

**New Mexico  
Public Employees Retirement Association  
Board Meeting  
July 28, 2022**

**1. Call to Order**

This meeting of the New Mexico PERA Board was held on the date cited above at UNM, Student Union Building, Santa Ana Room; Albuquerque, NM. Chair, Claudia Armijo, called the meeting to order at approximately 9:13am.

**2. Pledge of Allegiance**

Paula Fisher led the Pledge of Allegiance.

**3. Roll Call**

The meeting attendance met quorum with the following members present;

**Board Members Present**

Claudia Armijo  
Valerie Barela  
Paula Fisher  
Steve Neel  
Loretta Naranjo Lopez  
Roberto Ramirez  
Shirley Ragin

**Board Member Absent**

Lawrence Davis  
Tim Eichenberg  
Francis Page  
Maggie Toulouse Oliver

**Staff**

Greg Trujillo, Executive Director  
Trish Winter, Executive Assistant  
Anna Williams, Deputy Director  
Kristin Varela, Interim CIO  
Leanne Larranaga Ruffy, Acting Deputy CIO  
Karyn Lujan, SmartSave Plan Manager

**Others in Attendance**

Lenore Chavez, PERA Retiree  
Patty French, PERA Retiree

**4. Approval of Agenda [Exhibit 1]**

Paula Fisher moved to approve the agenda. Steve Neel seconded the motion. The motion to approve the agenda passed by a roll call vote of 7 to 1 as follows;

Shirley Ragin	Yes	
Roberto Ramirez	Yes	
Loretta Naranjo Lopez		No
Steve Neel	Yes	
Paula Fisher	Yes	
Valerie Barela	Yes	
Diana Rosales Ortiz	Yes	
Claudia Armijo	Yes	

**5. Approval of Meeting Minutes**

**A. Approval of March 31, 2022 Board Meeting Minutes**

Loretta Naranjo Lopez requested a change to the draft minutes. She read a statement with her requested changes *[no copy received by recording secretary, therefore not included in minutes]* and made a motion to approve minutes with those changes. Roberto Ramirez seconded the motion. The motion passed by 7-1:

Shirley Ragin		No
Roberto Ramirez	Yes	
Loretta Naranjo Lopez	Yes	
Steve Neel	Yes	
Paula Fisher	Yes	
Valerie Barela	Yes	
Diana Rosales Ortiz	Yes	
Claudia Armijo	Yes	

**B. Approval of May 26, 2022 Board Meeting Minutes**

Paula Fisher moved to approve the May 26, 2022 Board meeting minutes. Diana Rosales Ortiz seconded the motion. The motion passed by a unanimous roll call vote as follows:

Shirley Ragin	Yes
Roberto Ramirez	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Paula Fisher	Yes
Valerie Barela	Yes
Diana Rosales Ortiz	Yes
Claudia Armijo	Yes

**6. Approval of Consent Agenda *[Exhibit 2]***

Paula Fisher moved to approve the Consent Agenda. Valerie Barela seconded the motion. The motion passed by a unanimous roll call vote as follows;

Shirley Ragin	Yes
Roberto Ramirez	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Paula Fisher	Yes
Valerie Barela	Yes

Diana Rosales Ortiz	Yes
Claudia Armijo	Yes

**7. Reports of Committees**

**A. Audit & Budget Committee – June 14, 2022**

Chair Rosales Ortiz gave a brief update of the June 14, 2022 Audit & Budget Committee meeting. All items on the agenda were informational, final Audit presentations from REDW as well as a list of unresolved observances

**B. SmartSave Committee – June 14, 2022**

Chair Ragin gave a brief update of the June 14, 2022 SmartSave Committee meeting. All items on the agenda were informational. There were presentations on Q3 FY22 Investment Performance Review; SmartSave Plan Updates and an Outreach review.

**C. Governance Committee – July 12, 2022 [Exhibit 3]**

Chair Armijo gave a brief update of the July 12, 2022 Governance Committee meeting. The 2022 Governance Committee Charter was approved by the committee and will be the operating document for the committee. There was one action item to come before the full board:

- 2. Approval of Strategic Plan:** Chair Armijo presented the Governance Committee recommended Strategic Plan. This plan has been reviewed by each board member; Chair Armijo stated that she had had feedback from several Board Members. Steve Neel moved to approve the Strategic Plan as recommended. Shirley Ragin seconded the motion. Motion passed 7-1.

Shirley Ragin	Yes	
Roberto Ramirez	Yes	
Loretta Naranjo Lopez		No
Steve Neel	Yes	
Paula Fisher	Yes	
Valerie Barela	Yes	
Diana Rosales Ortiz	Yes	
Claudia Armijo	Yes	

**D. Investment Committee – July 12, 2022**

Chair Neel gave a brief update of the July 12, 2022, Investment Committee meeting. All items on the agenda were informational: Performance & Market Review, Q4 2021 Illiquid Asset Class Performance and Investment Division Compliance Update. There was an Asset Allocation Education Session as well.

**E. AdHoc Investigative Committee – July 28, 2022**

Chair Armijo stated that the Committee met prior to the Board meeting and approved and recommended the Reprimand and Censure to come before the full board:

- 3. Recommendation for Board Approval: Resolution of Reprimand & Censure of Loretta Naranjo Lopez.** Roberto Ramirez moved to approve the Resolution as

recommended. Paula Fisher seconded the motion. Loretta Naranjo Lopez read a statement [no copy received by recording secretary, therefore not included in minutes].

A roll call vote was taken, the motion passed 6-1 with one abstention.

Shirley Ragin	Yes	
Roberto Ramirez	Yes	
Loretta Naranjo Lopez		No
Steve Neel		Abstain
Paula Fisher	Yes	
Valerie Barela	Yes	
Diana Rosales Ortiz	Yes	
Claudia Armijo	Yes	

## **8. Unfinished Business**

### **A. Items removed from Consent Agenda if necessary**

None.

The Board took a short break 10:30am to 10:47am.

## **9. New Business**

Board recessed to Executive Session to discuss;

### **NMSA 1978, §10-15-1 (H) (3)**

Administrative Appeal

#### **1. Isaac Martinez**

Paula Fisher moved to go to Executive Session. Diana Rosales Ortiz seconded. The motion passed as follows:

Shirley Ragin	Yes
Roberto Ramirez	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Paula Fisher	Yes
Valerie Barela	Yes
Diana Rosales Ortiz	Yes
Claudia Armijo	Yes

Executive Session from 10:48am to 10:59am. The Board convened in Regular Session.

Chair Armijo stated the only business discussed in Executive Session was what was on the agenda.

## **Board Members Present**

Shirley Ragin  
Roberto Ramirez  
Loretta Naranjo Lopez

Steve Neel  
Paula Fisher  
Valerie Barela  
Diana Rosales Ortiz  
Claudia Armijo

**A. Final decision on Administrative Appeal**  
**1. Isaac Martinez (PID # 418462)**

Valerie Barela moved to adopt the hearing officer's recommended findings of fact and conclusions of law, approve the hearing officer's recommended decision and deny the claimant's request for PERA disability retirement benefits. Shirley Ragin seconded the motion.

Motion passed by a roll call vote as follows;

Shirley Ragin	Yes
Roberto Ramirez	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Paula Fisher	Yes
Valerie Barela	Yes
Diana Rosales Ortiz	Yes
Claudia Armijo	Yes

**B. Approval of Interest Rate Resolutions**

Greg Trujillo explained that each July, the Board is presented with interest rate resolutions for the purchase of forfeited service credit, claims for unremitted contributions, as well as for overpayments that are made based on fraudulent information.

The interest rate resolutions up for approval today will go into effect on January 1, 2023. There is no change in the interest rate that was approved for calendar year 2021 and 2021. The rate for both the forfeited and unremitted contributions is based on PERA's assumed rate of return, 7.25%, which represents the opportunity cost loss for not having those monies invested in the trust fund. The interest rate for overpayments that are a result of fraudulent information is 10%.

**9.B.1; 9.B.2.; 9.B.3 Interest Repayment for Reinstatement Resolutions**

Loretta Naranjo Lopez moved to approve interest rate resolutions numbers, 22-06, 22-07, and 22-08, regarding repayment or reinstatement of forfeited service credit under the PERA Act, the Judicial Retirement Act, and the Magistrate Retirement Act. Shirley Ragin seconded the motion.

Motion passed by a unanimous roll call vote as follows;

Shirley Ragin	Yes
Roberto Ramirez	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Paula Fisher	Yes
Valerie Barela	Yes

Diana Rosales Ortiz	Yes
Claudia Armijo	Yes

#### **9.B.4; 9.B.5.; 9.B.6; 9.B.7 Interest Rate on Unremitted or Late Contributions**

Loretta Naranjo Lopez moved to approve resolutions concerning interest rates applied to unremitted or late contributions for the PERA Act, the Judicial Retirement Act, the Magistrate Retirement Act, and the Legislative Retirement System. Those are resolution numbers 22-09, 22-10, 22-11, and 22-12. Shirley Ragin seconded the motion.

Motion passed unanimously by a roll call vote as follows;

Shirley Ragin	Yes
Roberto Ramirez	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Paula Fisher	Yes
Valerie Barela	Yes
Diana Rosales Ortiz	Yes
Claudia Armijo	Yes

#### **9.B. 8. Resolution 22-13**

Loretta Naranjo Lopez moved to approve Resolution No. 21-13 concerning the rate of interest on overpayment of benefit. Paula Fisher seconded the motion. Motion passed unanimously by a roll call vote as follows;

Shirley Ragin	Yes
Roberto Ramirez	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Paula Fisher	Yes
Valerie Barela	Yes
Diana Rosales Ortiz	Yes
Claudia Armijo	Yes

#### **9.C. Resolution No. 21-14 Regarding Authorization to Act on Behalf of PERA in Securities Litigation Matters as Required**

Greg Trujillo explained that this is an updated resolution regarding authorization for the Executive Director and the Agency to pursue lead plaintiff status in Securities Litigation matters due to the timing constraints that PERA has with Federal Securities Litigation and when the Board is approached by the Attorney General's office.

Mr. Trujillo stated that the Attorney General's office would make a presentation to the Board regarding this matter at a subsequent board meeting.

Paula Fisher moved to approve Resolution No. 22-14, regarding authorization to act on behalf of PERA in Securities Litigation matters as required. Shirley Ragin seconded the motion. Motion passed unanimously by a roll call vote as follows;

Shirley Ragin	Yes
Roberto Ramirez	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Paula Fisher	Yes
Valerie Barela	Yes
Diana Rosales Ortiz	Yes
Claudia Armijo	Yes

**C. CIO Report**

Acting CIO, Kristin Varela gave a brief overview of items from the Investment Division.

Diana Rosales Ortiz thanked Ms. Varela for the update and requested all investment staff attend the September Annual Meeting, she appreciated staff’s hard work and would like to acknowledge them.

**D. Executive Director’s Report [Exhibit 4]**

Executive Director Greg Trujillo reported that the final 13<sup>th</sup> check had been sent out. As part of Senate Bill 72, it will be the third and final 13<sup>th</sup> check paid out to participants. Mr. Trujillo stated that the total amount this year for the 13<sup>th</sup> check was \$19,267,647. This was funded by the \$55 million appropriation received from the Governor’s office and the Legislature in 2020.

Mr. Trujillo further reported that 13<sup>th</sup> check total for 2020, 2021 and 2022 totaled \$54,956,721.87 with the remainder \$43,278.13 reverting to the operating fund.

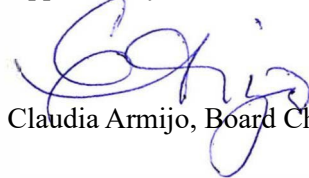
**10. Public Comment**

Patty French, retiree asked questions about the 13<sup>th</sup> check.

**11. Adjournment**

With no further business to discuss, Paula Fisher made a motion to adjourn. Chair Armijo adjourned the meeting at approximately 11:31am.

Approved by:

  
Claudia Armijo, Board Chair

ATTEST:

  
Greg Trujillo, Executive Director

Exhibit(s)

*Exhibit 1: Agenda*

*Exhibit 2: Consent Agenda*

*Exhibit 3: Strategic Plan*

*Exhibit 4: ED Report*