

NEW MEXICO
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION
BOARD MEETING

March 30, 2017

This meeting of the Public Employees Retirement Board was called to order by James Maxon, Vice Chair, at approximately 11:45 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.

2. Roll Call

Roll call established a quorum with the following members present:

Members Present:

James Maxon, Vice Chair - County
Claudia Armijo - State
Dan Esquibel - Municipal
Jackie Kohlasch - State
John Melia - Municipal
Loretta Naranjo Lopez – Retiree
John Reynolds – State
Maggie Toulouse Oliver - *Ex-officio*
Cathy Townes - State

Member(s) Absent:

Tim Eichenberg - *Ex-officio*
Dan Mayfield, Chair – Retiree [excused]
Patricia French – Municipal [excused]

Staff Members Present:

Wayne Propst, Executive Director
Susan Pittard, Chief of Staff/General Counsel
Jon Grabel, Chief Investment Officer
Greg Trujillo, Deputy Director
Jude Pérez, Deputy CIO
Karen Risku, Deputy General Counsel
Renada Peery-Galon, ASD Director
Joaquin Lujan, Director of Rates and Credit
Trish Winter, Executive Assistant
LeAnne Larrañaga-Ruffy, Director of Equity
Karyn Lujan, Deferred Compensation Plan Manager
Kristin Varela, Portfolio Manager of Real Returns
Christine Ortega, Portfolio Manager
Mark Montoya, Investments Division
Anna Murphy, Compliance Officer

Others Present:

Jamie Feidler, Cliffwater
Thomas Toth, Wilshire
Don Wencewicz, AFSCME Retiree

3. Approval of Agenda

Ms. Naranjo Lopez introduced the following motion:

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

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

4. Approval of Consent Agenda

[Exhibit 1: Consent Agenda]

Ms. Toulouse Oliver introduced the following motion:

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

Ms. Kohlasch seconded.

Ms. Naranjo Lopez indicated she would be voting against item 2.a.2. (Investments, alternative asset recommendation to commit up to \$100 million to GEM Realty Evergreen Fund, an illiquid real estate fund of one).

Ms. Toulouse Oliver revised her motion as follows:

“RESOLVED, that the PERA Board approve the consent agenda less item 2.a.2.”

The seconder accepted the modification and the motion passed without opposition.

Consent Agenda Item 2.a.2: Investments: Alternative asset recommendation to commit up to \$100 million to GEM Realty Evergreen Fund, an illiquid real estate fund of one

Ms. Toulouse Oliver introduced the following motion:

“RESOLVED, that the PERA Board approve consent agenda item 2.a.2.”

Mr. Melia seconded and the motion passed by majority [8-1] voice vote with Ms. Naranjo Lopez voting against.

5. Current Business

A. 2017 Legislative Session Report

Executive Director Wayne Propst said he had only one update since his latest email report which is that the Governor signed HB 34, the reciprocity bill. PERA's two main bills that Board supported have been signed. He thanked the Governor for signing and the bill sponsors, Senator White and Representative Bobby Gonzales, along with Greg Trujillo and Karyn Lujan from staff for their work.

B. Report on Upcoming Fund Solvency Educational Sessions

Mr. Propst said Chair Mayfield requested he update the Board on the different plans' solvency projections. As a result of those projections, Chair Mayfield has directed staff to work with Cavanaugh Macdonald to develop a series of educational sessions for the Board, to ensure a thorough understanding of the liabilities of the plan, the drivers of the liabilities and the potential options to ensure the long-term solvency of the PERA fund. He anticipated study sessions would commence in April.

C. Executive Director's Report

Mr. Propst reported that he emailed the Board the announcement for the Chief Investment Officer position. It will appear in the *Albuquerque Journal* several times over the course of the next few weeks, as well as on the online *Pension & Investments*. The job announcement will run through April 29th.

Mr. Propst reminded the Board of its June retreat, planned to occur in Taos, and said Ms. Winter can assist with reservations. A draft agenda for the retreat is being developed.

Mr. Propst thanked Jonathan Grabel for his tremendous contributions to PERA and lauded his intellect and perspectives on investing.

The Board echoed Mr. Propst's comments and wished him all the best.

5. Other Business

Vice Chair Maxon announced Chair Mayfield has made appointments to the 2017 PERA Board Election Committee. The roster was included in the Board packet.

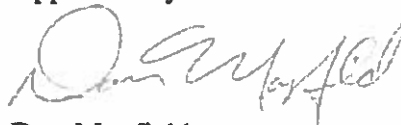
Mr. Propst said a contractor will be conducting the actual election process. Because of timing, the contractor, AES, was not able to handle the nominating petition process which they will take over in the future. AES will print, mail and tabulate the ballots.

General Counsel Pittard advised the Board that the appointment of the election committee is under the discretion of the Board Chair. Mr. Esquibel said he recalls voting on the committee composition in the past. Ms. Pittard said the appointments are presented for purposes of transparency and do not require Board action.

6. **Adjournment**

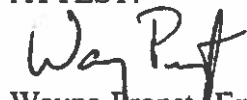
Having completed the agenda, Vice Chair Maxon declared this meeting adjourned at 12:10 p.m.

Approved by:



Dan Mayfield
Chair, PERA Board

ATTEST:



Wayne Propst, Executive Director

Attached Exhibits:

Exhibit 1: Consent Agenda