

New Mexico Educational Retirement Board

ERB's Commitment to Transparency Investments and Pensions Oversight Committee

Representative Tomás Salazar, Chair

Senator George Muñoz, Vice-Chair

August 10, 2018

Jan Goodwin, Executive Director

Mary Lou Cameron, Board Chair

H. Russell Goff, Board Vice Chair

- Actuarial Status
- Financial Statements & Expenses
- Investment Performance
- Financial Reporting

Members

- Actives
- Retirees



Most important question:

Will my retirement be there for me?

Legislators



Most important question:

Are staff and the Board in adherence with relevant statutes and are changes needed?

General Public



Most important question:

Are our tax dollars being spent wisely?

Employers



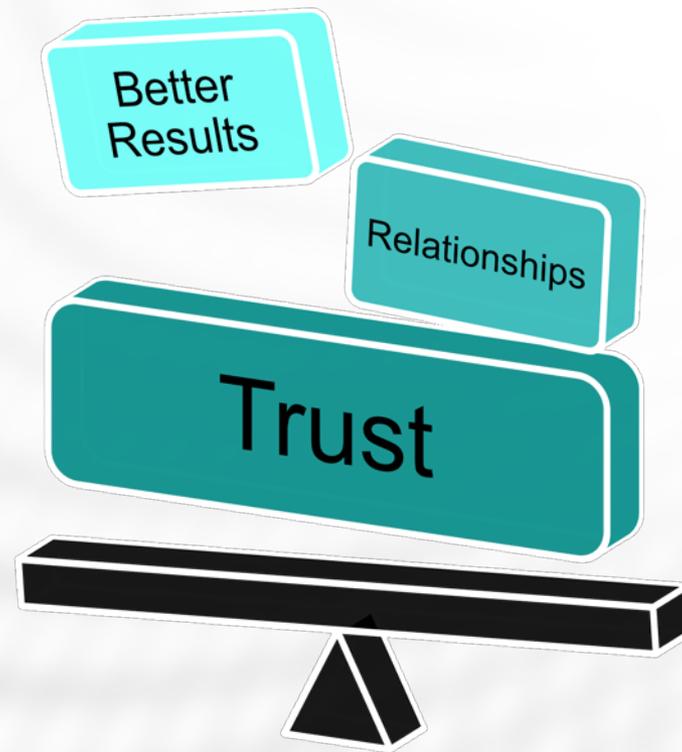
Most important question:

Do we have access to the information we need to do our jobs and help our employees?

- Actuarial Status & Financial Soundness
- Expenses of the fund:
 - General & Administrative
 - Investment management
- Performance of the fund

Good transparency is a balancing act:

Enough information to educate, but not so much as to overwhelm



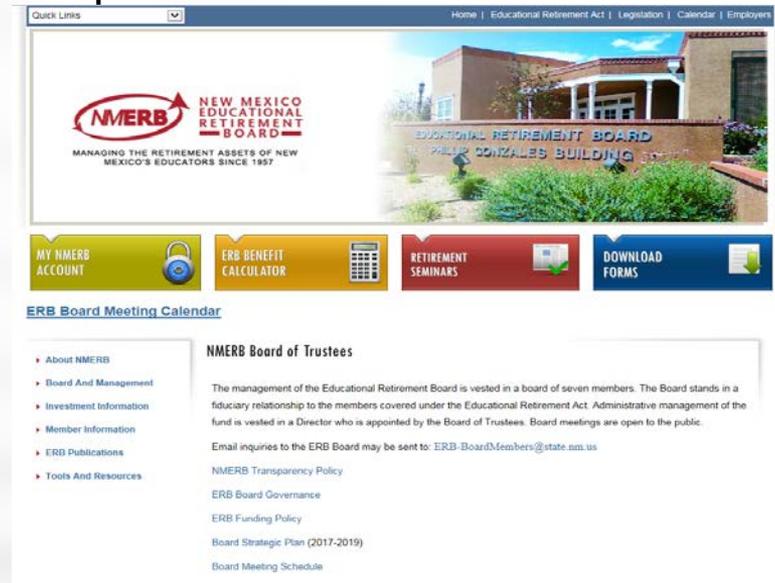
- Comprehensive Annual Financial Report
- Popular Annual Financial Report
- Presentation or distribution to legislators and staff
- Actuarial reports
- Policies
- Strategic Plan
- Member Handbook
- Investment Performance Reports
- GASB Reports
- Asset Allocation

ERB is committed to being an effective and trusted manager of New Mexico's educational retirement system and includes among the values listed in the strategic plan that of transparency. To this end, we make detailed information available on our website.

The page covering our Board of Trustees general policies is located at http://nmerb.org/Boardof_Trustees.html

Links to the following are included:

- [NMERB Transparency Policy](#)
- [ERB Board Governance](#)
- [ERB Funding Policy](#)
- [Board Strategic Plan \(2017-2019\)](#)
- [Board Meeting Schedule](#)



Investment Policies are located at http://nmerb.org/investment_policies.html

Links for NMERB investment policies include:

- NMERB Investment Policy
- Real Assets Policy
- Private Equity Policy
- Core Fixed Income Policy
- Placement Agent Disclosure Policy
- Investment Services Procurement Policy
- Campaign Contribution Disclosure Form

NMERB Investment policies cover the following areas:

1. Selection processes for investment managers, consultants and other service providers.
2. Roles and responsibilities of the Board, Investment Committee, staff, managers, consultants, and custody bank.
3. Asset allocation targets, ranges and descriptions of asset classes.
4. Management of our internal Core Bonds portfolio.
5. Proxy voting for stockholdings.
6. Risk controls.
7. Rebalancing of fund assets.
8. Reporting of placement agent activity.

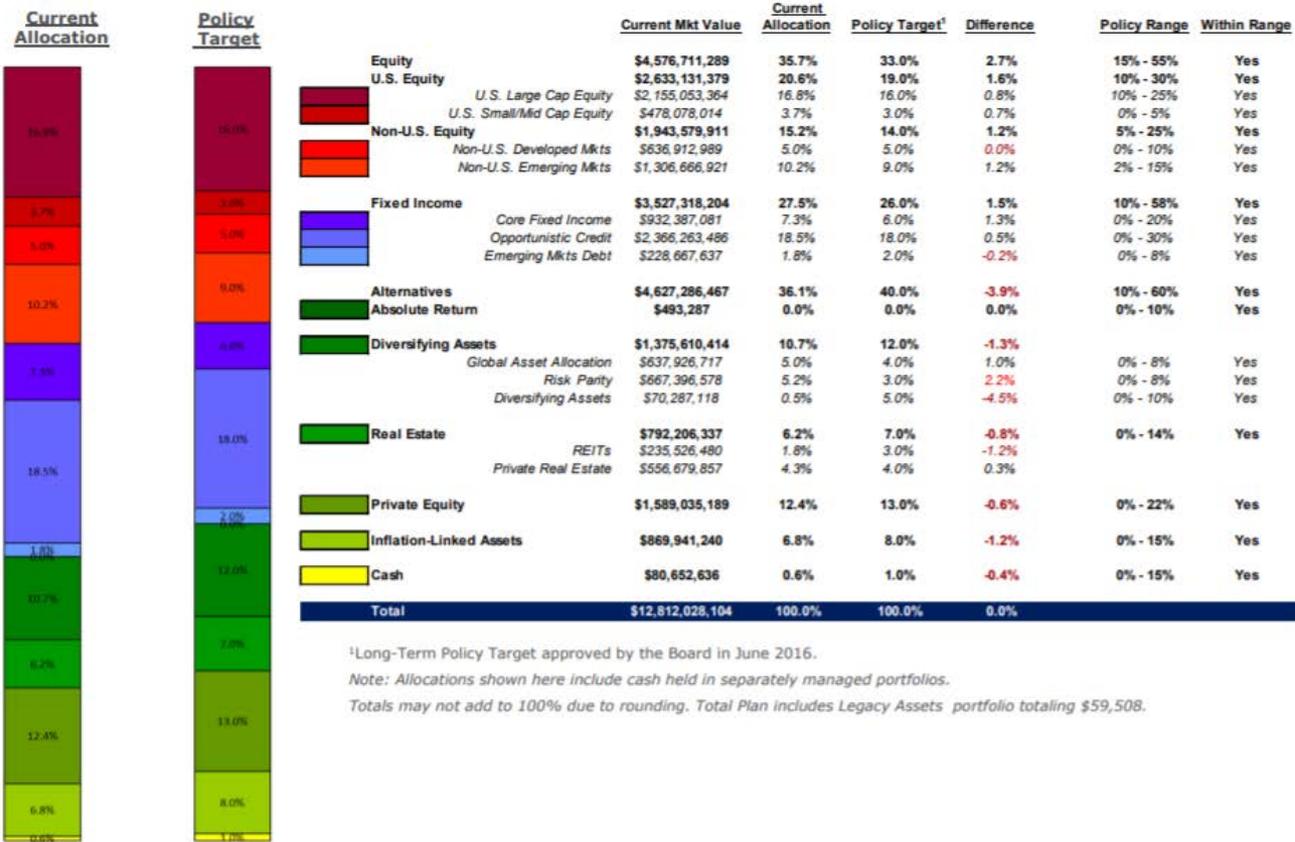
By policy, we conduct an asset allocation review every two years. The reviews may be found here: http://nmerb.org/asset_allocation.html

The screenshot shows the homepage of the New Mexico Educational Retirement Board (NMERB). At the top, there is a navigation bar with links for Home, Educational Retirement Act, Legislation, Calendar, and Employers. Below this is a large banner featuring the NMERB logo on the left and a photograph of the Philip Gonzales Building on the right. The logo includes the text "NEW MEXICO EDUCATIONAL RETIREMENT BOARD" and "MANAGING THE RETIREMENT ASSETS OF NEW MEXICO'S EDUCATORS SINCE 1957". The building photo has the text "EDUCATIONAL RETIREMENT BOARD PHILIP GONZALES BUILDING" overlaid. Below the banner is a row of four utility buttons: "MY NMERB ACCOUNT" (with a padlock icon), "ERB BENEFIT CALCULATOR" (with a calculator icon), "RETIREMENT SEMINARS" (with a calendar icon), and "DOWNLOAD FORMS" (with a document icon). Below these buttons is a section titled "ERB Board Meeting Calendar". To the left of this section is a vertical menu with links: "About NMERB", "Board And Management", "Investment Information", "Member Information", "ERB Publications", and "Tools And Resources". To the right of the menu, under the heading "Asset Liability", there are links for "2016 Asset Allocation Liability Study", "2014 Asset Allocation Review", and "Asset Liability Study as of 06/15/2012". At the bottom of the page, there is a footer with a phone icon and the text "Managing the Retirement Assets of New Mexico's Educators" followed by contact information: "Santa Fe: (505) 827-8030 | Albuquerque: (505) 888-1560 | Toll free: 1-866-691-2345".



New Mexico Educational Retirement Board

TOTAL FUND ASSET ALLOCATION VS. POLICY



¹Long-Term Policy Target approved by the Board in June 2016.
 Note: Allocations shown here include cash held in separately managed portfolios.
 Totals may not add to 100% due to rounding. Total Plan includes Legacy Assets portfolio totaling \$59,508.



Performance reports are available for several years on the website at <http://nmerb.org/Investments.html>

Investment Performance

QUARTERLY INVESTMENT REPORTS

You can view current and past quarterly investment reports (pdf files) by clicking on the links below:

[NMERB Investment Dashboard](#) (March 2018)

2018 Total Portfolio

[1st Quarter 2018](#)

Infrastructure

[1st Quarter 2018](#)

2017 Total Portfolio

[1st Quarter 2017](#)

[2nd Quarter 2017](#)

[3rd Quarter 2017](#)

[4th Quarter 2017](#)

THIRD PARTY PLACEMENT AGENT DISCLOSURE

AE Industrial

The investment was approved for a \$60 million commitment on March 22, 2018 as part of the Fund's allocation to Private Equity.

AE Industrial has provided documentation confirming Eaton Partners was used as a placement agent in connection with NMERB's investment.

Additionally, AE Industrial has completed the ERB Campaign Contribution Disclosure and reports no applicable campaign contributions.

Aberdeen Standard

The investment was approved for a \$100 million commitment on March 22, 2018 as part of the Fund's allocation to Private Equity.

Aberdeen Standard has provided documentation confirming no placement agent was used in connection with NMERB's investment.

Additionally, Aberdeen Standard has completed the ERB Campaign Contribution Disclosure and reports no applicable campaign contributions.

RAM Realty V

The investment was approved for a \$40 million commitment on March 22, 2018 as part of the Fund's allocation to Real Estate.

RAM Realty has provided documentation confirming no placement agent was used in connection with NMERB's investment.

Additionally, RAM Realty has completed the ERB Campaign Contribution Disclosure and reports no applicable campaign contributions.

Sares Regis

The investment was approved for a \$30 million commitment on March 22, 2018 as part of the Fund's allocation to Real Estate.

Sares Regis has provided documentation confirming no placement agent was used in connection with NMERB's investment.

Additionally, Sares Regis has completed the ERB Campaign Contribution Disclosure and reports no applicable campaign contributions.

Taiga/Orchard Global Asset Management

The investment was approved for a \$50 million commitment on March 22, 2018 as part of the Fund's allocation to Opportunistic Credit.

Taiga has provided documentation confirming First Avenue Partners LLP, FAP USA L.P., Gallatin Capital LLC, ISP Securities AG, KHK and Partners Limited, and New World Capital have been engaged as placement agents for the fund but were not used in connection with NMERB's investment.

Additionally, Taiga has completed the ERB Campaign Contribution Disclosure and reports no applicable campaign contributions.



Annual financial reports from FY2000-FY2017 may be found here:

http://nmerb.org/Annual_reports.html

Annual Reports

[GASB 68 Employer Allocation Report 2017 \(PDF\)](#)

[GASB 68 Implementation Guide for Employers 2018 \(Word\)](#)

[GASB 68 Journal Entry Tool for Employers \(XLS\)](#)

[Comprehensive Annual Financial Report 2017 \(PDF\)](#)

[Popular Annual Financial Report 2017 \(PDF\)](#)

[GASB 68 Implementation Guide for Employers 2017 \(PDF\)](#)

[GASB 68 Journal Entry Tool for Employers 2017 \(XLS\)](#)

[GASB 68 Employer Allocation Report 2016 \(PDF\)](#)

[Comprehensive Annual Financial Report 2016 \(PDF\)](#)

[Popular Annual Financial Report 2016 \(PDF\)](#)

[Independent Financial Audit Report 2016 \(PDF\)](#)

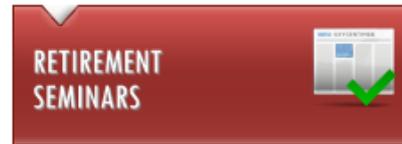
[GASB 68 Employer Allocation Report 2015 Restated \(PDF\)](#)

[Comprehensive Annual Financial Report 2015 \(PDF\)](#)

[Popular Annual Report 2015 \(pdf\)](#)

Actuarial reports covering 2002-2017 may be found here:

http://nmerb.org/Actuarial_reports.html



- ▶ [About NMERB](#)
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Actuarial Reports and Experience Studies

- [NMERB Actuarial Valuation Report 2017--posted 10/26/17](#)
- [NMERB Actuarial Valuation Presentation 2017--posted 10/20/17](#)
- [Updated GASB Report as of June 30, 2016--posted 5/17/17](#)
- [NMERB Experience Study Report--posted 4/28/17](#)
- [NMERB Experience Study Presentation--posted 5/17/17](#)
- [Actuarial Valuation Report 2016 \(PDF\)](#)
- [Actuarial Valuation Presentation 2016 \(pdf\)](#)
- [NMERB Actuarial Training 2016 \(PDF\)](#)
- [Actuarial Valuation Report 2015 \(pdf of 57 pages\)](#)
- [Actuarial Valuation Presentation 2015 \(pdf of 32 pages\)](#)
- [GASB 67 & 68 Report 2015 \(pdf of 8 pages\)](#)
- [GASB 67 & 68 Report 2014 \(pdf of 8 pages\)](#)

NMERB Events

https://www.nmerb.org/Boardof_Trustees.html

MY NMERB ACCOUNT 

ERB BENEFIT CALCULATOR 

RETIREMENT SEMINARS 

DOWNLOAD FORMS 

ERB Board Meeting Calendar

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NMERB Board of Trustees

The management of the Educational Retirement Board is vested in a board of seven members. The Board stands in a fiduciary relationship to the members covered under the Educational Retirement Act. Administrative management of the fund is vested in a Director who is appointed by the Board of Trustees. Board meetings are open to the public.

Email inquiries to the ERB Board may be sent to: ERB-BoardMembers@state.nm.us

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Mary Lou Cameron, Chairperson



Mary Lou Cameron of Deming has represented the National Education Association of New Mexico on the New Mexico Educational Retirement Board (NM ERB) since 1999. Cameron is in her fifth term as chairperson of the NM ERB. She has also held the offices of secretary and vice chairperson during her tenure and served on the Committees on Resolutions and Nominations for the National Council on Teacher Retirement.

Before moving to New Mexico, Cameron received her Bachelor of Science in Education from North Texas State University in Denton, Texas, and taught in Corpus Christi, Texas, for three years. She then received her Master of Education from Western New Mexico University in Silver City. Cameron retired in June of 2015 after her



https://www.nmerb.org/Boardof_meetingminutes.html

All meetings dates are subject to change. The most up to date meeting schedules can be found [ERB Board Meeting Calendar](#) or on our homepage, www.nmerb.org.

Meetings are typically held at the Albuquerque NMERB office, 6201 Uptown Blvd. NE, Suite 203 ([view map](#))

Resource: Click on the tab of the meeting schedule you would like to view.

"BOT" is the Board of Trustees tab; "IC" is the Investments Committee tab; "ARP" is the Alternative Retirement Plan Committee tab; "AC" is the Audit Committee tab.

AC 2018 **ARP 2018** **BOT 2018** **IC 2018** **AC 2017** **ARP 2017** **BOT 2017** **IC 2017**

Board of Trustee Dates in 2018	Minutes	Agenda
February 2018	PDF	PDF
April (board retreat)	PDF	PDF
April (regular meeting)	PDF	PDF
May 2018	PDF	PDF
June 2018	PDF	PDF
July (Retreat)	PDF	PDF
August 2018		
October 2018		
December 2018		



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NMERB Improving Sustainability State Tour

NMERB's Executive Director Jan Goodwin and Deputy Director Rick Scroggins visited 13 cities across the state to discuss

"Improving Sustainability". If you would like to watch a recorded version of this presentation click the image or follow the

link <https://www.zoom.us/recording/play/UZKrS1mDe0BcuoZtvudcgLflnQWU--brzto4JT12zBNHZXhj30CYoUnl49hr5wM>



New Mexico Educational Retirement Board

Improving Sustainability

[Click here for the "Improving Sustainability" Press Release](#)

<https://www.nmerb.org/>

Sustainability Survey Results



Click the link to see the survey results. (PDF).

