

NEW MEXICO
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION
RULES & ADMINISTRATION COMMITTEE

November 29, 2018

This meeting of the Public Employees Retirement Rules & Administration Committee was called to order by Claudia Armijo, Chair, at approximately 12:10 p.m. on the above-cited date at the PERA Building, Senator Fabian Chavez, Jr. Board Room, 33 Plaza la Prensa, Santa Fe, New Mexico.

1. Roll Call

Roll call indicated the presence a quorum with the following members present:

Members Present:

Claudia Armijo, Chair
Cathy Townes, Vice Chair
John Melia
Dan Mayfield

Member(s) Absent:

Maggie Toulouse Oliver

Other Board Members Present:

Jackie Kohlasch
Loretta Naranjo Lopez
James Maxon

Staff Members Present:

Wayne Propst, Executive Director
Susan Pittard, Chief of Staff/General Counsel
Dominic Garcia, Chief Investments Officer
Karen Risku, Deputy General Counsel
Renada Peery-Galon, Administrator Services Director
Greg Trujillo, Deputy Executive Director
Kristin Varela, Deputy CIO
Joaquin Lujan, Portfolio Manager
Trish Winter, Executive Assistant
LeAnne Larrañaga-Ruffy, Director of Equity
Christine Ortega, Portfolio Manager
Anna Williams, Chief Financial Officer
Anna Murphy, Portfolio Manager
Emily Lopez, Financial Specialist

Others Present:

Harvey Leiderman, Board Fiduciary Counsel [telephonically]
Tom Toth, Wilshire Associates
Paul Lium, Nationwide
Carter Bundy, AFSCME

2. Approval of Agenda

Mr. Melia moved to approve the agenda as published. Mr. Mayfield seconded and the motion passed without opposition.

3. Approval of Consent Agenda

Mr. Melia moved to approve the consent agenda and Ms. Townes seconded. The motion passed by unanimous [4-0] voice vote.

4. Current Business

A. Recommendation of Board Adoption of Board Meeting Rules of Order

Chair Armijo said staff posted a number of documents on the Board Portal for review regarding rules of order. Her personal preferences were also posted. Robert's Rules of Order are detailed and surpass the needs of the Board. The Rosenberg's Rules of Order are much closer to what the Board already does, and she recommended adopting those rules with some changes to meet the Board's needs. If certain aspects do not work, the rules can be revisited. She reviewed some of Rosenberg's points to include restating motions, taking a vote, restating the motion and announcing the vote. In terms of the agenda, the Board Chair and Vice Chair should work with staff to develop an agenda with input from other members. If there are three or more Board members that desire an item on the agenda and the Board Chair is unwilling to do so, a motion can be made to add it to the agenda. For committees, two or more members of that committee can request the inclusion of an agenda item. Regarding motions, items that do not require a vote were identified, as were those requiring a simple or super majority vote. She encouraged the inclusion of public comment within agendas.

General Counsel Pittard said the Board policy has a provision that requires four Board or Committee members to put in writing a request for an agenda item. If the Chair's recommendations are adopted, it will require the revision of the Board policy.

Chair Armijo recommended that what is recommended be compared to the written policy to ensure there are no conflicts.

Ms. Townes advocated for the motion to limit debate. Chair Armijo said the motion to limit debate is for the overall debate not individual speakers. Individual speakers could be limited but the suggested motion is to limit debate on an item.

Stating she is a strong proponent of decorum, Ms. Townes said there should be a method to stop endless debate. Disagreement, without being disrespectful, is certainly acceptable. Chair Armijo said Rosenberg covers decorum and respect. Call for a "point of order" can be used to bring discussion back on point.

Harvey Leiderman, participating by telephone, stated that many boards are incorporating Rosenberg's Rules as a distillation of Robert's Rules. Rosenberg is consistent with Robert's

Rules but more applicable to a government body. Rosenberg was a California state court judge and ran a number of agencies within the state.

Dr. Kohlasch requested that staff provide a redline of the original procedures. Chair Armijo suggested a quick reference spreadsheet (cheat sheet) on procedures.

Ms. Naranjo Lopez thanked Ms. Armijo for her efforts on this matter. She said that Robert's Rules are established and provide the "unanswered with an answer." Her concern was Rosenberg may not have the answers. Appreciating Ms. Naranjo Lopez's concern, Chair Armijo said Rosenberg is more manageable and can be tweaked.

Ms. Armijo requested a motion to adopt Rosenberg's Rules of Order as outlined on Exhibit 1 and to include Vice Chair Kohlasch's request for a redline version to address possible policy changes and a "cheat sheet" of the rules. So moved by Mr. Melia and seconded by Mr. Mayfield. The motion passed by unanimous [4-0] voice vote.

B. Recommendation of Board Rule to Allow for Limited Board Member Telephonic Board Meeting Attendance

Chair Armijo said this rule would, in certain instances, allow for a Board member to attend a meeting telephonically within the guidelines of the Open Meetings Act. Rather than the chair approving the telephonic participation, those present at the meeting where the telephonic attendance is sought should, by majority vote, agree to it.

Mr. Melia expressed his concern that members may abuse not attending. Ms. Naranjo Lopez agreed that that could be a problem.

Mr. Mayfield recommended that the telephonic participation of the individual should not create the quorum. In other words, as long as there is a quorum present, a member may participate by phone.

Ms. Townes suggested the Board revisit whether there is a rule addressing how many meetings a member can miss. Chair Armijo said the restriction is for "unexcused" absences.

Mr. Mayfield moved to forward the concept of allowing members to participate and vote telephonically if they are not needed for the quorum. The motion failed for lack of a second.

C. Recommendation of Board Rule to Accept Nominations of Board Chair and Vice Chair in December each year each year, to Allow Nominees to Provide Each Board Member with a Summary of their Vision and Priorities for the Board's Calendar for the Next Year and to Vote for Board Chair and vice Chair at the First Meeting of the Board in the Next Calendar Year

Mr. Leiderman said typically boards annually elect chairs and vice chairs and many try to accomplish it within one meeting. While it may be efficient there is a loss of effectiveness. Some boards have the vice chair step up to the chair position. He said it was useful to have nominations

at one session and then split out the election process to the next meeting. It provides an opportunity for the candidate to reconsider the position and allows the board additional time to think about their vote. The current structure has new board members voting for a chair and vice chair at their first meeting. Mr. Leiderman considered the recommendation a matter of good governance.

Ms. Pittard said the administrative rules state there will be an election for chair and vice chair in January. To enact the recommendation, an agenda item for nominations would be added to the December 11th Board meeting and the vote would follow in January.

Chair Armijo said to enact this, the committee would recommend to the Board in December the institution of the recommendation, take nominations and hear comments from the nominees. Mr. Mayfield said the nominations would also need to be closed at that meeting.

Mr. Mayfield moved to advance the recommendation as noted in caption to the Board at its December 11th meeting. Mr. Melia seconded.

Chair Armijo repeated the motion to recommend at the December 11th Board meeting that the chair and vice chair be nominated and statements from the nominees occur at that meeting and the vote occur at the January Board meeting.

The motion passed without opposition.

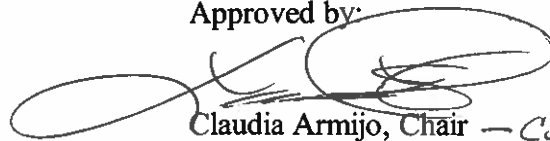
5. **Other Business**

None was presented.

6. **Adjournment**

Having completed the agenda and upon motion by Mr. Mayfield and second by Mr. Melia, Chair Armijo declared this meeting adjourned at 12:40 p.m.

Approved by:



Claudia Armijo, Chair — *Current Chair*
PERA Rules & Administration Committee

Lawrence D.

ATTEST:



Wayne Propst, Executive Director