



State of New Mexico
Educational Retirement Board

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**MINUTES OF THE
NEW MEXICO EDUCATIONAL RETIREMENT BOARD OF TRUSTEES
INVESTMENT MEETING
December 8, 2023**

1. a. ROLL CALL: QUORUM PRESENT

A meeting of the New Mexico Educational Retirement Board Investment Committee was called to order on this date at 8:15 a.m. in the Rio Bravo Room at the Albuquerque Public Schools Headquarters, 6400 Uptown Boulevard, N.E., Albuquerque, New Mexico. A quorum was present.

Members Present:

Mr. Larry Magid, Chair
Dr. Matias Fontenla
Mr. Russell Goff

Members Excused:

None.

Board Members Present:

Mr. Max Baca

Staff Present:

Mr. David Archuleta, Executive Director
Mr. Mark Canavan, Investment Office, Real Estate & Natural Resources
Mr. Randall Cherry, General Counsel
Mr. Lawrence Esquibel, Deputy Director
Mr. Steve Neel, Deputy CIO, Alternative Assets
Mr. Kevin Swinson, Chief Information Officer
Ms. Ariana Wakefield, Executive Assistant

Others Present:

Mr. Allan Martin, NEPC
Mr. Sam Austin, NEPC
Ms. Judith Beatty, Board Recorder

b. Approval of Agenda

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

c. Approval of Minutes

- **October 13, 2023**

Mr. Goff moved approval of the minutes of the October 13, 2023, meeting. Dr. Fontenla seconded the motion and it passed unanimously.

d. Introduction of Guests

None.

2. INVESTMENT POLICIES DRAFTS

[Presenters: Steve Neel with Allan Martin, NEPC]

Mr. Neel stated that staff is asking for changes in the policy benchmark in Core Fixed Income to based on a decision by Bloomberg to begin charging \$45,000 a year for access to the Bloomberg U.S. Aggregate Index. The policy draft now reflects that the NMERB is using the FTSE Russell USBIG. Wilshire has also begun charging for access and use of the Wilshire US REIT Index. The policy draft now reflects that the NMERB is using the MSCI US REIT index, which can be accessed at no extra cost.

Mr. Martin stated that variances between the two indexes in both cases are functionally equivalent.

Dr. Fontenla moved that the Investment Committee recommend that the New Mexico Educational Retirement Board approve the changes to the Investment Policy Statement and the Fixed Income Investment Policy Statement. Mr. Goff seconded the motion, which passed unanimously.

3. Q2 REAL ESTATE AND NATURAL RESOURCES REPORT

[Presenter: Mark Canavan]

Mr. Canavan presented an overview of the portfolio as of 6-30-2023:

- Plan size: \$16.020 billion
- Active partnerships: 78. Active GP relationships: 33

- Capital committed \$4.54 billion
- Total portfolio Net IRR 10.85 percent
- Real Estate (Net) since inception returns: 11.46 percent
- Natural Resources (Net) since inception returns: 8.66 percent

4. Q2 INFRASTRUCTURE REPORT

[Presenter: Mark Canavan]

Mr. Canavan presented an overview of the portfolio as of 6-30-2023:

- Portfolio Fair Value: \$636.7 million
- Unfunded Commitments: \$235.8 million
- Total Number of Fund Investments: 16
- Total Number of Direct Investments (held through Caledon Andromeda Investments, Caledon Andromeda Investments II, and CBRE Caledon Andromeda Investments III): 23
- Net IRR Since Inception: 8.5 percent
- Management Fees:
 - For Total Fund Investments Since Inception: \$47 million
 - For Total Direct Investments since inception: \$7 million

5. DERIVATIVES REPORT

Mr. Neel stated that the NMERB is within policy guidelines at 2.3 percent.

6. OTHER REPORTS AND DISCUSSION

None.

7. ADJOURN: 8:50 A.M.



 Larry Magid, Chair

