

**2012 APPROVED
WORK PLAN AND MEETING SCHEDULE
for the
INVESTMENTS AND PENSIONS OVERSIGHT COMMITTEE**

The Investments and Pensions Oversight Committee (IPOC) was created by the New Mexico Legislative Council on May 9, 2012. Committee members are as follows:

Members

Sen. George K. Munoz, Chair
Rep. Henry Kiki Saavedra, Vice Chair
Rep. David L. Doyle
Rep. William "Bill" J. Gray
Sen. Timothy M. Keller
Rep. Larry A. Larrañaga

Sen. Carroll H. Leavell
Sen. Steven P. Neville
Sen. Mary Kay Papen
Sen. John M. Sapien
Rep. Jim R. Trujillo
Rep. Luciano "Lucky" Varela

Advisory Members

Rep. Donald E. Bratton
Sen. Carlos R. Cisneros
Sen. Tim Eichenberg
Rep. Miguel P. Garcia
Rep. Roberto "Bobby" J. Gonzales
Sen. Stuart Ingle
Rep. Rhonda S. King
Rep. Patricia A. Lundstrom
Sen. William H. Payne

Rep. Jane E. Powdrell-Culbert
Rep. William "Bill" R. Rehm
Sen. John C. Ryan
Sen. Michael S. Sanchez
Rep. Sheryl Williams Stapleton
Rep. Mimi Stewart
Rep. Shirley A. Tyler
Rep. Richard D. Vigil

Work Plan

During the 2012 interim, the IPOC proposes to:

1. receive reports from the Educational Retirement Board (ERB), the Public Employees Retirement Association (PERA) and the New Mexico Retiree Health Care Authority (NMRHCA) on their current projections regarding the solvency of their retirement trust funds and receive testimony from the ERB, the PERA and their actuaries; employee representatives; retirement trust experts; and others regarding viable proposals to ensure the retirement trust funds' long-term solvency;

2. receive testimony on the potential costs and benefits of merging the pension plan administration and investment functions of the PERA and the ERB in order to better provide comparable and sustainable pension benefits to public employees and teachers, improve trust fund investment returns and reduce administrative costs through "economies of scale" and the ability to hire and retain the most qualified staff and/or consultants at less cost;

3. receive reports from the investment entities, the Office of the Attorney General, private

plaintiffs and others regarding the progress of current litigation and of potential claims by the state and the funds regarding "pay-to-play" allegations, investment fraud, etc.;

4. examine the performance of the investment portfolios of the State Investment Council (SIC), the PERA and the ERB and funds in the state treasury in absolute terms and compared to policy benchmarks and comparable funds. This would include the returns on the entire portfolio as well as the return on individual segments, including stocks, bonds, real estate and private equity;

5. receive testimony on the investment policies, practices and returns of the economically targeted investment programs of the SIC, particularly the Private Equity Investment Advisory Committee, the Small Business Investment Corporation and the film loan program;

6. review the manner in which investment policy and associated earning benchmarks were set for the investment funds by the governing bodies and investigate how each agency determines the proportional mix of types of investments, including mutual stock and bond funds, individual stocks and bonds, real estate, private equity, etc. The IPOC will focus on how investment policies for the retirement funds have changed in response to changes in projections regarding program solvency and unfunded liabilities; and

7. form an IPOC subcommittee appointed by the president pro tempore of the senate and the speaker of the house in conjunction with the committee chairs to receive testimony from the PERA, employee representatives, the New Mexico Municipal League and others regarding alternative actions to ensure the continued solvency of the retirement plans for all municipal and state public safety members. This subcommittee will report any recommendations for proposed legislation to the full IPOC no later than October 23, 2012.

**Investments and Pensions Oversight Committee
2012 Approved Meeting Schedule**

<u>Date</u>	<u>Location</u>
June 20	Santa Fe
August 3	Santa Fe
September 4	Santa Fe
October 23	Santa Fe
November 28	Santa Fe

Subcommittee per item 7 of the work plan.

<u>Date</u>	<u>Location</u>
TBD	Santa Fe
TBD	Santa Fe