

**NEW MEXICO
RULES & ADMINISTRATION COMMITTEE MEETING
Thursday, March 25, 2021.**

1. Call to Order

This meeting of the Rules and Administration Committee was held on the date cited above via Zoom tele/videoconferencing. Chair Paula Fisher called the meeting to order at approximately 8:01 a.m.

2. Roll Call

Meeting attendance met quorum, with the following members present:

Committee Members present:

Paula Fisher, Chair
Steve Neel, Vice Chair
Shirley Ragin
Roberto Ramirez
Diana Rosales Ortiz.

Other Board Members Present

Lawrence Davis
Tim Eichenberg
Loretta Naranjo Lopez
Francis Page

Staff

Greg Trujillo, Acting Executive Director
Susan Pittard, General Counsel
Trish Winter, Executive Assistant
Anna Williams, CFO
Dominic Garcia, CIO
Misty Schoeppner, Deputy General Counsel
Kristin Varela, Deputy CIO
LeAnne Larranaga Ruffy, Co-Head of Equity
Joaquin Lujan, Co-Head of Equity

Other

Tom Toth, Wilshire Consulting
Ali Kazemi, Wilshire Consulting

3. Approval of the Agenda

Steve Neel moved to approve the agenda. Shirley Ragin seconded the motion.

The motion to approve the agenda passed by a roll call vote as follows:

Paula Fisher	Yes
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz.	Yes

4. Approval of Consent Agenda

Chair Fisher stated that she had reviewed the March 9th minutes and noticed a few things had been left out. She explained that she had not listened to the audio, but her comment regarding Senate Bill 403 was dispatchers not having the duties. She further asked if the audio was still available.

In response to Chair Fisher, Steve Neel stated that audio is on their website.

Chair Fisher added that there was also another issue she wanted to look at. She requested an opportunity to listen to the audio to ensure that the audio picked up what she stated before she gives her approval of the previous meeting minutes.

Chair Fisher motioned to move the approval of the previous minutes to the next Rules and Administration Committee meeting. Steve Neel seconded the motion.

The motion passed by a roll call vote as follows:

Paula Fisher	Yes
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz.	Yes

5. Unfinished Business

A. Public Comment Section in Board Policies and Procedures

Chair Fisher asked if everyone had an opportunity to review the public comments. Steve Neel confirmed that he did and made a motion to accept the changes made to the Public Comment Section of the Board Policies; Roberto Ramirez seconded the motion.

Loretta Naranjo Lopez recommended that the Committee take out Section 2.89, number 4 because the U.S. Supreme Court calls the attempts to regulate free speech a slippery slope. She further pointed out that the proposed changes may not be legal under the U.S. Constitution.

Responding, Ms. Pittard explained the changes directly reflect the requests from the Committee at the last Rules Committee meeting. She stated 2.85 was defined because it was inconsistent with the recommended changes regarding public comment. Section 2.88 exists in the Board policies and procedures and already addresses any concerns they may have about decorum during a Board meeting, whether it is by public comment or staff or Board members.

She further explained the First Amendment rights do not extend to bad behavior. If the Board did not want to entertain either racist or inflammatory rhetoric by public members, they had the purview to shut that down. Ms. Pittard pointed out that the Board’s policies and procedures as amended pass any kind of constitutional muster.

Diana Rosales Ortiz stated that it was a great concern because historically, the Board has been known for having heated arguments and sometimes getting derogatory comments from the public or each other, and verbally attacking each other. Ms. Rosales Ortiz explained that the principle on which number 4 was put in was not to take away the public's constitutional rights but to have them be respectful when talking in the meetings.

With regards to Section 2.89 number 4, Chair Fisher asked if it was okay to keep the part where it says, ‘the speakers will always act in a professional civil manner and the use of profanity or threatening language will not be tolerated in any way, and remove everything else.

Mr. Neel explained that with any deliberative body, there is a requirement for appropriate decorum. The PERA Board is very receptive to public comment and feedback, but inflammatory or racist rhetoric is beyond compare. He further stated that he liked the way number 4 was drafted and they should be looking back to Section 2.88 to make it clear that they are willing to listen to public comment but it has to be professional and civil. Mr. Neel pointed out that even the U.S. Congress has similar rules with regard to the use of profanity and threatening language. He felt number 4 was very rational.

Ms. Pittard asked for clarification of the motion. Mr. Neel clarified that his motion was to approve as is without pulling out the section that refers back to decorum. He added that it is appropriate and that they should approve the policy as drafted.

Roberto Ramirez stated that he agreed with Mr. Neel's comment to leave the language as is and called for the vote.

Mr. Neel reiterated his motion that the Rules Committee adopt the policy as drafted and refer it to the full Board for approval. Roberto Ramirez seconded the motion.

The motion to approve the Public Comment as drafted passed by roll call vote as follows;

Paula Fisher	Yes
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz.	Yes

B. Executive Director Job Description

Chair Fisher requested Ms. Pittard to dissect this for the Committee.

Ms. Pittard explained that they took the comments of the Rules Committee from the March 9th meeting and incorporated them into the proposal number one document that was offered by Chair Page to work from. They made some changes to add words and little problematic things that were not caught in the first go-round.

Ms. Ragin had recommended the inclusion of oversight of the internal employee payroll system. This is for the existing employees and human resources.

The next change pertained to qualifications. Ms. Ragin had proposed regarding overall skills that the Board would be looking for in an Executive Director.

With regards to knowledge, Mr. Neel had requested a change to the fundamentals of the securities industry to include institutional investing and capital markets. Ms. Pittard stated that they had put that in.

Ms. Pittard also reported that as per the Board's request, they had prepared a short memo on advertising. The Board had requested that they put together a list of the industry publications that they anticipated advertising with. This is what they had done for the most recent national search that was done for the CIO.

Ms. Pittard pointed out that the job description will need to be abbreviated for the advertisement. It was cost-prohibitive and also not appropriate to publish the entire job description. They would have an abbreviated job advertisement that would link to the full job description.

With regards to compensation, Mr. Neel asked if it would be appropriate to list the pay range even though it is a GOVX range 70. Mr. Neel said an applicant would go in and search what exactly is a pay range 70. He

proposed that they put that range in rather than having somebody search for them on the internet. Mr. Neel offered to make that as a motion and further stated that all his comments were incorporated. He asked Ms. Ragin if all of hers were captured as well.

Ms. Ragin answered in the affirmative that all her comments were captured and added that she had a question and a comment. Mr. Neel decided to hold off on his motion.

Ms. Ragin agreed that they should do the pay range and asked if it would be more appropriate to have it in the job posting. She explained that some of the changes she had made to the job description were things that one wouldn't have to keep going back in and change. For example, if the State should change the actual salaries, they'd have to keep coming back in and the change description. She stated that the pay range would be more appropriately pointed out in the actual posting as opposed to in the job description. Mr. Neel concurred.

Lawrence Davis stated that he was the one who'd suggested the minimum of five years pension administration experience. He pointed out that Ms. Rosales Ortiz had agreed to insert that but the section was left out. He asked if it was inadvertent or if it could be inserted now.

Chair Fisher explained that if they are looking at a range of 70, they need to go higher than five years so 10 years or more suffice.

Mr. Davis requested that they leave the 10 years in there, but also require a minimum of five years of pension fund administration or management experience.

Chair Fisher suggested that they go with 8 years out of the 10. Mr. Davis concurred. Chair Fisher explained that the 8 years is close to 10 of pension fund management experience. Mr. Neel also concurred with Chair Fisher.

CFO, Anna Williams informed the Committee that the pay range 70 had not been approved by the DFA yet. Chair Fisher asked if that means they could not include it at this time. Mr. Neel agreed that it should not be added until DFA had approved. Ms. Williams stated that he would reach out to DFA later and let the Committee know, but at this time it cannot be included.

Mr. Ramirez inquired whether the job description will go before the full Board after approval by the Rules Committee. In response, Chair Fisher explained that it will go before the Board where members will make their input and then vote yes or no.

Chair Fisher asked if Ms. Rosales Ortiz would make the motion to include the statement that this is an exempt position serving at the pleasure of the Board.

Ms. Rosales Ortiz answered in the affirmative and confirmed that her motion was to add "at will" to the document, that the position serves at the will of the Board. Mr. Ramirez seconded the motion.

Ms. Ragin pointed out that Mr. Neel had made a motion earlier. Chair Fisher explained that Mr. Neel had held out on his motion so they would get this one done and then go back to his motion.

The motion to add "at will" passed by a roll call vote as follows:

Paula Fisher	Yes
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz.	Yes

Mr. Neel proposed another amendment under education experience, bullet number three, that they insert 8 years of the 10 be directly applicable to pension administration.

Chair Fisher asked if Mr. Neel would also add investments as had been suggested. In response, Mr. Neel explained that pension administration will be the candidate's mandate.

Ms. Ragin seconded the motion. The motion to add 8 years of pension administration to education experience passed by a roll call vote as follows:

Paula Fisher	Yes
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz.	Yes

Mr. Neel moved to refer the job description as amended to the full Board. Mr. Ramirez seconded the motion. The motion passed by a roll call vote as follows:

Paula Fisher	Yes
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz.	Yes

Chair Fisher commented those who are not on the Committee will be heard and they are free to make their suggestions as well at the Board meeting once an item is out of Committee.

6. Adjournment

Chair Fisher declared the meeting adjourned at 8.46 a.m.

Approved by:

Paula Fisher, Chair
Rules & Administration Committee

ATTEST:



Greg Trujillo, Acting Executive Director