

**MINUTES OF THE NEW MEXICO  
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION  
RULES & ADMINISTRATION COMMITTEE MEETING**

**May 9, 2017**

This meeting of the Public Employees Retirement Board Rules & Administration Committee was called to order by Committee Chair James Maxon at approximately 10:18 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 was established as follows:

**Members Present:**

James Maxon, Chair  
Claudia Armijo, Vice Chair  
John Reynolds  
John Melia  
Cathy Townes

**Member(s) Absent:**

Dan Mayfield

**Other Member(s) Present:**

Loretta Naranjo Lopez  
Jackie Kohlasch  
Patricia French  
Dan Esquibel

**Staff Members Present:**

Wayne Propst, Executive Director  
Susan Pittard, Chief of Staff/General Counsel  
Greg Trujillo, Deputy Director  
Jude Pérez, Interim CIO  
Karen Risku, Deputy General Counsel  
Renada Peery-Galon, ASD Director  
Dana David, Assistant General Counsel  
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  
Anna Murphy, Compliance Officer  
Isaac Olaoye, Financial Analyst  
Emily Lopez, Financial Specialist

**Others Present:**

Paul Lium, Nationwide

**2. APPROVAL OF AGENDA**

Mr. Reynolds moved to approve the agenda as presented. Mr. Melia seconded and the motion passed by unanimous voice vote.

**3. APPROVAL OF CONSENT AGENDA**

Mr. Reynolds moved to approve the consent agenda. Mr. Melia seconded and the motion passed by unanimous voice vote.

**4. CURRENT BUSINESS**

**A. Fiduciary Counsel Finalists' Selection**

Assistant General Counsel Dana David reviewed the RFI evaluation matrix that was posted on the BoardPortal and included in the Board packet. He was prepared to answer any questions regarding that evaluation.

Mr. Melia said the firms that ranked above the red all appear to meet PERA's needs and asked whether staff had a recommendation.

Ms. French said she too reviewed the information and asked exactly what PERA had asked for. Mr. David said the process included the scope of work approved by the Board on January 10, 2017, which was incorporated into a standard RFI document with a procurement schedule. The RFI was published on February 6, 2017 on the PERA website, *Pension & Investments* magazine and with professional organizations.

Ms. French said she viewed this as a Board decision and the Board should have the opportunity to interview a couple of the top firms.

Executive Director Propst said once the Board gives staff direction as to which firm they want to enter into contract with, staff will begin preparing the contract for FY18.

Ms. Naranjo Lopez said because these firms have large public pension clients, she would be comfortable scheduling interviews with Reed Smith, KL Gates and Steptoe & Johnson.

Mr. Reynolds asked what was budgeted for the services of fiduciary counsel and Mr. Propst said it was \$25,000. Mr. David confirmed that amount was explicit in the RFI.

Mr. David anticipated that a firm may not want to travel to Santa Fe for an

interview because the travel cost may make up more than 10 percent of the contract amount. He suggested a Skype interview may be appropriate.

Ms. French repeated that she felt strongly in that this selection should be a Board process and decision.

Mr. Propst said scheduling a special Board meeting may be necessary for the interviews.

Ms. Armijo recommended that aside from the firm's rate, their location should be considered because PERA might be paying for travel costs.

Ms. Kohlasch offered it would be more efficient to have a subcommittee meet and narrow the field to three for interviews.

Mr. David advised the Committee that the amount of insurance the firm carries is an important component to consider. He said the RFI did not specifically ask for the amount of insurance but instead to describe the insurance they carried insurance. During the interview process, the Board could ask about the amount of insurance and whether they will charge travel fees.

Ms. Armijo moved to interview via Skype four firms: Jackson Walker, KL Gates, Reed Smith and Steptoe & Johnson. Mr. Melia seconded and the motion passed by unanimous voice vote. [Mr. Reynolds was not present for this action.]


5. **OTHER BUSINESS**

None were presented.

6. **ADJOURNMENT**

Having completed the agenda and with no further business to come before the Committee, Chair Maxon adjourned this meeting at approximately 10:45 a.m.

Approved by:

  
\_\_\_\_\_  
James Maxon, Chair  
Rules & Administration Committee

ATTEST:

  
\_\_\_\_\_  
Wayne Propst, Executive Director