

NEW MEXICO
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION
SPECIAL BOARD MEETING

December 13, 2016

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, 33 Plaza la Prensa, Senator Fabian Chavez, Jr. Board Room, Santa Fe, New Mexico.

1. & 2. ROLL CALL

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

Members Present:

Patricia French, Chair - Municipal
Dan Mayfield, Vice Chair - Retiree
Dan Esquibel - Municipal
Jackie Kohlasch – State
James Maxon – County
John Melia – Municipal
Loretta Naranjo Lopez - Retiree
John Reynolds - State

Member(s) Absent:

Tim Eichenberg - *Ex-officio*
Paula Fisher – State [excused]
Cathy Townes - State [excused]
Brad Winter - *Ex-officio*

Staff Members Present:

Wayne Propst, Executive Director
Susan Pittard, Chief of Staff/General Counsel
Greg Trujillo, Deputy Director
Karen Risku, Deputy General Counsel
Jude Perez, Deputy CIO
Renada Peery-Galon, ASD Director
Natalie Cordova, Chief Financial Officer
Trish Winter, Executive Assistant
LeAnne Larrañaga-Ruffy, Director of Equity
Karyn Lujan, Deferred Compensation Plan Manager
Christine Ortega, Portfolio Manager

3. APPROVAL OF AGENDA

Secretary of State Toulouse Oliver was unable to attend today's meeting and Chair French requested the removal of item 3.A. Oath of Office.

Mr. Mayfield introduced the following motion:

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

Mr. Reynolds seconded and the motion passed by unanimous voice vote.

3. CURRENT BUSINESS

- A. Proposed Rulemaking Timeline/Notice of Rulemaking regarding amendments to 2.80.200.60, 2.80.200.70 and 2/80.200.80 NMAC to allow outsourcing of Board election services**
[Exhibit 1: Proposed rulemaking timeline; Exhibit 2: Notice of PERA Rulemaking]

Karen Risku, Deputy General Counsel, provided a background on the proposed rulemaking noting that PERA Board elections are held annually as governed by the PERA rules and statute. Currently, a volunteer election committee appointed by the Board Chair hand counts the ballots. This year, with over 10,000 ballots cast, the Ad hoc Election Committee chair, James Maxon, reported on the advantages of automated ballot counting. Over the years the Board has discussed outsourcing the elections. To that end, this agenda item seeks Board approval of a timeline and a notice of rulemaking regarding amendments to the subsections listed, above to allow for outsourcing of these services.

Ms. Risku noted the timeline within the packet is very tentative and provided only for informational purposes. The amendments will become effective in March 2017, allowing for an outside vendor to print, mail, count the ballots, and report the results to the Board for this year's 2017 Board election.

Mr. Maxon was recognized for his work on this item.

While he was very supportive of the proposed amendments, Mr. Esquibel said he has trouble with the notion of an online election and cited the recent problems with the US presidential election. Chair French said the Board can still make changes to the proposal and Ms. Risku agreed, adding that changes can be made at the rulemaking hearing.

Ms. Pittard pointed out that the rulemaking was crafted to allow the Board flexibility in how they choose to hold the election for any given year.

Ms. Naranjo Lopez asked whether any progress had been made in investigating the previous elections regarding the early election, which she deemed detrimental and unfair. Mr. Maxon said the ad hoc committee will be meeting on that issue, but it has not done so yet. Chair French made a personal guarantee that it would be discussed before the end of this year.

Mr. Maxon said that after discussions with Automated Election Services in Rio Rancho it was determined to use paper ballots the first year and consider online the next year.

Chair Fisher said that she, along with Mr. Maxon, Mr. Propst, Mr. Trujillo and Ms. Risku visited with the vendor in Rio Rancho. She said the vendor can provide election results

within minutes and their entire process was very impressive. Outsourcing the election will relieve staff from the process.

Mr. Reynolds asked whether there was a backup plan in the event the rulemaking did not meet the proposed schedule. Ms. Risku stated that the rulemaking timeline proposed completion date is mid-March, with the printing of the ballots in July. If this cannot be met, then the election will be conducted as it had been in the past. She pointed out that the Election Committee is a standing committee and will be available for any necessary assistance. The Election Committee will continue to verify signatures.

Mr. Esquibel introduced the following motion:

“RESOLVED, that the PERA Board approve a Rulemaking Timeline and Notice of Rulemaking regarding amendments to 2.80.200.60, 2.80.200.70 and 2.80.200.80 NMAC to allow outsourcing of Board election services.”

Mr. Mayfield seconded and the motion passed by unanimous voice vote.

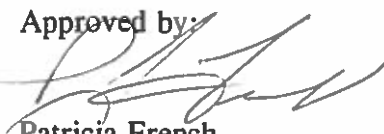
4. OTHER BUSINESS

None was presented.

5. ADJOURNMENT

Having completed the agenda and with no further business to come before the Board, Chair French declared this meeting adjourned at 9:25 a.m.

Approved by:



Patricia French
Chair, PERA Board

ATTEST:



Wayne Propst, Executive Director

Attached Exhibit:

Exhibit 1: Proposed rulemaking timeline

Exhibit 2: Notice of PERA Rulemaking