

**MINUTES OF THE**  
**NEW MEXICO EDUCATIONAL RETIREMENT BOARD**  
**REGULAR MEETING**

June 28, 2019

1. a. **ROLL CALL: QUORUM PRESENT**

A Regular Meeting of the New Mexico Educational Retirement Board was called to order on this date at 9:00 a.m. at the NMERB offices at 8500 Menaul Boulevard, Suite A-319, Albuquerque, New Mexico. A quorum was present.

**Members Present:**

Ms. Mary Lou Cameron, Chairwoman  
Mr. H. Russell Goff, Vice Chairman  
Mr. Larry Magid, Secretary  
Dr. Donald W. Duszynski  
The Hon. Tim Eichenberg, New Mexico State Treasurer

**Members Excused:**

Mr. Adan Delgado, Deputy Secretary, PED

**Staff Present:**

Ms. Jan Goodwin, Executive Director  
Mr. Roderick Ventura, Deputy Director  
Mr. Bob Jacksha, Chief Investment Officer  
Ms. Susanne Roubidoux, General Counsel  
Ms. Elena Cardona, Deputy General Counsel  
Mr. Robert Shulman, Assistant General Counsel  
Ms. Liz Lorang, Executive Assistant  
Ms. Norma Henderson, Chief Financial Officer  
Mr. Lawrence Esquibel, Chief Information Officer  
Ms. Karla Leyba, Bureau Chief, Member Services  
Ms. Monica Lujan, Director, Member Services

**Others Present:**

Mr. Allan Martin, NEPC  
Ms. Patricia J. Turner, NMERB Contract Attorney  
Ms. Judith Beatty, Board Recorder  
[See sign-in sheet.]

b. **Approval of Agenda**

Mr. Goff moved approval of the agenda, as published. Mr. Magid seconded the motion, which passed unanimously.

c. Approval of Minutes – April 19, 2019

Mr. Goff moved for approval of the April 19 minutes, as submitted. Mr. Magid seconded the motion, which passed unanimously.

d. Introduction of Guests

Chairwoman Cameron welcomed staff and guests, who introduced themselves.

2. PUBLIC COMMENT

Linda Gianuzzi

Ms. Gianuzzi said she was present to address her concerns about HB 360, which was passed in the last legislative session and signed by the Governor. She said she has been an educator for the last 20 years in the Moriarty-Edgewood School District. In 2018, she made the decision to retire based on her estimated benefits as well as the opportunity to supplement her pension by having the option to earn up to \$15,000 as a substitute teacher. With the implementation of the revised HB 360, she is now limited to working to .25 FTE, or five days a month, which is not adequate as supplemental income. She said she is now faced with the decision to take 12 consecutive months off from any position in education, but wonders what guarantees she has that changes will not occur that might prohibit her from returning to work in some capacity. With the current teacher shortage and decrease in college student enrollment, she wondered how this decision helps the state's national standing. She said this revision also limits the ability to place retired certified teachers in long-term positions, which affects the quality of education for students. [Ms. Gianuzzi provided written copies of her statement.]

Barbara Piper

Ms. Piper said she retired from Albuquerque Public Schools in 2011 after 36 years. She has also been a part time instructor or adjunct faculty with New Mexico colleges since 1989. When she retired, she continued teaching with an alternative licensure program at Santa Fe Community College. Up until next week, when the .25 FTE provision takes effect, she was able to work for up to \$15,000 and was able to provide services that the college counted on her to teach because of her expertise. She said she will be unable to teach the three courses she was being counted on to teach this fall because it will take her over the .25 FTE. She didn't know about this change until a couple of weeks ago.

Ms. Piper stated that the change translates differently for colleges than it does for public school institutions. At the college level, it comes out to course credits for payouts, while for public schools there is a salary, number of hours or days per week, etc. Ms. Piper said she has no problem making contributions as a retiree working part time; but because she won't be able to teach as many courses, her annual contributions will drop to about \$500 from at least twice that amount, which has a negative effect on overall contributions to the NMERB.

Ms. Piper asked the board to put information about the change on the NMERB web page with the reasons for it.

Ms. Goodwin explained that the primary reason for eliminating the \$15,000 cap and just having the .25 FTE provision is because the IRS insists that anyone who is collecting a pension has to have a bona fide termination. If someone quits on Friday and comes back on Monday and is working more than .25 FTE without any valid separation, there isn't any bona fide termination. This is important because the NMERB has to follow IRS rules to be a qualified pension plan, which allows members to pay contributions on a pretax basis. In addition, the pension plan would have to allocate to each plan member their share of investment income instead of having that money accumulate on a tax-free basis until they begin receiving their pension. This means members would not be able to deduct their contributions, and they would have to pick up their share of the pension plan's investment income each year. This would obviously be an accounting and tax nightmare for everyone.

Ms. Goodwin pointed out that the NMERB is one of the country's most flexible pension plans for working in retirement because there is not only the .25 FTE provision, there is also the Return to Work program, which has the one-year layout, where people can earn as much money as they want.

**3. SWEARING IN OF NEW BOARD MEMBER**

None.

**4. CONSENT AGENDA: BOARD TRAVEL**

No requests.

**5. INTEREST RATE FOR RETURN TO WORK VIOLATIONS:  
RODERICK VENTURA, DEPUTY DIRECTOR**

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Mr. Ventura stated that Return to Work provisions can be violated by either not completing an application, or not sitting out the 12 months, or working more than .25 FTE. Unfortunately, when this occasionally happens, the NMERB immediately suspends the member's retirement and asks for any pension payments that were paid erroneously. He said the NMERB is also supposed to charge an interest rate set by the board, but until now, the board has not set the interest rate, and the NMERB has just presumed what the interest rate would be.

Mr. Ventura stated that the resolution before the board today would officially set the interest rate at 7.25 percent, which is the same as the NMERB's assumed rate of return on investments for actuarial purposes. The reason for this rate is that the intent of asking for interest is to get back the amounts NMERB lost due to not having erroneously paid funds available for investing.

Mr. Eichenberg asked what the actual rate of return on investments was for CY 2018.

Mr. Martin responded that it was 8+ percent for FY 2018, but this fiscal year the NMERB will probably not meet the 7.25 percent threshold.

Mr. Ventura said setting a variable rate would pose a problem for NMERB's electronic pension management system and for the logistics involved in changing it every year if it were variable. He also stated that the NMERB sets other interest rates, too. For instance, the rate is 7.75 percent for someone

who wants to purchase back withdrawn service credit. Staff feels that setting the rate at 7.25 percent is fair, because in some years the actual rate of return for investments will be higher, and in some lower.

**Mr. Magid moved that the interest rate to be paid by retirees who are required to repay any retirement payments due to violation of statutory or regulatory provisions of Return to Work shall be 7.25 percent. Dr. Duszynski seconded the motion, which passed unanimously.**

Mr. Martin noted that the actuarial rate will most likely change when the actuary does the experience study, so will require board action at that time.

Mr. Ventura recommended keeping it the way it is, since he thought it would be a good idea for board members to be able to have another discussion and make additional comments, if any, at that time.

- 6. REVIEW OF PROPOSED RULE AMENDMENTS: SUSANNE ROUBIDOUX, GENERAL COUNSEL**
- a. 2.82.2 NMAC Membership**
  - b. 2.82.3 NMAC Membership and Administrative Unit Contributions**
  - c. 2.82.4 NMAC Service Credit**
  - d. 2.82.5 NMAC Retirement Benefits**

Ms. Roubidoux stated that, after the 2019 legislature approved and Governor Lujan Grisham signed legislation amending several provisions of the Educational Retirement Act (ERA), NMERB legal and member services staff began reviewing NMERB's current rules to identify areas in which the rules either conflicted with the statutory changes, or the areas for which new rules should be drafted. Proposed rule amendments are before the board today for initial review. These proposed language changes resolve inconsistencies between the rules and the statutory changes, provide additional clarification in the rules, or make minor nonsubstantive changes such as grammar corrections and changing to gender-neutral language.

Ms. Roubidoux stated that, after the board reviews the proposed amendments, it may:

- 1) approve the proposed rule amendments as presented and authorize the Executive Director to publish a Notice of Proposed Rulemaking and schedule a public rulemaking hearing at the next available opportunity; or
- 2) approve the proposed rule amendments with changes as discussed during today's board meeting, and authorize the Executive Director to publish a Notice of Proposed Rulemaking and schedule a public rulemaking hearing at the next available opportunity; or
- 3) take no action on the proposed rule(s) amendments and ask staff to present the proposed rule(s) at the next regular board meeting for further discussion and review by the board.

Ms. Roubidoux summarized each of the rule changes:

**Rule 2 (2.82.2 Membership)**

-- **2.82.2.9(A)** amends the *Regular Members* section. The \$15,000 earnings limit under the NMERB program formerly known as the return to work exception was eliminated in House Bill 360 (HB 360) and so the phrase "return to work exception" may be confusing and no longer accurately describes retirees working .25 FTE or less. Accordingly, this subsection of the rule was updated to refer to the

current terminology of “retired members working in the return to work program under 2.82.5.15 NMAC” and “retired members working .25 FTE or less under 2.82.5.16 NMAC.” Staff also update the language by deleting “participants” and replacing it with “retired members working...” because “participants” is a defined term under the ERA that applies to individuals who participate in the Alternative Retirement Plan.

-- 2.82.11(B) amends *Employees Excluded from Coverage* to provide that beginning 7/1/20 retired members working .25 FTE or less must make nonrefundable contributions to the fund.

-- 2.82.2.11(F) adds a new rule providing that PERA retirees hired by an LAU prior to 7/1/19 as a certified police officer do not make contributions to the fund. The person must be a certified police officer under the Law Enforcement Training Act and their primary job duties must involve crime prevention and detection. Those hired after 7/1/19 are not grandfathered and must make contributions. The LAU that employs the police officer, regardless of date, is required to make employer contributions.

#### Rule 3 (2.82.3 Member and Administrative Unit Contributions)

-- 2.82.3.8 amends *Salary Covered: Salary Excluded* to increase to \$24,000 the threshold for higher employee contributions (10.70%) (effective 7/1/19). Currently, through 6/30/19, the threshold is \$20,000.

-- 2.82.3.9 amends *Refunds of Contributions* to provide that contributions made to the fund after 7/1/19 by PERA retirees are nonrefundable.

-- 2.82.3.10 amends *Refunds of Contributions in the Event of Death of Member or Beneficiary* to provide that a surviving spouse or domestic partner would be considered a beneficiary if no beneficiary has been named; adds a new provision under which a person will be considered a domestic partner if they submit a domestic partner affidavit and provide two of the suggested proof documents listed in the rule. This can include a bank statement showing a bank account or a mortgage document showing them as co-owners.

Responding to Mr. Eichenberg, Ms. Roubidoux said that, in coming up with the list of domestic partner proof documents, staff looked at UNM’s and NMSU’s proof documents, as well as those of a number of other pension funds. She said the list is very similar to what NMSU and UNM require.

Mr. Shulman said staff also looked at what various states and pension plans did, but New Mexico’s is unique because the statute speaks to proof of domestic partnership after the death of one of the partners. In that case, an affidavit would not have been enough and would have to be supplemented with a mortgage document, for instance.

-- 2.82.3.12 amends *Purchase of Non-Reported Service; Failure to Deduct Member Contributions* to delete the salary threshold of \$20,000 and replace with the new \$24,000 threshold.

#### Rule 4 (2.82.4 Service Credit)

-- 2.82.4.8(J) amends *Earned Service Credit* to provide that PERA retirees who are employed by an LAU do not earn service credit unless the person has suspended their PERA benefit.

-- 2.82.4.10 amends *Return to Work* to provide that service credit cannot be earned, purchased or credited for any of the time that a retired member is employed by an LAU unless the retired member has suspended their benefit. Also, when a retired member is employed by an LAU, no service credit can be purchased for service previously earned or withdrawn unless the retired member has suspended their benefit.

Rule 5 (2.82.5 Retirement Benefits)

-- 2.82.5.10(D) amends *Computation and Commencement of Retirement Benefits* to clarify that salary earned by a retiree who is in the Return to Work program or a retiree who works .25 FTE or less cannot be used in determining the member's average annual salary.

-- 2.82.5.10 (H) revised to gender neutral language.

-- 2.82.5.13(F) amends *Options* to reflect that NMERB has a new form for designating beneficiaries (the "beneficiary designation form") but will also accept the old "form 42." LAUs have a large stockpile of the form 42s. Subsection (F)(7) is revised to clarify that the beneficiary must be a human being to receive Option B coverage. The previous language was unclear because the phrase "if a person is not named" could be interpreted as either no one was named or an entity was named, such as a corporation or an LLC.

-- 2.82.5.15 amends the *Return to Work Program*.

A) Corrects a cross reference to wrong subsection of statute.

B) Amends the provisions applicable to members who retired on or before 1/1/2001, subsequently suspended retirement, and thereafter re-retired to reflect the statutory changes deleting the requirement that these individuals must complete an additional 90-day layout after re-retirement.

D) Clarifies that a retired member is not eligible for the return to work program until NMERB has approved their application.

F) Clarifies that a retired member who has violated the provisions of the return to work program and NMERB has suspended their benefit must re-apply for retirement.

G) Clarifies that a retired member must receive approval of their return to work application before they are considered approved for the program.

H) Wordsmithing – prior language was grammatically incorrect.

-- 2.82.5.16 changes the name of the *Return to Work Exception* rule to *Return to Work .25 FTE or Less* and makes various statutorily required changes.

-- The 2019 legislation eliminated the \$15,000 earnings limitation currently applicable to retired members working under the "Return to Work Exception" provided by NMERB rules. This change

is effective July 1, 2019. In addition to eliminating the \$15,000 cap, HB 360 also mandates that beginning July 1, 2010, retirees who work .25 or less will be required to pay contributions. Because of these statutory changes, several changes need to be made in this rule.

- A) Deletes the \$15,000 earnings limitation for retirees working .25 FTE or less and inserts a new provision requiring that retirees who wish to work .25 FTE or less for an NMERB employer must submit a return to work application and be approved by NMERB prior to commencing employment.
- B) Deletes the language for suspending benefits of a retiree in the return to work exception who enters into an agreement over \$15,000 or who actually earns greater than \$15,000; inserts language allowing suspension of benefits if a retiree enters into an agreement for employment greater than .25 FTE or actually works greater than .25 FTE and they have not completed the requirements of §22-11-25.1(A) and (F) (i.e., must complete a 12-month layoff before working greater than .25 FTE).

**Mr. Goff moved to approve the proposed rule amendments as presented and to authorize the Executive Director to prepare a Notice of Proposed Rulemaking and schedule a public rulemaking hearing at the next available opportunity. Mr. Eichenberg seconded the motion.**

Ms. Roubidoux suggested that the motion be amended to state, "I move approval of the proposed amendments to Rules 2, 3, 4 and 5, as presented to the board today, and authorize the Executive Director to prepare a Notice of Proposed Rulemaking and schedule a public rulemaking hearing at the next available opportunity."

**Mr. Goff restated his motion to reflect this suggested language. Mr. Eichenberg seconded.**

**The motion passed unanimously.**

## **7. INVESTMENT REPORTS: BOB JACKSHA, CIO**

### **a. Q1 Investment Report**

[Presenter: NEPC advisor Allan Martin]

Mr. Martin presented the Q1 performance report. He noted that the NMERB was one of the country's three public pension funds that earned a positive return for the calendar year.

Highlights:

- Over the past 5 years, the fund returned 6.9 percent per annum, outperforming the policy index by 36 basis points and underperforming the actuarial assumed rate of 7.25 percent.
- Over the past 3 years, the fund returned 8.9 percent per annum.
- For the year ending March 31, 2019, the fund experienced a net investment gain of \$684.3 million, which includes a net investment gain of \$640.7 million during the quarter. Assets increased from

\$12.8 billion 12 months ago to \$13.0 billion on March 31, 2019, with \$476 million in net distributions during the year. The fund returned 5.4 percent, outperforming the policy.

Mr. Jacksha commented that the ERB has a good asset allocation, but a downside is that rebalancing it is difficult because the portfolio has so many illiquid assets, such as private real estate, private equity and infrastructure. As a consequence of this, when it is time to do a new asset allocation, staff and NEPC will look at the ability to rebalance using derivatives such as futures or options. In order to do that, they will probably have to add an element of leverage to the portfolio. For instance, right now, the ERB is under-allocated to S&P 500. If it wanted to get closer to target, it could sell some of the S&P and use the cash as collateral to buy futures. He said draft policy language will be brought to the board for consideration at the August meeting. One idea is to put a maximum ceiling on the leverage of 10 percent of the total portfolio. While that is not a large number, they will look at the implications of that in the asset allocation study.

Mr. Martin added that this is a fairly new idea, but some other larger funds are doing this. He said it is a modest way of inexpensively moving the asset allocation around.

**b. Investment Committee Report**

Mr. Jacksha reviewed action taken at yesterday's Investment Committee meeting:

-- Approved a commitment of \$25 million in Realterm Logistics III, a real estate fund that invests in high flow-through properties. Realterm is starting a European effort, to which \$50 million was committed.

-- Brought in Global Alpha as a manager in the small cap non-US developed markets. This is a replacement for Winslow, which was approved a few months ago, but their lead portfolio manager left. Because he was the driver of that strategy, the ERB went to the second choice. The allocation was about \$125 million.

-- Approved a commitment of \$100 million in Cross Ocean III. The ERB is in their previous fund in the opportunistic credit portfolio. Cross Ocean III is the same strategy.

-- Approved a two-year extension on the Hamilton Lane four-year contract.

-- Reviewed Q4 2018 private equity performance. The quarter was down .55 percent, an outgrowth of the public equity markets. For the year, the fund was up about 10.25 percent.

**c. Other Investment Reports**

None.

**8. AGE & SERVICE RETIREMENTS: MONICA LUJAN, MEMBER SERVICES DIRECTOR**

Ms. Lujan reported that, during the two-month period of April and May 2019, there were three disability retirement applications under age 60. There were 28 reciprocities, and a total of 784 regular retirements processed, for a total of 815 applications processed during the two-month period.



**Mr. Magid moved for approval. Mr. Goff seconded the motion, which passed unanimously.**

**9. DISABILITY RETIREMENTS: KARLA LEYBA, BUREAU CHIEF, MEMBER SERVICES**

Ms. Leyba reported that there were three disability retirements, for a total of 847 approved disability retirements.

**Mr. Goff moved for approval. Mr. Eichenberg seconded the motion, which passed unanimously.**

**10. CAPITAL IMPROVEMENT REQUEST: NORMA HENDERSON, CFO**

Ms. Henderson presented the infrastructure capital improvement requests for FY 2021-2025.

Ms. Henderson stated that, since 2015, the NMERB has requested a replacement building for the Santa Fe headquarters, as well as funding for an Albuquerque building. The NMERB worked with the General Services Division/Facilities Management Division (GSD/FMD) last fall to find a new space to lease for the Albuquerque office, and that office was relocated in November 2018. This is a ten-year lease.

Ms. Henderson said the NMERB has been in the Santa Fe location for 32 years, and staff has outgrown the building. In 2014, the investment staff was moved to the Pacheco Street address. She stated that, in July 2019, there will be 78 FTE, with 64 in Santa Fe and 14 in Albuquerque.

Ms. Henderson stated that the Capital Outlay Committee has stated that the NMERB has to be specific in its request; it cannot just ask for money without telling them how it plans to spend it. If it plans to buy an existing building and renovate it, it has to identify the building and indicate what the cost will be to renovate it. Similarly, if it plans to build something, it has to identify the land and construction cost.

Ms. Henderson said NMERB partnered with GSD this year, since GSD has access to the Santa Fe market and both renovation and construction costs, and helped the NMERB to develop this proposal. She presented two options:

-- Option 1: Purchase and renovate an existing building. GSD provided three options. One has already sold. The second had insufficient parking and tenants with rolling leases. The third option, at 2025 South Pacheco Street, is listed at \$4,350,000. Approximate renovation cost is \$2,190,160, and furniture and special equipment is \$500,000, for a total cost of \$7,040,160. The timeline on a purchase/renovation is 18 to 24 months. The two-story building was constructed in 1983 and sits on two acres.

Mr. Magid asked how long the approval process would take. Ms. Henderson responded that the NMERB would apply for funding. In the fall, it would present its request to the Capital Outlay Committee, which would recommend approval to the legislature. It would go through the legislative process in January, and the NMERB would know in March or April whether it was approved.

Mr. Magid pointed out that buildings don't generally stay on the market very long, so very likely the building would no longer be available at that point.

Ms. Henderson agreed, but added that the situation would be the same on a land purchase.

-- Option 2: Purchase land and new construction. GSD recommended a three-acre plot at 5122 Las Soleras Drive, which is listed at \$1.2 million. Approximate construction cost is \$6,895,578, furniture/special equipment is \$500,000, for a total cost of \$8,595,578. Estimated timeline for acquisition and construction is 36-48 months.

Ms. Goodwin stated that the NMERB owns the main building and would sell it as soon as it was ready to move into the new building. She said the NMERB is requesting permission to spend trust fund money for office space for the employees and members. This requires legislative approval.

Responding to Mr. Goff on what her preference was, Ms. Henderson responded that she had no preference; however, the NMERB is struggling to come up with space right now for staff, and purchasing and renovating a building would take half the time it would to purchase land and construct a new building.

Ms. Goodwin said she would prefer to purchase and renovate, since it would cost less than buying land and building and would take half the time. Even though the building under consideration has extra space (a separate self-contained building on the same property), the NMERB could sublease some of the space with the help of a leasing company.

Mr. Jacksha discussed the potential option of purchasing the building as a temporary real estate investment.

Chairwoman Cameron questioned whether the building would be available by the time the NMERB went through the approval process, given the competition in commercial real estate in Santa Fe.

Mr. Eichenberg suggested looking further into the option offered by Mr. Jacksha. Under that scenario, he thought it would make sense to purchase a piece of property and build on it, since it would be an asset that would grow in the Santa Fe market and ultimately it would be a part of the NMERB's portfolio.

Mr. Magid agreed with Mr. Eichenberg. He said the NMERB would be spinning its wheels otherwise.

Mr. Ventura noted that a lot of the work has already been done, and there was time to make this request to the legislature; however, the deadline for doing that was next Monday, July 1.

Mr. Martin commented that, of the eight or ten public plans he knows well, one-third of them have their own buildings as an asset of the trust. He said he could do a quick survey for the NMERB about how prevalent this is.

Mr. Jacksha said this raises some issues about performance, reporting and the like. He said one idea is to carve the investment out of the performance portfolio. He said some funds have gone with the option of imputed rent, where either the fund pays it to themselves or does it as an accounting entry.

Board members discussed going ahead with Option 1 while also looking into Mr. Jacksha's idea as an alternative.

Mr. Goff moved approval of Option 1 and going through the legislative process. Mr. Eichenberg seconded the motion, which passed unanimously.

Mr. Eichenberg suggested that Ms. Goodwin talk to outside legal counsel to determine whether the NMERB can purchase land and build its own buildings as an asset of the trust, and to report back in three months.

**11. DIRECTOR'S REPORT: JAN GOODWIN, EXECUTIVE DIRECTOR**

**a. Update 2019 Retirement Season**

Ms. Goodwin stated that there were 911 July 1 retirements, in contrast with 973 in 2018, and 1,114 in 2017.

**b. NMRHCA Update**

Ms. Goodwin reported that the board is continuing its work to improve funding after being unsuccessful in its recent legislative request to increase the employer/employee contributions.

**c. Other**

Ms. Goodwin presented the activity report.

Ms. Goodwin said the NMERB has been very active in talking about the need to improve funding on the employer side, and has presented its case to several agencies and cabinet secretaries. The meetings have gone very well.

Responding to Mr. Magid on cybersecurity issues, Ms. Goodwin said the NMERB is the only agency in the state with cybersecurity insurance. Nationally, all of the big pensions plans already have it, and the smaller pension funds are now beginning to get this coverage. She said Chief Information Officer Lawrence Esquibel has a rigorous cybersecurity training for employees and routinely runs tests. If an employee flunks one of his tests, they have to go through a retraining.

**12. BOARD SELF-EVALUATION PROCESS: MARY LOU CAMERON, CHAIR**

Chairwoman Cameron distributed self-evaluation forms to the board members.

**13. EXECUTIVE SESSION: 11:45 a.m.**

**a. Limited Personnel Matters – (session closed pursuant to NMSA 1978, §10-15-1(H)(2)**

**(i) Compensation of Executive Director, Deputy Director, Rick Scroggins and General Counsel**

**(ii) Convert Chief Financial Officer (CFO) position (classified) into Administrative Services Division Director – CFO position (exempt)**

Chairwoman Cameron moved that the Board go into Executive Session pursuant to Section 10-15-1(H)(2) of the Open Meetings Act for the purpose of discussing limited personnel matters as listed on the agenda under Item 13(a)(i) and (ii). Mr. Magid seconded the motion, which passed on the following roll call vote:

**For: Chairwoman Cameron; Vice Chair Goff; Secretary Magid; Mr. Eichenberg; Dr. Duszynski.**

**Against: None.**

[Board was in executive session until 12:50 p.m.]

Chairwoman Cameron moved that the Board come out of Executive Session. The only matters discussed during the Executive Session were the limited personnel matters as listed on the agenda under Item 13(a)(i) and (ii). Mr. Magid seconded the motion, which passed on the following roll call vote:

**For: Chairwoman Cameron; Vice Chair Goff; Secretary Magid; Mr. Eichenberg; Dr. Duszynski.**

**Against: None.**

**14. ACTION FROM EXECUTIVE SESSION: 12:50 p.m.**

Contract attorney Patricia J. Turner presented recommended language for action to be taken by the board:

“Effective July 13, 2019, based on the recommendation of the Executive Director, for a salary adjustment to be made for the Deputy Director, the classification for the position be changed from Gov Ex 32 to Gov Ex 46 with a salary adjustment to \$146,796.89.”

**Mr. Magid so moved. Dr. Duszynski seconded the motion, which passed unanimously.**

“Effective July 13, 2019, based on the recommendation of the Executive Director, a salary adjustment to be made for the General Counsel, changing the current classification of the position from Gov Ex 34 to Gov Ex 40, and a salary adjustment to \$143,208.”

**Mr. Magid so moved. Dr. Duszynski seconded the motion, which passed unanimously.**

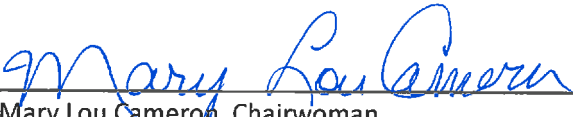
“Effective July 13, 2019, based on the recommendation of the Executive Director, a salary adjustment to be made for the position of CFO ASD Director, changing the current classification from classified pay band 95 to proposed classification of Gov Ex 42 and a salary adjustment of \$122,979.47.

**Mr. Magid so moved. Dr. Duszynski seconded the motion, which passed, with Mr. Eichenberg in abstention.**

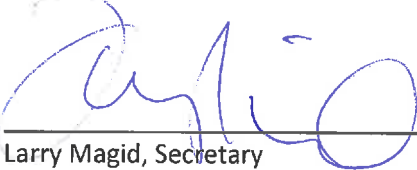
15. NEXT MEETING: FRIDAY, AUGUST 23, 2019 -- ALBUQUERQUE

16. ADJOURN

Its business completed, the Educational Retirement Board adjourned the meeting at 1:00 p.m.

  
\_\_\_\_\_  
Mary Lou Cameron, Chairwoman

ATTEST:

  
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Larry Magid, Secretary