

**2011 PROPOSED  
WORK PLAN AND MEETING SCHEDULE  
for the  
INVESTMENTS OVERSIGHT COMMITTEE**

The Investments Oversight Committee (IOC) was created by the New Mexico Legislative Council on May 9, 2011. Committee members are as follows:

**Members**

Sen. George K. Munoz, Chair	Sen. Carroll H. Leavell
Rep. Henry Kiki Saavedra, Vice Chair	Sen. Steven P. Neville
Rep. David L. Doyle	Sen. Mary Kay Papen
Rep. William "Bill" J. Gray	Sen. John M. Sapien
Sen. Timothy M. Keller	Rep. Jim R. Trujillo
Rep. Larry A. Larrañaga	Rep. Luciano "Lucky" Varela

**Advisory Members**

Rep. Donald E. Bratton	Rep. Jane E. Powdrell-Culbert
Sen. Carlos R. Cisneros	Rep. William "Bill" R. Rehm
Sen. Tim Eichenberg	Sen. John C. Ryan
Rep. Miguel P. Garcia	Sen. Michael S. Sanchez
Rep. Roberto "Bobby" J. Gonzales	Sen. John Arthur Smith
Sen. Stuart Ingle	Rep. Sheryl Williams Stapleton
Rep. Rhonda S. King	Rep. Mimi Stewart
Rep. Patricia A. Lundstrom	Rep. Shirley A. Tyler
Sen. William H. Payne	Rep. Richard D. Vigil

**Work Plan**

During the 2011 interim, the IOC proposes to:

1. receive reports from the Educational Retirement Board (ERB) and the Public Employees Retirement Association (PERA) on their current projections regarding the solvency of their pension funds and receive testimony from the ERB, the PERA and their actuaries, employee representatives, pension experts and others regarding viable proposals to ensure the pension 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 funds, 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. The IOC will focus on the returns of the economically targeted investments of the SIC, particularly the Small Business Investment Corporation and the film loan program; and

5. 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 IOC will focus on how the investment policies for the retirement funds have changed in response to changes in projections regarding program solvency and unfunded liabilities.

Additionally, because the Retirement Systems Solvency Task Force expired last year, it is proposed that the IOC be renamed the Investments and Pensions Oversight Committee, as it was known previously.

## 2011 Proposed Meeting Schedule

<u>Date</u>	<u>Location</u>
June 9	Santa Fe
July 27	Santa Fe
August 31	Santa Fe
October 27-28	Santa Fe