



**Thursday, November 21, 2024
Administrative Committee**

Call to Order - 8:00 A.M.

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**In-Person Attendance: Washington State Investment Board
2100 Evergreen Park Drive SW, Olympia, WA 98502**

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The link to join online can be found at www.sib.wa.gov/meetings.html

1. Call to Order/Roll Call (8:00a)

2. Adoption of Minutes (8:00-8:05)

A. Adoption of the September 19, 2024, Minutes

3. Budget (8:05-8:15)

A. Quarterly Budget Update

4. Board Education (8:15-8:20)

A. Board Conference and Education Attendance Report 2023-2024

B. 2024-2025 Board Conference and Education List

5. 3-Year Policy Review - Review Only (8:20-8:25)

A. 3-Year Policy Review - Review

6. 3-Year Policy Review - Revisions

A. 3-Year Policy Review - Revisions

7. Board Repository Update (8:30-8:40)

A. Board Repository Update

8. CEO Evaluation Process (8:40-8:50)

A. CEO Evaluation Process

9. Executive Session (8:50-9:05)

A. Staffing Update

B. Non-Voting Board Member Reappointment

10. Non-Voting Board Member Reappointment (9:05-9:10)

A. Non-Voting Board Member Reappointment

11. Other Items (9:10-9:15)

12. Adjourn (9:15a)

**WASHINGTON STATE INVESTMENT BOARD
Administrative Committee Meeting Minutes
November 21, 2024**

The Administrative Committee met in open public session at the office of the Washington State Investment Board (WSIB) at 2100 Evergreen Park Drive SW, Olympia, Washington and via Microsoft Teams video conferencing available to participants and members of the public at <https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting?rtc=1>; Meeting ID: 285 145 110 399; Passcode: TmscPL; Dial-In Telephone Number +1 564-999-2000,,340784945# United States, Olympia (833) 322-1218,,340784945#; Phone Conference ID: 510 159 509#

Members Present: Greg Markley, Chair
Sara Ketelsen
Liz Lewis
Yona Makowski

Members Absent: Tracy Guerin

Other Board Members Present: Joel Sacks
Tracy Stanley

Also Present: Allyson Tucker, Chief Executive Officer
Curt Gavigan, Chief Operating Officer
Stacy Conway, Chief of Staff
Jessica Carter, Executive Assistant

Tor Jernudd, Attorney General's Office

CALL TO ORDER

Chair Markley called the meeting to order at 8:00 a.m. and took roll call. All Committee members listed as present were able to participate fully in the meeting while in attendance.

ADOPTION OF MINUTES

Chair Markley moved to adopt the September 19, 2024 meeting minutes. Yona Makowski seconded, and the motion carried unanimously.

QUARTERLY BUDGET UPDATE

Presenter: Curt Gavigan, Chief Operating Officer

Curt Gavigan reported that as of September 30, 2024, the appropriated budget had a projected balance of approximately \$11.5 million, a 22.7 percent savings, noting the savings in salaries and benefits and professional services and contracts along with slight additional expense in goods and services due to renovation work in the Olympia office. The projected balance is conservative and may grow. Discussion ensued regarding debt service expense and the agency's previous use of debt for larger information technology purchases. The non-appropriated budget has a projected balance of approximately \$33.7 million, a 4.2 percent savings, primarily due to market driven expenses. The non-appropriated balance will fluctuate based on market volatility, asset values and consulting needs.

BOARD EDUCATION

2023-2024 Board Education Report

Presenter: Stacy Conway, Chief of Staff

Chair Markley shared that the WSIB has an approved list of events that Board members are encouraged to attend and acknowledged that members also participate independently in conferences and education opportunities.

Stacy Conway presented the annual Board Education Report for the period of September 2023 through August 2024 as required by the Board Education Policy. The report includes internal and external WSIB-sponsored events, as well as relevant activities in which Board members participated that are outside of the purview of the WSIB.

2024-2025 Board Conference and Education List

Presenter: Stacy Conway, Chief of Staff

Stacy Conway presented the proposed 2024-2025 Board Conference and Education List for the Administrative Committee’s consideration. The proposed opportunities are well-vetted events and activities known to contain high-quality programming. Additionally, staff intends to identify additional educational opportunities and work to ensure Board members are aware of the opportunities.

Discussion ensued regarding the Board Education policy language encouraging Board member attendance at least one external educational event each year.

Chair Markley moved that the Administrative Committee recommend the Board approve the 2024-2025 Board Conference and Education List as proposed. Yona Makowski seconded, and the motion carried unanimously.

Discussion ensued regarding staff’s intent to notify Board members of education opportunities via email and updates in the CEO Report and the vetting process of events that Board members might recommend be added to the list. Chair Markley encouraged the Committee members to reach out to Allyson Tucker with recommendations.

3-Year Policy Reviews – Review Only

Presenter: Stacy Conway, Chief of Staff

Stacy Conway explained that Board policies are generally required to be reviewed every 3 years and that the policies were being presented in two categories: those to be reviewed only, with no changes, and those with proposed revisions.

The Code of Conduct Policy 2.00.150 and the Board Education Policy 2.00.200 were presented for review and reaffirmation, with no revisions proposed.

Yona Makowski noted a correction necessary in the Board Education Policy, replacing the word “polices” with “policies” on Page 2.

Chair Markley moved that the Administrative Committee recommend the Board reaffirm the Code of Conduct Policy 2.00.150 and the Board Education Policy 2.00.200 as amended. Yona Makowski seconded, and the motion carried unanimously.

3-Year Policy Reviews – Revisions

Presenter: Stacy Conway, Chief of Staff

Stacy Conway presented the proposed revisions to the Administrative Committee Charter Policy 1.00.120, the Charter of the Board Chair Policy 1.00.160, the Executive Director Charter Policy 1.00.180, the Role of Consultants Policy 1.10.100, the Role of Investment Managers Policy 1.10.200, and the Communications Policy 2.00.175, highlighting the revisions to the Administrative Committee Charter and the Charter of the Board Chair.

Chair Markley moved that the Administrative Committee recommend the Board approve the revisions to the Administrative Committee Charter Policy 1.00.120, the Charter of the Board Chair Policy 1.00.160, the Executive Director Charter Policy 1.00.180, the Role of Consultants Policy 1.10.100, the Role of Investment Managers Policy 1.10.200, and the Communications Policy 2.00.175, as proposed. Yona Makowski seconded, and the motion carried unanimously.

Discussion ensued regarding staff's discontinuation of characterizing policy revisions as minor or technical or substantive and the continued reference to Executive Director in the Executive Director Charter Policy due to the statutory reference to the title.

BOARD REPOSITORY UPDATE

Presenter: Allyson Tucker, Chief Executive Officer

Allyson Tucker reported that the board repository project will be completed in two parts: a replacement portal for the distribution of Board materials and the restoration of access to historical Board materials. Staff is on track to restore the Board's access to historical materials by the end of the year. Logistic and operational issue resolution for WSIB staff will flow into the second half of 2025 for completion. In addition, 22 public pension funds were contacted, including those in the WSIB's salary comparison group, to gain insights into how they handle Board materials. The responses varied widely, with seven different external platforms utilized, as well as several in-house solutions. None of the funds surveyed utilize the system and processes employed by the WSIB.

Discussion ensued regarding the availability of specific detailed information gleaned from the survey of pension funds. Due to the confidential nature of the information, it was determined that additional discussion would take place in the executive session later in the meeting.

CEO EVALUATION PROCESS

Presenter: Greg Markley, Administrative Committee Chair

Chair Markley explained that the annual CEO evaluation is due each year in February and asked the Committee for their input on the process. It was agreed that the existing process and Board survey would be utilized. The survey will be sent out by the Board's Confidential Secretary, Jessica Carter, in December, and responses will be aggregated for Board discussion with the CEO at the February meeting.

EXECUTIVE SESSION

Chair Markley announced that the Committee would go into executive session to discuss the performance of public employees. The executive session was expected to last until approximately 8:45 a.m., when the Committee would reconvene in open session.

[The Committee convened in executive session at 8:30 a.m.]

Staffing Update

Presenter: Allyson Tucker, Chief Executive Officer

Non-Voting Board Member Expiring Term

Presenter: Greg Markley, Administrative Committee Chair

Chair Markley announced the executive session would be extended for an additional 5 minutes for a cybersecurity-related discussion.

[The executive session was extended at 8:45 a.m. for an additional 5 minutes. Those waiting in person and virtually to rejoin the meeting were notified of the extension.]

The Committee went into executive session to discuss security requirements for the Board material repository platform.

[The Committee reconvened in open session at 8:50 a.m.]

Non-Voting Board Member Reappointment

Presenter: Greg Markley, Administrative Committee Chair

Chair Markley noted that the Committee would take action on the item discussed in executive session.

Chair Markley moved that the Administrative Committee recommend the Board take the action discussed in executive session. Yona Makowski seconded, and the motion carried unanimously.

ADJOURNMENT

No further business was to come before the Committee, and the meeting adjourned at 8:53 a.m.