

NEW MEXICO
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION
BOARD ANNUAL & MONTHLY MEETING

September 24, 2015

This meeting of the Public Employees Retirement Board was called to order by Patricia French, Chair, at approximately 9:00 a.m. on the above-cited date at the PERA Building, Fabian Chavez Jr. Board Room, 33 Plaza La Prensa, Santa Fe, New Mexico.

1.&2. ROLL CALL & PLEDGE OF ALLEGIANCE

Executive Director Wayne Propst called roll and a quorum was established with the following members present:

Members Present:

Patricia French, Chair - Municipal
Stewart Logan, Vice Chair - County
Dan Mayfield - Retiree
Dan Esquibel - Municipal
Roman Jimenez - State
Jackie Kohlasch - State
Louis Martinez - Municipal
Loretta Naranjo Lopez - Retiree
John Reynolds - State
Paula Fisher - State [Monthly meeting only]

Member(s) Excused:

Dianna Duran - *Ex-officio*
Tim Eichenberg- *Ex-officio*

Staff Members Present:

Wayne Propst, Executive Director
Susan Pittard, Chief of Staff/General Counsel
Jonathan Gabel, Chief Investment Officer
Greg Trujillo, Deputy Director
Judy Olson, Executive Assistant
Karen Risku, Deputy General Counsel
Claudia Armijo, Assistant General Counsel
Natalie Cordova, Controller/CFO
Renada Peery-Galon, ASD Director
LeAnne Larrañaga-Ruffy, Portfolio Manager
Joaquin Lujan, Portfolio Manager
Jude Perez, Portfolio Manager
Mark Montoya, Financial Analyst

Kristen Varela, Financial Analyst
Karyn Lujan, Deferred Compensation Administrator

Others Present:

Barbara Pardo, Retiree
Carlos Madrid, ABCUUA, Retiree
L. Rivera, Retiree
Don Wencewicz, AFSCME, Retiree
Devon Muir, Mercer
Lawrence Otero
Lorraine Urioste
Tracy Hughes, PERA Contract Attorney
Jamie Feidler, Cliffwater
Tom Toth, Wilshire
Paul Lium, Nationwide
Fred Wang, Trinity Ventures
Sally Malavé Assistant Attorney General

3. APPROVAL OF AGENDA

Mr. Mayfield introduced the following motion:

“RESOLVED, that the PERA Board approve the agenda as presented.”

Mr. Logan seconded and the motion passed by unanimous [8-0] voice vote. [Neither Ms. Naranjo Lopez nor Ms. Fisher were present for this action.]

3. APPROVAL OF CONSENT AGENDA
[*Exhibit 1: Consent Agenda*]

Chair French said a change to the minutes from the August 27, 2015 Board meeting have been forwarded to Executive Assistant Olson and incorporated into the minutes.

Mr. Jimenez introduced the following motion:

“RESOLVED, that the PERA Board approve the consent agenda as corrected.”

Mr. Logan seconded and the motion passed by majority [8-0] voice vote with. . [Neither Ms. Naranjo Lopez nor Ms. Fisher were present for this action.]

5. Current Business

A. Resolution Number 15-03 Calling for the Annual PERA Board Meeting

Chair French reminded the Board that this resolution was approved in January 2015 and it appears on the agenda as confirmation of today’s meeting.

B. Board Chair’s Message to Members and Retirees

Chair French said it was an honor to represent the PERA membership. She spoke of the stability of this Board and noted that it functions well with the united purpose of protecting the fund.

No other comments were offered.

C. Public Comments

None were offered.

D. 2015 Board Election

1. Action Item: Report by Board Election Committee and Certification of State and Retiree Election

[Exhibit 2: Election Committee Minutes, 9/18/15]

Election Committee representative Barbara Pardo noted that the agenda caption contained a typo in that it was the 2015 Board Election Committee.

Ms. Pardo read the Election Committee Minutes identifying those members present, absent, staff present and others present.

Ms. Pardo said the committee counted and approved the ballot tabulations as follows:

Retiree:

Gerald Chavez	2,155
Loretta Naranjo Lopez	4,392
Albino Martinez	1,233
Spoiled	8

State:

Jacquelin Kohlasch	2,214
Henrich Edimo	650
Spoiled	8

Ms. Pardo thanked staff for their guidance throughout the process and thanked the Board.

Mr. Jimenez introduced the following motion:

“RESOLVED, that the PERA accept the Board Election Committee Report.”

Mr. Mayfield seconded and the motion passed by unanimous [8-0] voice vote. [Neither Ms. Fisher nor Ms. Naranjo Lopez were present for this action. Ms. Naranjo Lopez arrived shortly thereafter.]

2. Introduction of Newly Elected State and Retiree Board Members

This item was covered during the Election Committee report.

E. Resolution No. 15-05, Resolution Expressing Gratitude to the 2015 PERA Election Committee for Services Provided Throughout the Election Process
[No action was taken on this item.]

Upon motion by Mr. Jimenez and second by Mr. Reynolds, this Annual Meeting adjourned at 9:17 a.m. and the Monthly PERA Board Meeting commenced following the Investment Committee meeting at 11:10 a.m. with the same members present.

A. Executive Session

1. Attorney Report

Administrative Appeals. The Board will go into Executive Session under NMSA 1978, Section 10-15-1(H)(3) to discuss these items.

a. Kenneth Olson

2. Attorney Report

Administrative Appeal. The Board will continue in Executive Session under NMSA 1978, Section 10-15-1(H)(3) to discuss this item

a. Lawrence Otero

Mr. Jimenez moved to go into Executive Session pursuant to NMSA 1978, Section 10-15-1 (H)(3) to discuss the above listed items. His motion was seconded by Mr. Reynolds and passed by unanimous roll call vote as follows:

Patricia French	Aye
Stewart Logan	Aye
Dan Mayfield	Aye
Dan Esquibel	Aye
Roman Jimenez	Aye
Jackie Kohlasch	Aye
Louis Martinez	Aye
Loretta Naranjo Lopez	Aye
John Reynolds	Aye
Paula Fisher	Aye
Dianna Duran	Absent
Tim Eichenberg	Absent

[The Board met in Executive Session from 11:11 a.m.-12:40 p.m.]

Mr. Mayfield moved to return to open session and Ms. Naranjo Lopez seconded. The motion passed by unanimous roll call vote as follows:

Patricia French	Aye
Stewart Logan	Not present for this vote.
Dan Mayfield	Aye
Dan Esquibel	Aye
Roman Jimenez	Aye
Jackie Kohlasch	Not present for this vote
Louis Martinez	Aye
Loretta Naranjo Lopez	Aye
John Reynolds	Aye
Paula Fisher	Aye
Dianna Duran	Absent
Tim Eichenberg	Absent

Chair French announced that the only items discussed during executive session were those listed on the agenda.

Action Item: Action Regarding Attorney Reports

Mr. Martinez introduced the following motion:

“RESOLVED, that in the matter regarding Kenneth Olson, PERA #132658, the Board remand the Hearing Officer’s recommended decision to the Hearing Officer for the limited purpose of taking additional evidence and/or making additional findings and conclusions regarding the determination required by NMSA 1978, Section 10-11-10.1 B6 and C.”

Mr. Reynolds seconded and the motion passed by voice vote [7-0] with Mr. Jimenez abstaining and Ms. Fisher and Mr. Logan not present for this action.

Mr. Martinez introduced the following motion:

“RESOLVED, that in the matter regarding the appeal of Lawrence Otero, PERA #133616, the Board remand to the Hearing Officer to take additional information and evidence on his medical condition and to direct the Hearing Officer to write a scheduling order on the scope of the hearing.”

Mr. Reynolds seconded and the motion passed by unanimous [10-0] voice vote.

Chair French directed staff to meet with any PERA members that may have questions regarding the Board’s action regarding administrative appeals.

B. Certificate of Appreciation

1. Monica Lujan (16 Years of Service with PERA)

Mr. Propst announced that Monica Lujan has accepted a position with ERB and will be leaving PERA. He said having her PERA knowledge at ERB will enhance their relationship. On behalf of PERA staff he thanked her for her service and wished her the best at ERB.

Chair French said she would personally miss Ms. Lujan and wished her the best. Her comments were echoed by the other Board members.

Ms. Lujan received a certificate and photos were taken.

B. Action Item: Alternative Asset Recommendation for Approval, to be Funded According to the Cash Plan and Subject to Legal Review by General Counsel

1. Recommendation to Commit up to \$30 Million to Trinity Ventures XII, LP, an investment in the Private Equity Portfolio [Exhibit 3: Staff recommendation re: Trinity]

Mr. Mayfield said this item was discussed at this morning's IC meeting. He introduced the following motion:

“RESOLVED, that the PERA Board approve a commitment of up to \$30 million to Trinity Ventures XII, an investment in private equity portfolio to be funded according to the cash plan and subject to legal review by general counsel.”

Mr. Jimenez seconded and the motion passed by unanimous [9-0] voice vote. [Ms. Kohlasch was not present for this action.]

C. Action Item: Fixed Income Plus Benchmark Change & Investment Policy Statement Update [Exhibit 4: Investment Policy]

Mr. Mayfield said this item was discussed at this morning's IC meeting. He introduced the following motion:

“RESOLVED, that the PERA Board approve the recommended fixed income plus benchmark change and Investment Policy Statement update in accordance with the IC action.”

Mr. Jimenez seconded and the motion passed by unanimous [9-0] voice vote. [Ms. Kohlasch was not present for this action.]

D. Setting of Board Meeting Dates for November and December, 2015

Chair French announced the November Board meeting will occur on Thursday, November 19th and the December Board meeting will occur on Wednesday, December 30th.

E. Executive Director's Report

Mr. Propst informed the Board that the Retiree Health Care Authority has relocated to the PERA Building and RHCA seems to be integrating well with PERA staff which pleased him.

The final signature on the lease for the Albuquerque expanded office was obtained and the renovations will move forward. The new space is 70 percent larger and will be a significant improvement for the membership. Following renovation, staff will schedule a PERA Board meeting in Albuquerque.

On behalf of staff, Mr. Propst congratulated Ms. Naranjo Lopez and Ms. Kohlasch on their election victories. He thanked all the candidates for their interest in PERA.

Mr. Propst also reported:

- The building repairs are officially complete
- The new website is expected to launch October 1st
- PERA Member Services Bureau and Customer Services Bureau have demonstrated significant advancements
- Karlo Cantu is the newly hired Customer Service Manager

Mr. Propst said the outside underground radiant heat melts the snow in the public access locations.

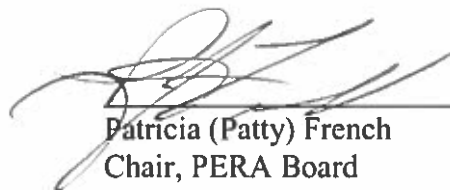
6. OTHER BUSINESS

None was offered.

7. ADJOURNMENT

Having completed the agenda and with no further business to come before the Board, Chair French declared this meeting adjourned at 1:00 p.m.

Approved by:



Patricia (Patty) French
Chair, PERA Board

ATTEST:



Wayne Propst, Executive Director

Attached Exhibit:

Exhibit 1: Consent Agenda

Exhibit 2: Election Committee Minutes, 9/18/15

Exhibit 3: Staff recommendation re: Trinity

Exhibit 4: Investment Policy