

**NEW MEXICO**  
**PUBLIC EMPLOYEES RETIREMENT ASSOCIATION**  
**AUDIT & BUDGET**  
**COMMITTEE MEETING**

**June 13, 2017**

This meeting of the Public Employees Retirement Board Audit & Budget Committee was called to order by Chair Jackie Kohlasch at approximately 9:38 a.m. on the above-cited date in the PERA Building, Senator Fabian Chavez, Jr. Board Room, 33 Plaza La Prensa, Santa Fe, New Mexico.

Roll was called and a quorum established with the following members present:

**Members Present:**

Jackie Kohlasch, Chair  
James Maxon  
Loretta Naranjo Lopez [appointed]  
Patty French [appointed]

**Member(s) Absent:**

Tim Eichenberg  
Cathy Townes, Vice Chair  
Claudia Armijo  
Dan Esquibel, excused

**Other Member(s) Present:**

John Melia  
John Reynolds

**Staff Members Present:**

Wayne Propst, Executive Director  
Susan Pittard, Chief of Staff/General Counsel  
Greg Trujillo, Deputy Director  
Jude Pérez, Interim CIO  
Anna Williams, CFO  
Karen Risku, Deputy General Counsel  
Renada Peery-Galon, ASD Director  
Dana David, Assistant General Counsel  
Trish Winter, Executive Assistant  
Joaquin Lujan, Director of Rates and Credit  
Karyn Lujan, Deferred Compensation Plan Manager  
Christine Ortega, Portfolio Manager  
Mark Montoya, Financial Analyst  
Isaac Olaoye, Financial Analyst  
Emily Lopez, Financial Specialist  
Marlena Riggs, Financial Budget Manager

**Others Present:**

Paul Lium, Nationwide  
Matt Bone, Clifton Larson Allen, LLP

**2. APPROVAL OF AGENDA**

Mr. Maxon moved to approve the agenda as presented. His motion was seconded by Ms. Naranjo Lopez and passed by unanimous [4-0] voice vote.

**3. APPROVAL OF CONSENT AGENDA**

Having read the minutes and finding them in order, Chair Kohlasch requested a motion for approval.

Mr. Maxon moved to approve. Ms. Naranjo Lopez seconded. The motion passed by unanimous [4-0] voice vote.

**4. CURRENT BUSINESS**

**A. Executive Session: Presentation of Draft 2016 Schedule of Employer Allocations and Pension Amounts Exit Conference (Under NMSA 1978, Sections 12-6-1 to 12-6-14)**

Ms. Naranjo Lopez moved to meet in executive session to discuss the items listed above per NMSA 1978, Section 12-6-1 to 12-6-14. Her motion was seconded by Mr. Maxon and passed by voice vote as follows:

|                        |     |
|------------------------|-----|
| Jackie Kohlasch, Chair | Aye |
| James Maxon            | Aye |
| Loretta Naranjo Lopez  | Aye |
| Patty French           | Aye |

[The committee met in executive session from 10:05 to 10:15]

Ms. French moved to return to open discussion having only discussed those items listed on the agenda. Ms. Naranjo Lopez seconded and the motion passed by unanimous voice vote.

**B. FY18 Operating Budget**

Renada Peery-Galon, ASD Director, presented PERA's FY18 operating budget as approved by the legislators via the General Appropriation Act. The operating budget was submitted to LFC and DFA on May 1, 2017. She reviewed the categories: 200, personal services and employee benefits; 300, contractual services; and 400, other. PERA was appropriated \$6,431,600 for category 200; \$27,411,000 for category 300 and \$1,549,100

for category 400.

Ms. Peery-Galon pointed out that PERA's budgeted vacancy rate is higher in FY18 at 9 percent. It is estimated that there will be five or six vacant positions at the beginning of FY18. Of the \$27.4 million in contractual services, approximately \$24.8 million are professional service contracts for investments. The other category (400), covers rent of the Albuquerque office, utilities for the Santa Fe office, IT and transportation insurance fees.

Ms. Peery-Galon said the transportation pool charge relates to the vehicle PERA rents from GSD. PERA owns three other vehicles and uses the leased vehicle for daily errand running.


5. **OTHER BUSINESS**

None was presented.

6. **ADJOURNMENT**

Having completed the agenda, and upon motion and second, Chair Kohlasch adjourned this meeting at approximately 10:15 a.m.

Approved by:

  
Jackie Kohlasch, Chair  
Audit & Budget Committee

ATTEST:

  
Wayne Propst, Executive Director