

**2010 APPROVED  
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 12, 2010. Committee members are as follows:

**Members**

Rep. John A. Heaton, Chair

Sen. George K. Munoz, Vice Chair

Rep. Donald E. Bratton

Sen. Tim Eichenberg

Sen. Timothy M. Keller

Rep. Larry A. Larrañaga

Sen. Carroll H. Leavell

Sen. Steven P. Neville

Rep. Henry Kiki Saavedra

Sen. John M. Sapien

Rep. Jim R. Trujillo

Rep. Luciano "Lucky" Varela

**Advisory Members**

Rep. Andrew J. Barreras

Sen. Carlos R. Cisneros

Rep. Miguel P. Garcia

Rep. Roberto "Bobby" J. Gonzales

Sen. Stuart Ingle

Rep. Patricia A. Lundstrom

Sen. Mary Kay Papen

Sen. William H. Payne

Rep. Jane E. Powdrell-Culbert

Sen. John C. Ryan

Sen. Michael S. Sanchez

Sen. John Arthur Smith

Rep. Sheryl Williams Stapleton

Rep. Shirley A. Tyler

Rep. Richard D. Vigil

Sen. Peter Wirth

**Work Plan**

During the 2010 interim, the IOC will:

1. receive reports from the State Investment Council (SIC), the Educational Retirement Board (ERB) and Public Employees Retirement Association (PERA) on their disagreement, agreement and/or implementation of the findings of the fiduciary review by Ennis Knupp and Associates regarding investment fund governance, process and policies, board composition, expertise and independence, staff expertise, overall investment policy setting, the selection of individual investments, the selection and compensation of advisors, portfolio valuation, etc.;

2. receive reports from the investment funds, the Office of the Attorney General 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.;

3. examine the performance of the investment portfolios of the 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;

4. 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 also review how investment policies for the retirement funds change in response to changes in projections regarding program solvency and unfunded liabilities;

5. pursuant to the charge of the Government Restructuring Task Force, receive testimony on the potential costs and benefits of merging the investment functions of the SIC, the PERA, the ERB, the Office of the State Treasurer and the New Mexico Finance Authority into a single entity in order to improve returns and reduce administrative costs through "economies of scale" and the ability to hire and retain the most qualified investment staff and/or consultants at less cost; and

6. review the solvency plans for the PERA, the ERB and the Retiree Health Care Authority (RHCA), which plans are to be produced and submitted to the IOC by the Retirement Systems Solvency Task Force (RSSTF) as mandated by HB 573, 2009 Regular Session, and propose IOC-sponsored legislative reforms based on the task force's deliberations and reports to the committee. The IOC will also take testimony from the PERA, the ERB and the RHCA and industry experts in advance of receipt of the RSSTF report to enable their policy deliberations to be better informed.

**Investments Oversight Committee  
2010 Approved Meeting Schedule**

<b><u>Date</u></b>	<b><u>Location</u></b>
June 14, 2010*	Santa Fe
July 2, 2010	Santa Fe
August 16, 2010	Santa Fe
October 8, 2010	Santa Fe