New Mexico
Public Employees Retirement Association
PERA Board Meeting
October 28, 2021

1. **Call to Order**
   This meeting of the New Mexico PERA Board was held on the date cited above via Zoom tele/video conferencing. Acting Chair Francis Page called the meeting to order at approximately 9:04 a.m.

2. **Pledge of Allegiance.**
   Steve Neel led the Pledge of Allegiance.

3. **Roll Call**
   The meeting attendance met quorum with the following members present;

Board Members Present
Francis Page, Acting Chair
Claudia Armijo
Lawrence Davis
Tim Eichenberg
Paula Fisher [@10:00am and unable to be heard]
Loretta Naranjo Lopez
Steve Neel
Roberto Ramirez
Maggie Toulouse Oliver [out @ 11:00am]

Board Member Absent
John Melia
Shirley Ragin
Diana Rosales Ortiz

Staff
Greg Trujillo, Acting Executive Director
Trish Winter, Executive Assistant
Anna Williams, CFO
Kristin Varela, Acting CIO
LeAnne Larranaga Ruffy, Acting Deputy CIO
Misty Schoeppner, Acting General Counsel
Geraldine Garduno, Asst. General Counsel
Jessica Trujillo, HR Manager
Karyn Lujan, SmartSave Plan Manager
Melinda Marquez, Member Services Bureau Chief
Angela Romero, Abq Office Manger
Sara Hume, Director of Beta
Frank Mihail, Director
Jovanna Archuleta, Investments
Aaron Kayser, Investments

Other
John Garrett, Cavanaugh Macdonald Consulting
Bryan Hoge, Cavanaugh Macdonald Consulting
Rose Dean, Wilshire Consulting
Tom Toth, Wilshire Consulting
Steve DiGirolamo, Wilshire Consulting
Kevin Baload, Journalist with PageantMedia
Patty French
Joseph Kerns

4. **Approval of Agenda**. *[Exhibit 1]*

Ms. Naranjo Lopez proposed the removal of Items 6 A and 7 B from the agenda. She stated that Item 7 A needs to be removed because the documents being referred to by this item were not provided to the Board 72 hours before the Board meeting as required by the Board rules. She felt the item undermined public trust and lacked transparency.

Loretta Naranjo Lopez moved to remove Item 7 B from the agenda. There was no second.

Tim Eichenberg moved to approve the Agenda as is. Maggie Toulouse Oliver seconded the motion. The motion passed by a roll call vote of 7 to 1 as follows;

Francis Page	Yes
Claudia Armijo	Yes
Lawrence Davis	Yes
Tim Eichenberg	Yes
Loretta Naranjo Lopez	No
Steve Neel	Yes
Roberto Ramirez	Yes
Maggie Toulouse Oliver	Yes

Ms. Naranjo Lopez felt this was a personal vendetta by Acting Chair Page because it was not supported by the Board.

1. **Approval of Consent Agenda** *[Exhibit 2]*

Ms. Naranjo Lopez proposed the removal of the September 2021 minutes from the Consent Agenda to Item 6 A, the unfinished business.

Maggie Toulouse Oliver moved to approve the Consent Agenda as amended. Claudia Armijo seconded the motion. The motion passed by unanimous roll call vote as follows;

Francis Page	Yes
Claudia Armijo	Yes
Lawrence Davis	Yes
Tim Eichenberg	Yes

Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Roberto Ramirez	Yes
Maggie Toulouse Oliver	Yes

2. **Unfinished Business**
   A. **Items removed from Consent Agenda**

Ms. Naranjo Lopez stated she would vote no on the motion to approve the minutes due to lack of an effective process to ensure accuracy and completeness of the Board minutes.

She stated that the abbreviated minutes do not allow staff to change meaning. She added that the statement that Mr. Eichenberg had said that he did not know that Ms. Naranjo Lopez was on the call list, should have been included in the minutes.

She also pointed out that staff needs to provide legal notice on the Ad Hoc meeting, but there had been no Ad Hoc meeting to allow the agenda item last month. She added that the Board had agreed that the process had been flawed and there should have been a consultant, but these concerns were not addressed at all.

Ms. Naranjo Lopez had also requested at the last meeting that the ethics complaint she had filed against Mr. Greg Trujillo claiming he had lied and cheated on his application be attached to the record, but there had been no mention of it in the record. For these reasons, she would be voting no on the minutes.

Acting Chair Page informed the Board that he had reviewed the Board minutes and had approved them as submitted.

Lawrence Davis moved to approve the Board minutes as submitted. Claudia Armijo seconded the motion. The motion passed by a roll call vote of 5 to 1, with 2 abstentions, as follows;

Francis Page	Yes
Claudia Armijo	Yes
Lawrence Davis	Yes
Tim Eichenberg	Abstain
Loretta Naranjo Lopez	No
Steve Neel	Yes
Roberto Ramirez	Yes
Maggie Toulouse Oliver	Abstain

Mr. Eichenberg stated he had not read the minutes. Ms. Toulouse Oliver abstained because she did not attend the meeting.

3. **New Business**
5. **Acceptance of FY 2021 Actuarial Valuations** *[Exhibit 3]*

John Garrett of Cavanaugh Macdonald Consulting reported that Jonathan Craven had retired from the firm. A new actuary, Brian Hoge, had replaced him to co-lead the New Mexico PERA account.

Mr. Garrett gave an overview of the June 30, 2021 actuarial valuations of the systems under PERA. He started by presenting some general observations of PERA. He stated that large mature public plans in the country are driven mostly by investment gains and losses. This is the biggest source of differences from an actuarial valuation, which was the case this year.

There was a slight loss due to non-investment experience. Therefore, all the other gains and losses increased the UAAL by only $14 million. This was primarily due to new entrants and service changes. New entrants are people who come into the plan during the plan year. When the next valuation is being done, there will be a partial year service on those people.

The funded ratio increased from 70.3% to 71.4% in this valuation. This is still not recognizing the $1.3 billion that will be picked up in the next three years.

Brian Hoge gave an overview of how the valuation is done, which they had presented on pie charts. Every member of the system is considered and several assumptions are made to try and project the future benefit payments of the members.

The current actuarial value of assets is about $16 billion. This is compared to the actuarial accrued liability of $23 billion, and the difference is the UAAL, the unfunded actuarial accrued liability. This is about $6.5 billion.

Mr. Hoge stated that as much as it is common for public pensions to have unfunded liability, the key focus should be on how that is going to be funded in the future. There needs to be a systematic way to pay it off.

Ms. Naranjo Lopez was concerned that the unfunded liability had not changed since SB 72 passed. She felt that something was not being done right and requested to know why the UAAL was not decreasing.

She also noted that the actuarial value of assets is $16 billion, but the fund currently has $17 billion. She, therefore, asked if the 71.4% included the $17 billion.

Mr. Garrett stated that historically, before SB 72, the projections were flat and there was no improvement in the funded ratio. He pointed out that the UAAL had now gone down by a couple of hundreds of millions from where it would have been expected to be.

When a projection is done, it becomes an asset-liability model, which is the only way to project PERA's path because of SB 72 and the variable nature of COLA dependent on investment returns.

The expected time to fund the plan is 2045, and this is when the impact of SB 72 will be seen in the ALMs. The impact is not reflected in this valuation because the valuation does not reflect that future COLAs are impacted by investment gain loss.

The next projections that will show a plan improving and exceeding 100% funded ratio by 2045 will be presented at the November Board meeting.

Mr. Trujillo explained that this valuation captures the first year of SB 72 in a six-year implementation period of the bill. The impact would therefore not be expected to be realized immediately.

Responding to Mr. Trujillo, Mr. Garrett stated that in SB 72, one of the primary features was the coupling of future COLAs with investment gains. In that interim period, there was a replacement of automatic COLAs with 13 checks of roughly the same amount. Therefore, as far as cash flow impact, the benefits being paid are roughly the same as what would have been expected prior to SB 72.

Mr. Garrett reiterated that SB 72 had had a major impact on the future direction of the plan. This is shown on an asset-liability model, which includes the volatility of assets. It also gives an idea of what the midpoint expectation is at, but also the likelihood positive on the 75th percentile and the likely negative on the 25th percentile.

The fund is deemed to be at a better position this year than last year, both from a combination of SB 72 coming on board and the 26.5% market-rate return.

Ms. Naranjo Lopez pointed out that the amount of money that retirees are getting is not the same. She also stated that the previous indication was that everything was going to happen in 30 years and now the valuation was showing more years and the fund would still not be 100% funded. She felt that the valuation was not looked at carefully because of the politics that go on and that extraordinary benefits that have not been paid for are being given out to certain groups of people.

Ms. Naranjo Lopez also expressed concern that the unfunded liability will increase since the right investments were not being made. She proposed going back to the drawing in order to understand the real problems and how to deal with them. She also wondered why members were informed that the fund would be 100% funded in 30 years when SB 72 was being passed and why the COLA was done away with if the unfunded liability was not being dealt with.

Mr. Davis requested details on where the 26.5% was coming from since PERA's market return as of June 30 was 24.02%. In response, Mr. Garrett stated that actuarial value is an estimate. The assumption is that cash flow occurs in the middle of the year, so the investment return is effective for half a year. Therefore, everything is solved in the middle of the year to get an investment gain loss for actuarial purposes. The actuaries do not do actual time-weighted or dollar-weighted rates of return, thus the difference in values.

Mr. Garrett stated that they would look at the valuation again to ensure that the calculation followed the actual process for estimating the rate return.

Mr. Eichenberg requested Mr. Hoge to give a little background on his education and work experience at Cavanaugh.

Mr. Hoge stated that he'd been with Cavanaugh for about eight years now and is working out of their Omaha, Nebraska office. He works on several statewide systems and has been a retirement consultant for close to 18 years. He had also worked in the private sector in Chicago for some time. Mr. Hoge is also fully credentialed, having spent 10 years of his career studying exams. He has his FSA, Fellowship with Society of Actuaries, as well his Enrolled Actuary Designation. These two are the top designations one can have as an actuary.

Mr. Garrett added that for Cavanaugh to bring in someone as a co-lead on a statewide system, the actuary is required to have, under the American Academy of Actuaries, meet all the qualification standards. Mr. Hoge had met all those to be able to provide an opinion.

Mr. Neel thanked Mr. Garrett and Mr. Hoge for the presentation. He also requested details of yearly inputs on the aforementioned smoothing rate of 9.07%.

Mr. Garrett explained that the measured return of 26.5% generates about \$2.6 billion gain above expectation. Spreading this over years gives about \$700 million a year that will be captured over this year and the next three based on the return seen in 2021.

Having experienced losses in the prior three years, the measured return was at 9.07% because the valuation is still recognizing losses from those prior years. 2020 had a loss of about \$1.3 billion, 2019 was at a loss of about \$150 million, while 2018 saw a loss of about \$74 million. 25% of that gain loss is still being recognized each year.

Mr. Garrett further stated that they expect the large gain to overwhelm the losses that were being deferred so that more of it will eventually flow into the UAAL. He indicated that the approximated UAAL of \$6.5 billion does not include the market gain as that is already in the assets on the market at \$1.3 billion. On a market value basis, the UAAL would, therefore, be dropping to about 5.3 million.

Mr. Hoge continued with his presentation and stated that they would continue to smooth in the actuarial value assets over the next four years. If all assumptions are met, this will then come up and reduce the unfunded liability.

Mr. Hoge also gave a presentation of the membership plans that they usually project out in the future.

For the State General Plan, Mr. Hoge stated the active membership here had decreased by about 7% over the last eight years. Now, there are more in-pay members than active members, which is what is expected of a mature system. The number of in-pay members will continue to increase while the active members might remain stable. This is the reason for having a pre-fund so that when the number of retired members goes up, there will be funds available to pay them in the future.

Mr. Neel noted that there was a slow degradation with the New Mexico State plan and asked if it was the same case with states that had a more active economy, like Texas or Arizona.

Mr. Hoge stated that there had been a decline in State employment over the last few years even when the economy was good. This started being common especially after the great recession.

Mr. Garrett confirmed that it was indeed a common feature and reiterated that for a maturing pension plan, the expectation is to have a decline in the ratio of active to retired members. There might be an equilibrium in the future where the number of people coming into the plan will match the number that is retiring, but the Plan is not there yet.

Mr. Neel felt that the local government's reluctance to adopt productivity changes and embrace technology might be a risk to the Plan going forward.

Mr. Hoge then overviewed the three other funds within the Plan, Judicial Fund – the active population has been pretty stable while there has been an increase in the retired population. The ratio has therefore decreased. Magistrates Fund – similar case in this group. The active members remained stable while the retired members increase. Volunteer Firefighters Fund – there are many active members, about 8000, because there are several of them in different places throughout the state. The ratio between active and retired members came down due to the increase in retired members over the last 8 years.

Mr. Davis requested a breakdown of the memberships into Tier 1 and Tier 2 active and retired members in future reports. Mr. Hoge agreed to make that addition to the reports.

Mr. Garrett presented on cash flow and stated this is how much money comes in versus how much money goes out. This is referred to as the net external cash flow and does not include the items of income driven from the investments of the assets. It is money coming in and out of the trust fund from external sources to external recipients.

Mr. Neel stated that there had been several discussions on pay-as-you-go models indicating they are beneficial options for state pensions. He asked if there was a trend of pensions moving to that model and requested Mr. Garrett to opine on the thought movement behind pay-as-you-go.

Mr. Garrett stated that the opposite was being observed where more government employers were dedicating resources to fully fund the actuarial required contributions. He added that pay-as-you-go would only make sense before the plan reaches its maturity level. It would be expensive for PERA to shift its model considering the number of retirees it currently has.

Mr. Hoge confirmed that most systems preferred the pre-funding method. He further explained that on average, for pre-fund systems, 70% of the benefits being paid out came from investment earnings. 30% come from contributions. For pay-as-you-go systems, the 70% being earned in the market goes away and contributions increase to cover the benefits.

Mr. Neel inquired if there was any indication that the federal government would help out underfunded pension funds. In response, Mr. Garrett stated the federal government had done that in the past but it did not attract a lot of traction. This is because the general notion is they are now promoting federal funding for systems that were underfunded yet they were not paying contributions they should have been paying.

Mr. Garrett stated the federal government had put limits on the amount of federal funding that goes into unfunded pension plans.

Mr. Garrett also presented a comparison of the growth in payroll over time for municipal plans. A comparison between municipal general and state general showed flat growth in payroll and the expected increase in benefit payments as the members retire.

For the Judicial, Magistrates, and volunteer firefighters, Mr. Garrett stated these are small populations that mature much faster. Therefore, a much higher percentage of payroll would be required to pay the benefits, at 74.2% for judges and 71% for magistrates. There was also an increase seen in volunteer firefighters' benefits.

Acting Chair Page stated there’s a legislative bill proposing to fund judicial an extra $35 million and an extra $10 million for magistrates. He asked how this will impact the funds in the future.

Mr. Garrett stated that they had performed some studies for that proposed legislation. What it showed is that any additional funding would be significant because the two plans have for a long time been underfunded. The plans would become fully funded in roughly 15 to 20 years.

Mr. Garrett then discussed the net external cash flow as a percent of assets. He presented a chart of the projected future cash flow. To calculate this, they take the contributions as income to the plan. The amount to be paid in benefits is then subtracted. The result is then put as a percent of the average market value for that year.

This means that a plan has some limitations to how long it can sustain significant negative cash flow. Significant is determined as being above a threshold of what is sustainable.

Mr. Garrett noted that most of the plans that are beyond that threshold are the State General Plan, the Legislative Plan, and the Judicial Plan. The Legislative Plan is over 100% funded and does not require much focus on the cash flow measure. However, when trying to improve to 100% funded status, excess cash flow delays that and slows down the growth.

Mr. Garrett stated that the numbers presented on the charts are an improvement and continuous improvement should be expected in the future.

Mr. Hoge discussed the market and actuarial asset values. In an actuarial valuation, a smooth value, also known as an actuarial value, is used in all measurements instead of the market value to reduce volatility.

He stated that many systems pay a contribution rate and if the market value is used in an actuarial valuation, the contribution rate would go up and down and be highly volatile. If the market value was used in this valuation, the funding period would go up and down on a year-to-year basis as indicated on the charts.

The charts indicated that the market value in 2020 was much lower than the actuarial value. These were due to the deferred losses and they had to be smoothed in for the system over the next four years.

Mr. Garrett added that even if the 7.25% return is not earned, the system is well-positioned for any future returns. The $1.3 billion that PERA has in store will help offset any future losses as well as eventually recognize gains and reduce the UAAL.

Mr. Hoge discussed a summary of the results for State Division; Municipal Division

Ms. Naranjo Lopez inquired about the source of Cavanaugh's investment performance data and how that data is verified. In response, Mr. Garrett stated that as actuaries, they only measure the liability and the assets. When they do experience studies, they take the capital market assumptions of investment professionals hired by PERA to determine future expectations for returns.

Mr. Hoge further explained that the valuations are not calculated by the actuaries. They take the numbers from the system and these numbers have been audited on another end. They do, however, calculate liability numbers, but with regards to assets, those are from the system.

With regards to smoothing, they use the cash flows, benefit payments, and contributions received from the asset statements to come up with the smooth value.

Mr. Neel also inquired about systems that adjust in order to hit their arc payment every year. He also wondered if adjusting would be the right thing for PERA in the long run.

Mr. Garrett explained that statutory rates were set long ago and have been modified slightly. He added that several states have their rates fixed by the legislature then the actuary's task is to determine whether they are sufficient to fund the plan over some time. This is what they do in New Mexico. He further explained that even before SB 72 came into place, measurement using per statutory rates had gotten away from the normal cost of the benefits.

Mr. Garrett also stated that in operation, over the years, the UAALs have gotten to a point where they're a majority of the required funding. Therefore, a realignment in statutory rates might prove to be a good thing.

Mr. Hoge continued with the summary results for Judicial Fund; Magistrate Fund and Volunteer Firefighters Funds.

Upon completion of the summary, Mr. Davis stated that he had read several national articles that were making certain distinctions between rural versus urban life expectancy for individuals and inserting those into actuarial assumptions. He wondered whether Cavanaugh does the same or will consider doing it soon.

Responding to Mr. Davis, Mr. Hoge stated that most of their statewide systems don't have the information to get to those fine details to enable distinction. If they did, they would have several different assumptions that would add unnecessary complexity to the valuation.

Mr. Hoge also stated that the law of large numbers that actuaries follow is that the bigger the population being analyzed, the more credible the data will be. Narrowing it down to specific places might mean fewer analyses of deaths. He further stated that they do consider mortality rates in different states into building the mortality assumption, but they do not go into the finer details.

Mr. Hoge reported the following;

- New 2021 projections and asset-liability studies will be available in November.

- The GASB, that is the accounting disclosures will also be available in November. For the employers, they will be available in January. Staff will receive drafts sooner, in about two days.

- The experience study for PERA will be completed in the spring or summer of 2022. The actuaries will look at the actuarial methods and the actuarial assumptions used for the different divisions. They will then suggest changes to the Board and the Board will ultimately decide whether to adopt those assumptions or not.

Mr. Neel requested details on inflation assumptions. Mr. Garrett stated that historically, this one year is going to be a blip compared to the last 60 years. The main feature they focus on is what has occurred since the Fed has taken the proactive stance on controlling and trying to monitor both unemployment and inflation.

Mr. Garrett also stated that to get a long-term insight into inflation when conducting the experience study, they will be looking at what professional forecasters are looking at, the bond markets, breakeven rates of inflation, and what the Social Security Administration publishes on their outlook of the economy assumptions.

Mr. Neel thanked Mr. Garrett and informed the Board that there will be a detailed presentation on inflation at the Investment Committee in a few weeks. He invited them to attend.

Lawrence Davis thanked Mr. Garrett and Mr. Hoge for the presentation. He also moved to accept the FY 21 Actuarial Valuations as submitted. Steve Neel seconded the motion. The motion passed by a roll call vote of 7-0, with 1 abstention as follows;

Francis Page	Yes
Claudia Armijo	Yes
Lawrence Davis	Yes
Tim Eichenberg	Yes
Loretta Naranjo Lopez	Abstain
Steve Neel	Yes
Roberto Ramirez	Yes
Maggie Toulouse Oliver	Yes

7. **B. Chair Appointment of Ad Hoc Committee to look into Board Member Conduct Pursuant to Board Policy and Procedures Section 9.00**

Acting Chair Page stated it had come to his attention that Ms. Naranjo Lopez recently sent a letter containing serious allegations of criminal misconduct by state officials, PERA Board members, and PERA staff to the New Mexico Legislatures Investments and Pensions Committee, IPOC.

He further stated that sending that letter, in addition to other questionable conduct by Ms. Naranjo Lopez in the past, raises the question of whether she is fulfilling her fiduciary duties as a Board member, is violation Board Policies, or falling below the high ethical standard the Board expects of its members. This therefore required further investigation.

After consultations with the acting general counsel and the fiduciary counsel, Acting Chair Page decided to create an Ad Hoc committee to look into the matter, with Claudia Armijo as its Chair. The Committee will include Paula Fisher and Roberto Ramirez. They will come back to the Board with a report and a recommendation of what action, if any, the Board should take.

The Ad Hoc Committee, as designee of the Board, shall have delegated powers of the Board, including the ability to subpoena witnesses and documents, and to put witnesses under oath per NMSA Section 10-11-130(a)6. The Committee will coordinate with the acting general counsel and is asked to report back to the full Board within 90 days of today with its recommendations, which may include among others,

- Take no further action in this matter.
- Hire an outside independent investigator for additional fact-finding.
- Impose sanctions, censure, and/or other disciplinary action against the Board member up to and including removal from the Board.
- Take other appropriate action within the Board’s authority and discretion.

Acting Chair Page further stated that according to Board Policy and Procedures 2.72, he is authorized to take this action. He would not be taking any more questions or comments on the matter, and those should be directed to the Committee.

He also acknowledged that Ms. Naranjo Lopez has due process rights, which he will not impede. That is why he had formed the Committee.

Ms. Naranjo Lopez requested a chance to respond but Acting Chair Page directed her to the Ad Hoc Committee.

1. **7.C. CIO REPORT** *[Exhibit 4]*

Acting CIO, Kristin Varela stated that they were preparing a detailed report for the entire quarter and will make a presentation in two weeks. She had provided a monthly update reviewing the August performance.

Mr. Davis called the point of order and stated that the Board should not be violating Robert's Rules of Order, which state that discussions should be held after an agenda item has been put on the agenda. He further requested confirmation from General Counsel if it was okay to proceed without accepting comments or a discussion.

In response, Ms. Winter stated that people are allowed to speak on action items and they should be acknowledged at least once. On informational items, when no action is to be taken, Robert's Rules do not require a discussion to happen. There was, therefore, no violation of the rules.

Mr. Neel stated that there was an allegation that item 7. B had been inappropriately put in the agenda. He asked Acting Chair Page to ensure to be extra vigilant and ensure that Board Policies and Procedures were being followed.

Acting Chair Page reiterated that according to Board Policies and Procedures 2.72, he had the right to take that action. He requested Ms. Varela to continue with her report.

Ms. Varela reported that in August, the fund increased by $385 million, hitting the $18.2 billion mark. $71 million was sent to out of investment activities to cash accounts to pay benefits and cover operational expenses. This accounted for 63% of the monthly benefits. The fund is within its target asset allocation ranges and there were no material breaches in asset allocation.

Ms. Varela also reported that there had been a full request for information that was launched to identify a passive Russell 1 manager to deploy capital and further eliminate some active tilts toward non-U.S. and small cap exposure.

There was a request to terminate engagement with a current manager, Times Square. They've had active best within the portfolio and it was an overlap in two positions. Staff also wanted to remove some active risk going forward. More information will be provided at the November 9 Investment Committee meeting. Ms. Varela stated that all the actions had been approved by both committees and were currently in the process of implementation.

Ms. Varela reported the fund hit about a 2.5% return and showed strong excess value for the month. There was a strong return between July and August that brought the fiscal year-to-date return to 4.2%. Strong absolute returns were also seen for longer time horizons. The relative value versus policy benchmark was also outpacing policy.

Mr. Neel requested an estimate for the current quarter's performance. Ms. Varela stated that they were finalizing the September reporting and a look into the internal performance showed that it was a down month for the fund.

With regards to staffing, there were no material changes. Active recruitments are still ongoing for a classified FTE on the operation side, as well as an investment associate to assist in the Alpha initiative on the GOVX side of the book.

Ms. Armijo appreciated Ms. Varela for the presentation and her hard work.

1. **7.D. Executive Director's Report** *[Exhibit 5]*

Executive Director, Greg Trujillo informed the Board that they will be providing a general update to LFC tomorrow, October 29th, at 8.30 a.m. in room 307 at the Capital.

Mr. Trujillo also addressed a question that had been raised at the last meeting concerning the election and the ballots that go out. He stated that according to the actuarial valuation report, there are 3,415 deferred vested members under state general. These are members that have money on account and are currently vested and will qualify for a benefit in the future.

6,904 members have money on account but do not currently qualify for a benefit because they either do not have the years or the age, but they still chose to keep their money and participate in PERA. This is also the group, on top of the active members, that receives a ballot.

8. <u>Adjournment</u>

With no further business to discuss, Acting Chair Page adjourned the meeting at approximately 11:06 a.m.

Approved by:

Francis Page, Acting Chair
PERA Board of Trustees

ATTEST:

Greg Trujillo, Executive Director

Exhibit(s)
Exhibit 1: Agenda
Exhibit 2: Consent Agenda
Exhibit 3: 2021 Actuarial Valuations
Exhibit 4: CIO Report
Exhibit 5: ED Report