

## WASHINGTON STATE INVESTMENT BOARD

### Administrative Committee Meeting Minutes February 21, 2013

The Administrative Committee met in open public session at 9:01 a.m. at the Washington State Investment Board (WSIB) boardroom at 2100 Evergreen Park Drive SW, Olympia, Washington.

Committee Members Present: Treasurer James McIntire, Chair  
George Masten  
Judi Owens  
Mike Ragan  
Natasha Williams

Other Members Present: Bill Longbrake  
Pat McElligott

Others Present: Theresa Whitmarsh, Executive Director  
Gary Bruebaker, Chief Investment Officer  
Victor Moore, Chief Operating Officer  
Liz Mendizabal, Institutional Relations Director  
Celina Verme, Finance and Administrative Services Director  
Patty Davis, Administrative Assistant

Steve Dietrich, Assistant Attorney General

[Names of other individuals attending the meeting are listed in the permanent record.]

Vice Chair Ragan called the meeting to order and took roll call.

#### **ADOPTION OF MINUTES**

##### **Adoption of the January 17, 2013, Minutes**

**Mr. Masten moved to adopt the January 17, 2013, Administrative Committee minutes. Ms. Owens seconded, and the motion carried unanimously.**

[Mr. McElligott arrived 9:03 a.m.]

#### **QUARTERLY BUDGET UPDATE**

Ms. Verme reported the appropriated budget has a projected balance of \$930,000 (6.2 percent savings), primarily due to investment officer vacancies and associated savings for salaries, benefits, and travel. The non-appropriated budget has a projected balance of \$40 million (11.8 percent savings), primarily due to lower management fees and market conditions in the asset classes and securities lending categories.

## **CONFLICT OF INTEREST POLICY COMPLIANCE ENFORCEMENT**

In response to a previous request from the Chair, Mr. Dietrich provided a memorandum addressing the Board's authority to enforce policies regulating member conduct. He advised the Board may generally enforce policies, but it lacked the power to remove a member from the Board in response to a policy violation. He further advised that current policy allows the Board to refer an "egregious" violation of policy to the appointing authority and only the appointing authority may remove a member for cause.

## **OTHER ITEMS**

### **Legislative Update**

Ms. Whitmarsh updated members on HB 1899 which would authorize the WSIB to invest pension funds for First Class Cities. She recommended the WSIB take a neutral position on the bill.

[Chair McIntire arrived 9:13 a.m.]

Discussion ensued over the details of the legislation, and members supported the Board taking a neutral position on the legislation.

[Bob Longbrake arrived 9:22 a.m.]

There was no further business to come before the Committee and the meeting adjourned at 9:28 a.m.