

**MINUTES
of the
THIRD MEETING
of the
INVESTMENTS AND PENSIONS OVERSIGHT COMMITTEE**

**October 8, 2021
State Capitol, House Chambers
Santa Fe**

The third meeting of the Investments and Pensions Oversight Committee for the 2021 interim was called to order by Representative Patricia Roybal Caballero, chair, on Friday, October 8, 2021, at 9:20 a.m. in the House Chambers of the State Capitol in Santa Fe.

Present

Rep. Patricia Roybal Caballero, Chair
Sen. Roberto "Bobby" J. Gonzales, Vice Chair
Rep. Phelps Anderson
Rep. Christine Chandler
Rep. Natalie Figueroa
Rep. Miguel P. Garcia
Sen. Stuart Ingle
Rep. William "Bill" R. Rehm
Rep. Linda Serrato
Sen. Elizabeth "Liz" Stefanics

Absent

Sen. William F. Burt
Sen. Daniel A. Ivey-Soto
Sen. Antoinette Sedillo Lopez

Advisory Members

Rep. Rachel A. Black
Sen. Jacob R. Candelaria
Rep. Doreen Y. Gallegos
Sen. Steven P. Neville
Sen. Michael Padilla
Sen. Shannon D. Pinto
Sen. Mimi Stewart

Staff

Anthony Montoya, Staff Attorney, Legislative Council Service (LCS)
Rebecca Griego, Records Officer, LCS
Nancy Martinez, Research Assistant, LCS
Carrie McGovern, Researcher, LCS

Guests

The guest list is in the meeting file.

Handouts

Copies of all handouts and written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the committee meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

Friday, October 8

Overview of Pension Governance Practices (9:26 a.m.)

Conner Jorgensen, principal analyst, Legislative Finance Committee (LFC), and Ismael Torres, chief economist, LFC, provided the committee with an overview of how pension plan governance can have an effect on pension investment performance. The presentation documents can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=10/8/2021&ItemNumber=1>.

Public Employees Retirement Association (PERA): Discussion on Governance

A. Think New Mexico (10:29 a.m.)

Kristina G. Fisher, associate director, Think New Mexico, and Dominic Garcia, former chief investment officer, PERA, gave a presentation focusing on options to improve PERA investment governance. The presentation can be found here:

<https://www.nmlegis.gov/handouts/IPOC%20100821%20Item%202%20-%20Presentation-IPOC-10-8-21-TNM-final.pdf>.

B. PERA Board Members (11:30 a.m.)

Francis Page, acting chair, Board of Trustees, PERA; Stephen J. Neel, state member, Educational Retirement Board; Diana Rosales-Ortiz, state member, Office of the Attorney General; Lawrence Davis, municipal member, City of Albuquerque; Shirley M. Ragin, county member, Bernalillo County; Paula Fisher, state member, Children, Youth and Families Department; Claudia Armijo, state member, Office of the State Treasurer; and Tim Eichenberg, state treasurer and ex-officio member, Board of Trustees, PERA, provided the committee with testimony addressing governance by the PERA Board of Trustees and the effect this has had on pension performance.

C. Local Governments: New Mexico Counties (NMC) and New Mexico Municipal League (NMML) (12:37 p.m.)

A.J. Forte, executive director, NMML, and Leandro Cordova, director, Finance and Administration, NMC, presented testimony to the committee on issues with the PERA Board of Trustees' governance from the perspective of local governments.

D. American Federation of State, County and Municipal Employees (AFSCME) (12:53 p.m.)

Carter Bundy, political action representative, AFSCME International, testified to the committee on the AFSCME's view of the PERA Board of Trustees' governance.

E. AFSCME Retirees (1:08 p.m.)

Stephen Astorga, president, AFSCME Retirees, and Marsella P. Duarte, communications director, AFSCME Retirees, presented testimony to the committee on the PERA Board of Trustees' governance from the viewpoint of AFSCME Retirees. The presentation can be found here:

<https://www.nmlegis.gov/handouts/IPOC%20100821%20Item%202%20-%20AFSCME%20Retirees%20Oct%208%202021%20IPOC.pdf>.

F. Retired Public Employees of New Mexico (RPENM) (1:13 p.m.)

Michael J. Francis, president, Board of Directors, RPENM, and Miguel Gómez, executive director, RPENM, testified to the committee on the PERA Board of Trustees' governance from the perspective of the RPENM.

G. Public Comment (2:08 p.m.)

A list of individuals making public comment is available in the meeting file.

Approval of Minutes

Upon a motion made and seconded, and without any objections, the minutes of the July 28, 2021 meeting were approved as submitted.

Education Trust Board (ETB) Update (2:16 p.m.)

Carolyn E. Fittipaldi, acting executive director, ETB; Kay Ceserani, managing principal, Meketa Investment Group; and Gary Gordon, chair, ETB, gave the committee an update on the ETB. The presentation can be found here:

<https://www.nmlegis.gov/handouts/IPOC%20100821%20Item%203%20-%202021-10%20IPOC%20Presentation%20Rev.pdf>.

New Mexico Finance Authority (NMFA) Update (2:49 p.m.)

Marquita Russel, chief executive officer, NMFA, provided the committee with an update on the NMFA. The presentation can be found here:

<https://www.nmlegis.gov/handouts/IPOC%20100821%20Item%204%20Marquita%20Russel,%20CEO%20NM%20Finance%20Authority%20Update.pdf>.

Adjournment

There being no further business before the committee, the meeting adjourned at 3:35 p.m.