

**New Mexico
Public Employees Retirement Association
PERA Board Meeting
September 30, 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 9:15 a.m.

2. Pledge of Allegiance.

Diana Rosales Ortiz led the Pledge of Allegiance.

Acting Chair Page announced that Maggie Toulouse Oliver had lost a family member and would therefore not be attending today's meeting. He offered his condolences and prayers to her family.

3. Roll Call

The meeting attendance met quorum with the following members present;

Board Members Present

Francis Page, Acting Chair
Lawrence Davis
Tim Eichenberg
Paula Fisher
Loretta Naranjo Lopez
Steve Neel [out at 12:15 pm]
Shirley Ragin
Roberto Ramirez
Diana Rosales Ortiz
Claudia Armijo [sworn in at 11:30am]

Board Member Absent

John Melia
Maggie Toulouse Oliver

Staff

Greg Trujillo, Acting Executive Director
Trish Winter, Executive Assistant
Anna Williams, CFO
Kristin Varela, Acting CIO
LeAnne Larranaga Ruffy, Acting Deputy CIO
Misty Schoepner, Acting General Counsel
Geraldine Garduno, Asst. General Counsel
Jessica Trujillo, HR Manager
Christina Perea, Outreach Bureau Chief
Christina Gauthier, Outreach Bureau
Ron Gallegos, Chief Information Officer
Karyn Lujan, SmartSave Plan Manager

Staff (continued)

Angela Romero, Abq Office Manger
Sara Hume, Director of Beta
Frank Mihail, Director
Jovanna Archuleta, Investments

Other

Steve DiGirolamo, Wilshire Consulting
Ernie Marquez, Automated Election Systems
Greg Smithkier, NM Attorney General's Office
Rowen Descallan, Journalist with Pagaentmedia
Merrilee Danneman
Joseph Kerns

4. Approval of Agenda. [Exhibit 1]

Tim Eichenberg moved to approve the agenda. Shirley Ragin seconded the motion.

Lawrence Davis proposed the removal of Item 7. E (3) from the Agenda. He stated that the Board had not complied with the process required before the appointment of a new Board member. This would lead to the invalidation of any action taken on the item.

He further pointed out that according to New Mexico Administrative Code 2.80.200.30, the Board needs to first formally adopt a resolution. He requested further details from the Acting General Counsel, Misty Schoeppner.

Ms. Schoeppner stated that the process is not set out in Board Policy. She further stated that based on past Board precedent, when there's been an election result that is so close in time to the resignation of a Board member, in this case, the State position, there is a precedent to go ahead and appoint the newly elected Board member to begin their term immediately rather than waiting until January.

She added that it is within the Board's discretion to dispense with the resolution process because of the timing.

Mr. Davis asked if the authority of the Chair overrides New Mexico Administrative Code. Ms. Schoeppner stated that it does not and added that this is a discretionary matter.

Mr. Davis pointed out that the Board Policy states that the PERA Board would comply with New Mexico Administrative Code and reiterated that it does not grant the Board Chair authority to override that Code.

Ms. Naranjo Lopez requested to see the Statute that Mr. Davis was referring to. She also reiterated that Board appointments have always been done like this. It is about precedence. She also wondered why Mr. Davis had not brought this up for discussion before the meeting.

Steve Neel pointed out the Board needs to ensure that the process is followed since they were already under a lot of scrutiny to check whether they are abiding by the bylaws and statutes.

He suggested that the process be paused to allow Ms. Schoeppner to do some research and provide more information at the next Board meeting.

Ms. Ragin echoed Mr. Neel's sentiments that the right process should be followed.

Ms. Schoeppner agreed to do some research and provide a legal opinion on the matter.

Ms. Naranjo Lopez requested clarification on the New Mexico Administrative Code 2.80.200.30. she also inquired if the appointment can be done now then the paperwork be filled in later.

Ms. Schoeppner explained that the decision to include Item 7. E. 3 on the Agenda was based on past precedent.

Mr. Davis moved to amend the agenda to remove Item 7. E. 3 and move it to the October meeting. Steve Neel seconded the motion. The motion to amend failed by a roll call vote of 6-3 as follows;

Francis Page	No
Lawrence Davis	Yes
Tim Eichenberg	No
Paula Fisher	No
Loretta Naranjo Lopez	No
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	No
Diana Rosales Ortiz	No

Back to the original motion to approve the agenda as is by Tim Eichenberg and seconded by Shirley Ragin. The motion passed unanimously by a roll call vote as follows;

Francis Page	Yes
Lawrence Davis	Yes
Tim Eichenberg	Yes
Paula Fisher	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz	Yes

Mr. Neel requested a chance to explain his vote on the approval of the agenda and stated that it was based on the need to move forward.

Mr. Davis reiterated his request to get legal opinion from General Counsel. He added that his vote to approve the agenda was based on her statement that the Board could move forward on the matter.

Ms. Schoepner agreed to provide a written legal opinion regarding the process.

5. Approval of the Consent Agenda. [Exhibit 2]

Ms. Naranjo Lopez requested removing the Rules & Administration Committee Charter off the consent agenda to the regular Agenda, Item 6.A

Tim Eichenberg moved to approve the Consent Agenda as amended. Roberto Ramirez seconded the motion. The motion passed by a unanimous roll call vote as follows;

Francis Page	Yes
Lawrence Davis	Yes
Tim Eichenberg	Yes
Paula Fisher	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz	Yes

6. Unfinished Business

A. Items removed from the Consent Agenda. [Exhibit 3]

Ms. Naranjo Lopez explained that she proposed that the changes to the Board rules be removed because there have been numerous financial crimes against New Mexico PERA in recent years. The rules, which are meant to prevent crimes, were used to take an estimated \$5 billion from PERA out of pocket and opportunity costs.

She further expressed concerns that the rules give more power to the executive director and leave the Board without the possibility of following their fiduciary responsibility. She proposed that they vote against the rules and evaluate them thoroughly.

Ms. Naranjo Lopez moved to **not** approve the Rules & Administration Committee Charter. There was no second.

Francis Page moved to approve the Rules & Administration Committee Charter. Shirley Ragin seconded the motion. The motion passed by a roll call vote of 8 to 1 as follows;

Francis Page	Yes
Lawrence Davis	Yes
Tim Eichenberg	Yes
Paula Fisher	Yes

Loretta Naranjo Lopez	No
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz	Yes

Mr. Davis inquired about the changes in the Rules & Administration Committee Charter. The Chair of the Rules & Administration Committee, Paula Fisher stated that no major changes were made other than adding the electronic voting process that had already been discussed and approved at the September meeting.

Mr. Eichenberg requested Mr. Trujillo to outline the changes made to the rules.

Mr. Trujillo stated that the Charter is something that each committee needs to approve annually. The Rules & Administration Committee had not done so up until this year. He felt that there is some confusion on the rule-making that will be heard on November 9. That's when the Board and the public will comment on the potential changes.

Mr. Trujillo further stated that it was a finding as part of the governance audit that committee hadn't annually approved charters as required by the Board policies. He added that no significant changes were made as per the draft on the Board portal.

Ms. Naranjo Lopez stated that she was referring to the actual rule changes, but that no major changes were made on the Charter.

Ms. Rosales Ortiz explained that this was only about an update on the Charter, not the rules. It was a governance issue that had not been brought up before and it had not been updated. Mr. Davis asked Ms. Rosales Ortiz to explain what changed, as the Vice Chair of the Rules & Administration Committee since there was no red-line version of the document.

Mr. Trujillo pulled up the previous Charter that was approved in 2019 when Mr. Davis was the Rules Committee Chair. He noted that the only changes made were the version, the date it was adopted, and the new committee chair. Everything else that was adopted in 2019 remained the same.

Ms. Naranjo Lopez explained that her 'no' vote was because she felt that the rules needed to be thoroughly evaluated to ensure that Statute was followed.

7. New Business.

A. PERA 75th Anniversary Presentation. [Exhibit 4]

Mr. Trujillo introduced Ms. Christina Perea, she is the Head of the Member Outreach Bureau overseeing volunteer firefighters as well as all retirement and pre-retirement seminars, and any education that employers and members need.

He stated that next year would be PERA's 75th anniversary and Ms. Perea and her team were doing some groundwork. Ms. Perea is also the reigning La Reina the Santa Fe Fiesta for 2021 and is exceptional at her work.

Outreach Bureau Chief, Christina Perea thanked Mr. Trujillo and said that she was a proud PERA employee. She also introduced the Planning Committee for the 75th anniversary as follows;

- i. **Christina Gauthier** is part of the PERA Outreach Bureau. She has been with PERA for over 16 years.
- ii. **Vince Jaramillo**- A PERA retiree. He was also a PERA employee for many years.
- iii. **Felicia Lujan** – She is part of the State Record Center and Archives. She is the certified digital information manager and director and has been with the New Mexico State Archives for over 20 years.
- iv. **Leslie Miller** – Has been with PERA for over 16 years.
- v. **Christina Perea** – Head of PERA Outreach.
- vi. **Greg Trujillo**- Acting Executive Director.
- vii. **Jose Trujillo** – Part of PERA Outreach.

Ms. Perea hoped to have some Board members be part of the Committee. She further outlined the layout of the 50th celebration where past executive directors, Board chairs, and Board members had been brought in to speak on the day of the celebration.

For the 75th anniversary, Ms. Perea and her team are planning on a celebration for the whole year. A majority of the events will be virtual to allow more employees to participate.

The kickoff celebration is scheduled for January 3, 2022. PERA's history will be discussed as part of the kickoff virtual seminar. Several different fun facts will be there including the original bill, a list of past executive directors, and past Board chairs. There are also pictures where people will be identifying the very first executive director and others.

There will be monthly informational seminars for the virtual participants. Different individuals will also be highlighted every month. Speakers will be present for the seminar. Pictures will be printed and put up throughout the building.

Some of the monthly virtual seminars will include military appreciation month, women's history month, wellness month, a haunted history month, et cetera. A quick Google search of the old PERA building will bring up about 20 different website links on members talking about haunting encounters in the building. Articles and blogs have even been written about it.

Several fun activities will also be held on PERA's social media platforms which include Facebook, YouTube, Instagram, and Twitter. PERA all-stars will be highlighted on all of these platforms. There will also be throwback Thursday and fun-fact Friday posts. Other regular posts will be done of important or helpful information.

Mr. Eichenberg suggested the idea of doing gold seal stamps with the 75th-anniversary logo on them. This could be engraved on everything that is mailed out so that members are aware of how long PERA has been around. He also suggested that they include information on the amount of money that has been paid out over the last 75 years.

Ms. Perea stated that there is a branding plan in place already and going forward this will include putting a 75th-anniversary logo on all letters, handbooks, forms, et cetera. She also stated that Ms. Anna Williams was putting together information on how much had been paid out in benefits.

There will be comprehensive annual financial reports and information on how the fund has grown over time. There will be information on what happened to PERA by decade like who was the president, governor, lieutenant governor, Chair, or executive director during those different times. They will also be looking at blockbuster hits, songs, or world trends for different years.

Ms. Perea stated that there will be an end of the year virtual celebration and depending on pandemic rules, the celebration might be in person. Several things that happened during the year will be highlighted at the celebration. Ms. Perea indicated that several other fun things are planned for the celebration.

Ms. Rosales Ortiz further stated that she had been approached by several members from the state branch asking for information on the money that they have been contributing. She felt that that information would be beneficial, especially to the young members.

In response to Ms. Rosales Ortiz, Ms. Perea stated that July 1 will be financial independence month. Talks will include how SmartSave can help individuals achieve financial independence. Ms. Kristin Varela and Ms. Karyn Lujan would also be consulted to touch on investment tips and strategies.

September will be retirement preparedness month. It will touch on everything about retirees and their financial planning. Ms. Perea will provide an outline of all the seminars before January for the Board to take a look at and give their inputs.

Mr. Davis thanked Ms. Perea and her team for their great work with the presentation. He also appreciated all PERA staff and added that without its staff members, PERA is nothing. Ms. Perea echoed Mr. Davis' sentiments. Mr. Neel also appreciated Ms. Perea and all PERA staff.

B. Resolution No. 21-03 Calling for Annual Board Meeting

Acting Chair Francis Page stated that the annual Board meeting of the members of PERA New Mexico is today, September 30, 2021, at 9 o'clock. This is what was approved in January 2021.

C. Board Chair's Message to Members and Retirees. [Exhibit 5]

Acting Chair Page gave out his address to PERA staff, Board members, and members at large. He stated that he is a retiree representative and that the goal of his message was to provide the status of PERA and to give a direction of where PERA is going into the future.

He acknowledged that calendar year 2021 was challenging but noted that PERA continues to be strong with fund assets reaching an all-time high of \$18.2 billion in closing the fiscal year, and 24.02% in returns. This is one of the highest returns in PERA's history.

He congratulated Ms. Anna Williams, CFO, and the Administrative Services Divisions, ASD, staff, for their great work as PERA was awarded the certificate of achievement for excellence in financial reporting from the Government Finance Officers Association, GFOA.

He also congratulated Acting Deputy CIO, Ms. LeAnne Larranaga Ruffy, who was one of four women named to Trusted Insights list of top public pension investment officers, a national publication.

He outlined some of the challenges that threaten to impede PERA's progress as follows; COVID-19 issues, loss of the executive director, loss of the chief investment officer, loss of the general counsel, pending approval.

Despite the mentioned challenges, Chair Page indicated that PERA Board and staff are moving forward with taking care of PERA's business, as always.

Mr. Page stated that PERA's immediate priority is to name a permanent Executive director. PERA Board will then work to develop and implement a strategic plan to develop a road map for PERA's future.

The Board will also need to establish a governance committee to ensure a developed strategic plan is implemented and followed and overseeing Board conduct. They will also need to conduct an evaluation of the PERA funds and continue to clear up all external and internal audit findings or findings of other agencies.

He noted that a lot of work has been done throughout the year, but more work still needs to be done to continue the success of PERA. He attributed the success of PERA to staff, who have laid a strong foundation despite political pressure.

Mr. Page concluded by stating that he desires to maintain a solid pension fund and organization. He then introduced the PERA Board members and allowed them to give brief statements.

Tim Eichenberg, is the Ex-Officio Treasurer, stated that he agreed with the Chair's presentation. He appreciated the staff for the remarkable job they do. He stated that he has been on the Board for almost seven years and found that the dedication of staff and their hard work is excellent.

Lawrence Davis echoed Mr. Eichenberg's comments regarding the staff. He thanked the interim staff and all PERA staff at large for their continued support to the fund. He stated that he longed to be a PERA Board member because the organization strikes dear to his heart since his direct family are retirees of PERA. He further pointed out that from the continued presentations by staff, it was clear that they loved their job. He urged them to keep up the good work.

Shirley Ragin also echoed previous sentiments on staff. She added that the PERA staff were a huge pillar of her growth for the several years she has been on the Board. She recognized that the staff continue doing their work with enthusiasm despite the obstacles they encounter.

Diana Rosales Ortiz also echoed the sentiments of several Board members.

Loretta Naranjo Lopez introduced herself as the retiree representative on the New Mexico PERA Board. She has been on the Board since 2005 and has many retired family members who benefit from the PERA fund.

Steve Neel reiterated the appreciation to the PERA staff, especially the interims. He recognized Ms. LeAnne Larranaga Ruffy and Mr. Greg Trujillo for the exceptional job, especially during COVID.

Roberto Ramirez also thanked staff for their work. He indicated that this is his first year as a Board member and staff have been very helpful. He would like to meet them in person when the pandemic is over.

D. Public Comment.

There were no comments from the public.

E. 2021 Board Election

1. Final Election Report from Automated Election Systems. *[Exhibit 6]*

Mr. Ernie Marquez, from the Automated Election Systems, presented the report. He stated that for the 2021 PERA State Board Election, 32,884 ballots were mailed out. There was an 8.5% turnout, where 2,814 mail ballots were received by noon on September 17, 2021.

Mr. Marquez stated that all the envelopes, ballots, reports will be held for the required time specified by law, and a copy of the electronic reports will be sent to Mr. Trujillo with the petitions from the election.

The official results for the 2021 State Board Elections are as follows;

1861 votes were cast for Ms. Claudia Aramijo. 951 votes were cast for Kenneth Figueroa.

Mr. Eichenberg noted that actual state employees were about 17,000 and assumed the other 15,000 ballots were mailed to colleges, universities, or hospitals. He requested a breakdown of the number of members that are outside the State of New Mexico.

Mr. Trujillo stated that anyone who had worked for a state agency as their last employer and has a balance with PERA is considered a member and they all receive a ballot. Therefore, whether they moved into the private sector or out of state, they are allowed to participate in elections.

He further stated that the 15,000 are inactive members. An updated report of the numbers will be provided at the end of October in the annual evaluation reports.

Mr. Eichenberg recognized that the inactive members are considered members of PERA, but he wondered why they are considered members of the State employees that voted in the last election. In response, Mr. Trujillo reiterated that it is because their last employment was with a state agency. Mr. Eichenberg pointed out that voters are usually purged from state elections when they move or when they don't vote. He indicated that the mediocre return could be due to the 15,000 people who have moved but still have ballots mailed out to them. He requested Mr. Trujillo to look at the election laws to confirm if that was done correctly.

Mr. Trujillo explained that the election is designed and overseen by the PERA Board and does not follow state election laws. It is therefore at the Board's discretion to make changes to those election laws and determine who's eligible to vote.

Mr. Davis stated that those inactive members are included because they are still part of the fund and have a voice in the fund. That voice is valid until they refund or retire. After retiring, they can become retiree eligible voting members.

Ms. Naranjo Lopez inquired about the fate of the undelivered ballots. She also asked if a follow-up is done to check if the members have moved.

Mr. Marquez stated that there is a list of members that will be given to PERA to update addresses. He added that they hold all the undelivered ballots. Ms. Naranjo Lopez agreed that the addresses need to be updated to ensure that ballots are not being continuously sent out to the wrong addresses.

Mr. Marquez explained that most of the ballots that come back have P.O Box numbers that have been closed. Some of them have no receptacle for mail delivery. They might have changed their addresses, but had not changed them with PERA.

Mr. Trujillo requested Mr. Marquez to touch on what happens at Automated Election Systems, AES, after being provided with the mailing list and the databases they run it through to ensure the addresses are accurate.

Mr. Marquez stated that once they get the list, they run it through the NCOA, National Change of Address, to ensure they get the most up-to-date addresses. He added that they have been able to deliver numerous times to the undeliverable numbers.

Ms. Rosales Ortiz sought legal opinion on whether there can be a resolution regarding the inactive members, to consider their vote differently. She agreed that their vote privileges should

not be taken away, but the way they are counted can be modified. She suggested that the Board consider how those people should be counted at state, municipal, and county levels.

Mr. Eichenberg appreciated Mr. Davis' comments and pointed out that his wife is a former City employee and he would not want her to be deprived of her right to vote in future elections.

Loretta Naranjo Lopez moved to approve Election Report from Automated Election Systems. Paula Fisher seconded the motion. The motion passed by a unanimous roll call vote as follows;

Francis Page	Yes
Lawrence Davis	Yes
Tim Eichenberg	Yes
Paula Fisher	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz	Yes

E.2. Certification of 2021 State Election

Tim Eichenberg moved to approve the certification of the 2021 State Election. Paula Fisher seconded the motion. The motion passed by a unanimous roll call vote as follows;

Francis Page	Yes
Lawrence Davis	Yes
Tim Eichenberg	Yes
Paula Fisher	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz	Yes

E.3. Appointment and Swearing in of State Election Winner.

Roberto Ramirez moved to appoint Claudia Armijo to fill state position vacancy. Loretta Naranjo Lopez seconded the motion.

Mr. Davis reiterated that the process is not complying with the New Mexico Administrative Code. He would, therefore, be voting 'no'.

Mr. Neel also felt that the Board was not abiding by the appropriate statute law or ordinance.

Mr. Eichenberg requested legal opinion on the matter.

Ms. Schoepner reiterated that there is precedent for when there is an elected member and a vacancy occurs for the same position, the newly elected member can be appointed to fill the vacancy immediately. She, however, cautioned that once it's done, there will be no turning back.

Mr. Neel asked Ms. Schoepner if it was common to do opinions after the fact. Ms. Schoepner stated that she was not aware of an instance where the office of legal counsel had provided written opinion after action had been taken by the Board.

Mr. Neel reiterated that since the Board was under scrutiny, it would be better to defer this appointment for another 30 days and get a firm legal opinion.

Mr. Davis pointed out that Ms. Schoepner was not citing any State statute, rule, or policy and procedure. Thus the Board would be acting on an opinion that still needed more research. He did not see the rush to have a 12th Board member. The prudent thing would be to defer for 30 days.

Ms. Naranjo Lopez cited that the last sentence of Rule 2.80.200.30 states that the New Mexico PERA Board shall immediately fill the vacancy. She, therefore, felt that the Board was well within its right to move forward.

Mr. Davis argued that that interpretation of the rule was after complying with the correct process.

The above motion passed by a roll call vote of 6 to 3 as follows;

Francis Page	Yes
Lawrence Davis	No
Tim Eichenberg	Yes
Paula Fisher	Yes
Loretta Naranjo Lopez	Yes
Steve Neel	No
Shirley Ragin	No
Roberto Ramirez	Yes
Diana Rosales Ortiz	Yes

Acting Chair Page swore in Ms. Claudia Armijo as the new PERA Board member.

Ms. Armijo thanked Chair Page and stated she was ready to work for PERA.

7. F. Update from ED AdHoc Search Committee on Executive Director.

Vice Chair of the AdHoc Search Committee, Tim Eichenberg, stated that the Board had given the timeline of appointing a new executive director as December 1.

Mr. Eichenberg said following the previous meeting, he had looked at the procurement code and investigated whether there was a statewide price agreement with headhunters firms, people who seek employees for the State of New Mexico. The head hunters had indicated that they could not do the level of the executive director.

After discussions, the Committee found that with the procurement process, they could not meet the December 1 timeline. Mr. Eichenberg, therefore, presented the Board with two proposals; one would be to suspend the process of looking for a new executive director, effective today. The second proposal would be to hire Greg Trujillo as PERA's new executive director.

Mr. Ramirez moved to suspend the search for a new Executive Director effective immediately. Claudia Armijo seconded the motion.

Ms. Naranjo Lopez stated that the Board had already voted to move forward and start the process afresh. She added that she had also filed a complaint against Mr. Trujillo. She was surprised that Mr. Eichenberg was speaking on behalf of the Committee yet they had not met for discussions. She suggested that this action be deferred till the AdHoc Committee meets.

Mr. Davis inquired about the names of the headhunters that Mr. Eichenberg had talked to. Mr. Eichenberg stated that he could give out the name of the individual that he had spoken to since it's on the price agreement. He'd had several conversations with the individual and turned that over to the AdHoc Committee Chair, Maggie Toulouse Oliver. He requested some time to track down the name and number of the employer on the price agreement with the State of New Mexico.

He also stated that the other national companies were names that were given out by some PERA staff. He apologized that he was not fully prepared to answer this question because he had learned at the last minute that Ms. Toulouse Oliver would not be attending the meeting.

Mr. Davis felt that research should be documented to ensure that there is a record that the headhunters were contacted and the outcome of those conversations.

Mr. Eichenberg reiterated that his proposals were based on the fact that the timeline could not be met due to several impediments. Mr. Davis agreed that with the procurement process, it would not have been possible to meet the deadline.

Chair Page confirmed that he had received the names of three companies from Harvey and he had forwarded those to the AdHoc Committee for review.

Ms. Naranjo Lopez pointed out that approaching the attorneys without Board approval was a violation of the agreement with Lederman. Ms. Naranjo Lopez then listed her issues that she believed were violations. Ms. Naranjo Lopez stated that she would resubmit her complaint to the Ethics Committee. She also felt that Mr. Eichenberg was unethical as he had not provided information to the Ad Hoc Committee prior to this meeting.

Ms. Armijo called for the vote.

Ms. Winter confirmed that according to Robert's Rules, the vote can move forward if a Board member has called for the question and all Board members who requested to speak have spoken at least once.

The motion to suspend the Executive Director search passed by a roll call vote of 8 to 1 as follows;

Francis Page	Yes
Lawrence Davis	Yes
Tim Eichenberg	Yes
Paula Fisher	Yes
Loretta Naranjo Lopez	No
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz	Yes
Claudia Armijo	Yes

Roberto Ramirez moved to hire Greg Trujillo as the new Executive Director of PERA. Claudia Armijo seconded the motion.

Chair Page inquired if a salary amount is needed on the motion to hire Mr. Trujillo. Ms. Schoeppner stated that that could be established at a later meeting.

Mr. Davis requested Mr. Eichenberg and Mr. Ramirez reiterate for the record that based on their research, Mr. Trujillo was fully qualified for the position, was a valid candidate, and was interviewed, to dismiss any allegations against him.

Mr. Eichenberg stated that he had sat through all the interviews of the candidates except for the in-house. He felt that Mr. Trujillo as well as the other candidates met all the minimum qualifications.

On the salary issue, Mr. Eichenberg stated that Mr. Trujillo deserved more money than he was currently being paid. He added that one candidate dropped out because there was no salary increase. He hoped that next month's agenda would discuss how to compensate Mr. Trujillo if he accepts the job.

Mr. Davis requested Mr. Ramirez to give his opinion on why he was in favor of Mr. Trujillo and not the other two candidates.

Mr. Ramirez stated that he had sat through all the interviews on Zoom and in person. He believed that Mr. Trujillo was the best man for the job as he had done his due diligence and his work as the interim Executive Director had proven his ability.

Ms. Naranjo Lopez expressed concern claiming that Mr. Eichenberg had put false information on the agenda since the Ad Hoc Committee had not met. She added that no action stated that the Committee was going to stop the process and get a company to redo it. There was also no action stating that they were going to hire Greg Trujillo.

Mr. Eichenberg acknowledged his mistake and pointed out that what the agenda stated was the hiring of an executive director. He apologized for mentioning Mr. Trujillo's name. He, however, believed that mentioning any of the candidates' names would not have influenced any of the Board members' decisions.

Mr. Neel requested Ms. Naranjo Lopez to present to the Board credible evidence, if she has any, to support her allegations against Mr. Trujillo or Mr. Eichenberg.

The motion to hire Greg Trujillo as PERA Executive Director passed by a roll call vote of 9 to 1 as follows;

Francis Page	Yes
Lawrence Davis	Yes
Tim Eichenberg	Yes
Paula Fisher	Yes
Loretta Naranjo Lopez	No
Steve Neel	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz	Yes
Claudia Armijo	Yes

Mr. Davis requested a chance to explain his vote. He stated that throughout the whole interview process, Mr. Trujillo had been his first choice. He congratulated him on becoming the next executive director and stated that it was well deserved.

Mr. Neel also congratulated Mr. Trujillo. He added that he had been a critic of the process, but had believed that Mr. Trujillo was the best qualified for the position. Mr. Trujillo had proven himself in the interim and was well acclimated in every segment.

Ms. Armijo stated that although she was new for this term, she had served on the Board for four years starting in 2017. She had also worked at PERA and with Mr. Trujillo for a while and recognized that he was an exceptional, well-qualified candidate for the position.

Mr. Trujillo accepted the position of Executive Director. He stated that he will continue working with staff to move the fund forward. Chair Page thanked and congratulated Mr. Trujillo.

Mr. Eichenberg also congratulated Mr. Trujillo. He reiterated his apology to Ms. Naranjo Lopez and explained that he did not have a conversation with her because he had not been assigned to talk to her.

Ms. Ragin shared some Board members' sentiments about Mr. Trujillo. She added that she had enjoyed working with him and urged the Board and all PERA staff to support him in moving forward.

Ms. Rosales Ortiz also congratulated and thanked Mr. Trujillo for his work as interim director.

7. G. CIO Report. *[Exhibit 7]*

Acting CIO, Kristin Varela, started by welcoming Ms. Armijo back to the Board. She was looking forward to providing her with the required orientation and working with her in future works.

Ms. Varela also congratulated Mr. Trujillo and stated that he was the most deserving since continuity was critical for the future of the fund.

She reported that another fiscal year review had been done last month. She also reiterated last year's challenges brought about by the COVID-19 pandemic. She pointed out that the investment team takes pride in serving the financial wellbeing and stability of New Mexico PERA members.

For FY21, Ms. Varela reported that it had been a strong beta rally year and growth assets surpassed expectations. She stated that the team is focused on diversification and a consistent path towards success with a more conservative portfolio. This will enable the portfolio to participate close to the same pace as the policy portfolio.

Ms. Varela also reported that August was a strong month closing at \$18.2 billion with an estimated return of 2.5% month to date. This is expected to get the fund at about 4.2% fiscal year to date.

7. H. Executive Director's Report. *[Exhibit 8]*

Executive Director, Greg Trujillo reported that there was nothing out of the ordinary in his report. Payroll continues to grow as expected. He thanked Ms. Perea for her presentation and for putting together the Planning Committee. He was also excited about the upcoming 75th-anniversary celebrations.

Mr. Davis noted that from an article he had read, ERB retirements were up about 40% compared to last July. He asked if there was an increase in retirements coming through PERA.

In response, Mr. Trujillo stated that PERA was not seeing an increase. He added that there had been an uptick last month but nothing close to what ERB went through. He explained that the increase in retirement for teachers was due to the shift to remote learning. Mr. Trujillo would send out the numbers to the Board.

With regards to retiree healthcare, Acting Chair Page wondered whether the fee should be adjusted for non-vaccinated individuals considering the vaccination rate of COVID. He felt that the question should be posed to the Board of Retiree Healthcare of why members were paying high insurance costs when others were not getting vaccinated. Mr. Trujillo would raise that with the Board.

Board Recessed to Executive Session at 12:20pm to discuss;

NMSA 1978; §10-15-1 (H) (3)

Administrative Appeal

1. David T. Salguero

Paula Fisher moved to go to Executive Session. Claudia Armijo seconded. Motion passed unanimously as follows;

Francis Page	Yes
Lawrence Davis	Yes
Tim Eichenberg	Yes
Paula Fisher	Yes
Loretta Naranjo Lopez	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz	Yes
Claudia Armijo	Yes

The Board convened in Regular Session at 12:41pm.

Board members present

Francis Page, Acting Chair
Lawrence Davis
Tim Eichenberg
Paula Fisher
Loretta Naranjo Lopez
Shirley Ragin
Roberto Ramirez
Diana Rosales Ortiz
Claudia Armijo

Chair Page stated the only business discussed in Executive Session was what was on the agenda.

Final Decision on Administrative Appeal

1. David T. Salguero (PID # 119212)

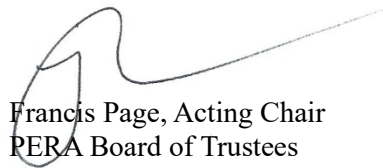
Loretta Naranjo Lopez moved to remand the case back to the hearing officer to allow for clarification and to take additional information from David Salguero. Diana Rosales Ortiz seconded the motion. The motion passed with a unanimous roll call vote as follows;

Francis Page	Yes
Lawrence Davis	Yes
Tim Eichenberg	Yes
Paula Fisher	Yes
Loretta Naranjo Lopez	Yes
Shirley Ragin	Yes
Roberto Ramirez	Yes
Diana Rosales Ortiz	Yes
Claudia Armijo	Yes

8. Adjournment


With no further business to discuss, Acting Chair Page adjourned the meeting at approximately 12.45 PM.

Approved by:



Francis Page, Acting Chair
PERA Board of Trustees

ATTEST:



Greg Trujillo, Executive Director

Attached Exhibit(s)

Exhibit 1: Agenda
Exhibit 2: Consent Agenda
Exhibit 3: Draft Rules & Administrative Charter
Exhibit 4: 75th Anniversary Presentation
Exhibit 5: Acting Chair Message to Membership
Exhibit 6: AES Election Report
Exhibit 7: CIO Report
Exhibit 8: ED Report