

WASHINGTON STATE INVESTMENT BOARD
Administrative Committee Meeting Minutes
November 17, 2005

The Administrative Committee met in open session at 8:35 a.m. at the Washington State Investment Board (WSIB) office at 2100 Evergreen Park Drive SW, Olympia, Washington.

Committee Members Present: Patrick McElligott, Chair
 Debbie Brookman, Vice Chair
 Glenn Gorton
 Assistant Treasurer Mike Colleran

Other Members Present: George Masten

Others Present: Joe Dear, Executive Director
 Kristi Walters, Executive Assistant
 Paul Silver, Assistant Attorney General

[Names of other individuals attending the meeting are not included in the minutes, but are listed in the permanent record.]

Chair McElligott called the meeting to order.

ADOPTION OF MINUTES – SEPTEMBER 12, 2005

Vice Chair Brookman moved to adopt the September 12, 2005, Administrative Committee minutes. Mr. Gorton seconded and the motion carried unanimously.

EXECUTIVE DIRECTOR COMPENSATION

Chair McElligott called the Committee into executive session at 8:36 a.m. He said the purpose was to discuss the performance of a public employee. Chair McElligott said the executive session was expected to last 20 minutes.

[George Masten was in attendance at 8:50 a.m.]

Chair McElligott identified members present.

[The executive session concluded at 8:56 a.m. and the open session reconvened immediately thereafter.]

Vice Chair Brookman moved that the Administrative Committee recommend that the Board increase the executive director's salary to \$191,180. Mr. Gorton seconded the motion.

Ms. Brookman said that the amount was based on data showing it as the median salary for this position for pension funds over funds with more than \$40 billion under management. She said that Mr. Dear has done an exceptional job, the Committee wants to extend its appreciation, and have his salary should reflect that. Mr. Colleran said that he applauds Mr. Dear's willingness to consider the fundamental theories that guide pension management; specifically, the capital asset pricing model and Markowitz optimization in asset space.

Chair McElligott said that the salary increase would be effective December 1, 2005.

The above motion carried unanimously.

OTHER ITEMS

There was no further business to come before the Committee. The meeting adjourned at 8:59 a.m.