

STATE OF WASHINGTON
STATE INVESTMENT BOARD

Private Markets Committee Meeting
Minutes

June 5, 2003

The Private Markets Committee met in open public session at 9:22 A.M. in the boardroom at the Washington State Investment Board in Olympia, Washington.

Members Present: George Masten, Chair
 John Magnuson
 Mike Murphy
 Paul Trause

Members Absent: John Charles
 Charles Kaminski
 Jeff Seely

Others Present: Joe Dear
 Gary Bruebaker
 Steve Draper
 Linda Buchanan

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

The meeting convened at 9:22 A.M. with Chair Masten identifying members present.

REVIEW AND APPROVAL OF MINUTES – April 3, 2003

Mr. Murphy moved to adopt the April 3, 2003, minutes. Mr. Trause seconded, and the motion carried unanimously.

REAL ESTATE CONSULTANT CONTRACT EXTENSION

Mr. Draper explained that the contract with the real estate consultant, Courtland Partners (Courtland), expires on June 30, 2003, and is eligible for the first of two possible one-year extensions. Mr. Draper reported that Courtland has provided good service, has taken on extra projects, and provides a good work product. He stated that staff supports a contract extension.

Discussion ensued regarding the excellence of Courtland's service.

Mr. Murphy moved that the Private Markets Committee recommend that the Board authorize the executive director to extend the real estate consulting contract between the WSIB and Courtland Partners for the first one-year extension, as provided in the existing contract terms. Mr. Masten seconded the motion.

Discussion ensued regarding the possibility of extending the contract for both of the possible one-year extensions, the fees, and the termination clause in the contract. The Assistant Attorney General for the Board was asked to provide an opinion regarding the Board's authority to extend the contract for two years.

The motion carried unanimously.

CHANGES TO QUARTERLY RESTATED PERFORMANCE REPORTS

Mr. Bruebaker discussed two proposed changes to the Quarterly Restated Performance Reports. The first proposal is to change the name from "Restated." The second proposal is to remove two lines that include Trust Universe Comparison Service (TUCS) Master Trust Report data. Mr. Bruebaker explained that he has worked with Mr. Murphy and his staff on the changes.

PRIVATE MARKETS CLOSING LOG

The Private Markets Closing Log was presented for informational purposes. Mr. Dear noted that staff had negotiated improved fees in the GTCR Fund VIII, L.P., closing.

OTHER ITEMS

There being no further business to come before the Committee, the meeting adjourned at 9:34 A.M.