



New Mexico Work and \$ave Board M E E T I N G M I N U T E S

Via Zoom—Thursday, April 29, 2021, 2:00 to 3:30 pm

Members Present

- Lynn Hoffman, Chair
- DeAnza Valencia, Vice Chair
- Connor Browne
- Cindy Bryan
- Carter Bundy
- Melissa Coleman
- Eric Quintana
- Isaiah Zemke

Members Absent

- Spencer Wright

State Treasurer's Office Staff Present

- Tim Eichenberg, State Treasurer
- Claudia Armijo, Interim Executive Director (IED)/Chief Administrative Officer
- Sam Collins, Deputy State Treasurer
- Julie Filatoff, STO Staff Manager

Office of the Attorney General's Staff Present

- Sally Malavé, Assistant Attorney General
- Steven Romero, Attorney

1. Roll Call

Chair Lynn Hoffman called the meeting to order at 2:01 pm.

2. Welcome Registered Attendees

Chair Hoffman welcomed the board members, registered attendees, and STO and OAG staff members.

3. Approval of April 29, 2021, Agenda

Chair Hoffman called for a vote on approval of the April 29, 2021, agenda. Member Connor Browne made a motion to approve; Member Isaiah Zemke seconded the motion. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Ms. Bryan: Aye
- Mr. Bundy: Aye
- Ms. Coleman: Aye
- Mr. Quintana: Aye
- Mr. Zemke: Aye
- Vice Chair Valencia: Aye
- Chair Hoffman: Aye

4. Approval of March 25, 2021, Minutes

Member Connor Browne asked that the March 25, 2021, minutes be changed to reflect the name of his firm. Chair Hoffman called for a vote of approval. Member Cindy Bryan made a motion to approve as amended; Member Browne seconded the motion. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Ms. Bryan: Aye
- Mr. Bundy: Aye
- Ms. Coleman: Aye
- Mr. Quintana: Aye
- Mr. Zemke: Aye
- Vice Chair Valencia: Aye
- Chair Hoffman: Aye

5. Opening Comments

Chair Hoffman welcomed Lisa Enfield, JD, to the Finance and Funding Committee.

6. Committee Reports

The Committee Chairs presented the committee reports:

Finance & Funding Committee: Chair Spencer Wright was absent, so Chair Hoffman presented highlights of the committee meeting, including the possibility of modeling the population to be served and collaborating with the Rules Committee on policies and procedures. Mr. Romero stated that the Attorney General's Office looks forward to assisting.

Rules Committee: Chair Kristina Fisher presented highlights of the committee meeting, including a brief overview of the rulemaking process, plans to review rules promulgated by other states, ensuring that the rules align closely with the statutes, and seeking input on the initial drafts (collaborating with the Education & Outreach Committee).

Education & Outreach Committee: Chair Isaiah Zemke presented highlights of the committee meeting, including reaching out to chambers of commerce and the local business communities, possibly creating a signup ap, redesigning the logo, and providing digital access to materials. IED Claudia Armijo spoke about the "Smart About Money" website and how Work & \$ave can use it.

7. Approval of Committee Charters

Chair Hoffman called for a vote on approval of the three committee charters, which had been discussed within each committee, and suggested adding that a majority of the quorum is necessary for taking action. Member Carter Bundy made a motion to approve the charters as amended; Member Eric Quintana seconded the motion. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Ms. Coleman: Aye
- Vice Chair Valencia: Aye
- Ms. Bryan: Aye
- Mr. Quintana: Aye
- Chair Hoffman: Aye
- Mr. Bundy: Aye
- Mr. Zemke: Aye

8. Board Discussion of Insurance and Liability Coverage

Deputy Treasurer Sam Collins presented an update on the three options for coverage: tort claims (through the Risk Management Division of the New Mexico General Services Department), a management liability policy, and a fiduciary policy, all of which were sent to STO's General Counsel. General Counsel sent a draft opinion a few days prior; it is still being reviewed, and should be on next month's agenda for discussion and approval.

IED Armijo spoke briefly to other states' Secure Choice board insurance and will speak to them in more detail. Some states are relying on tort claims, while others have purchased additional coverage.

9. Board Discussion and Approval of Professional Consultant Contract

IED Armijo provided the board with confidential bids from two professional services consultants, and a recommendation on which consultant to select. IED Armijo spent considerable time and effort to fully vet the bidders. The consultant will present its work to the

board on Wednesday, June 30 (the last day of the 2021 fiscal year). The consultant will also give an update at the May 27 board meeting, if appropriate.

Chair Hoffman called for a vote on approval of the professional services consultant selection recommendation, AKF Consulting. Member Browne made a motion to approve the charters as amended; Member Quintana seconded the motion. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Ms. Coleman: Aye
- Vice Chair Valencia: Aye
- Ms. Bryan: Aye
- Mr. Quintana: Aye
- Chair Hoffman: Aye
- Mr. Bundy: Aye
- Mr. Zemke: Aye

10. Executive Director's Report

IED Armijo told the board that the state of Virginia and New York City just passed legislation to create retirement-savings programs. There is also a possibility of a national program (state programs would be grandfathered in). IED Armijo stated that there are \$209.5 million in assets under management (in CA, OR, and IL); and although the average monthly contributions and account balances are small individually, they are impactful over time.

11. Adjourn Board

The next board meeting will be on Thursday, May 27, 2021, from 2 pm to 3:30 pm.

Chair Hoffman called for a vote to adjourn, and Vice Chair DeAnza Valencia made the motion. The Chair adjourned the meeting at 3:13 pm.

Respectfully Submitted, Julie Filatoff