

MINUTES OF THE
NEW MEXICO EDUCATIONAL RETIREMENT BOARD
INVESTMENT COMMITTEE

June 24, 2022

1. a. CALL TO ORDER

A meeting of the New Mexico Educational Retirement Board Investment Committee was called to order on this date at 8:24 a.m. in the Rio Bravo Room of the Albuquerque Public Schools Headquarters, 6400 Uptown Boulevard, N.E., Albuquerque, New Mexico. A quorum was present.

Members Present:

Mr. Larry Magid, Chair
Mr. Russell Goff

Members Excused:

Dr. Matías Fontenla

Staff Present:

Mr. Bob Jacksha, CIO
Mr. David Archuleta, Executive Director
Mr. Lawrence Esquibel, Deputy Director
Mr. Rick Scroggins, Assistant Director
Mr. Mark Canavan, Investment Officer, Real Estate [on phone]
Ms. Susanne Roubidoux, General Counsel

Others Present:

Mr. Allan Martin, NEPC
Ms. Noi Spyratos, CBRE Caledon
Ms. Judith S. Beatty, Recorder

b. Approval of Agenda

Mr. Goff moved approval of the agenda, as published. Chairman Magid seconded the motion, which passed unanimously by roll call vote.

c. Approval of Minutes: February 18, 2022

Mr. Goff moved approval of the February 18 minutes, as presented. Chairman Magid seconded the motion, which passed unanimously by roll call vote.

d. Introduction of Guests

Chairman Magid welcomed staff.

2. Q1 2022 PROXY VOTING REPORT

Mr. Goff moved to accept the Q1 Proxy Voting Report. Chairman Magid seconded the motion, which passed unanimously.

3. Q1 COMMISSION REPORTS

[Informational.]

4. Q4 2021 INFRASTRUCTURE REPORT

Mr. Canavan presented this report, with the following highlights:

- Portfolio Fair Value: \$620 million
- Unfunded Commitments: \$216 million
- Total Exposure (Fair Value plus Unfunded Commitments): \$836 million
- Management Fees (since July 2008 inception): \$62 million
- Total Number of Fund Investments: 14
- Total Number of Direct Investments: 24
- Net IRR Since Inception: 8.3%

Mr. Canavan noted that Caledon Andromeda investments 1, 2, and 3 are the NMERB's Direct co-investments, which make up 33 percent of the program:

- Caledon Andromeda I (2013): net IRR 9.7%
- Caledon Andromeda II (2016): net IRR 19.6%
- Caledon Andromeda III (2020): net IRR (7.5%) – early in life of fund
- Total Direct Investments: net IRR 13.4%.

Chairman Magid asked if there is any exposure to the Russian issue. Mr. Canavan responded that aviation is considered part of infrastructure. The NMERB did have three or four planes that were not leased to a Russian airline but leased to groups that fly in and out of Russia. Three planes were inside Russia at the time, and the GP was able to get them all out in time.

5. Q4 2021 REAL ESTATE AND NATURAL RESOURCES REPORT

Mr. Canavan presented this report, with the following highlights:

- There are 69 active partnerships, an increase of 9 over the previous year.
- There are 31 active GP relationships an increase of 1 over the previous year.
- Market Value of the combined portfolios was \$2 billion, with unfunded commitments of \$1.2 billion.
- Fund total value at the end of 2021 was 1.48x MOIC with an 11.6% net IRR since inception.

6. DERIVATIVES REPORT

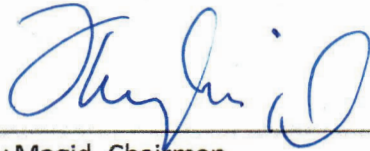
[Informational.]

7. OTHER REPORTS AND DISCUSSION

None.

ADJOURN

The meeting adjourned at 8:55 a.m.



Larry Magid, Chairman