

15 G. beginning July 1, 2027 and continuing through
16 June 30, 2028, twelve and one-half percent of salary;

17 H. beginning July 1, 2028 and continuing through
18 June 30, 2029, thirteen and one-half percent of salary; and

19 I. beginning July 1, 2029 and thereafter, fourteen
20 and one-half percent of salary."

21 SECTION 18. Section 10-11-70 NMSA 1978 (being Laws 1987,
22 Chapter 253, Section 70, as amended) is amended to read:

23 "10-11-70. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--
24 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal police
25 member coverage plan 3:

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1 A. for a member with age and service requirements
2 provided under Subsection A of Section 10-11-69 NMSA 1978, the
3 amount of pension under form of payment A is equal to two and
4 one-half percent of the final average salary multiplied by
5 credited service [~~The amount shall not exceed ninety percent of~~
6 ~~the final average salary~~]; provided that the final average
7 salary shall be multiplied by one and one-half percent for that
8 portion of service credit that would increase the amount of
9 pension in excess of ninety percent of the final average salary
10 if the final average salary was otherwise multiplied by two and
11 one-half percent; and

12 B. for a member with age and service requirements
13 provided under Subsection B of Section 10-11-69 NMSA 1978, the
14 amount of pension under form of payment A is equal to two
15 percent of the final average salary multiplied by credited
16 service [~~The amount shall not exceed ninety percent of the~~
17 ~~final average salary~~]; provided that the final average salary
18 shall be multiplied by one and one-half percent for that
19 portion of service credit that would increase the amount of
20 pension in excess of ninety percent of the final average salary
21 if the final average salary was otherwise multiplied by two
22 percent."

23 SECTION 19. Section 10-11-72 NMSA 1978 (being Laws 1987,
24 Chapter 253, Section 72, as amended) is amended to read:

25 "10-11-72. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--

1 MEMBER CONTRIBUTION RATE.--A member under municipal police
2 member coverage plan 3 shall contribute seven percent of salary
3 with the first full pay period in the calendar month in which
4 municipal police member coverage plan 3 becomes applicable to
5 the member, except that a member whose annual salary is greater
6 than twenty-five thousand dollars (\$25,000) shall contribute:

7 A. prior to July 1, 2022, eight and one-half
8 percent of salary;

9 B. beginning July 1, 2022 and continuing through
10 June 30, 2023, nine percent of salary;

11 C. beginning July 1, 2023 and continuing through
12 June 30, 2024, nine and one-half percent of salary;

13 D. beginning July 1, 2024 and continuing through
14 June 30, 2025, ten percent of salary; ~~[and]~~

15 E. beginning July 1, 2025 and ~~[thereafter, ten and~~
16 ~~one-half percent of salary]~~ continuing through June 30, 2026,
17 ten and one-half percent of salary;

18 F. beginning July 1, 2026 and continuing through
19 June 30, 2027, eleven and one-half percent of salary;

20 G. beginning July 1, 2027 and continuing through
21 June 30, 2028, twelve and one-half percent of salary;

22 H. beginning July 1, 2028 and continuing through
23 June 30, 2029, thirteen and one-half percent of salary; and

24 I. beginning July 1, 2029 and thereafter, fourteen
25 and one-half percent of salary."

1 SECTION 20. Section 10-11-76 NMSA 1978 (being Laws 1987,
2 Chapter 253, Section 76, as amended) is amended to read:

3 "10-11-76. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--
4 AMOUNT OF PENSION--FORM OF [PENSION] PAYMENT A.--Under
5 municipal police member coverage plan 4:

6 A. for a member with age and service requirements
7 provided under Subsection A of Section 10-11-75 NMSA 1978, the
8 amount of pension under form of payment A is equal to three
9 percent of the final average salary multiplied by credited
10 service [~~The amount shall not exceed ninety percent of the~~
11 ~~final average salary~~]; provided that the final average salary
12 shall be multiplied by one and one-half percent for that
13 portion of service credit that would increase the amount of
14 pension in excess of ninety percent of the final average salary
15 if the final average salary was otherwise multiplied by three
16 percent; and

17 B. for a member with age and service requirements
18 provided under Subsection B of Section 10-11-75 NMSA 1978, the
19 amount of pension under form of payment A is equal to two and
20 one-half percent of the final average salary multiplied by
21 credited service [~~The amount shall not exceed ninety percent of~~
22 ~~the final average salary~~]; provided that the final average
23 salary shall be multiplied by one and one-half percent for that
24 portion of service credit that would increase the amount of
25 pension in excess of ninety percent of the final average salary

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1 if the final average salary was otherwise multiplied by two and
2 one-half percent."

3 SECTION 21. Section 10-11-78 NMSA 1978 (being Laws 1987,
4 Chapter 253, Section 78, as amended) is amended to read:

5 "10-11-78. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--
6 MEMBER CONTRIBUTION RATE.--A member under municipal police
7 member coverage plan 4 shall contribute twelve and thirty-five
8 hundredths percent of salary starting with the first full pay
9 period in the calendar month in which municipal police member
10 coverage plan 4 becomes applicable to the member, except that a
11 member whose annual salary is greater than twenty-five thousand
12 dollars (\$25,000) shall contribute:

13 A. prior to July 1, 2022, thirteen and eighty-five
14 hundredths percent of salary;

15 B. beginning July 1, 2022 and continuing through
16 June 30, 2023, fourteen and thirty-five hundredths percent of
17 salary;

18 C. beginning July 1, 2023 and continuing through
19 June 30, 2024, fourteen and eighty-five hundredths percent of
20 salary;

21 D. beginning July 1, 2024 and continuing through
22 June 30, 2025, fifteen and thirty-five hundredths percent of
23 salary; [and]

24 E. beginning July 1, 2025 and [thereafter, fifteen
25 ~~and eighty-five hundredths percent of salary~~] continuing

1 through June 30, 2026, fifteen and eighty-five hundredths
2 percent of salary;

3 F. beginning July 1, 2026 and continuing through
4 June 30, 2027, sixteen and eighty-five hundredths percent of
5 salary;

6 G. beginning July 1, 2027 and continuing through
7 June 30, 2028, seventeen and eighty-five hundredths percent of
8 salary;

9 H. beginning July 1, 2028 and continuing through
10 June 30, 2029, eighteen and eighty-five hundredths percent of
11 salary; and

12 I. beginning July 1, 2029 and thereafter, nineteen
13 and eighty-five hundredths percent of salary."

14 SECTION 22. Section 10-11-82 NMSA 1978 (being Laws 1987,
15 Chapter 253, Section 82, as amended) is amended to read:

16 "10-11-82. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--
17 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal police
18 member coverage plan 5:

19 A. for a member with age and service requirements
20 provided under Subsection A of Section 10-11-81 NMSA 1978, the
21 amount of pension under form of payment A is equal to three and
22 one-half percent of the final average salary multiplied by
23 credited service [~~The amount shall not exceed ninety percent of~~
24 ~~the final average salary~~]; provided that the final average
25 salary shall be multiplied by one and one-half percent for that

1 portion of service credit that would increase the amount of
2 pension in excess of ninety percent of the final average salary
3 if the final average salary was otherwise multiplied by three
4 and one-half percent; and

5 B. for a member with age and service requirements
6 provided under Subsection B of Section 10-11-81 NMSA 1978, the
7 amount of pension under form of payment A is equal to three
8 percent of the final average salary multiplied by credited
9 service [~~The amount shall not exceed ninety percent of the~~
10 ~~final average salary~~]; provided that the final average salary
11 shall be multiplied by one and one-half percent for that
12 portion of service credit that would increase the amount of
13 pension in excess of ninety percent of the final average salary
14 if the final average salary was otherwise multiplied by three
15 percent."

16 SECTION 23. Section 10-11-84 NMSA 1978 (being Laws 1987,
17 Chapter 253, Section 84, as amended) is amended to read:

18 "10-11-84. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--
19 MEMBER CONTRIBUTION RATE.--A member under municipal police
20 member coverage plan 5 shall contribute sixteen and three-
21 tenths percent of salary starting with the first full pay
22 period in the calendar month in which municipal police member
23 coverage plan 5 becomes applicable to the member, except that a
24 member whose annual salary is greater than twenty-five thousand
25 dollars (\$25,000) shall contribute:

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1 A. prior to July 1, 2022, seventeen and eight-
2 tenths percent of salary;

3 B. beginning July 1, 2022 and continuing through
4 June 30, 2023, eighteen and three-tenths percent of salary;

5 C. beginning July 1, 2023 and continuing through
6 June 30, 2024, eighteen and eight-tenths percent of salary;

7 D. beginning July 1, 2024 and continuing through
8 June 30, 2025, nineteen and three-tenths percent of salary;
9 ~~[and]~~

10 E. beginning July 1, 2025 and ~~[thereafter, nineteen~~
11 ~~and eight-tenths percent of salary]~~ continuing through June 30,
12 2026, nineteen and eight-tenths percent of salary;

13 F. beginning July 1, 2026 and continuing through
14 June 30, 2027, twenty and eight-tenths percent of salary;

15 G. beginning July 1, 2027 and continuing through
16 June 30, 2028, twenty-one and eight-tenths percent of salary;

17 H. beginning July 1, 2028 and continuing through
18 June 30, 2029, twenty-two and eight-tenths percent of salary;
19 and

20 I. beginning July 1, 2029 and thereafter, twenty-
21 three and eight-tenths percent of salary."

22 SECTION 24. Section 10-11-88 NMSA 1978 (being Laws 1987,
23 Chapter 253, Section 88, as amended) is amended to read:

24 "10-11-88. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--AMOUNT
25 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member

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1 coverage plan 1, the amount of pension under form of payment A
2 is equal to two percent of the final average salary multiplied
3 by credited service [~~The amount shall not exceed ninety percent~~
4 ~~of the final average salary~~]; provided that the final average
5 salary shall be multiplied by one and one-half percent for that
6 portion of service credit that would increase the amount of
7 pension in excess of ninety percent of the final average salary
8 if the final average salary was otherwise multiplied by two
9 percent."

10 SECTION 25. Section 10-11-90 NMSA 1978 (being Laws 1987,
11 Chapter 253, Section 90, as amended) is amended to read:

12 "10-11-90. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--MEMBER
13 CONTRIBUTION RATE.--A member under municipal fire member
14 coverage plan 1 shall contribute eight percent of salary with
15 the first full pay period in the calendar month in which
16 municipal fire member coverage plan 1 becomes applicable to the
17 member, except that a member whose annual salary is greater
18 than twenty-five thousand dollars (\$25,000) shall contribute:

19 A. prior to July 1, 2022, nine and one-half percent
20 of salary;

21 B. beginning July 1, 2022 and continuing through
22 June 30, 2023, ten percent of salary;

23 C. beginning July 1, 2023 and continuing through
24 June 30, 2024, ten and one-half percent of salary;

25 D. beginning July 1, 2024 and continuing through

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1 June 30, 2025, eleven percent of salary; ~~[and]~~

2 E. beginning July 1, 2025 and ~~[thereafter, eleven~~
3 ~~and one-half percent of salary]~~ continuing through June 30,
4 2026, eleven and one-half percent of salary;

5 F. beginning July 1, 2026 and continuing through
6 June 30, 2027, thirteen percent of salary;

7 G. beginning July 1, 2027 and continuing through
8 June 30, 2028, fourteen and one-half percent of salary;

9 H. beginning July 1, 2028 and continuing through
10 June 30, 2029, sixteen percent of salary;

11 I. beginning July 1, 2029 and continuing through
12 June 30, 2030, seventeen and one-half percent of salary;

13 J. beginning July 1, 2030 and continuing through
14 June 30, 2031, nineteen percent of salary;

15 K. beginning July 1, 2031 and continuing through
16 June 30, 2032, twenty and one-half percent of salary; and

17 L. beginning July 1, 2032 and thereafter, twenty-
18 one and one-half percent of salary."

19 SECTION 26. Section 10-11-94 NMSA 1978 (being Laws 1987,
20 Chapter 253, Section 94, as amended) is amended to read:

21 "10-11-94. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--AMOUNT
22 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member
23 contribution plan 2:

24 A. for a member with age and service requirements
25 provided under Subsection A of Section 10-11-93 NMSA 1978, the

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1 amount of pension under form of payment A is equal to two and
2 one-half percent of the final average salary multiplied by
3 credited service [~~The amount shall not exceed ninety percent of~~
4 ~~the final average salary~~]; provided that the final average
5 salary shall be multiplied by one and one-half percent for that
6 portion of service credit that would increase the amount of
7 pension in excess of ninety percent of the final average salary
8 if the final average salary was otherwise multiplied by two and
9 one-half percent; and

10 B. for a member with age and service requirements
11 provided under Subsection B of Section 10-11-93 NMSA 1978, the
12 amount of pension under form of payment A is equal to two
13 percent of the final average salary multiplied by credited
14 service [~~The amount shall not exceed ninety percent of the~~
15 ~~final average salary~~]; provided that the final average salary
16 shall be multiplied by one and one-half percent for that
17 portion of service credit that would increase the amount of
18 pension in excess of ninety percent of the final average salary
19 if the final average salary was otherwise multiplied by two
20 percent."

21 SECTION 27. Section 10-11-96 NMSA 1978 (being Laws 1987,
22 Chapter 253, Section 96, as amended) is amended to read:

23 "10-11-96. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--MEMBER
24 CONTRIBUTION RATE.--A member under municipal fire member
25 coverage plan 2 shall contribute eight percent of salary with

1 the first full pay period in the calendar month in which
2 municipal fire member coverage plan 2 becomes applicable to the
3 member, except that a member whose annual salary is greater
4 than twenty-five thousand dollars (\$25,000) shall contribute:

5 A. prior to July 1, 2022, nine and one-half percent
6 of salary;

7 B. beginning July 1, 2022 and continuing through
8 June 30, 2023, ten percent of salary;

9 C. beginning July 1, 2023 and continuing through
10 June 30, 2024, ten and one-half percent of salary;

11 D. beginning July 1, 2024 and continuing through
12 June 30, 2025, eleven percent of salary; ~~[and]~~

13 E. beginning July 1, 2025 and ~~[thereafter, eleven~~
14 ~~and one-half percent of salary]~~ continuing through June 30,
15 2026, eleven and one-half percent of salary;

16 F. beginning July 1, 2026 and continuing through
17 June 30, 2027, thirteen percent of salary;

18 G. beginning July 1, 2027 and continuing through
19 June 30, 2028, fourteen and one-half percent of salary;

20 H. beginning July 1, 2028 and continuing through
21 June 30, 2029, sixteen percent of salary;

22 I. beginning July 1, 2029 and continuing through
23 June 30, 2030, seventeen and one-half percent of salary;

24 J. beginning July 1, 2030 and continuing through
25 June 30, 2031, nineteen percent of salary;

1 K. beginning July 1, 2031 and continuing through
2 June 30, 2032, twenty and one-half percent of salary; and

3 L. beginning July 1, 2032 and thereafter, twenty-
4 one and one-half percent of salary."

5 SECTION 28. Section 10-11-100 NMSA 1978 (being Laws 1987,
6 Chapter 253, Section 100, as amended) is amended to read:

7 "10-11-100. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--AMOUNT
8 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member
9 coverage plan 3:

10 A. for a member with age and service requirements
11 provided under Subsection A of Section 10-11-99 NMSA 1978, the
12 amount of pension under form of payment A is equal to two and
13 one-half percent of the final average salary multiplied by
14 credited service [~~The amount shall not exceed ninety percent of~~
15 ~~the final average salary~~]; provided that the final average
16 salary shall be multiplied by one and one-half percent for that
17 portion of service credit that would increase the amount of
18 pension in excess of ninety percent of the final average salary
19 if the final average salary was otherwise multiplied by two and
20 one-half percent; and

21 B. for a member with age and service requirements
22 provided under Subsection B of Section 10-11-99 NMSA 1978, the
23 amount of pension under form of payment A is equal to two
24 percent of the final average salary multiplied by credited
25 service [~~The amount shall not exceed ninety percent of the~~

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1 ~~final average salary~~]; provided that the final average salary
2 shall be multiplied by one and one-half percent for that
3 portion of service credit that would increase the amount of
4 pension in excess of ninety percent of the final average salary
5 if the final average salary was otherwise multiplied by two
6 percent."

7 SECTION 29. Section 10-11-102 NMSA 1978 (being Laws 1987,
8 Chapter 253, Section 102, as amended) is amended to read:

9 "10-11-102. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--MEMBER
10 CONTRIBUTION RATE.--A member under municipal fire member
11 coverage plan 3 shall contribute eight percent of salary with
12 the first full pay period in the calendar month in which
13 municipal fire member coverage plan 3 becomes applicable to the
14 member, except that a member whose annual salary is greater
15 than twenty-five thousand dollars (\$25,000) shall contribute:

16 A. prior to July 1, 2022, nine and one-half percent
17 of salary;

18 B. beginning July 1, 2022 and continuing through
19 June 30, 2023, ten percent of salary;

20 C. beginning July 1, 2023 and continuing through
21 June 30, 2024, ten and one-half percent of salary;

22 D. beginning July 1, 2024 and continuing through
23 June 30, 2025, eleven percent of salary; ~~and~~

24 E. beginning July 1, 2025 and ~~[thereafter, eleven~~
25 ~~and one-half percent of salary]~~ continuing through June 30,

1 2026, eleven and one-half percent of salary;

2 F. beginning July 1, 2026 and continuing through
3 June 30, 2027, thirteen percent of salary;

4 G. beginning July 1, 2027 and continuing through
5 June 30, 2028, fourteen and one-half percent of salary;

6 H. beginning July 1, 2028 and continuing through
7 June 30, 2029, sixteen percent of salary;

8 I. beginning July 1, 2029 and continuing through
9 June 30, 2030, seventeen and one-half percent of salary;

10 J. beginning July 1, 2030 and continuing through
11 June 30, 2031, nineteen percent of salary;

12 K. beginning July 1, 2031 and continuing through
13 June 30, 2032, twenty and one-half percent of salary; and

14 L. beginning July 1, 2032 and thereafter, twenty-
15 one and one-half percent of salary."

16 **SECTION 30.** Section 10-11-106 NMSA 1978 (being Laws 1987,
17 Chapter 253, Section 106, as amended) is amended to read:

18 "10-11-106. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--AMOUNT
19 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member
20 coverage plan 4:

21 A. for a member with age and service requirements
22 provided under Subsection A of Section 10-11-105 NMSA 1978, the
23 amount of pension under form of payment A is equal to three
24 percent of the final average salary multiplied by credited
25 service [~~The amount shall not exceed ninety percent of the~~

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1 ~~final average salary~~]; provided that the final average salary
2 shall be multiplied by one and one-half percent for that
3 portion of service credit that would increase the amount of
4 pension in excess of ninety percent of the final average salary
5 if the final average salary was otherwise multiplied by three
6 percent; and

7 B. for a member with age and service requirements
8 provided under Subsection B of Section 10-11-105 NMSA 1978, the
9 amount of pension under form of payment A is equal to two and
10 one-half percent of the final average salary multiplied by
11 credited service [~~The amount shall not exceed ninety percent of~~
12 ~~the final average salary~~]; provided that the final average
13 salary shall be multiplied by one and one-half percent for that
14 portion of service credit that would increase the amount of
15 pension in excess of ninety percent of the final average salary
16 if the final average salary was otherwise multiplied by two and
17 one-half percent."

18 SECTION 31. Section 10-11-108 NMSA 1978 (being Laws 1987,
19 Chapter 253, Section 108, as amended) is amended to read:

20 "10-11-108. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--MEMBER
21 CONTRIBUTION RATE.--A member under municipal fire member
22 coverage plan 4 shall contribute twelve and eight-tenths
23 percent of salary with the first full pay period in the
24 calendar month in which municipal fire member coverage plan 4
25 becomes applicable to the member, except that a member whose

1 annual salary is greater than twenty-five thousand dollars
2 (\$25,000) shall contribute:

3 A. prior to July 1, 2022, fourteen and three-tenths
4 percent of salary;

5 B. beginning July 1, 2022 and continuing through
6 June 30, 2023, fourteen and eight-tenths percent of salary;

7 C. beginning July 1, 2023 and continuing through
8 June 30, 2024, fifteen and three-tenths percent of salary;

9 D. beginning July 1, 2024 and continuing through
10 June 30, 2025, fifteen and eight-tenths percent of salary;

11 [~~and~~]

12 E. beginning July 1, 2025 and [~~thereafter, sixteen~~
13 ~~and three-tenths percent of salary~~] continuing through June 30,
14 2026, sixteen and three-tenths percent of salary;

15 F. beginning July 1, 2026 and continuing through
16 June 30, 2027, seventeen and eight-tenths percent of salary;

17 G. beginning July 1, 2027 and continuing through
18 June 30, 2028, nineteen and three-tenths percent of salary;

19 H. beginning July 1, 2028 and continuing through
20 June 30, 2029, twenty and eight-tenths percent of salary;

21 I. beginning July 1, 2029 and continuing through
22 June 30, 2030, twenty-two and three-tenths percent of salary;

23 J. beginning July 1, 2030 and continuing through
24 June 30, 2031, twenty-three and eight-tenths percent of salary;

25 K. beginning July 1, 2031 and continuing through

1 June 30, 2032, twenty-four and eight-tenths percent of salary;
2 and

3 L. beginning July 1, 2032 and thereafter, twenty-
4 six and three-tenths percent of salary."

5 SECTION 32. Section 10-11-112 NMSA 1978 (being Laws 1987,
6 Chapter 253, Section 112, as amended) is amended to read:

7 "10-11-112. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--AMOUNT
8 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member
9 coverage plan 5:

10 A. for a member with age and service requirements
11 provided under Subsection A of Section 10-11-111 NMSA 1978,
12 the amount of pension under form of payment A is equal to three
13 and one-half percent of the final average salary multiplied by
14 credited service [~~The amount shall not exceed ninety percent of~~
15 ~~the final average salary~~]; provided that the final average
16 salary shall be multiplied by one and one-half percent for that
17 portion of service credit that would increase the amount of
18 pension in excess of ninety percent of the final average salary
19 if the final average salary was otherwise multiplied by three
20 and one-half percent; and

21 B. for a member with age and service requirements
22 provided under Subsection B of Section 10-11-111 NMSA 1978, the
23 amount of pension under form of payment A is equal to three
24 percent of the final average salary multiplied by credited
25 service [~~The amount shall not exceed ninety percent of the~~

1 ~~final average salary~~]; provided that the final average salary
2 shall be multiplied by one and one-half percent for that
3 portion of service credit that would increase the amount of
4 pension in excess of ninety percent of the final average salary
5 if the final average salary was otherwise multiplied by three
6 percent."

7 SECTION 33. Section 10-11-114 NMSA 1978 (being Laws 1987,
8 Chapter 253, Section 114, as amended) is amended to read:

9 "10-11-114. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--MEMBER
10 CONTRIBUTION RATE.--A member under municipal fire member
11 coverage plan 5 shall contribute sixteen and two-tenths percent
12 of salary with the first full pay period in the calendar month
13 in which municipal fire member coverage plan 5 becomes
14 applicable to the member, except that a member whose annual
15 salary is greater than twenty-five thousand dollars (\$25,000)
16 shall contribute:

17 A. prior to July 1, 2022, seventeen and seven-
18 tenths percent of salary;

19 B. beginning July 1, 2022 and continuing through
20 June 30, 2023, eighteen and two-tenths percent of salary;

21 C. beginning July 1, 2023 and continuing through
22 June 30, 2024, eighteen and seven-tenths percent of salary;

23 D. beginning July 1, 2024 and continuing through
24 June 30, 2025, nineteen and two-tenths percent of salary; ~~and~~

25 E. beginning July 1, 2025 and ~~[thereafter, nineteen~~

1 ~~and seven-tenths percent of salary]~~ continuing through June 30,
2 2026, nineteen and seven-tenths percent of salary;

3 F. beginning July 1, 2026 and continuing through
4 June 30, 2027, twenty-one and two-tenths percent of salary;

5 G. beginning July 1, 2027 and continuing through
6 June 30, 2028, twenty-two and seven-tenths percent of salary;

7 H. beginning July 1, 2028 and continuing through
8 June 30, 2029, twenty-four and two-tenths percent of salary;

9 I. beginning July 1, 2029 and continuing through
10 June 30, 2030, twenty-five and seven-tenths percent of salary;

11 J. beginning July 1, 2030 and continuing through
12 June 30, 2031, twenty-seven and two-tenths percent of salary;

13 K. beginning July 1, 2031 and continuing through
14 June 30, 2032, twenty-eight and seven-tenths percent of salary;
15 and

16 L. beginning July 1, 2032 and thereafter, twenty-
17 nine and seven-tenths percent of salary."

18 SECTION 34. Section 10-11-118 NMSA 1978 (being Laws 2020,
19 Chapter 11, Section 61) is amended to read:

20 "10-11-118. COST-OF-LIVING ADJUSTMENTS--QUALIFIED PENSION
21 RECIPIENT--DECLINING INCREASE.--

22 A. As used in this section,

23 [~~(1)~~] ~~"cost-of-living adjustment hurdle rate"~~
24 ~~means the investment rate of return required to fund a cost-of-~~
25 ~~living adjustment in excess of one-half percent, as determined~~

.218651.1

1 ~~by the association's actuaries;~~

2 ~~(2) "funded ratio" means the ratio of the~~
3 ~~actuarial value of the assets of the fund to the actuarial~~
4 ~~accrued liability of the association for payments from the~~
5 ~~fund, as determined by the association's actuaries;~~

6 ~~(3)] "preceding calendar year" means the full~~
7 ~~calendar year preceding the July 1 on which pensions are being~~
8 ~~adjusted [and~~

9 ~~(4) "smoothed investment rate of return" means~~
10 ~~a calculation made by spreading the difference between the~~
11 ~~expected actuarial value in investment income and the actual~~
12 ~~market value investment income over a smoothing period, as~~
13 ~~determined by the association's actuaries].~~

14 B. A qualified pension recipient is eligible for a
15 cost-of-living pension adjustment. A qualified pension
16 recipient is:

17 ~~[(1) a normal retired member who has been~~
18 ~~retired for at least two full calendar years from the effective~~
19 ~~date of the latest retirement prior to July 1 of the year in~~
20 ~~which the pension is being adjusted;~~

21 ~~(2)]~~ (1) a normal retired member who has
22 attained the age of ~~[sixty-five]~~ sixty years and has been
23 retired for at least one full calendar year from the effective
24 date of the member's latest retirement prior to July 1 of the
25 year in which the pension is being adjusted;

1 ~~[(3)]~~ (2) a disability retired member who has
2 been retired for at least one full calendar year from the
3 effective date of the latest retirement prior to July 1 of the
4 year in which the pension is being adjusted;

5 ~~[(4)]~~ (3) a survivor beneficiary who has
6 received a survivor pension for at least two full calendar
7 years; or

8 ~~[(5)]~~ (4) a survivor beneficiary of a deceased
9 retired member who otherwise would have been retired at least
10 two full calendar years from the effective date of the latest
11 retirement prior to July 1 of the year in which the pension is
12 being adjusted.

13 C. Except as provided in Subsections ~~[F, G and H]~~
14 E, F and G of this section, during fiscal years 2021, 2022 and
15 2023, a qualified pension recipient shall receive an annual,
16 non-compounding, additional payment. The amount of the payment
17 shall be determined by multiplying the amount of annual pension
18 payments, inclusive of all cost-of-living adjustments prior to
19 fiscal year 2021, by two percent.

20 ~~[D. Beginning May 1, 2023 and no later than each~~
21 ~~May 1 thereafter, the retirement board shall certify to the~~
22 ~~association the:~~

23 ~~(1) funded ratio as of June 30 of the~~
24 ~~preceding calendar year; and~~

25 ~~(2) smoothed investment rate of return as of~~

1 ~~June 30 of the preceding calendar year.~~

2 ~~E.] D.~~ Except as provided in Subsections [~~F, G and~~
3 ~~H]~~ E, F and G of this section, beginning July 1, 2023 and each
4 July 1 thereafter, [~~immediately following the retirement~~
5 ~~board's certification of the funded ratio and smoothed~~
6 ~~investment rate of return]~~ the cost-of-living adjustment to a
7 qualified pension recipient payable pursuant to the Public
8 Employees Retirement Act shall be [~~determined as an amount~~
9 ~~equal to the smoothed investment rate of return on the~~
10 ~~actuarial value of assets on June 30 of the preceding calendar~~
11 ~~year less the cost-of-living adjustment hurdle rate, as~~
12 ~~determined by the association's actuaries, multiplied by the~~
13 ~~funded ratio on June 30 of the preceding calendar year or five-~~
14 ~~tenths percent, whichever is greater, and subject to the~~
15 ~~following conditions:~~

16 ~~(1) if the funded ratio of the fund is less~~
17 ~~than one hundred percent on June 30 of the preceding calendar~~
18 ~~year, the amount of the adjustment made pursuant to this~~
19 ~~subsection shall not exceed three percent;~~

20 ~~(2) if the funded ratio of the fund is equal~~
21 ~~to or greater than one hundred percent on June 30 of the~~
22 ~~preceding calendar year, the adjustment made pursuant to this~~
23 ~~subsection shall not exceed five percent;~~

24 ~~(3) notwithstanding the provisions of this~~
25 ~~subsection, a qualified pension recipient shall receive a~~

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1 ~~minimum annual cost-of-living adjustment of five-tenths~~
2 ~~percent; and~~

3 ~~(4) the~~ increased by two percent each July 1.
4 The amount of increase shall be determined by multiplying the
5 amount of pension, inclusive of all prior adjustments, by ~~[the~~
6 ~~cost-of-living adjustment as determined by this subsection]~~ two
7 percent.

8 ~~[F.]~~ E. For a normal retired member who worked for
9 at least twenty-five years under one or more applicable
10 coverage plans and whose annual pension benefit, after all
11 previous annual cost-of-living adjustments, is equal to an
12 amount not greater than twenty-five thousand dollars (\$25,000),
13 the pension benefit shall be increased by two ~~[and one-half]~~
14 percent each July 1. The amount of the increase shall be
15 determined by multiplying the amount of pension, inclusive of
16 all prior adjustments, by two ~~[and one-half]~~ percent.

17 ~~[G.]~~ F. For a disability retired member whose
18 annual pension benefit, after all previous annual cost-of-
19 living adjustments, is equal to an amount not greater than
20 twenty-five thousand dollars (\$25,000), the pension benefit
21 shall be increased by two ~~[and one-half]~~ percent each July 1.
22 The amount of the increase shall be determined by multiplying
23 the amount of pension, inclusive of all prior adjustments, by
24 two ~~[and one-half]~~ percent.

25 ~~[H.]~~ G. For a normal retired member who has

1 attained the age of seventy-five years prior to July 1, 2020,
2 the pension benefit shall be increased by two and one-half
3 percent each July 1. The amount of the increase shall be
4 determined by multiplying the amount of pension, inclusive of
5 all prior adjustments, by two and one-half percent.

6 ~~[F.]~~ H. A qualified pension recipient may decline
7 an increase in a pension by giving the association written
8 notice of the decision to decline the increase at least thirty
9 days prior to the date the increase would take effect."

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LFC Requester:

AGENCY BILL ANALYSIS
2021 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original ☒ Amendment ☐
Correction ☐ Substitute ☐

Date 1/25/2021

Bill No: HB65

Sponsor: Rep. Bill Rehm
Short Increase Certain PERA Member
Title: Contributions

Agency Name
and Code 366
Number:

Person Writing Susan Pittard
Phone: 505-366-9491 Email Susa.pittard@state.nm

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Nonrecurring | Fund Affected |
|---------------|------|------------------------------|------------------|
| FY21 | FY22 | | |
| None | None | | General Fund |
| | | | |

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

| Estimated Revenue | | | Recurring or Nonrecurring | Fund Affected |
|-------------------|----------|-----------|---------------------------------|------------------|
| FY25 | FY26 | FY27 | | |
| 52,759.5 | 75,179.7 | 110,542.4 | Recurring | PERA Fund |
| | | | | PERA Fund |

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY25 | FY26 | FY27 | FY28 | FY29 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|--------------|-------------|-------------|-------------|-------------|-------------|----------------------------------|--------------------------------------|--------------------------|
| Total | 0.0 | 0.0 | 24,790.7 | 34,808.7 | 44,4845.3 | 104,442.7 | Recurring | Municipalities |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE**BILL SUMMARY****Synopsis:**

HB 65 amends the PERA Act's statutory employee contribution rates, allows members who work in excess of 90% of final average salary at a reduced pension multiplier and lowers eligibility for and changes cost-of-living adjustments, as follows:

1. Effective FY25, increases employee and statutory contribution rates for state employees 9%, 1.5% each year for six consecutive fiscal years;
2. Effective FY27, increases employee contribution rates for municipal general members 6%, 1.5% each year for four consecutive fiscal years;
3. Effective FY27, increases employee statutory contribution rates for municipal police employees 4%, 1% each year for four consecutive fiscal years;
4. Effective FY27, increases employee statutory contribution rates for municipal fire employees 6%, 1.5% each year for four consecutive fiscal years;
5. Allows members who to earn service credit in excess of 90% of pension (the current pension maximum) at a reduced multiplier (1% general members and 1.5% public safety members);
6. Lowers age for cost-of-living adjustment (COLA) eligibility to 60 years after one calendar year of retirement, from the current 65 years and two years after retirement;
7. Reduces the current 2.5% COLA to 2% for disability and lower income retirees;
8. Restores a 2% compounding COLA for all eligible retirees.

FISCAL IMPLICATIONS

For the year ending June 30, 2020 the PERA Fund had an unfunded actuarial accrued liability (UAAL) of \$6.65 billion and was funded at 70.3%.

HB 65's contribution increases will not affect State Police and Adult Correctional Officer Plan 1, which is currently funded at 127.2%.

HB 65 improves the pension plan funded status almost entirely through employee increases without an appropriation to fund the increases. It should be noted that a substantial portion of the employee increases for the municipal members will be borne by municipal employers (municipalities and counties). Most municipal employers have adopted irrevocable member contribution "pick-ups" for their employees through resolution or collective bargaining agreements. See NMSA 1978, Section 10-11-5, which allows municipal affiliated employers to pay up to 75% of its employees' member contributions. PERA estimates the three year impact to municipal and county entities to be \$104.4 million.

SIGNIFICANT ISSUES

HB 65 provides for employee contribution increases that may create intergenerational inequities among membership groups.

Upon meeting the minimum service requirements of an applicable retirement plan created by law for the employees of the state or any of its political subdivisions or institutions, a member of a plan acquires a vested property right with due process protections under the applicable provisions of the New Mexico and United States Constitutions. NM Constitution Art. 20, Sec. 22. The Constitution further states that nothing prohibits modifications to retirement plans that enhance or preserve the actuarial soundness of the trust fund.

Full legislative process generally complies with procedural due process. Substantive due process protects PERA members from arbitrary and irrational changes to their vested property rights in retirement benefits. PERA believes this legal test has been met because its actuarial studies show that the proposed changes are necessary to maintain the actuarial soundness of the retirement plans it administers. HB 65 does not impact base retirement benefits, inclusive of all COLAs received by current retirees to date.

The New Mexico Supreme Court has found no express contract rights enforceable against the state in the PERA, JRA and MRA Acts. *Pierce v. State of New Mexico*, 910 P.2d 288, 121 N.M. 212 (1995).

The New Mexico Supreme Court has found that future annual cost-of-living adjustment under the Educational Retirement Act did not create constitutionally-protected property right until paid and did not reduce substantive retirement benefits. *Bartlett v Cameron, et al*, 316 P.3d 889 (2013).

PERFORMANCE IMPLICATIONS

HB 65 will not impact PERA's performance measures.

ADMINISTRATIVE IMPLICATIONS

PERA will be required to make minimal modifications to its pension administration system (RIO) to administer the proposed pension changes.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

Changes for Active PERA Members

PERA current active state general plan, municipal general plan, municipal police, municipal fire, and municipal detention employees will have member contributions increased, ranging from 4% to 9%, dependent on their coverage plan. These contribution rate increases are phased in and in addition to the 2% member contribution increases that became effective July 1, 2020. State Police and Adult Correctional Officer Plan 1 members are exempt.

Changes for PERA Retired Members

The PERA COLA has changed many times in the past, including in 1992 and 2013. For the period 1992 through 2013, PERA provided an annual, compounding COLA of 3%. In 2013, the COLA was reduced to 2%. For 20 years the existing flat percentage COLAs outpaced CPI by 28%. In 2020, the flat rate COLA was replaced by a 2% non-compounding additional payment for three fiscal years (FY22, 23, 24). Beginning FY25, a compounding COLA will be calculated under a “profit-share” model, calculated using PERA’s funding status and investment rate of return with a .5% COLA floor.

HB 65 would return to a flat 2%, compounding COLA and reduce the eligibility age for receipt of the COLA to 60 years after two calendar years of retirement (from the current 65 years).

ALTERNATIVES

None proposed.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The PERA Fund will remain on a path to solvency under the 2020 pension reform legislation.

AMENDMENTS

None proposed.

SENATE BILL 90

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

George K. Munoz

AN ACT

RELATING TO PUBLIC EMPLOYEE RETIREMENT; INCLUDING OVERTIME PAY
REQUIRED FOR A REGULAR SCHEDULED TOUR OF DUTY IN THE DEFINITION
OF "SALARY" IN THE PUBLIC EMPLOYEES RETIREMENT ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 10-11-2 NMSA 1978 (being Laws 1987,
Chapter 253, Section 2, as amended) is amended to read:

"10-11-2. DEFINITIONS.--As used in the Public Employees
Retirement Act:

A. "accumulated member contributions" means the
amounts deducted from the salary of a member and credited to
the member's individual account, together with interest, if
any, credited to that account;

B. "affiliated public employer" means the state and
any public employer affiliated with the association as provided

1 in the Public Employees Retirement Act, but does not include an
2 employer pursuant to the Magistrate Retirement Act, the
3 Judicial Retirement Act or the Educational Retirement Act;

4 C. "association" means the public employees
5 retirement association established under the Public Employees
6 Retirement Act;

7 D. "coverage plan funded ratio" means the ratio of
8 the actuarial value of the assets of a coverage plan to the
9 actuarial accrued liability of the association for payments
10 from the coverage plan, as determined by the association's
11 actuaries;

12 E. "disability retired member" means a retired
13 member who is receiving a pension pursuant to the disability
14 retirement provisions of the Public Employees Retirement Act;

15 F. "disability retirement pension" means the
16 pension paid pursuant to the disability retirement provisions
17 of the Public Employees Retirement Act;

18 G. "educational retirement system" means that
19 retirement system provided for in the Educational Retirement
20 Act;

21 H. "employee" means any employee of an affiliated
22 public employer;

23 I. "federal social security program" means that
24 program or those programs created and administered pursuant to
25 the act of congress approved August 14, 1935, Chapter 531, 49

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1 Stat. 620, as that act may be amended;

2 J. "final average salary" means the final average
3 salary calculated in accordance with the provisions of the
4 applicable coverage plan;

5 K. "form of payment" means the applicable form of
6 payment of a pension provided for in Section 10-11-117 NMSA
7 1978;

8 L. "former member" means a person who was
9 previously employed by an affiliated public employer, who has
10 terminated that employment and who has received a refund of
11 member contributions;

12 M. "fund" means the funds included under the Public
13 Employees Retirement Act;

14 N. "member" means a currently employed,
15 contributing employee of an affiliated public employer, or a
16 person who has been but is not currently employed by an
17 affiliated public employer, who has not retired and who has not
18 received a refund of member contributions; "member" also
19 includes the following:

20 (1) "adult correctional officer member" means
21 a member who is employed as an adult correctional officer or an
22 adult correctional officer specialist by a state correctional
23 facility of the corrections department or its successor agency;

24 (2) "adult probation and parole officer
25 member" means a member who is employed as a probation and

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1 parole officer by the corrections department or its successor
2 agency;

3 (3) "juvenile correctional officer member"
4 means a member who is employed as a juvenile correctional
5 officer by the children, youth and families department or its
6 successor agency;

7 (4) "juvenile probation and parole officer
8 member" means a member who is employed as a probation and
9 parole officer by the children, youth and families department
10 or its successor agency;

11 (5) "municipal detention officer member" means
12 a member who is employed by an affiliated public employer other
13 than the state and who has inmate custodial responsibilities at
14 a facility used for the confinement of persons charged with or
15 convicted of a violation of a law or ordinance;

16 (6) "municipal fire member" means any member
17 who is employed as a full-time nonvolunteer firefighter by an
18 affiliated public employer and who has taken the oath
19 prescribed for firefighters;

20 (7) "municipal police member" means any member
21 who is employed as a police officer by an affiliated public
22 employer, other than the state, and who has taken the oath
23 prescribed for police officers; and

24 (8) "state police member" means a member who
25 is an officer of the New Mexico state police and who has taken

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1 the oath prescribed for such officers, except that a state
2 police member shall not include a member who is an officer of
3 the New Mexico state police division and who was certified and
4 commissioned as of June 30, 2015 in the former motor
5 transportation division or the former special investigations
6 division of the department of public safety;

7 O. "membership" means membership in the
8 association;

9 P. "pension" means a series of monthly payments to
10 a retired member or survivor beneficiary as provided in the
11 Public Employees Retirement Act;

12 Q. "public employer" means the state, any
13 municipality, city, county, metropolitan arroyo flood control
14 authority, economic development district, regional housing
15 authority, soil and water conservation district, entity created
16 pursuant to a joint powers agreement, council of government,
17 conservancy district, irrigation district, water and sanitation
18 district, water district and metropolitan water board,
19 including the boards, departments, bureaus and agencies of a
20 public employer, so long as these entities fall within the
21 meaning of governmental plan as that term is used in Section
22 414(d) of the Internal Revenue Code of 1986, as amended;

23 R. "refund beneficiary" means a person designated
24 by the member, in writing, in the form prescribed by the
25 association, as the person who would be refunded the member's

1 accumulated member contributions payable if the member dies and
2 no survivor pension is payable or who would receive the
3 difference between pension paid and accumulated member
4 contributions if the retired member dies before receiving in
5 pension payments the amount of the accumulated member
6 contributions;

7 S. "retire" means to:

8 (1) terminate employment with all employers
9 covered by any state system or the educational retirement
10 system; and

11 (2) receive a pension from a state system or
12 the educational retirement system;

13 T. "retired member" means a person who has met all
14 requirements for retirement and who is receiving a pension from
15 the fund;

16 U. "retirement board" means the retirement board
17 provided for in the Public Employees Retirement Act;

18 V. "salary" means the base salary or wages paid a
19 member, including longevity pay, for personal services rendered
20 an affiliated public employer. "Salary" shall not include
21 overtime pay, unless the overtime payment is required for a
22 regular scheduled tour of duty as set forth in Section 207(k)
23 of Title 29 of the United States Code and is made on the
24 regular payroll for the period represented by that payment,
25 allowances for housing, clothing, equipment or travel, payments

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1 for unused sick leave, unless the unused sick leave payment is
2 made through continuation of the member on the regular payroll
3 for the period represented by that payment, and any other form
4 of remuneration not specifically designated by law as included
5 in salary for Public Employees Retirement Act purposes. Salary
6 in excess of the limitations set forth in Section 401(a)(17) of
7 the Internal Revenue Code of 1986, as amended, shall be
8 disregarded. The limitation on compensation for eligible
9 employees shall not be less than the amount that was allowed to
10 be taken into account under the state retirement system acts in
11 effect on July 1, 1993. For purposes of this subsection,
12 "eligible employee" means an individual who was a member of a
13 state system before the first plan year beginning after
14 December 31, 1995;

15 W. "state system" means the retirement programs
16 provided for in the Public Employees Retirement Act, the
17 Magistrate Retirement Act and the Judicial Retirement Act;

18 X. "state retirement system acts" means
19 collectively the Public Employees Retirement Act, the
20 Magistrate Retirement Act, the Judicial Retirement Act and the
21 Volunteer Firefighters Retirement Act; and

22 Y. "survivor beneficiary" means a person who
23 receives a pension or who has been designated to be paid a
24 pension as a result of the death of a member or retired
25 member."

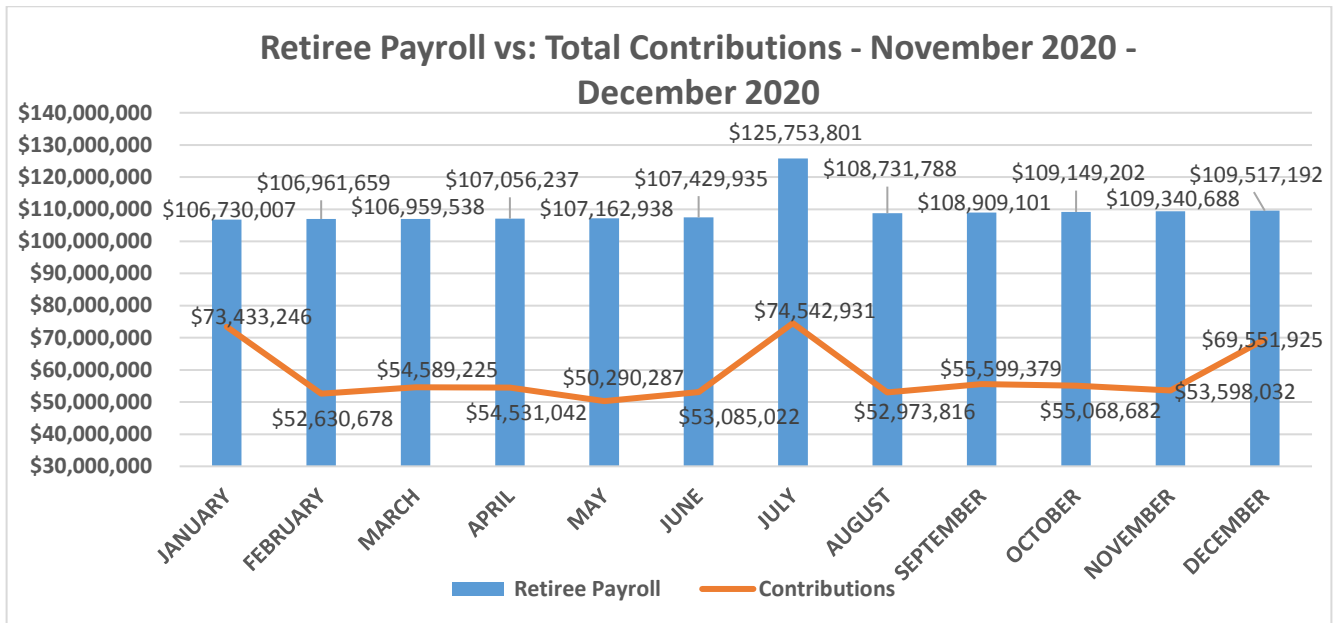
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1 SECTION 2. EFFECTIVE DATE.--The effective date of the
2 provisions of this act is July 1, 2021.

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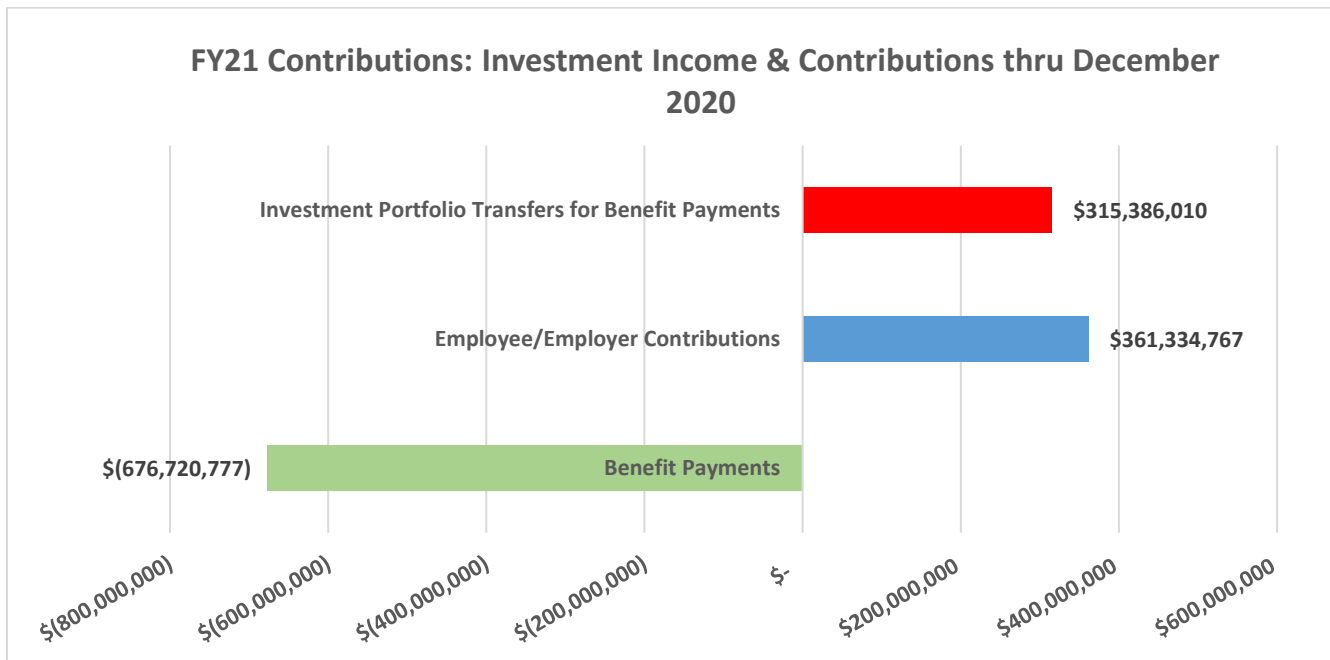
EXECUTIVE DIRECTOR'S REPORT PERA BOARD MEETING – January 28, 2021

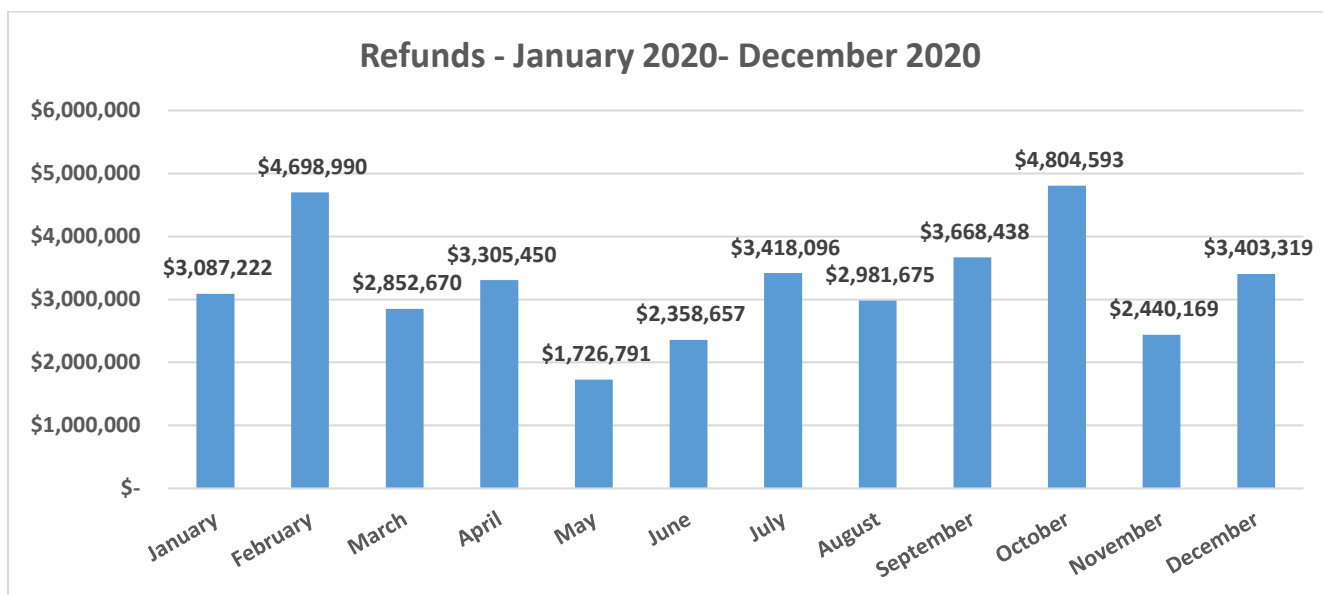


Total Retiree Payroll = \$1,313,702,086

Total Contributions: \$ 699,894,265

**** Due to adjustments to Employer reports contributions amounts are subject to change**





**** Total Refunds Paid during this period was \$38,746,070**

| VACANCY REPORT | | | |
|------------------------------|-----------------|--------------|--------------------------|
| Position | Division | Date Vacated | Status |
| Attorney | Legal Division | 4/30/2019 | On Hold |
| Financial Analyst Advanced | Investments | 6/29/2019 | Pending Reclassification |
| Investment Associate | Investments | 7/1/2019 | On Hold |
| Investment Associate | Investments | 7/1/2019 | On Hold |
| Investment Associate | Investments | 10/16/2020 | On Hold |
| Business Operations Spec – B | Records | 2/2/2020 | Pending Interviews |
| Chief Financial Officer III | ASD | 5/2/2020 | Pending Interview |
| Retirement Specialist II | Member Services | 9/12/2020 | Posted |
| Retirement Specialist I | Member Services | 10/3/2020 | Pending Interviews |

PERA has 87 authorized FTE and currently has 9 vacancies

| ADDITIONS/DEPARTURES/PROMOTIONS | | | |
|---------------------------------|-------------------|----------------------|--------|
| Employee | Position/Division | Date Started/Vacated | Status |
| | | | |
| | | | |

| 2021 AIR TIME PURCHASES | |
|-------------------------------|-------------------|
| Plan Type | January Purchases |
| State Plan 3 | 9 |
| Municipal Plan 2 | 0 |
| Municipal Plan 3 | 1 |
| Municipal Plan 4 | 0 |
| Municipal Detention Plan 1 | 0 |
| Municipal Fire Plan 5 | 2 |
| Municipal Police Plan 4 | 0 |
| Municipal Police Plan 5 | 2 |
| State Police/Corrections Plan | <u>1</u> |
| | |
| | |
| TOTAL: | 15 |
| | |

| 2021 AIR TIME PURCHASES | |
|-------------------------|-------------------|
| No. of Months | January Purchases |
| 1 | 0 |
| 2 | 2 |
| 3 | 1 |
| 4 | 0 |
| 5 | 0 |
| 6 | 2 |
| 7 | 0 |
| 8 | 0 |
| 9 | 0 |
| 10 | 0 |
| 11 | 0 |
| 12 | <u>10</u> |
| TOTAL: | 15 |

| PERA SmartSave Items of Interest – December 2020 | | | |
|--|----------------------------|----------------------|------------------|
| <u>County by Region North - Chris Day</u> | <u>Individual Meetings</u> | <u>Tele-outreach</u> | <u>In Person</u> |
| Colfax | 2 | 7 | |
| San Juan | 4 | 6 | |
| San Miguel | 3 | 4 | |
| Santa Fe | 6 | 13 | |
| Taos | 2 | 5 | |
| | | | |
| <u>County by Region Central - Paul Lium</u> | <u>Individual Meetings</u> | <u>Tele-outreach</u> | <u>In Person</u> |
| Bernalillo | 7 | 62 | |
| De Baca | | 1 | |
| McKinley | | 1 | |
| | | | |
| <u>County by Region South - Linda Miller</u> | <u>Individual Meetings</u> | <u>Tele-outreach</u> | <u>In Person</u> |
| Chaves | | 17 | |
| Dona Ana | | 73 | |
| Eddy | | 11 | |
| Grant | | 3 | |
| Lea | | 2 | |
| Lincoln | | 4 | |
| Luna | | 5 | |
| Otero | | 4 | |
| Sierra | | 3 | |
| Socorro | | 3 | |
| | | | |
| SmartSave Assets as of 12/31/2020 - \$752,580,807 | | | |
| SmartSave Participants as of 12/31/2020 – 23,038 | | | |

| Independent Contracts Reviewed – December 2020 | |
|--|--|
| Entity | # of Contracts Reviewed December 2020 |
| New Mexico Energy, Minerals & Natural Resources Dept | 1 |
| San Miguel County | 1 |
| New Mexico Department of Health | 4 |
| Middle Rio Grande Conservancy District | 1 |
| New Mexico Human Services Department | 1 |
| Office of the Second Judicial District | 1 |
| Eight Judicial District Attorney's Office | 1 |
| New Mexico Legislative Finance Committee | 2 |
| Chaves County | <u>1</u> |
| Total: | 13 |
| <u>Total Contracts Reviewed</u> | 13 |

| 2020 Annual Report of Independent Contracts Reviewed | |
|--|----------------|
| | # of Contracts |
| January 2020 | 10 |
| February 2020 | 11 |
| March 2020 | 9 |
| April 2020 | 14 |
| May 2020 | 24 |
| June 2020 | 65 |
| July 2020 | 17 |
| August 2020 | 7 |
| September 2020 | 11 |
| October 2020 | 8 |
| November 2020 | 7 |
| December 2020 | <u>13</u> |
| <u>TOTAL CONTRACTS REVIEWED IN 2020</u> | 196 |

PERA Fiscal Year 2021 2nd Quarter Budget Projection

| Category | FY21 | | | | | | | |
|----------|------------------|---|-----------------|-----------------------|-------------------------|------------------------------------|------------------------------|--------------------|
| | Beginning Budget | Budget Adjustment Requests/Special Appropriations | Adjusted Budget | Expended Year-To-Date | Encumbered Year-To-Date | Projected Expenditures to Year End | Total Projected Expenditures | Projected Variance |
| 200 | 8,197,800 | 0 | 8,197,800 | 3,835,816 | - | 4,279,254 | 8,115,071 | (82,729) |
| 300 | 26,306,800 | 0 | 26,306,800 | 5,888,739 | 18,612,359 | 313,558 | 24,814,657 | (1,492,143) |
| 400 | 1,718,900 | 0 | 1,718,900 | 983,483 | 485,334 | 494,291 | 1,963,108 | 244,208 |
| Total | 36,223,500 | - | 36,223,500 | 10,708,039 | 19,097,694 | 5,087,104 | 34,892,836 | (1,330,664) |

200 Category – Personnel Services and Employee Benefits

- On December 21, 2020, PERA had 9 vacant positions and an FTE vacancy rate of 10.3 percent.
- PERA's Fiscal Year (FY) 2021 operating budget has a budgeted vacancy rate of 4.1 percent.

300 Category – Contractual Services

- The Contractual Services category includes \$22 million in Investment contracts for consultants and money manager fees.

400 Category – Other

- Includes \$230,000 in Department of Information Technology and General Service Department fees for transportation insurance, state transportation pool charges, property insurance, information processing services, human capital management and telecommunications.

Reversions

- If actual operating expenditures are less than the operating budget revenues, funds not expended will revert to the Trust Fund.
- In the Personal Service and Employee Benefits category for the last four years we reverted the following amounts back to the fund; 2020 - \$536,662, 2019 – \$305,802, 2018 – \$159,304, 2017 – \$178,659.
- Overall PERA revert the following total amounts back to the fund; 2020 - \$6.6 million, 2019 - \$6.1 million, 2018 - \$1.2 million, 2017 - \$10.6 million.



INVESTED IN TOMORROW.

**PERA Board Meeting
January 28, 2021
CONSENT AGENDA**

- 1. Approval of Minutes:** December 8, 2020 and January 12, 2021
- 2. Ratification of Retirements -** Benefits processed through: 12/1/2020 and 1/1/2021
 - a. Normal
 - b. Deferred
 - c. Reciprocity to ERA
 - d. Non-Duty Death
 - e. Non-Duty Disability
 - f. Reciprocity to PERA
- 3. Duty & Non Duty Deaths**
 - a.
- 4. Affidavits for Free Military Service:**
 - a.
- 5. Resolutions**
 - a. Town of Mountainair – Resolution No. 2021-01 Authorizing an Election for Adoption of Municipal Police Member Coverage Plan 4.
- 6. Educational Conferences**
 - a. Francis Page NCPERS Fall Conference; February 2-3, 2021; Virtual Conference; PERA to pay
 - b. Diana Rosales-Ortiz \$300 Registration Fee
- 7. Setting of Meetings: February 2021 Meetings**
 - a. Disability Review Committee February 9, 2021 1:00pm
 - b. Board Meeting February 25, 2021 9:00am

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 505-476-9305 or patriciab.winter@state.nm.us 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
Board Meeting
December 8, 2020

1. This PERA board meeting was held on the date cited above via Zoom tele/videoconferencing. David Roybal, Vice-Chair, called the meeting to order at approximately 12:11 p.m. and adjourned at 1:55 p.m.

2. **Roll Call**

Trish Winter, Executive Assistant, undertook the roll call. Meeting attendance met quorum, with the following members present:

Members Present:

John Melia, Chair – left at 1:00pm
David Roybal, Vice Chair
Claudia Armijo
Lawrence Davis
Paula Fisher
Patty French
Dan Mayfield - left at 12:45pm
Loretta Naranjo Lopez
Steve Neel
Maggie Toulouse Oliver
Tim Eichenberg
Shirley Ragin arrived at 12:19pm – left at 1:00pm

Staff Members Present:

Wayne Propst, Executive Director
Greg Trujillo, Deputy Director
Dominic Garcia, CIO
Kristin Varela, Deputy CIO
Susan Pittard, Chief of Staff/General Counsel
Anna Williams, ASD Director/CFO
Trish Winter, Executive Assistant
LeAnne Ruffy Larranaga, Portfolio Manager
Joaquin Lujan, Portfolio Manager
Karyn Lujan, SmartSave Plan Manager
Frank Mihail, Portfolio Manager
Isaac Beckel, Investment Analyst
Isaac Olayoe, Investment Analyst

Others Present:

Francis Page
Susan Ireland, Datagain

3. **Approval of Agenda**

Ms. French moved Item 5.A.1 and 2 be removed from the agenda, based on the original motion to approve the Executive Director's resolution did not pass. Citing Robert's Rule of Order, Ms. French this action was out of order. On item 5.A.2, for the same reason, Ms. French said this would also be out of order.

Mr. Davis provided additional insight that while it was referred back to the Rules Committee, in his role as the Chairman of the Rules Committee he felt their work was done and the best document was provided to the full Board.

Mr. Davis acknowledged that while some concerns were raised by members at the last Board meeting, he noted a procedure and process to voice concerns prior to the document's completion was allowed by the Rules Committee over a full year, and that no input was offered in that time period. He saw no reason why the document could not be amended as a full board. He further stated that sending it back to the Rules Committee was a waste of time.

Mr. Davis further stated that the Executive Director and staff need the clarification provided by this document to work effectively and therefore it should be amended at the full board and completed. He asserted that due diligence had been completed, and if the matter was deferred or removed from today's agenda, it will further extend the timeline over one year.

Ms. Armijo commented that if the Board is not comfortable removing these agenda's items based on Robert's Rules of Order, that she had another discussion item where she would separately move to remove Agenda Item 5.A.1, the Executive Director Resolution.

Ms. Armijo explained the research she had completed spells out the Executive Director's delegated authority in the New Mexico Administrative Code under Title 2, Chapter 80, Part 1800. Ms. Armijo then questioned why a resolution would be done when such a rule already existed. She further highlighted Chapter 80 Part 200.10, "Except as otherwise provided in the Public Employees Retirement Act and Rules and Regulations periodically adopted in accordance therewith, the Board may provide for its organization, operation and procedures by vote of the Board at any meeting of the Board."

Ms. Armijo stated it was her belief that if a resolution was passed that expands the authority given to the Executive Director, it would be invalid because of the conflict she highlighted and stated it would be an attempt to corrupt PERA processes.

Mr. Roybal expressed his desire to move forward and felt that it would be beneficial to discuss the matter as the entire Board. Mr. Roybal and Ms. French debated the authority of the Chair to place an item on the agenda as per Robert's Rules of Order. Ms. French restated her position.

Mr. Melia commented that it was his job as the Chair to set the Agenda, and that this was the Agenda he set, and that the rules are in place to remove or amend any item, and that the Agenda is set as is.

Ms. Naranjo Lopez commented that the Agenda is set by the Board and highlighted her recommendations for the public comment section, and that it would be beneficial to discuss at the Rules Committee. Ms. Naranjo highlighted her recommendation that the Constitution be followed.

Ms. Naranjo Lopez noted she raised many issues, along with issues with the Executive Director resolution, that can be discussed and dealt with at the Rules Committee that have not been dealt with, and doesn't feel this is the time. Ms. Naranjo Lopez suggested it be sent back to the Rules Committee.

The Chair noted there were no requests for any changes, he closed discussion in the interest of time and called for a voted for Ms. French's motion to remove Items 5.A.1 & 2 from Agenda. Ms. Claudia Armijo seconded.

During the roll call vote, Mr. Davis requested clarification from legal staff on Robert's Rules of Order. Susan Pittard, Chief of Staff/General Counsel, indicated Ms. French was correct in her quotations from Robert's Rules of Order, and provided the opinion that as these were the recommendations of the State Attorney General as well as the State Auditor, the Board might want to consider suspending the rules to have a delegation of authority in place until the Board undertakes a public administrative rulemaking that the Board wants to undertake.

Ms. French requested clarification from Ms. Pittard on suspending the rules, requesting staff indicate where in Robert's Rules of Order suspending the rules is allowed. Ms. French emphasized how Ms. Pittard had said she was correct with her previous remarks.

Ms. Pittard then provided the citation in Robert's Rules of Order Pages 260-267, and indicated that the Board had done that in the past, specifically when taking a vote about changing the nominating procedure.

Ms. French requested more information from legal staff. Ms. Winters attempted to finish the roll call vote at the direction of the Chair. Ms. French wanted clarification before voting on when in the past the rules had been suspended. Ms. French then again noted that Ms. Pittard had stated that she was correct, and again voiced her concerns about violating Robert's Rules of Order.

Ms. Pittard commented that she did not feel Ms. French was correctly characterizing her remarks. Ms. Pittard stated that the minutes reflect that the proposed public comment policy be referred back to the Rules and Administration Committee. Further, if a motion 'fails' or is defeated, a motion to rescind may be made used to reconsider the previous action. This is in contrast to a motion for reconsideration, which can only happen at the same meeting as when the prior action was taken.

Ms. Naranjo Lopez stated that on page 260, under Suspend the Rules, Section 25, "When Assembly wishes to do something during a meeting, that it cannot do without violating one or more of its regular rules, it can adopt a motion to suspend the rules interfering with the proposed action, provided that the proposal is not in conflict with the organization's bylaws or constitution with local state or national law prescribing procedural rules applicable to the organization or assembly, or with the fundamental principal of Parliamentary law." Ms. Naranjo Lopez then stated her belief that the rules can't be suspended. Ms. Pittard disagreed with Ms. Naranjo Lopez's interpretation.

Ms. Pittard, at the request of the Chair, provided clarification related to the duties of the Executive Director, noting NMAC 2.80 1800.8(c). Ms. Pittard stated the resolution before the board is a proper delegation of substantive functions of the Executive Director. Ms. Pittard noted a long-term goal of the Board could be to codify the Executive Director's authority in administrative regulation and have a public hearing so there clarity as to what the Executive Director can and cannot do, but until that time, the Board may pass a resolution giving specific authority to the Board by proper delegation.

Ms. Naranjo Lopez again put forward her previously stated position and requested a response in writing, noting previous requests she had made to have something put in writing had been ignored.

The Chair requested Ms. Winter continue with the recorded vote of the motion.

The motion passed by a roll call vote as follows:

| | |
|------------------------|----------------|
| John Melia | No |
| David Roybal | No |
| Claudia Armijo | Yes |
| Lawrence Davis | No |
| Paula Fisher | Yes (via chat) |
| Patty French | Yes |
| Loretta Naranjo Lopez | No |
| Steve Neel | No |
| Shirley Ragin | No |
| Maggie Toulouse Oliver | Yes |
| Tim Eichenberg | Yes |

Madam Secretary stated her agreement with those who voted no and that it was unclear to her whether this was the same resolution that failed originally, and would like to see the Rules Committee review this resolution to see what changes can be made to make it a fresh resolution and to bring it back as soon as possible in the new year to clarify those duties moving forward.

Ms. Claudio Armijo moved to approve the Agenda, as amended. Ms. Loretta Naranjo Lopez seconded. The motion passed by a roll call vote as follows:

| | |
|----------------|-----|
| John Melia | Yes |
| David Roybal | Yes |
| Claudia Armijo | Yes |
| Lawrence Davis | Yes |

| | |
|------------------------|----------------|
| Paula Fisher | Yes (via chat) |
| Patty French | Yes |
| Loretta Naranjo Lopez | Yes |
| Shirley Ragin | Yes |
| Steve Neel | Yes |
| Maggie Toulouse Oliver | Yes |
| Tim Eichenberg | Yes |

4. Approval of Consent Agenda

Ms. Naranjo Lopez removed Item 1 from the consent agenda (November 2020 minutes). Ms. Patty French moved to approve the amended Consent Agenda, second by Claudia Armijo. The amended Consent Agenda was approved by a roll call vote as follows:

| | |
|------------------------|----------------|
| John Melia | Yes |
| David Roybal | Yes |
| Claudia Armijo | Yes |
| Lawrence Davis | Yes |
| Paula Fisher | Yes (via chat) |
| Patty French | Yes |
| Loretta Naranjo Lopez | Yes |
| Shirley Ragin | Yes |
| Steve Neel | Yes |
| Maggie Toulouse Oliver | Yes |
| Tim Eichenberg | Yes |

6. Unfinished Business

A. Items Removed From Consent Agenda if Necessary

Ms. Naranjo Lopez wanted to note that she had voted no on the Consent Agenda for the minutes for the previous month. Ms. Naranjo Lopez further noted that her whistleblower statement was attached to the record, but would like the entire seven paragraphs included in the minutes. Ms. Naranjo Lopez further clarified the minutes are typically abbreviated, and that last time it was verbatim, so her whistleblower statement should be included. Ms. Naranjo Lopez then suggested that it be taken to the Rules Committee to be clear on what needs to be followed regarding the minutes.

Ms. Naranjo Lopez also highlighted a request she made on Page 15 in previous meetings' minutes, noting she did not receive an average of what each Board member does for education and training, including publications. Ms. Naranjo Lopez wanted it to be clear in the minutes that for Board education training, in order that staff doesn't have leverage over the Board and the appearance of quid pro quo, Ms. Naranjo Lopez put \$10,000. Ms. Naranjo Lopez stated she was not sure what the average is.

Ms. Naranjo Lopez requested that the Rules Committee, as part of looking at Board education and training, that an average be given.

Members expressed confusion over Ms. Naranjo Lopez's request. Ms. French stated that the minutes are not verbatim. Ms. French requested Ms. Naranjo Lopez correct any inaccurate statements so they can be corrected. Ms. Naranjo Lopez requested seven paragraphs be added to the minutes, and stated she found the minutes to not be clear at all and that there was no balance.

Ms. Naranjo Lopez requested that in the minutes on Page 14, where it said "Ms. Naranjo Lopez said she would like to amend Item 7(a)" so that it includes the words "education, training and subscriptions".

Ms. Patty French moved the Approval of November 2020 minutes with the stated clarifications on Page 14, subscriptions and that Ms. Naranjo Lopez's statement remain an attachment at this time, to be addressed by

the Rules Committee at the next meeting. Ms. French further stated that she thought the new vendor did a great job. The motion was seconded by Ms. Claudia Armijo. The motion passed by a roll call vote as follows:

| | |
|------------------------|----------------|
| David Roybal | Yes |
| Claudia Armijo | Yes |
| Lawrence Davis | Yes |
| Paula Fisher | Yes (via chat) |
| Patty French | Yes |
| Loretta Naranjo Lopez | Yes |
| Steve Neel | Yes |
| Maggie Toulouse Oliver | Yes |
| Tim Eichenberg | Yes |

7. New Business

Ms. French moved to recess into Executive Session, seconded by Mr. Davis. The motion passed by a roll call vote as follows and the Board recessed into Executive Session from 1:00 p.m. to 1:30 p.m.:

| | |
|------------------------|-----|
| David Roybal | Yes |
| Claudia Armijo | Yes |
| Lawrence Davis | Yes |
| Paula Fisher | Yes |
| Patty French | Yes |
| Loretta Naranjo Lopez | Yes |
| Steve Neel | Yes |
| Maggie Toulouse Oliver | Yes |
| Tim Eichenberg | Yes |

Trish Winter, Executive Assistant, undertook the roll call to resume the Board meeting. Meeting attendance met quorum, with the following members present:

Members Present:

David Roybal, Vice Chair
Claudia Armijo
Lawrence Davis
Paula Fisher
Patty French
Loretta Naranjo Lopez
Steve Neel
Maggie Toulouse Oliver
Tim Eichenberg

A.1: Administrative Appeal Final Decision

Mr. Lawrence Davis moved that on the matter of the Appeal of Miguel A. Tavarez, PERA ID 137627, the Board rejects the hearing officer's recommended findings of fact and conclusions of law, denies the hearing officer's recommended decision, and would remand the matter to the hearing officer for further proceedings and the taking of further evidence. The motion was seconded by Ms. Claudia Armijo. The motion passed by a roll call vote as follows:

| | |
|-----------------------|-----|
| David Roybal | Yes |
| Claudia Armijo | Yes |
| Lawrence Davis | Yes |
| Paula Fisher | Yes |
| Patty French | Yes |
| Loretta Naranjo Lopez | Yes |
| Steve Neel | Yes |

| | |
|------------------------|-----|
| Maggie Toulouse Oliver | Yes |
| Tim Eichenberg | Yes |

B.1: Executive Director's Report

Mr. Wayne Propst, Executive Director wished everyone Happy Holidays and safe travels, and looks forward to seeing everyone in January.

Ms. Naranjo Lopez asked the Executive Director if he was involved in the legislation that looks to change the makeup of the Board to be appointed. Mr. Propst responded that he was not aware of any legislation to change the makeup of the Board. Ms. Naranjo Lopez indicated changes for the Board to be appointed by the Board, and repeated her question to Mr. Propst. Mr. Propst repeated his initial response.

Ms. French requested Mr. Propst send condolences on behalf of the staff and the Board to acknowledge the recent passing of Dr. DeWitt. Mr. Propst indicated he would handle that request. Mr. Eichenberg suggested an honorary tree planting. Mr. Propst indicated he would get that done. All members of the Board expressed agreement.

Mr. Davis thanked Mr. Propst and his staff for his hard work, and extended holiday greetings. This sentiment was echoed by all board members.

The Chair acknowledged and recognized Members French, Armijo and Mayfield for their years of service and hard work to the Board. This sentiment was echoed by all board members.

Members French and Armijo thanked their fellow members for their cooperation and fellowship over the years.

Thanks were expressed to all staff at PERA for their hard work.

7. Adjournment

Having completed the Agenda and with no further business to come before the Board, Chair Roybal declared the meeting adjourned.

Approved by:

David Roybal
Vice-Chair, PERA Board

ATTEST:

Wayne Propst, Executive Director

Exhibits attached

NEW MEXICO
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION
Board Meeting
January 12, 2020

1. This PERA board meeting was held on the date cited above via Zoom tele/videoconferencing. John Melia, Chair, called the meeting to order at approximately 9:00 a.m. and adjourned at 11:25 a.m.

2. **Pledge of Allegiance**

Lawrence Davis led the Pledge of Allegiance.

3. **Roll Call**

Trish Winter, Executive Assistant, undertook the roll call. Meeting attendance met quorum, with the following members present:

Members Present:

John Melia, Chair
David Roybal, Vice Chair
Paula Fisher
Steve Neel
Lawrence Davis
Roberto Ramirez
Loretta Naranjo Lopez
Francis Page
Maggie Toulouse Oliver
Tim Eichenberg (Left meeting at 11:30)
Diana Rosales Ortiz was sworn in at 9:35am

Staff Members Present:

Wayne Propst, ED
Greg Trujillo, Deputy
Susan Pittard, General Counsel
Trish Winter, Executive Assistant
Misty Schoeppner, Deputy General Counsel
Anna Williams, ASD Director/CFO
Dominic Garcia, CIO
Kristin Varela, Deputy CIO
Geraldine Gardunno, Legal
LeAnne Larranaga Ruffy, Investments
Joaquin Lujan, Investments
Karyn Lujan, SmartSave Plan Manager
Frank Mihail, Investments

Others Present:

Tom Toth, Wilshire Consulting
Ernie Marquez, AES

4. **Approval of Agenda**

Mr. David Roybal moved to remove items 5.B.1 & 2, as the new Board members were sworn in prior to the meeting. Ms. Toulouse Oliver seconded the motion. The motion to amend the agenda passed by a roll call vote as follows:

| | |
|------------------------|-----|
| John Melia | Yes |
| David Roybal | Yes |
| Paula Fisher | Yes |
| Steve Neel | Yes |
| Lawrence Davis | Yes |
| Roberto Ramirez | Yes |
| Loretta Naranjo Lopez | Yes |
| Francis Page | Yes |
| Maggie Toulouse Oliver | Yes |
| Tim Eichenberg | Yes |

Mr. David Roybal moved to approve the Agenda, as amended. Ms. Toulouse Oliver seconded. The motion passed by a roll call vote as follows:

| | |
|------------------------|-----|
| John Melia | Yes |
| David Roybal | Yes |
| Paula Fisher | Yes |
| Steve Neel | Yes |
| Lawrence Davis | Yes |
| Roberto Ramirez | Yes |
| Loretta Naranjo Lopez | Yes |
| Francis Page | Yes |
| Maggie Toulouse Oliver | Yes |
| Tim Eichenberg | Yes |

5. New Business

A. 2020 Board Election - State Position

1. Final Election Report by Automated Election Services and Certification of State Election

Mr. Ernie Marquez, AES, presented the report by Automated Election Services on the Certification of State Election. For the 2020 State Board Position, there were a total of 32,548 mailed ballots issued. Out of the 32,548 there was a total of about 9.51% returned ballots, or 3,094. Of the 3,094 ballots received, 3,054 were tallied through the vote tabulator; nine ballots were rejected by the tabulator for various reasons: torn, cut or over-voted and under-voted, whatever the case may be. Of the nine rejected by the tabulator, eight were successfully hand-tallied.

Also, there was a total of 20 unsigned mail ballots, which is 0.09% of all returned mail ballots. The signature was implemented for the last municipal and retiree, and now for the state. The ones that failed to sign were really low.

The official results of the 2020 PERA were as follows: there were 1,925 machine-counted ballots and three hand-counted ballots for Diana Rosales Ortiz for a total of 1,928 total votes, or 62.97% of the votes cast.

For Renada Peery-Galon, there were 1,129 machine-counted ballots, five hand-tallied for a total of 1,134 or 37.03% of votes.

The original ballots are retained and secured, along with the envelopes, for the period required by law. With canvases completed today, all reports from both elections, Municipal Retiree and for the State elections for the State position to the officials of the PERA office. They will be delivered there so the results and copy of the report sent during the regular election.

Ms. Loretta Naranjo Lopez moved to accept and certify the results of the State election to declare Ms. Diana Rosales Ortiz the winner of the State election, seconded by Tim Eichenberg. The motion was approved by a roll call vote as follows:

| | |
|------------------------|-----|
| John Melia | Yes |
| David Roybal | Yes |
| Paula Fisher | Yes |
| Steve Neel | Yes |
| Lawrence Davis | Yes |
| Roberto Ramirez | Yes |
| Loretta Naranjo Lopez | Yes |
| Francis Page | Yes |
| Maggie Toulouse Oliver | Yes |
| Tim Eichenberg | Yes |

B. Oath of Office for Newly Elected Board Members

Ms. Maggie Toulouse Oliver administered the oath of office for Ms. Diana Rosales Ortiz.

C. Nomination of 20201 Board Officers

The Chair opened the floor to nominations. Mr. Lawrence Davis nominated Mr. David Roybal for the position of Board Chairperson. Ms. Loretta Naranjo Lopez nominated herself for the position of Board Chairperson. Francis Page nominated Paula Fisher.

Mr. Roybal accepted the nomination and stated his biggest goal would ensure the decorum and respect of the Board, respect between members as well as respect of goals and policies and procedures be maintained. Mr. Roybal stated another goal would be that the Board is a functioning board in getting items accomplished by working together, showing respect for each other and valuing each other's opinions. Additionally, a large goal is working with every single board member and developing a strategic plan and a vision for what we want to accomplish in 2021 with only meeting 12 times a year. This requires hard work and communication on the plan and vision. Mr. Roybal also highlighted the strategic asset allocation being very important to the strategic plan overall and the responsibility to be trustees and judiciaries of this Board and this trust for all members, which goes with the respect and strong, effective communication with each other.

Ms. Loretta Naranjo Lopez accepted the nomination and highlighted her 15 years of service on the PERA Board, having recently received the most votes in state history on a platform of transparency and accountability, representing retirees and fulfilling fiduciary duties for all PERA members, not just retirees. Ms. Naranjo Lopez's stated her goal for 2021 for PERA is to continue investing time, up to 20 hours a week, with a main focus on improving investment oversight controls, adding PERA loses up to \$100 million a month, and she feels it can do better.

Ms. Naranjo Lopez stated in 2016 she had expressed concerns to much was being allocated to bonds as rates were low and expected returns were below PERA's 7.25% target investment rate, where she felt the change should be made to private equities with an expected ROR of 19%. Ms. Naranjo Lopez stated staff does no better than a coin toss when selecting investment managers, as performance consistently falls short of the 7.25% hurdle rate in all markets up and down, calm or volatile. Out of more than 200 managers, only about half meet the hurdle rate net of fees. As Chair that would be carefully examined.

Ms. Paula Fisher accepted the nomination and stated that in a leadership role, a priority would be to develop and maintain a positive Board culture of trust and respect by keeping the meeting on task and on schedule by sticking to the agenda and staying on topic. Ms. Fisher highlighted the importance of teamwork, and would strive to meet fiduciary responsibilities in a positive manner with more collaboration and a willingness to work with one another for a positive outcome. Ms. Fisher stated a goal of ensuring all Board members feel appreciated for their hard work and look forward to meetings, working together as a group, not as an individual.

The Chair thanked the Members for accepting the nominations and indicated the vote would occur at the end of the month, and nominations from the floor can continue should any other Members wish to run.

The Chair opened the floor for nominations for the Vice Chair position. Mr. Steve Neel nominated Lawrence Davis for Vice Chair. Ms. Paula Fisher nominated Mr. Francis Page for Vice Chair.

Mr. Davis accepted the nomination for Vice Chair, and stressed the importance of board functionality and the importance of supporting the Chair. Mr. Davis stated the distraction of infighting between Members and that it takes focus away from the main goal of making sure the fund is operating at its best, as well as investment concerns, and the focus should be on discharging fiduciary duties and paying attention to the underperformance of investments, having not hit anywhere close to a 7.25% return.

Mr. Page accepted the nomination for Vice Chair, and highlighted his experience in supporting the Chair, and stated his main goal to ensure the fund is strong, safe and making money. He expressed the infighting of the Board Members has voided the confidence of the membership, and the needs of the membership must be met top to bottom.

D. Approval of 2021 Resolutions

1. Resolution No. 21-01 Open Meetings Resolution

Ms. Susan Pittard, General Counsel, explained that every year the Board is required to pass an Open Meetings Act resolution, which is resolution 21-01. The resolution provides for how notice will be made to the membership and the general public regarding Board meetings. Two substantive changes to the Open Meetings Act resolution from prior years were:

- A clarification regarding if there are any kind of delays in opening State Government that we will start the meeting alongside when State offices open.
- Regarding virtual meetings in the case of emergencies, such as the existence of public health emergency, to notify the public how virtual meetings will be conducted.

Ms. Pittard noted an error regarding the PERA website in Paragraph 4 of this resolution, so asked that the Board approve this resolution with that noted, and it will be corrected before posting.

The Chair called for questions. Hearing none, Mr. Francis Page moved to approve Resolution 21-01, seconded by Mr. Steve Neel. The motion passed with unanimous consent via a roll call vote with no discussion.

2. Resolution No. 21-02 Regarding Authorization to Act on Behalf of PERA to Transact Investment Business Required

Ms. Susan Pittard, General Counsel, explained Resolution 21-02 is the annual authorization for certain investment staff to transact business on behalf of the Association and the Fund. Specifically, it delegates to the Chief Investment Officer Dominic Garcia, Deputy Chief Investment Officer Kristin Varela, and Executive Director Wayne Propst, the ability to transact business on behalf of the Fund and the Association. This is an outward-facing resolution that we provide externally to accomplish certain transactions such as wire transfers and custody bank fund transfers.

Ms. Naranjo Lopez requested an amendment to Resolution 20-02 as follows:

The New Mexico PERA Executive Director, Chief Investment Officer and Deputy Chief Investment Officer, all three, will provide detailed reports quarterly to the full New Mexico PERA board on:

Asset and Investment Managers that did not achieve New Mexico PERA's 7.25% target analyzed investment rate of return in the most recent calendar quarter, net of fees, lower return managers as well as fee, asset and investment managers that achieved more

than 10% annualized investment rates of return in the most recent calendar quarter net of fees, high return managers to enable the New Mexico PERA board to oversee investment risk at the low and high return ends of the investment return spectrum until New Mexico PERA fully eliminates its \$6 billion funding gap.

The Investment Committee at the New Mexico PERA Board may communicate directly with any low or high return manager, with or without New Mexico PERA staff present, at the Investment Committee's sole discretion, provided that the Investment Committee supply the full Board with a fair summary of such communications each calendar quarter.

Any individual New Mexico PERA Board members may directly or indirectly contact a low or high return manager not included on the Investment Committee's quarterly summary of manager communications to the Board, with or without New Mexico PERA staff present, in the Board member's sole discretion, provided that New Mexico PERA Board members supply the Investment Committee with a fair summary of such communications each calendar quarter.

She then stated she wanted to state that quarterly investment performance reports to New Mexico PERA Board should show progress in how staff plans to invest so New Mexico PERA can start shrinking its \$6 billion unfunded liability. Ms. Naranjo Lopez questioned what the unfunded liability today is compared to the end of the session last year 2020, and what were the losses last year in the total New Mexico PERA Fund. She further stated that the 2020 end-of-year investment report showed that staff manager's selection skill was statistically no better than a coin toss. She also asserted improving manager selection could start with training and evaluation, as summarized to the Board quarterly.

The Chair called for a second to the motion. With no second, the motion failed. The Chair called for further discussion or questions on Resolution 21-02.

Mr. Page stated such a motion is unnecessary because as long as staff stay on top of things and with technology, the Board can be aware.

Mr. Lawrence Davis moved to approve Resolution 21-02 as written, seconded by Mr. Steve Neel.

Ms. Fisher commented that if there is an urgent need to speak to the CIO or Executive Director or Deputy CIO, the Board should be involved in that and has the ability to communicate with whoever was available via Zoom, because it's not just a one-person decision. Ms. Fisher stated it was important the Board Members or the Chair help in this decision making, not just one person party, so ask that it be amended.

Ms. Susan Pittard, General Counsel, noted this was intended to be an external document to be provided to managers who require authorization to enter into contracts or a private equity transaction and such. It's nothing more than that. Ms. Pittard stated this has historically been done for the last 20 years at PERA. Often investment managers will request the authorization of the Executive Director or the CIO to sign a contract or be admitted to a private equity fund.

Ms. Kristin Varela, Deputy CIO stated it was an operational document that in no way amends the IPS or the authority that's been delegated to staff in terms of implementation, but it is required in order to keep normal course of business. There are many accounts that needs to be managed that occur at the custody bank level. This document helps transact on behalf of those accounts, and that can be anywhere from cash movements to text documents to global account opening documents. It is a necessary feature for conducting business day to day and has less to do with execution authority that's been granted through the Investment Policy Statement and is more associated with just the day-to-day operational and administrative management of the fund.

Mr. Lawrence Davis asked for CEO Dominic Garcia's thoughts on the impact of approving or not approving Resolution 21-02. Mr. Garcia indicated it is a very basic resolution that PERA has done for a decade or more, indicating it was just for basic transactions to move money, to pay benefits, to raise cash every month done with normal operations.

The Chair indicated Member Naranjo Lopez made a motion to amend, which did not pass. The Chair further indicated that Member Naranjo Lopez requested that the CEO specifically and investment staff provided to her quarterly reports, and indicated they seemed informative and valuable for Ms. Naranjo Lopez, and requested Mr. Garcia speak with her after the meeting to provide that information for her as it was of interest. Mr. Garcia agreed.

The Chair called for a roll call vote to approve Resolution 21-02. The motion was approved by a roll call vote as follows:

| | |
|------------------------|-----|
| John Melia | Yes |
| David Roybal | Yes |
| Paula Fisher | Yes |
| Steve Neel | Yes |
| Diana Rosales-Ortiz | Yes |
| Lawrence Davis | Yes |
| Roberto Ramirez | Yes |
| Loretta Naranjo Lopez | No |
| Francis Page | No |
| Maggie Toulouse Oliver | Yes |
| Tim Eichenberg | Yes |

3. Resolution No. 21-03 Setting Annual Meeting

Ms. Susan Pittard, General Counsel, explained Resolution 21-03 sets the annual meeting of the membership which is a statutory requirement for the PERA Board. Traditionally, the meeting is held in September, which allows for certification of the election results. This year's meeting is set for Thursday, September 30, 2021.

The Chair asked if the meeting had been moved to accommodate Treasurer Eichenberg's schedule because of a conflicting appointment he has every September. Ms. Pittard noted that it was done last year because it fell on the fourth Thursday of the month, on which Treasurer Eichenberg has a standing conflict with. September 30, 2021 is the fifth Thursday of the month. Treasurer Eichenberg confirmed this and moved to approve the annual meeting date of September 30, 2021, seconded by Member Naranjo Lopez. The motion was approved by a roll call vote as follows:

| | |
|------------------------|-----|
| John Melia | Yes |
| David Roybal | Yes |
| Paula Fisher | Yes |
| Steve Neel | Yes |
| Diana Rosales-Ortiz | Yes |
| Lawrence Davis | Yes |
| Roberto Ramirez | Yes |
| Loretta Naranjo Lopez | Yes |
| Francis Page | Yes |
| Maggie Toulouse Oliver | Yes |
| Tim Eichenberg | Yes |

4. Resolution No. 21-04 Calling for Nominations of State and Municipal Member Positions for a Four-Year Term

Ms. Susan Pittard, General Counsel, explained Resolution 21-04 calls for nominations for one State Member for a four-year term and one Municipal Member for a four-year term. The nominating petitions are set to be received on or before April 12, 2021 and the election will be certified at the annual meeting, which will be held on September 30th.

Diana Rosales-Ortiz requested an amendment as the motion currently reads nominating petitions with original signatures must be received by Automated Election Services to be counted. Her proposal was that during this pandemic environment Automated Election Services may accept email signatures for nominations for a State candidate as long as the email address is an official State email address. With this method, only one petition signature per official email address is accepted.

Ms. Susan Pittard clarified that the amendment would allow for electronic signatures on nominating petitions, with a limitation of one signature per email address. Ms. Rosales-Ortiz confirmed that this would be helpful given the difficulties in getting physical signatures during the pandemic, while filling out the same form but submitting it via email.

Ms. Naranjo Lopez commented that it was important to be up on the technology so that people can fill out the nominating petition online, making it easier for all.

Ms. Toulouse Oliver indicated her support for the concept, and suggested that rather than prescribing the exact method, to give the appropriate committee the opportunity to set forth a process and develop a procedure, rather than trying to do it on the fly in the first Board meeting of the year, as there may be other options. She asked the resolution be amended to accept electronic petition signatures, then assign the appropriate committee for the next committee meeting to sketch out a process, as there was enough time with three board meetings before April to adopt that procedure. Ms. Toulouse Oliver expressed hesitation to making changes to a procedure on the fly and asked Ms. Pittard if there was anything in the Board bylaws or Statute that would prevent PERA from going ahead and amending this resolution to be able to accept electronic petition signatures.

Ms. Pittard indicated the administrative regulations require signed nomination petitions and indicated this would be interpreting those administrative regulations differently than had historically been done if electronic nominating petitions were accepted as signed nominating petitions. Ms. Pittard recommended a formal rulemaking process to amend the election procedures to explicitly allow electronic signatures. Ms. Pittard indicated hesitation with getting this done before April, as a delay in the filing of the acceptance of this resolution would cut off two weeks of gathering of signatures if it cannot be done.

Ms. Toulouse Oliver suggested with consensus of the Board, rather than amending this document, to deal with this in rulemaking and in procedure that comports with administrative procedures and personally committed to helping shepherd the amendment along to get it done and indicated her full support with that approach.

Ms. Naranjo Lopez commented that a direction be to get the IT to put it online and also look at a special committee meeting to make that change and have it ready for the end of the month, given the pandemic.

Mr. Page's comments were not fully captured because of audio difficulties with the Zoom meeting. The Chair supported the spirit of the amendment and changes proposed by Ms. Toulouse Oliver and asked Ms. Rosales-Ortiz how she would like to proceed. Ms. Rosales-Ortiz indicated she would like to follow the recommendations of Ms. Toulouse and withdrew her amendment. Ms. Naranjo Lopez withdrew her second.

The Chair called for a motion to adopt Resolution 21-04, Calling for Nominations of State and Municipal Member Positions for a Four-Year Term, as is. Ms. Toulouse Oliver moved, seconded by Lawrence Davis. The motion was approved as follows:

| | |
|-----------------------|-------------|
| John Melia | Yes |
| David Roybal | Yes |
| Paula Fisher | no response |
| Steve Neel | Yes |
| Diana Rosales-Ortiz | Yes |
| Lawrence Davis | Yes |
| Roberto Ramirez | Yes |
| Loretta Naranjo Lopez | Yes |

| | |
|------------------------|-----|
| Francis Page | Yes |
| Maggie Toulouse Oliver | Yes |
| Tim Eichenberg | Yes |

5. Resolution No. 21-05 Concerning Board Policy on Legislation

Ms. Susan Pittard, General Counsel, outlined annually the Board adopts a resolution regarding legislation which authorizes the Board Chair, the Legislative Committee Chair and the Executive Director or designees to testify before the Legislature regarding PERA-related legislation. Generally, takes action on actual benefit-related legislation. Generally, the Executive Director provides weekly updates to the Board via email during the course of the Legislative session and updates at regular board meetings.

Ms. Loretta Naranjo Lopez had a motion to amend for Resolution 21-05 as follows:

The New Mexico PERA Chair, Executive Director, Legislative Counsel and any lobbyists will require formal Board preauthorization by duly authorized New Mexico PERA Board resolution to directly or indirectly introduce or lobby for or against any legislation, introducing legislation or lobbying without formal New Mexico PERA Board preauthorization. By duly enacted Board resolution shall be cause for discipline up to and including termination of employment by or for New Mexico PERA, and reduction or loss of benefits, including New Mexico PERA pension.

The circumstances that require a rapid response without a duly authorized Board resolution described herein shall be those to which New Mexico PERA staff, Legislative Counsel and lobbyists had no prior knowledge and are introduced less than 72 hours before Legislative vote on the proposed legislation, or less than 72 hours if Board policies and procedures permit less minimum time required to call a special meeting of the New Mexico PERA Board.

Ms. Naranjo Lopez commented that the next Legislative session is scheduled to begin January 19th. All legislation will be submitted by that time and the Board meets on January 28. If there is anything to approve or change, Ms. Naranjo asserted the Board will have plenty of time to review.

Ms. Naranjo Lopez also questioned if there was any legislation that was submitted last week that lobbyists needed to report to us that needed attention and questioned why it was not on the agenda today to discuss the Board's direction and recommendations.

Mr. David Roybal indicated the last day to introduce legislation goes all the way up to February 18th, as an information item for the Board.

Ms. Susan Pittard, General Counsel, indicated the Executive Director was planning on giving a legislative update on the next item to provide a preview of any pre-filed legislation and anything else that he is aware of that is going to be introduced. Normally, the lobbyist has not appeared in front of the board. If that is the desire of the Board, that is the Board prerogative however, the Board has not taken any positions on legislation to date. Until that takes place, Ms. Pittard indicated such an appearance would be premature.

The Chair indicated before the session starts, all legislation that does impact PERA is brought forward and the Board votes on whether we're going to endorse it, reject it or just remain neutral on it. After that, that's when lobbyists and the Executive Director take their direction based upon those votes.

Ms. Loretta Naranjo Lopez indicated in the past lobbyists always come and speak on the Legislative session at the beginning, and expressed her concern that is not happening. With the resolution, Ms. Naranjo expressed concern it was giving rights away as a Board to make those decisions on what should be passed or not passed and requested a second to her amendment. Ms. Paula Fisher seconded with a friendly amendment with the removal of termination. Ms. Naranjo Lopez accepted this change.

Ms. Pittard made the Board aware of the potential for the Board not having any input on legislation that happens quickly. That's the Board's prerogative, but there could become a situation where there is not enough time for an actual Board meeting, especially toward the end of the session, and the Board may not have input on legislation that affects its members. Ms. Naranjo Lopez disagreed with this scenario.

Mr. Page expressed he would be voting against the resolution. Mr. Roybal expressed confusion as to what was actually included in the amendment and expressed concern with termination and being stripped of PERA retirement would be unconstitutional and sought clarity on the amendment proposed. Ms. Naranjo Lopez restated her amendment.

Ms. Pittard requested clarification on the reference to Legislative Counsel as she didn't know what Ms. Naranjo Lopez was referring to. Ms. Naranjo Lopez indicated she meant Legislative Committee Chair as the wording on the Resolution.

Mr. Neel questioned what definition Ms. Naranjo Lopez was using for lobbying. Ms. Naranjo Lopez indicated it was lobbyists that will lobby for our recommendations, or other people that have recommended anything that we feel hasn't been analyzed by the Board and restated that everything that goes through should be presented to the PERA Board and a report should be done, such as if the police want an increase in their benefits. The fiscal impact analysis need to be brought to the board to check if the Board is in favor of this benefit and if it can be afforded. Ms. Naranjo Lopez further stated she would not want the Chair and the Executive Director speaking for the Board and indicated a check and balance was required.

Mr. Neel indicated that having worked at the Legislature for five years as a fiscal economist, legislation oftentimes moves very, very quickly and PERA doesn't have the liberty of querying the entire Board with the logistics of calling the Board into session, public meeting requirements, etc. Mr. Neel indicated the Chairperson and Executive Director keep the Board in the loop as readily as possible.

The Chair indicated that his experience in the last session was that any bill concerning PERA was brought to the PERA Board. The Board took a position which gave the Board Chair, the Legislative Committee Chair, the Executive Director and lobbyists marching orders, and the orders were very clear. At the session the Board Chair, the Legislative Chair, the lobbyist, and required staff were at the Roundhouse daily and doing exactly the wishes of the Board.

The Chair further stated some Board members were up there on their own lobbying against the position that the Board had voted on. The Chair expressed his concern was more with Board members lobbying against positions that the Board had already voted on than the designees in the resolution breaking from what the Board's wishes were. The Chair indicated that if any fiduciary for PERA were to take actions or lobby in a way that was counterproductive to the oath that they took or that hurt PERA, there are disciplinary ramifications for that. The Chair indicated it was important to pass the resolution as initially presented.

Ms. Naranjo Lopez outlined the efforts of her outside community work with the Legislature and restated the key points of her amendment and made the correction that it is the Executive Director, Legislative Committee Chair and any lobbyist. Ms. Naranjo Lopez further stated her disagreement with the Chair.

Mr. Davis disagreed with Ms. Naranjo Lopez's characterization of the pace at which legislation proceeds at the Legislative level and stated the reason behind this policy is that PERA trusts the Executive Director, trusts the Board Chair.

The Chair called for a roll call vote on the amendment to Resolution 21-05. The amendment was defeated 5-4 as follows:

| | |
|------------------------|---------|
| John Melia | No |
| David Roybal | No |
| Paula Fisher | Yes |
| Steve Neel | No |
| Diana Rosales-Ortiz | Yes |
| Lawrence Davis | No |
| Roberto Ramirez | Yes |
| Loretta Naranjo Lopez | Yes |
| Francis Page | Abstain |
| Maggie Toulouse Oliver | No |

Mr. Neel explained his vote as being because the amendment was logistically very difficult.

Mr. Lawrence Davis moved to approve Resolution 21-05 as is. Mr. Steve Neel seconded. The motion fails 5-5 via roll call vote as follows:

| | |
|------------------------|-----|
| John Melia | Yes |
| David Roybal | Yes |
| Paula Fisher | No |
| Steve Neel | Yes |
| Diana Rosales-Ortiz | No |
| Lawrence Davis | Yes |
| Roberto Ramirez | No |
| Loretta Naranjo Lopez | No |
| Francis Page | No |
| Maggie Toulouse Oliver | Yes |

Ms. Maggie Toulouse Oliver indicated she knew members voted no because the amendment did not pass, but indicated by voting no on the resolution, there was now no authorization for representation before the Legislature on behalf of the board, and asked if any of the no votes would reconsider.

Ms. Naranjo Lopez restated her position and further explained her community group doesn't have a lobbyist so it was her group's responsibility to willingly do it on a volunteer basis. She also indicated PERA has somebody watching for us on every deal that needs to be looked at and that the decision should be made by the Board, not one person and restated that there was plenty of time to look at everything.

Ms. Maggie Toulouse Oliver indicated her agreement in principle with many of Ms. Naranjo Lopez's comments and indicated that those who lobby on behalf of PERA don't ever represent positions that the Board hasn't already taken. If something were to come up in the Legislature pertaining to a bill that PERA is concerned with that isn't something already agreed to, they're not going to represent a position of the Board. They may provide a technical comment or whether things are feasible or workable or how, but they're not going to represent a Board position. The point of having representation from the Board in front of the Legislature is that they are hearing directly from the Board and not just from lobbyists. Ms. Toulouse Oliver stated that she felt it was a miscarriage that the Board was not authorizing folks to speak on the Board's behalf with this action and indicated she found it really inappropriate.

Ms. Naranjo Lopez disagreed. Ms. Toulouse Oliver indicated the vote just taken no longer authorized anyone to speak for the Board at the Legislature. Ms. Naranjo Lopez indicated nothing further could be done under Robert's Rules. Ms. Toulouse Oliver restated her position and asked for a member who voted no to reconsider, which is permissible under Robert's Rules.

The Chair asked if anyone who voted no would like to change their vote to a yes. At the request of clarification from the Chair, Mr. Page indicated if there were email updates by staff to the Board members on a daily basis, then he would be willing to change his vote. The Chair requested clarification, and indicated that during Legislative session the Board typically gets a report from Wayne every evening at the close of business on what's going on, and are constantly updated. The Board is never left out of the loop on anything. The Chair summarized Member Davis' comments that The Board Chair, the Legislative Chair, Executive Director, and lobbyists have always pushed forward the agenda set by the Board on any of these bills, whether it's for against or remain neutral. That's what they're there to do, that's the position they've always taken. The Chair indicated that if anyone worked against the Board's wishes, they should be disciplined. The Chair restated that he has seen with his own eyes other Board members lobbying against the direction that the Board has taken as a majority. The Chair then restated Ms. Toulouse Oliver comments that without this resolution passed, there will be no representation. The Chair asked again for the wish of Board if there were any votes that would like to change to yes or if it was a failed resolution.

Ms. Naranjo Lopez stated her disagreement. The Chair asked for any changed votes on the motions. Ms. Naranjo Lopez stated her disagreement. Ms. Toulouse Oliver called a Point of Order.

Point of Order

Ms. Toulouse Oliver indicated the Board took a vote and the motion failed. Pursuant to Robert's Rules, somebody voting now can make a motion to reconsider the previous question. If that motion is made, the Board can go ahead and take a revote.

There was a lively discussion that reiterated all previous points. Wayne Propst, Executive Director, stated he would happily send daily updates to the Board at the end of every day, and indicated on some days nothing would happen related to PERA legislation and he would be happy to let the Board know that when those circumstances arise. Mr. Propst indicated he gave regular updates to the Board throughout the Legislative session and always has, and stated there has never been a time when a position was taken on legislation that wasn't reflective of the wish of the Board, and that is how future sessions would be approached.

Mr. Davis highlighted the ramifications of not having representation at the Legislature and stated it was absolutely imperative that PERA have representation, and stated that since 1947 PERA has always had representation at the Legislature, and that the current vote as it stands results in sending no one to the Legislative session to represent PERA and asked that someone reconsider.

The Chair called again if there was a Member who would like to change their vote in accordance with Robert's Rules and asked for the correct procedure. Ms. Toulouse Oliver indicated that unless there is a person who voted no who would like to make a motion to reconsider, the matter is dead. However, if a person who voted no would like to make a motion to reconsider, then we have a revote. Mr. Francis Page made the motion to reconsider his vote with a guarantee that the Executive Director gives an update to the Board by email and text every day of the session.

Ms. Naranjo Lopez indicated that Robert's Rules of Order says that the motion to reconsider may be made only by a member who voted on the prevailing side in the original vote. That someone voted yes if the motion had passed, or voted no if the motion was defeated and stated it could not happen as it was already done. Ms. Toulouse Oliver indicated that since the prevailing side was the no, Mr. Page's motion was in order. The Chair called for a revote to approve Resolution 21-05 with the understanding that the Executive Director, Wayne Propst, will update the Board from the beginning to the end of the session daily through text and email.

Ms. Susan Pittard indicated this needed to be a motion for reconsideration made by Member Page regarding Resolution 21-05. Mr. Page made the motion as discussed. Ms. Diana Rosales-Ortiz seconded the motion. The vote to reconsider passed 9-1 via roll call vote as follows:

| | |
|------------------------|-----|
| John Melia | Yes |
| David Roybal | Yes |
| Paula Fisher | Yes |
| Steve Neel | Yes |
| Diana Rosales-Ortiz | Yes |
| Lawrence Davis | Yes |
| Roberto Ramirez | Yes |
| Loretta Naranjo Lopez | No |
| Francis Page | Yes |
| Maggie Toulouse Oliver | Yes |

Ms. Maggie Toulouse Oliver moved to approve Resolution 21-05 as amended in the previous vote. Mr. Francis Page seconded. The motion passed 9-1 via roll call vote as follows:

| | |
|---------------------|-----|
| John Melia | Yes |
| David Roybal | Yes |
| Paula Fisher | Yes |
| Steve Neel | Yes |
| Diana Rosales-Ortiz | Yes |

| | |
|------------------------|-----|
| Lawrence Davis | Yes |
| Roberto Ramirez | Yes |
| Loretta Naranjo Lopez | No |
| Francis Page | Yes |
| Maggie Toulouse Oliver | Yes |

E. Legislative Session Update

Mr. Propst provided an update to the Board. Mr. Propst indicated there was a new Board member orientation set for this Friday. On the Legislative update, the 2021 Legislative session begins at noon on Tuesday, January 19th. It is a 60-day session. The entire 60-day session will be a virtual session, which means that only Legislators and Legislative staff are authorized to be in the building. Board members who wish to testify on PERA-related legislation or lobbyists will be presenting virtually. This is going to be a significant challenge for anybody who is interested and has issues before the session, and there will be some difficulty and some glitches. Mr. Propst stated there was a fairly good connection to Members of the Legislature, to the Legislative Finance Committee, to DFA and to the Governor's Office and was hopeful that using those connections and those phone numbers that have been accumulated over the years will allow for the easy representation of the position of the PERA Board during the 2021 session.

The FY22 appropriation request will be heard by the House Appropriations and Finance Committee on Wednesday, January 27th at 1:30. As soon as that agenda becomes available, it will be sent to all Board members and posted to the Board portal.

For the information of new Board members, the FY22 appropriation request was a slight decrease over the FY21 budget. The total request for operating budget was \$36,208,900. The Legislative Finance Committee recommendation and the Department of Finance and Administration recommendations came out late yesterday. It appears that both the LSC and DFA are recommending our request, so no issues are anticipated regarding the budget at the House Appropriations and Finance committee, or at the Senate Finance Committee or during the Legislative session, given that essentially both the LFC and DFA have agreed with our request and are recommending that it move forward.

As of Friday this last week, two bills have been pre-filed. One is House Bill 65, which has been pre-filed by Representative Bill Ream. The Board was informed last year that legislation was being introduced by Representative Ream. It's a lengthy and complicated bill, and analysis has not been completed yet, but it appears that the bill will increase employee contributions for all city, county, state, police and fire members by between 4% and 8%. That would be an increase to the employee contribution above the 2% that was approved during the last Legislative session. It also appears, that in addition to increasing contributions for virtually all PERA employees, with the exception of state police by 4% to 8%, the bill would eliminate cost of living adjustments for any future PERA retirees who have not reached the age of 60. Staff are still working through the bill to make sure they fully understand it. Staff will be bringing that piece of legislation to the Board at your January 28th meeting for consideration.

The other bill that has been pre-filed in the Senate by Senator George Munoz is a bill that was introduced last year. It relates to the treatment of certain mandatory overtime hours under the Fair Labor Standards Act. That is a bill that the Board endorsed last year. It passed the Senate, but it did not make its way through the House. Senator Munoz was a sponsor of that bill last year as well. That bill has been re-introduced by Senator Munoz. Bills may be introduced at any time during the first 30 days of the session, so there is quite a bit of time left for bills to be introduced. The House of Representatives was planning on restricting bills that Members of the House can introduce to five. It won't be known until the session actually begins next Tuesday and the House and Senate establish their rules under which they will operate during the 2021 session.

Ms. Fisher asked what the Bill number was of Senator Munoz's bill. Mr. Propst indicated there was not a number yet. The Senate has changed its procedures in terms of how pre-filed legislation is dealt with. The New Mexico Legislative website shows a list of pre-filed bills in the House which have been assigned a number. In the Senate, they're just listing the legislation, what it does, the title and the sponsor, and they will not give numbers to those pre-filed bills until the session actually begins.

Mr. Propst was asked if that would be the same as Senate Bill 62 of last year that gives preferential treatment to firemen. Mr. Propst responded it was not just for fire but it was the same bill that Senator Munoz introduced last year related to treatment of overtime hours under the FLSA.

6. Adjournment

Having completed the Agenda and with no further business to come before the Board, Chair Melia declared the meeting adjourned.

Approved by:

John Melia
Chair, PERA Board

ATTEST:

Wayne Propst, Executive Director

Exhibits attached



Ratification Report

| Last Name | First Name | Middle Name | Retirement Date | Retirement Type | Reciprocity | Retirement Code |
|-----------------|------------|-------------|--------------------|--------------------|-------------|--------------------|
| ALARID | ANTHONY | H | 2020/12/01 | Normal | NAP | SR |
| ANAYA | RONDA | R. | 2020/12/01 | Normal | NAP | SR |
| ARBOGAST | JAMES | | 2020/12/01 | Normal | NAP | SR |
| AVERY | CATHERINE | B. | 2020/12/01 | Normal | NAP | SR |
| BARELA | BARBARA | V | 2020/12/01 | Normal | NAP | SR |
| BAUM | KERRI | D | 2020/12/01 | Normal | NAP | SR |
| BERRY | GLORIA | C. | 2020/12/01 | Normal | NAP | SR |
| BLAKE | JAMES | R. | 2020/12/01 | Normal | NAP | SR |
| BLEA | RICKY | A. | 2020/12/01 | Normal | NAP | SR |
| BRITO | RUSSELL | D. | 2020/12/01 | Normal | NAP | SR |
| BURNHAM | DINA | M | 2020/12/01 | Deferred | NAP | SR |
| CESSARICH | MARK | A | 2020/12/01 | Normal | NAP | SR |
| CHAVEZ | MANUEL | E. | 2020/12/01 | Normal | NAP | SR |
| CHAVEZ | MARIA | D | 2020/12/01 | Normal | NAP | SR |
| CLARK | VINCE | | 2020/12/01 | Normal | NAP | SR |
| CORN | CLAYTON | J. | 2020/12/01 | Normal | NAP | SR |
| CORRIZ | LYNDA | E. | 2020/12/01 | Normal | NAP | SR |
| COSS | CYNTHIA | S. | 2020/12/01 | Normal | NAP | SR |
| COSS | ROBERT | F. | 2020/12/01 | Normal | NAP | SR |
| DELBECQ | MICHAEL | L. | 2020/12/01 | Normal | NAP | SR |
| DeTurck-Kofchur | Gretchen | A. | 2020/12/01 | Normal | NAP | SR |
| | | | | | | |
| DIAZ | ROBERTO | | 2020/12/01 | Normal | NAP | SR |
| DOLLAHON | DAVID | P. | 2020/12/01 | Normal | NAP | SR |
| DOMINGUEZ | DENISE | A. | 2020/12/01 | Normal | NAP | SR |
| DOMINGUEZ | PABLINO | G. | 2020/12/01 | Normal | NAP | SR |
| DOUGLASS | DENISE | L. | 2020/12/01 | Normal | NAP | SR |
| DURAN | ROSS | E. | 2020/12/01 | Normal | NAP | SR |
| DURAN | VICTORIA | L. | 2020/12/01 | Normal | NAP | SR |
| ELDER | LANA | L. | 2020/12/01 | Normal | NAP | SR |
| ENCISO | MARY | J. | 2020/12/01 | Normal | NAP | SR |
| ERB | CHRISTIAN | C. | 2020/12/01 | Normal | NAP | SR |
| ESTRADA | JOSEPHINE | | 2020/12/01 | Normal | NAP | SR |
| FEERER | VICKI | R | 2020/12/01 | Deferred | NAP | SR |
| GALLEGOS | PAT | E. | 2020/12/01 | Normal | NAP | SR |
| GARCIA | MARCELLO | H. | 2020/12/01 | Normal | NAP | SR |



PERA

Public Employees
Retirement Association
of New Mexico

INVESTED IN TOMORROW.

| | | | | | | |
|-------------|------------|----|------------|----------|-----|----|
| GARCIA | SYLVIA | D. | 2020/12/01 | Normal | NAP | SR |
| Gonzales | Eloisa | L. | 2020/12/01 | Normal | NAP | SR |
| GONZALES | MARIE | C. | 2020/12/01 | Normal | NAP | SR |
| GONZALEZ | ADELINA | | 2020/12/01 | Normal | NAP | SR |
| GORMAN | JOSEPH | A. | 2020/12/01 | Normal | NAP | SR |
| GRACE | ALLEN | C | 2020/12/01 | Deferred | NAP | SR |
| GRAHAM | CHARLES | R. | 2020/12/01 | Normal | NAP | SR |
| GRAHAM | MITZI | A. | 2020/12/01 | Normal | NAP | SR |
| GRIEGO | CHRISTINE | G. | 2020/12/01 | Normal | NAP | SR |
| GUEVARA | ELDER | O. | 2020/12/01 | Normal | NAP | SR |
| GURULE | ROBIN | L. | 2020/12/01 | Normal | NAP | SR |
| GUTIERREZ | KEVIN | L | 2020/12/01 | Normal | NAP | SR |
| HANSON | CAROL | M. | 2020/12/01 | Normal | NAP | SR |
| HARRISON | LORENE | S. | 2020/12/01 | Normal | NAP | SR |
| HERNANDEZ | CARLOS | | 2020/12/01 | Normal | NAP | SR |
| HERRELL | DAVID | M | 2020/12/01 | Deferred | NAP | SR |
| HOLGUIN | BERNADETTE | | 2020/12/01 | Normal | NAP | SR |
| Jamieson | Mary | | 2020/12/01 | Normal | NAP | SR |
| JARAMILLO | DANNY | A | 2020/12/01 | Deferred | NAP | SR |
| JARAMILLO | DAVID | D. | 2020/12/01 | Normal | NAP | SR |
| JARAMILLO | KEN | R | 2020/12/01 | Normal | NAP | SR |
| JONES | GEORGE | A. | 2020/12/01 | Normal | NAP | SR |
| JONES | STEVEN | C. | 2020/12/01 | Deferred | NAP | SR |
| KARR | ROGER | S. | 2020/12/01 | Deferred | NAP | SR |
| KAYSER | LINDA | R | 2020/12/01 | Normal | NAP | SR |
| KHOURY | MAHA | | 2020/12/01 | Normal | NAP | SR |
| KING | DAVID | C. | 2020/12/01 | Normal | NAP | SR |
| KINNEY | REBECCA | A | 2020/12/01 | Normal | NAP | SR |
| KRALL | ANNE | M. | 2020/12/01 | Deferred | NAP | SR |
| LANDERS | JEFFREY | S. | 2020/12/01 | Normal | NAP | SR |
| LANGEHENNIG | MICHELLE | S. | 2020/12/01 | Normal | NAP | SR |
| Lavadie | Loretta | E. | 2020/12/01 | Deferred | NAP | SR |
| LISTY | ANDREW | G. | 2020/12/01 | Normal | NAP | SR |
| LOPEZ | GUADALUPE | C. | 2020/12/01 | Normal | NAP | SR |
| LOY | RANDY | G. | 2020/12/01 | Normal | NAP | SR |
| LUJAN | JAMES | M. | 2020/12/01 | Normal | NAP | SR |
| MAESTAS | GLORIA | | 2020/12/01 | Normal | NAP | SR |
| MARTINEZ | JUDY | S. | 2020/12/01 | Deferred | NAP | SR |
| Martinez | Richard | C. | 2020/12/01 | Normal | NAP | SR |
| MARTINEZ | RUBY | | 2020/12/01 | Normal | NAP | SR |
| MARTINEZ | THERESA | M | 2020/12/01 | Normal | NAP | SR |

**PERA**Public Employees
Retirement Association
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| | | | | | | |
|-------------|-----------|----|------------|----------|------|----|
| MCFADDEN | MICHAEL | A | 2020/12/01 | Normal | NAP | SR |
| MCGUINNESS | DOLORES | | 2020/12/01 | Normal | NAP | SR |
| MIERA | MONIQUE | C | 2020/12/01 | Normal | NAP | SR |
| MONK | JAMES | C. | 2020/12/01 | Normal | NAP | SR |
| MONTOYA | MELANIE | | 2020/12/01 | Normal | NAP | SR |
| MORA | YVONNE | J. | 2020/12/01 | Normal | NAP | SR |
| MOYA | LUANNA | G. | 2020/12/01 | Normal | NAP | SR |
| Muniz | Alva | L | 2020/12/01 | Normal | NAP | SR |
| Nakamura | Judith | K. | 2020/12/01 | Deferred | RCWJ | SR |
| Nakamura | Judith | K. | 2020/12/01 | Normal | RCWJ | SR |
| NEFF | TRACI | M | 2020/12/01 | Normal | NAP | SR |
| Nelson | Gordon | J. | 2020/12/01 | Normal | NAP | SR |
| NESTLERODE | ELEANORE | L. | 2020/12/01 | Normal | NAP | SR |
| ORTIZ | ANTONIO | | 2020/12/01 | Normal | NAP | SR |
| OTERO | JAMES | | 2020/12/01 | Normal | NAP | SR |
| PARKINS | JENNIFER | C. | 2020/12/01 | Normal | NAP | SR |
| PARRAS | LAURA | L | 2020/12/01 | Normal | NAP | SR |
| PETZ | ERICK | M. | 2020/12/01 | Normal | NAP | SR |
| PINO | RUMALDO | J. | 2020/12/01 | Normal | NAP | SR |
| PUGLISI | ALEXANDER | A. | 2020/12/01 | Normal | NAP | SR |
| QUILES | SAMUEL | | 2020/12/01 | Deferred | NAP | SR |
| QUILES | TRACEY | L | 2020/12/01 | Deferred | NAP | SR |
| QUINTANA | RICHARD | E. | 2020/12/01 | Normal | NAP | SR |
| RAEL | MELANIE | M. | 2020/12/01 | Normal | NAP | SR |
| RAMIREZ | LYNNE | M. | 2020/12/01 | Normal | NAP | SR |
| ROMERO | CELESTINO | | 2020/12/01 | Normal | NAP | SR |
| ROYBAL | MARTIN | L. | 2020/12/01 | Normal | NAP | SR |
| RUIZ-CHAVEZ | DOLORES | A. | 2020/12/01 | Normal | NAP | SR |
| SALAZAR | RICARDO | H. | 2020/12/01 | Normal | NAP | SR |
| SANCHEZ | AUGUSTINE | T | 2020/12/01 | Normal | NAP | SR |
| SANCHEZ | MARY ANNE | C. | 2020/12/01 | Normal | NAP | SR |
| SANDLIN | DAVID | L. | 2020/12/01 | Normal | NAP | SR |
| Sedillo | Joe | E. | 2020/12/01 | Normal | NAP | SR |
| SEXTON | HAROLD | G | 2020/12/01 | Deferred | NAP | SR |
| SIERRA | CHARLES | L. | 2020/12/01 | Normal | NAP | SR |
| SMITH | BAE | S. | 2020/12/01 | Deferred | NAP | SR |
| SMITH | DON | L. | 2020/12/01 | Normal | NAP | SR |
| Smith | John | A. | 2020/12/01 | Normal | NAP | SR |
| STEPHENS | SHERRY | S. | 2020/12/01 | Normal | NAP | SR |
| SUAREZ | FRANCINE | L | 2020/12/01 | Normal | NAP | SR |
| SYVERTSEN | TAMARA | L. | 2020/12/01 | Deferred | NAP | SR |



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|----------|----------|----|------------|----------|------|----|
| TAFOYA | ANTHONY | G. | 2020/12/01 | Normal | NAP | SR |
| TAMBUNGA | AURORA | | 2020/12/01 | Deferred | NAP | SR |
| TESTA | DAVID | R. | 2020/12/01 | Normal | NAP | SR |
| TRUJILLO | BERLINDA | | 2020/12/01 | Normal | RCWP | SR |
| TRUJILLO | GABRIEL | R | 2020/12/01 | Normal | NAP | SR |
| TRUJILLO | KAREN | B. | 2020/12/01 | Deferred | NAP | SR |
| UGALDE | MICHELLE | L. | 2020/12/01 | Normal | NAP | SR |
| URBAN | TED | L. | 2020/12/01 | Normal | NAP | SR |
| VAIL | DEBRA | A. | 2020/12/01 | Deferred | NAP | SR |
| VALDEZ | KATHY | T | 2020/12/01 | Normal | NAP | SR |
| VARELA | DAVID | J | 2020/12/01 | Normal | NAP | SR |
| WESLEY | ZACHARY | L | 2020/12/01 | Normal | NAP | SR |
| WILKINS | CARLA | M. | 2020/12/01 | Normal | NAP | SR |
| YARDMAN | ELAINE | B. | 2020/12/01 | Normal | NAP | SR |
| YARDMAN | MARY | H. | 2020/12/01 | Normal | NAP | SR |
| YEE | MARY | L. | 2020/12/01 | Deferred | NAP | SR |
| YORK | WENDY | E. | 2020/12/01 | Deferred | RCWJ | SR |
| YOWS | DAVID | W. | 2020/12/01 | Normal | NAP | SR |



Ratification Report

| Last Name | First Name | Middle Name | Retirement Date | Retirement Type | Reciprocity | Retirement Code |
|------------|------------|-------------|-----------------|-----------------|-------------|-----------------|
| ABILA | CONSUELO | M. | 2021/01/01 | Normal | NAP | SR |
| ABILA | SERGIO | P. | 2021/01/01 | Normal | NAP | SR |
| AGEE | DEBORA | K. | 2021/01/01 | Normal | NAP | SR |
| AGUIRRE | ALFREDO | | 2021/01/01 | Normal | NAP | SR |
| ALDERETE | RAY | M. | 2021/01/01 | Normal | NAP | SR |
| ALDERETTE | MARY | L. | 2021/01/01 | Normal | NAP | SR |
| ARAGON | GREGORY | L. | 2021/01/01 | Normal | NAP | SR |
| ARAGON | JOSE | D. | 2021/01/01 | Normal | NAP | SR |
| ARAGON | LORETTA | M. | 2021/01/01 | Normal | NAP | SR |
| ARAGON | STEVEN | P. | 2021/01/01 | Normal | NAP | SR |
| Archibeque | Julia | | 2021/01/01 | Normal | NAP | SR |
| ARELLANO | AMY | L. | 2021/01/01 | Normal | NAP | SR |
| ARIAS | LEONARD | R. | 2021/01/01 | Normal | NAP | SR |
| BACA | ABRAHAM | P. | 2021/01/01 | Normal | NAP | SR |
| BACA | DORIS | J. | 2021/01/01 | Normal | NAP | SR |
| BAKER | KATHY | L. | 2021/01/01 | Normal | NAP | SR |
| Bandy | Paul | C. | 2021/01/01 | Normal | NAP | SR |
| BARELA | ELIZABETH | A. | 2021/01/01 | Normal | NAP | SR |
| BARKER | WENDY | W | 2021/01/01 | Normal | NAP | SR |
| BARRAZA | ERIC | L. | 2021/01/01 | Normal | NAP | SR |
| BARRERAS | RAYMOND | D. | 2021/01/01 | Normal | NAP | SR |
| BARRON | TERESA | B | 2021/01/01 | Normal | NAP | SR |
| BENDIXSEN | SCOT | D | 2021/01/01 | Normal | NAP | SR |
| BERNAL | MELIZA | A. | 2021/01/01 | Normal | NAP | SR |
| Bilbrey | Kellie | L. | 2021/01/01 | Normal | NAP | SR |
| Bing | Stephen | C. | 2021/01/01 | Normal | NAP | SR |
| BLOCKER | LOIS | A. | 2021/01/01 | Normal | NAP | SR |
| Bone | Ellen | Y. | 2021/01/01 | Normal | NAP | SR |
| BRANCH | DENNIS | C. | 2021/01/01 | Normal | NAP | SR |
| BRANCH | JOHN | F | 2021/01/01 | Normal | NAP | SR |
| BRANCH | MORRIS | M. | 2021/01/01 | Normal | NAP | SR |
| BRIONES | YOLANDA | C. | 2021/01/01 | Normal | NAP | SR |
| BUSTOS | PEGGY | G | 2021/01/01 | Normal | NAP | SR |
| CARGO | LORETTA | | 2021/01/01 | Deferred | NAP | SR |
| CARLIN | THOMAS | J | 2021/01/01 | Normal | NAP | SR |
| CARRILLO | SILVIA | C. | 2021/01/01 | Normal | NAP | SR |



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| | | | | | | |
|-----------|-----------|----|------------|----------|-----|----|
| Chacon | Imelda | A. | 2021/01/01 | Normal | NAP | SR |
| CHAVEZ | BARBARA | | 2021/01/01 | Normal | NAP | SR |
| CHAVEZ | RAY | D | 2021/01/01 | Normal | NAP | SR |
| CIONEK | MATTHEW | J. | 2021/01/01 | Normal | NAP | SR |
| CONTRERAS | RUEBEN | R. | 2021/01/01 | Normal | NAP | SR |
| CORTEZ | ANTONIO | B. | 2021/01/01 | Normal | NAP | SR |
| CRITES | LOREN | D. | 2021/01/01 | Normal | NAP | SR |
| CULLERS | TODD | M | 2021/01/01 | Normal | NAP | SR |
| CURRY | PAUL | B | 2021/01/01 | Deferred | NAP | SR |
| DAVIS | MARSHA | E. | 2021/01/01 | Normal | NAP | SR |
| DEHART | SUSAN | E. | 2021/01/01 | Normal | NAP | SR |
| DEVINE | IRMA | | 2021/01/01 | Normal | NAP | SR |
| DUNCAN | PRESTON | | 2021/01/01 | Normal | NAP | SR |
| DUNHAM | REBECCA | | 2021/01/01 | Normal | NAP | SR |
| EDWARDS | BOB | G. | 2021/01/01 | Normal | NAP | SR |
| ELDREDGE | VAN | S | 2021/01/01 | Normal | NAP | SR |
| Espinoza | Valerie | L. | 2021/01/01 | Normal | NAP | SR |
| ESPIRITU | ANTHONY | W. | 2021/01/01 | Normal | NAP | SR |
| ESTRADA | ADAM | A | 2021/01/01 | Normal | NAP | SR |
| FINNELL | ALMA | G | 2021/01/01 | Deferred | NAP | SR |
| FLORES | JOE | R | 2021/01/01 | Normal | NAP | SR |
| FLORES | LORENZO | C | 2021/01/01 | Normal | NAP | SR |
| FRENCH | PATRICIA | J. | 2021/01/01 | Normal | NAP | SR |
| FRITZ | BRENT | | 2021/01/01 | Normal | NAP | SR |
| GABALDON | KIMBERLY | D. | 2021/01/01 | Normal | NAP | SR |
| GALLEGOS | CHARLOTTE | R. | 2021/01/01 | Normal | NAP | SR |
| GALLEGOS | GREGORY | | 2021/01/01 | Normal | NAP | SR |
| GALLEGOS | MICHAEL | S. | 2021/01/01 | Normal | NAP | SR |
| GALLEGOS | PAULA | | 2021/01/01 | Normal | NAP | SR |
| GARCIA | BEN | B | 2021/01/01 | Deferred | NAP | SR |
| GARCIA | MARIA | E. | 2021/01/01 | Normal | NAP | SR |
| GARCIA | ORLANDO | S. | 2021/01/01 | Normal | NAP | SR |
| GARCIA | PATRICK | J. | 2021/01/01 | Duty | NAP | DR |
| GEIER | MICHAEL | J. | 2021/01/01 | Normal | NAP | SR |
| GILMARTIN | DEBBIE | F | 2021/01/01 | Deferred | NAP | SR |
| GONZALES | DEBRA | A. | 2021/01/01 | Normal | NAP | SR |
| GONZALEZ | EDUARDO | S. | 2021/01/01 | Normal | NAP | SR |
| GONZALEZ | ISIDRO | | 2021/01/01 | Normal | NAP | SR |
| GREENE | SILVIA | P. | 2021/01/01 | Normal | NAP | SR |
| GROSSHEIM | NICA | J. | 2021/01/01 | Normal | NAP | SR |
| Guadian | Lina | | 2021/01/01 | Normal | NAP | SR |



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| | | | | | | |
|------------|----------|----------|------------|--------|-----|----|
| GUTIERREZ | PATRICK | J. | 2021/01/01 | Normal | NAP | SR |
| HANDZEL | JOANNE | V. | 2021/01/01 | Normal | NAP | SR |
| HARKINS | LARRY | E | 2021/01/01 | Normal | NAP | SR |
| Hatch | Jody | L. | 2021/01/01 | Normal | NAP | SR |
| HATCH | TROY | L | 2021/01/01 | Normal | NAP | SR |
| HATHAWAY | LARRY | | 2021/01/01 | Normal | NAP | SR |
| HILL | ROBERT | V. | 2021/01/01 | Normal | NAP | SR |
| HOGAN | KEVIN | J | 2021/01/01 | Normal | NAP | SR |
| HOSEMAN | JOHN | H. | 2021/01/01 | Normal | NAP | SR |
| HUSTON | SAMUEL | E. | 2021/01/01 | Normal | NAP | SR |
| JIMENEZ | ANTHONY | D | 2021/01/01 | Normal | NAP | SR |
| JIMENEZ | JIMMY | P | 2021/01/01 | Normal | NAP | SR |
| JOHNCOX | SHARRON | A | 2021/01/01 | Normal | NAP | SR |
| JOJOLA | RAYMOND | | 2021/01/01 | Normal | NAP | SR |
| JONES | CORRINE | D. | 2021/01/01 | Normal | NAP | SR |
| KENAGY | CURTIS | K. | 2021/01/01 | Normal | NAP | SR |
| KENT | DAVID | B | 2021/01/01 | Normal | NAP | SR |
| KENT | RICHARD | BRIAN. | 2021/01/01 | Normal | NAP | SR |
| KITCHENS | DEAN | J. | 2021/01/01 | Normal | NAP | SR |
| LARA | JOE | P. | 2021/01/01 | Normal | NAP | SR |
| LAWICKI | KATHLEEN | A. | 2021/01/01 | Normal | NAP | SR |
| LOPEZ | CARLOS | M. | 2021/01/01 | Normal | NAP | SR |
| LOPEZ | MARY | AILEEN. | 2021/01/01 | Normal | NAP | SR |
| LOPEZ | TIMOTHY | J | 2021/01/01 | Normal | NAP | SR |
| LOPEZ | VERONICA | A. | 2021/01/01 | Normal | NAP | SR |
| LOVATO | CARLOS | | 2021/01/01 | Normal | NAP | SR |
| LOWE | JUANITA | | 2021/01/01 | Normal | NAP | SR |
| LUERA | CHARLES | B | 2021/01/01 | Normal | NAP | SR |
| LUSTER | JAMES | E | 2021/01/01 | Normal | NAP | SR |
| MacGregor | Veronica | A. | 2021/01/01 | Normal | NAP | SR |
| MADRID | DORA | L | 2021/01/01 | Normal | NAP | SR |
| MAESTAS | MARY ANN | C. | 2021/01/01 | Normal | NAP | SR |
| MALONE | JAMES | RICHARD. | 2021/01/01 | Normal | NAP | SR |
| Malone | Joe | R. | 2021/01/01 | Normal | NAP | SR |
| MARTINEZ | DAVID | C. | 2021/01/01 | Normal | NAP | SR |
| MARTINEZ | LLOYD | A | 2021/01/01 | Normal | NAP | SR |
| MARTINEZ | PAUL | B. | 2021/01/01 | Normal | NAP | SR |
| Mascarenas | Donna | C. | 2021/01/01 | Normal | NAP | SR |
| MASCARENAS | KAREN | D | 2021/01/01 | Normal | NAP | SR |
| MATTISON | KATHY | J | 2021/01/01 | Normal | NAP | SR |
| MCWILLIAMS | DONNA | L. | 2021/01/01 | Normal | NAP | SR |



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|--------------|-------------|----|------------|----------|-----|----|
| MEIER | JOHN | F | 2021/01/01 | Normal | NAP | SR |
| MENDIOLA | DANIEL | A. | 2021/01/01 | Normal | NAP | SR |
| MIMS | RALPH | | 2021/01/01 | Normal | NAP | SR |
| MIRANDA | JAIME | F. | 2021/01/01 | Normal | NAP | SR |
| MIRELES | MARGARITA | | 2021/01/01 | Normal | NAP | SR |
| MONDRAGON | ALIPIO | A | 2021/01/01 | Normal | NAP | SR |
| MONTOYA | ANNABELL | S. | 2021/01/01 | Normal | NAP | SR |
| MONTOYA | SANDRA | S. | 2021/01/01 | Deferred | NAP | SR |
| MORRISON | SHELIA | L. | 2021/01/01 | Normal | NAP | SR |
| MUELLER | STEVEN | D. | 2021/01/01 | Normal | NAP | SR |
| NIWA | JOHN | | 2021/01/01 | Normal | NAP | SR |
| OLIVER | CATHERINE | E. | 2021/01/01 | Normal | NAP | SR |
| ORTEGA-MARES | COLETTE | E | 2021/01/01 | Normal | NAP | SR |
| | | | | | | |
| ORTIZ | CHRISTOPHER | R. | 2021/01/01 | Normal | NAP | SR |
| ORTIZ | DOROTHY | R. | 2021/01/01 | Normal | NAP | SR |
| ORTIZ | WILLIAM | J. | 2021/01/01 | Normal | NAP | SR |
| PADILLA | ROBERTA | L | 2021/01/01 | Normal | NAP | SR |
| PEREA | RUSSELL | S. | 2021/01/01 | Normal | NAP | SR |
| QUIGLEY | KEVIN | R. | 2021/01/01 | Normal | NAP | SR |
| RAEL | MARIAN | K. | 2021/01/01 | Normal | NAP | SR |
| RAMONDO | DANIEL | D | 2021/01/01 | Normal | NAP | SR |
| RAMOS | JOSE | | 2021/01/01 | Normal | NAP | SR |
| REEVES | SHELLY | J. | 2021/01/01 | Normal | NAP | SR |
| RICHARDSON | SYLVIA | L | 2021/01/01 | Normal | NAP | SR |
| RIDDLE | MILES | K. | 2021/01/01 | Normal | NAP | SR |
| RIDDLE | SHERI | L. | 2021/01/01 | Normal | NAP | SR |
| RIORDAN | EILEEN | P | 2021/01/01 | Normal | NAP | SR |
| RIVERA | RICHARD | D. | 2021/01/01 | Normal | NAP | SR |
| ROBERSON | JACKLYN | | 2021/01/01 | Normal | NAP | SR |
| RODGERS | DONALD | L. | 2021/01/01 | Normal | NAP | SR |
| RODRIGUEZ | ANDREA | G. | 2021/01/01 | Normal | NAP | SR |
| RODRIGUEZ | ANITA | A. | 2021/01/01 | Normal | NAP | SR |
| RODRIGUEZ | FARON | R. | 2021/01/01 | Normal | NAP | SR |
| ROMERO | ADOLPH | G. | 2021/01/01 | Normal | NAP | SR |
| ROMERO | ANNETTE | M | 2021/01/01 | Normal | NAP | SR |
| RUE | SANDER | A. | 2021/01/01 | Normal | NAP | SR |
| RUIZ | MANUEL | | 2021/01/01 | Normal | NAP | SR |
| SAENZ | LYDIA | C. | 2021/01/01 | Normal | NAP | SR |
| SALAZAR | TOMAS | E. | 2021/01/01 | Normal | NAP | SR |



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|----------------------|-----------|----|------------|----------|------|----|
| SALAZAR- ULIBARRI | NADINE | R. | 2021/01/01 | Normal | NAP | SR |
| Sarabia | Judy | G. | 2021/01/01 | Normal | NAP | SR |
| SCOTT | MARY | L | 2021/01/01 | Normal | NAP | SR |
| Sedillo | Tracy | L. | 2021/01/01 | Normal | NAP | SR |
| SEGURA | KATHLEEN | M. | 2021/01/01 | Normal | NAP | SR |
| SENA | ALFRED | | 2021/01/01 | Normal | NAP | SR |
| SHEPPERD | ROBERT | L. | 2021/01/01 | Normal | NAP | SR |
| SHIPLEY | CONNIE | S. | 2021/01/01 | Normal | NAP | SR |
| SPENCER | STIRLING | | 2021/01/01 | Normal | NAP | SR |
| STOMP | JOHN | M. | 2021/01/01 | Normal | NAP | SR |
| TAPIA | JERRY | F. | 2021/01/01 | Normal | NAP | SR |
| TAULBEE | CAROL | B. | 2021/01/01 | Normal | RCWP | SR |
| TAYLOR | BRENDA | S | 2021/01/01 | Normal | NAP | SR |
| TELLES | AMANDA | | 2021/01/01 | Normal | NAP | SR |
| THOMPSON | STEVEN | E | 2021/01/01 | Deferred | NAP | SR |
| TORRES | BRIAN | P | 2021/01/01 | Normal | NAP | SR |
| TRUJILLO | LISA | A. | 2021/01/01 | Normal | NAP | SR |
| TRUJILLO | MARVIN | | 2021/01/01 | Normal | NAP | SR |
| URIBARRI | JOAN | M. | 2021/01/01 | Normal | NAP | SR |
| VALENZUELA | ARMANDO | | 2021/01/01 | Deferred | NAP | SR |
| VIGIL | JOSEPH | F. | 2021/01/01 | Normal | NAP | SR |
| VIRAMONTES | LILLIAN | | 2021/01/01 | Normal | NAP | SR |
| WALKER | WESLEY | R. | 2021/01/01 | Normal | NAP | SR |
| WHITEZELL | KENNETH | S. | 2021/01/01 | Normal | NAP | SR |
| WOODARD | TIMOTHY | C. | 2021/01/01 | Normal | NAP | SR |
| YARBROUGH | JANE | | 2021/01/01 | Normal | NAP | SR |
| YUHAS | KATHERINE | M. | 2021/01/01 | Normal | NAP | SR |
| ZAMORA | DORRIE | | 2021/01/01 | Normal | NAP | SR |



TOWN OF MOUNTAINAIR
RESOLUTION NO. 2021-01

**A RESOLUTION AUTHORIZING AN ELECTION FOR ADOPTION OF
MUNICIPAL POLICE MEMBER COVERAGE PLAN 4**

WHEREAS, the Public Employees Retirement Act, NMSA 2013, Sections 10-11-1, et seq. (1995), establishes the Public Employees Retirement Association and authorizes Municipal Police Member Coverage Plan 4 (Section 10-11-74 through Section 10-11-79, NMSA 2013) which provides a plan for retirement of Municipal Police TIER 1 members at a three percent (3.0%) pension factor per year of service which would then provide for sixty percent (60%) of final average salary at 20 years of service with a maximum of ninety percent (90%) of final average salary and which provides a plan for retirement of Municipal Police TIER 2 members at a two percent (2.5%) pension factor per year of service credit with a maximum of ninety percent (90%) of final average salary under which the municipal employer contributes nineteen and fifteen hundredths percent (19.15%) and the member contributes thirteen and eighty-five hundredths percent (13.85%) of each member's salary to the state retirement fund;

WHEREAS, NMSA 2013, Section 10-11-74, requires that adoption of Municipal Police Member Coverage Plan 4 be by election by a majority of the affected members.

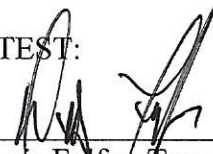
**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF
MOUNTAINAIR:**

That an election shall be held on March 2nd, 2021, upon the question of adoption of Municipal Police Member Coverage Plan 4 pursuant to the requirements of NMSA 2013, Section 10-11-74; and

That Mayor Peter Nieto or his or her designee be, and hereby is, designated as the representative of the Town of Mountainair who is responsible for the conduct of the election and for the purpose of canvassing and verifying the results of such election and that he or she be, and hereby is, authorized to certify on behalf of the Town of Mountainair the results of the election to the Public Employees Retirement Board immediately following the election.

APPROVED AND ADOPTED this 5th day of January, 2021.


Peter Nieto, Mayor

ATTEST:

Dennis Fulfer, Town Clerk

