



Wyoming Retirement System

Partnering to Build Financial Security for Members and their Families

Matt Mead
Governor

Ruth Ryerson
Executive Director

MINUTES OF THE November 18-19, 2015 BOARD MEETING

The Wyoming Retirement System Board met on November 18-19, 2015 at Little America, 2800 W Lincolnway, Cheyenne, WY.

Board Members present: Ms. Laura Ladd (Chair), Mr. Steve Wolff, Mr. Eric Nelson, Mr. Garth Shanklin, Mr. Keith Hay, Mr. Tom Chapman, Mr. Tim Sullivan and Ms. Vicci Colgan

Board Members absent: Treasurer Mark Gordon

Wyoming Retirement System Staff present: Ms. Ruth Ryerson, Mr. Sam Masoudi, Mr. David Swindell, Ms. Polly Scott, Mr. Ben Brandes, Mr. Mike Bleakley, Ms. Rachel Kelley, Mr. Doug Kidd, Mr. John Krieter, Mr. Andy Mayer, Ms. Erin Gorney, Mr. Kalib Simpson, Mr. Seth Consoliver, and Ms. Samantha Jacobsen

Others in Attendance: Ms. Lisa Spillman from the Attorney General's Office, Ms. Carolyn Smith from NEPC, Mr. Beau Burggraff from RVK, Mr. Gary McDowell from WEA, Ms. Diana Walters from the Treasurer's Office, Ms. Betty Jo Beardsley from WPEA, Mr. Chuck Custis

Legislative Liaisons in Attendance: Senator John Hastert, Senator Curt Meier, Representative Don Burkhart, and Representative Bob Nicholas

Legislative Liaisons absent:

Mr. Shanklin called the meeting to order at 1:09 p.m.

MOTION: Mr. Sullivan moved to accept the minutes of the August 2015 Board meeting.
Seconded by Mr. Nelson. Motion carries.

Conference Update

Mr. Masoudi attended the NASIO conference. The group talked about their stakeholders and how to hit their targeted rate of return in a low return environment. Additionally, many other states are below targeted funding levels (i.e. 50%) versus Wyoming's 80%. There was a discussion

about how to report fees so all funds can be reporting in the same way. Topics covered included risk parity, direct investments, and McLagan presented their compensation study including improvements in Florida and NYC. Some of the outliers on asset allocation were noted. Nevada only invests in ETF's. This allows for low fees and is efficient, but tends to be more volatile. MOSERS invests in all asset classes but has a focus on bond funds as they have shifted their entire portfolio towards "risk parity". South Dakota manages everything internally and has a large staff and direct investing which has been very successful.

Mr. Masoudi also attended the Albourne conference in Montreal. This was an excellent conference with great networking opportunities. CalPERS exited the hedge fund arena and there was a discussion about whether other funds would be exiting hedge funds as well. Liquidity was discussed regarding fixed income and ETF's.

Ms. Scott, Mr. Swindell, and Ms. Bowen attended the NAGDCA conference. Ms. Scott was the Conference Chair and submitted a written report in the 457 packet. Mr. Swindell pointed out that Ms. Scott is very well regarded within the organization. During the conference Ms. Bowen led a discussion about participant statements. Mr. Swindell also highlighted the P2F2 conference he and Mr. Riley attended. Updates to GASB 67, 68, and 72 were included. GASB 72 requires the system to report their investments in a new way.

Ms. Ryerson attended the APPFA conference with Ms. Gorney and Ms. Jacobsen. Sessions included auditing of the investment portfolio and IRS guidelines.

Mr. Shanklin attended the NCTR conference and mentioned the issue on the importance of the funds we have. How do you get the DB and DC benefits to equal pre-retirement earnings? Also discussed was pension portability, cash balance plans and what other funds are doing. Reports were presented regarding legislation at the national level including cyber security and information technology. Panels included ED's, CIO's, and open forums for commercial members. Ms. Leslie Thompson from GRS in Denver presented as well.

Mr. Bleakley reported that he attended the Public Pension HR Roundtable in Nashville covering the following topics: leadership development, non-monetary compensation, appreciative inquiry and investment compensation.

Ms. Ladd attended the Treasurer's Conference in Ucross with Mr. Chapman, Mr. Masoudi and Ms. Ryerson. WRS moderated a panel. Ms. Ladd also attended a manager due diligence meeting with Mr. Masoudi and Mr. Mayer in San Francisco. Ms. Ladd also attended the Blackstone Global Real Estate conference and the Goldman Sachs conference in New York with Mr. Chapman. Highlights included investment strategy and holdings that the fund (and in turn, WRS) has. Mr. Byron Means spoke about being in a modest growth period, not bad but not

great. Modest growth with modest inflation is the new normal. The theme of Goldman Sachs was China.

Governor Dave Freudenthal is coming to the meeting tomorrow. The new format for Board meetings is to have the entire Board meeting rather than a series of committee meetings. Mr. Brandes stated the Board has a quorum. Ms. Walter is a proxy for Mr. Gordon. At the end of each committee meeting we will summarize the committee's results.

Legislative & Benefits Committee

MOTION: Mr. Shanklin moved to approve the minutes. **Seconded by Mr. Wolff. Motion carries.**

Ms. Ladd stated the first item was to address the budget. Ms. Ladd thanked Mr. Swindell for his work on the budget. Ms. Ladd and Ms. Ryerson met with Ms. Gray (Governor's Office) and Mr. Hibbard (Budget Office) to present our budget. Ms. Gray acknowledged that Retirement does not get general fund money and they will keep that in mind as they look at our budget. Ms. Ladd reviewed our exception requests and what Budget has recommended for approval. The value of the investment internship program and AWEC positions were highlighted as these are not new positions but existing staff. The meeting also paid special attention to converting the contract educator to a permanent position. The Governor should release his recommendations approximately December 1st.

Senator Hastert would like JAC to sponsor the bill regarding Automatic Enrollment forfeitures. Mr. Richards from LSO misunderstood the bill thinking there was a cost to the bill where in reality there is no fiscal impact, and will actually save SAO staff time. Senator Hastert will talk to Senator Ross to see if the JAC will sponsor the bill. Mr. Ryerson highlighted the bill: 30 day opt out period followed by a 90 day permissible withdrawal. If the reversal happened it could have tax implications. This bill would allow the withdrawing member to keep the State's contribution during the permissible withdrawal period.

Other potential legislation that could have an impact on WRS: Investment Legislation. This bill would modify the uniform act that applies to the retirement system as well as the public records act. Some of our private equity managers have concerns that certain information cannot be disclosed because of their contracts. This also affects the Treasurer's Office and Mr. Brandes is working with Ms. Anderson and Ms. Arp on the legislation. Ms. Colgan and Mr. Nelson said

there is a movement to be more transparent rather than less unless a specific exemption is filed. Managers are concerned about disclosure of their trade secrets. If they know their information will be disclosed then they will give us less information and it can affect the quality of the investments we can invest in.

The small employer exit bill concept was reviewed to determine if the Board should allow an exit path for small employers. There could be a withdrawal liability for the unfunded liability for employees of small employers already in the plan. Ms. Ladd stated it would be nice to know how many potential employers are eligible and also new employees versus old employees (i.e. closed plan). There is some research that needs to be done so we can flush out potential issues so we don't end up with any unintended consequences.

There are various staff members who keep track of potential clean-up legislation and items that WRS should be looking at. As nothing seems critical and the budget session is already a very busy and intense time we are going to wait on that legislation. We are also submitting our statutes to the IRS and they will come back with potential changes.

Ms. Ladd highlighted the other legislation which is coming out of corporations committee to change the composition of Boards from 50/50 to up to 75% from one political party. Ms. Ladd stated that Governor Mead continues to stress diversity on our Board.

MOTION: Ms. Colgan moved to adjourn the committee meeting. **Seconded by Mr. Wolff.**
Motion carries.

Governance Committee Report

Mr. Wolff called the meeting to order at 3:17. Mr. Wolff reviewed the three items on the agenda: strategic plan updates and policy, adoption of administrative rule amendments and Board policy manual discussion.

MOTION: Ms. Shanklin moved to accept the minutes from the August meeting. **Seconded by Mr. Hay.** **Motion carries.**

Mr. Ryerson highlighted changes and additions to the strategic plan. 1A4 has been added to have a staff member stay abreast of current events. Evaluating the non-monetary compensation including activities like Board/staff mixer and the legislative outreach program is being spearheaded by Mr. Brandes and Mr. Bleakley. Goal 4A5 is to continually evaluate the IT and systems. 4C is to cross train and make sure there is adequate back-up in each department. Discussion ensued regarding procedure and what should be taken off, added, etc. We will

completely revisit the strategic plan at the May 2016 meeting. Ms. Ladd would like to add to goal 1, succession planning, for investment team as well as Executive Director.

The governance portion of the Board policy manual is being moved to the February 2016 Board meeting.

The COLA Policy has been revised by GRS to match the legislation. Originally, they had planned for over 100% funding after a 20% downturn which turned out to require almost 150% funding status. 4B was changed to 15 years for the life of the COLA and also removing language about a 20% downturn in the markets to better reflect GASB requirements.

MOTION: Ms. Hay moved to accept the COLA Policy as presented. **Seconded by Mr. Shanklin.**
Motion carries. Ms. Walter abstained.

Ms. Ladd reviewed the appointments we submitted to the Governor's office. We have not heard back from the Governor's office yet regarding the two names submitted for Carl Jensen's seat. Additionally, we have another vacancy from Colleen Anderson's resignation. Ms. Ladd reviewed the list of names in the packet and Mr. Bleakley outlined that Ms. Anderson's seat is of republican affiliation representing the school districts.

Lastly, Mr. Brandes reviewed the e-mail policy, what is required by law and what is recommended. His advice is that it's reasonable to make a cultural shift to utilize the WyoBoards e-mail addresses. Ms. Spillman reviewed some items of consideration regarding hackers and the example of Hillary Clinton's use of personal e-mail. Discussion ensued regarding the easiest way to communicate safely. Mr. Dale Meyer can work with individual Board members on how to make e-mail easily accessible, and the Board is going to work towards utilizing the WyoBoards e-mail (at this point it is voluntary).

Audit Committee Report

MOTION: Mr. Wolff moved to accept the minutes. **Seconded by Mr. Hay.** **Motion carries.**

Mr. Sullivan recognized Ms. Ryerson who moved the agenda items in the interest of time. Ms. Ryerson recognized Mr. Brad Berls, Senior Manager from Eide Bailly, who is our new audit firm. Mr. Berls reviewed his presentation that their firm is national and has a large footprint west of the Mississippi. Special services provided by Eide Bailly outside the scope of auditing were reviewed. South Dakota, Iowa, Idaho are some notable clients. They are involved with P2F2 and keeping up on the latest GASB requirements. Mr. Sullivan thanked Mr. Berls and said it is good to have a fresh set of eyes since we've been with MHP for so long.

MOTION: Mr. Shanklin moved to approve Eide Bailly as the audit firm. **Seconded by Ms. Ladd. Motion carries.**

Mr. Swindell reviewed the peer review by networking with others at P2F2 and Ms. Gorney reviewed the vetting process.

Ms. Ryerson highlighted the audit teams' trip to CO PERA which was very valuable. Ms. Ryerson highlighted the Audit Charter, Audit Committee Activities Report, WRS Internal Charter and Code of Professional and Ethical Conduct.

MOTION: Ms. Colgan moved to approve the audit committee charter. **Seconded by Mr. Hay. Motion carries.**

MOTION: Mr. Hay moved to approve the internal audit department charter. **Seconded by Ms. Colgan. Motion carries.**

Ms. Gorney highlighted the 2015 IAD activity report and information provided in the Board packets.

Ms. Jacobsen reviewed the cash remuneration audit. This was identified by school districts inflating salary reporting thus resulting in a higher benefit. The audit revealed that two school districts were out of compliance. One improperly included vehicle reimburses in compensation and the other included multiple expense reimbursements which should not have been included.

MOTION: Mr. Hay moved to accept the 2016 audit plan. **Seconded by Mr. Nelson. Motion carries.**

MOTION: Ms. Ladd moved to adjourn. **Seconded by Mr. Shanklin. Motion carries.** Meeting adjourned at 5:15 p.m.

Investment Committee Report & NEPC 3rd Qtr & October Performance Reviews

Ms. Ladd called the meeting to order at 8:01 a.m. She recognized Mr. Bleakley and Ms. Kelley for their efforts for our Board/staff mixer: People Bingo. Mr. Bleakley introduced Ms. Kelley and Mr. Meyer to the Board and mentioned that Mr. Meyer would be happy to help set-up technology for Board members.

Mr. Chapman outlined the highlights, overview and general issues to be discussed by the Investment Committee.

MOTION: Ms. Ladd stated we needed to make the following change: remove Mr. Summers from the Investment Committee minutes. Ms. Ladd also stated that right above the second quarter GDP ratio on page two it needs to read GDP ratio (not debt to GBP ratio). With changes **Mr. Sullivan** moved to approve. **Seconded by Ms. Ladd. Motion carries.**

3rd Quarter Performance

Mr. Chapman recognized Ms. Smith who handed out the October flash report. Mr. Masoudi proceeded to review the agenda and day's activities. No investment committee actions are required. WRS invested \$180 of \$200M with TCI and our first investment with GMO. \$250M has been committed for private markets. We approved investments with Grove Street as well as Abbott. We transferred \$120M from passive to active management in EM. We also made a tactical trade of \$200M— a swap on a diversified energy index and an equivalent short on the S&P 500—where we were able to make a quick profit on a short-term turnaround before closing out the position. We are working on our updated legal agreement with Abbott and should sign that in the next week. We started investing in Pershing Square with a target of approximately \$150M.

The investment team completed the manager summaries which were distributed to the Board earlier this year. We reviewed the advisory board seats and RAPM is going to take over all board roles to save staff time. A risk assessment tool is being reviewed that the team can utilize.

Ms. Smith reviewed 3rd quarter performance which saw volatility increase in a big way. Global equities were down, high risk credit and commodities were all down for the quarter. The biggest factor was China coming out with slower growth and warnings about future growth. Included in the review were NEPC's projections for certain asset classes versus their actual returns. Other charts showed that emerging markets are undervalued.

The due diligence monitor was reviewed. AQR had their head trader terminated and they have settled with the SEC so it's something to be aware of. NEPC is not recommending any action. PIMCO was also highlighted as Bill Gross is currently suing the company. It's a distraction for the company but the two strategies that have been moved to a "hold status" we are not invested in.

Mr. Chapman highlighted our investment in Copper Rock as it relates to our large percentage of strategy assets and said that we will be reassessing WRS' relative share in the product within the

12-month window as outlined in the IPS. Mr. Chapman wanted the minutes to reflect that WRS is aware of this issue and is updating our board waiver for this fund on an annual basis.

Third quarter numbers are negative but long-term we are beating our benchmark. Asset allocation was reviewed with our strategic asset allocation versus our actual physical exposure. We are slightly over on private markets and fixed income. It's important to keep in mind that when you have a tough quarter like the third quarter was there will be volatility within the fund.

Ms. Ladd asked Mr. Masoudi if he felt there were any surprises with our managers during the tough quarter. Mr. Masoudi highlighted the risk parity and that GMO had underperformed. Contrarian has had a tough year but we have redeemed from the fund, and received half our investment in June and the other half will be returned by the end of the year. Market discussion ensued as there is a big difference between the 3rd quarter performance and October performance. Ms. Smith feels that we are outperforming our peers in a tough market environment.

Warren Buffet Advice Memo

In a 2008 letter Warren Buffet spoke to recommending an allocation of 90% equity and 10% fixed income for retirement accounts for himself and his family. The memo described the returns of \$1,000 invested with a 4% draw rate based on various allocations (i.e. 60/40 stocks/bonds). Discussion ensued regarding our asset allocation and equity exposure. To outperform our peer group we're going to have to do something different but this may mean we're going to have a more volatile experience, have some quarters that are great and some that aren't as great. One issue that was brought up is staff turnover and the effect that has on the performance of the portfolio. Also discussed was dare to be great and dare to be different from Howard Marks that we previously discussed. Did we get in the emerging markets arena a little early? Prices are down which makes the investments cheaper.

Investment Strategy Update

September performance and investment strategy update included a higher allocation to EM debt and investment grade debt as these valuations are attractive on a valuation basis. We have talked to Bridgewater and GMO about their forecasts. The highest performance asset class was U.S. Equities YTD and the worst was commodities (+2.7% vs. -20%). Our portfolio is positioned to take advantage of the recovery. We are up 1.3% YTD so even if we had gone 100% in the top performing asset class (U.S. equities) we would only be up 1% more than we are. At the early February 2016 Investment Committee meeting we will be discussing our asset allocation

percentages and then at the February 2016 Board meeting we will discuss whether we want to make any changes to our strategic asset allocation.

Asset Allocation

Ms. Smith led a discussion on public pension fund asset allocation and WRS vs. its peers. WRS has a higher allocation to emerging market equities than most large public funds. The fixed income allocation is lower and invested in global bonds. WRS asset class strategic weights are broader than most public funds. Senator Meier had a few questions about credit quality of foreign debt holdings. Part of the discussion was based on our current mix of assets which NEPC projects to return 6.3% for the 5-7 year time frame and 7.4% for the 30 year time horizon. Ms. Smith talked about 'culture carriers' and that one personality can change on the Board or within staff and that can make a huge difference in risk tolerance and investment priorities if the board culture is not strong.

Market Discussion

Mr. Masoudi led a market discussion within the group. Emerging market equities have underperformed compared to U.S. equities. Mr. Mayer spoke to the impact of currency on returns. Emerging market returns were -7% but factoring in currency fluctuations the return was -15%. Mr. Mayer reviewed the expectations of our managers with many favoring emerging markets. China was discussed and the money they have in reserves is allowing them to artificially pump up their currency. Can they keep that up and will it deplete their reserves?

Lunch – Guest speaker Governor Dave Freudenthal

Ms. Ladd introduced Governor Freudenthal and gave a brief history of his tenure as Governor. Some of his comments included:

“You have to be on a Board you believe in. Many legislators feel a personal connection to Retirement because they’ve worked with our members and retirees. It’s important to distinguish between what you want and what you need, but the history of the legislature is that if a Board really needs something and continually asks for it over a long period of time they usually get it. Remember, during the legislative session isn’t always the best or most opportune time to approach the legislature. Make your argument in their home town, at their coffee shop, their kitchen table. Make the argument when they are most likely to hear it. It’s never too early to meet with the Governor. If your budget request is in the Governor’s budget proposal you have a much better chance to get it approved. So much information comes to us, that human interaction is more important than at any time in our history. Increase your travel budget and have individual Board members meet with

individual legislators. Because Wyoming is mainly a one-party state, it's actually a two, three or four party (faction) state which makes it harder to organize and pass legislation. Your currency is what you know".

Dare to be Great Discussion

Ms. Ladd reconvened the meeting and discussed logistics for the rest of the day. We also discussed the Board vacancy and next steps. Ms. Ladd reviewed the Howards Marks presentation, "Dare to be Great". WRS' mission statement is, "Provide expert administration and responsible investment of Wyoming's public retirement and supplemental savings program". What do we believe in? Should the Board have a separate mission statement? Should the Board have their own creed? Discussion ensued. Ms. Ladd will start a list of ideas where we can have breakout sessions at the next meeting. The Board will review the Howard Marks article and each trustee will encapsulate what it means to them.

457 Deferred Compensation Committee

Mr. Chapman recognized Ms. Scott for being elected President of NAGDCA as well as Chair of the Conference in Indianapolis.

Mr. Chapman reviewed the general outline of the meeting and recognized Ms. Scott to run the meeting. In regard to the minutes Ms. Scott stated the August Board minutes and the motion that is in the Board meeting is different than the motion that's in the 457 minutes. Minutes were also adjusted to reflect that the meeting was called to order at 8:06 a.m., not p.m.

MOTION: Mr. Chapman moved to amend the Board minutes to reflect the 457 minutes so the motions are the same. **Seconded by Ms. Ladd. Motion carries.**

MOTION: Mr. Chapman moved to approve the 457 minutes. **Seconded by Ms. Ladd. Motion carries.**

Multi-Manager Option Project Outline

The Board directed staff to implement a transition to a multi-manager platform. The Board will need to adopt revisions to the 457Plan Investment Policy Statement to support this transition. This meeting, as well as the February and May meetings will be revising the 457 IPS and planning for the implementation of the multi-manager layout. Mr. Burggraff highlighted the plan for implementation and the timeline. Step one is to review and establish multi-manager structures and ensure we don't have any gaps in our current portfolio. Step two is to structure scenario

modeling and manager due diligence and selection. Step three is the self-directed brokerage due-diligence and selection, investment policy revisions and manager mapping recommendations.

457 IPS – Draft Revisions

Ms. Scott reviewed the draft changes to the 457 Plan Investment Policy Statement and asked for input from Committee Members. Staff will continue to work on this document and anticipates asking for adoption at the February meeting.

3rd Quarter Performance

Mr. Burggraff reviewed the 3rd quarter performance. Mr. Chapman highlighted that there used to be approximately a 1/3, 1/3, a 1/3 between three investment options (Target Retirement Date, Stable Value, Core Investments) and now stable value is only 26%. Mr. Burggraff reviewed the 457 Watch List which goes through a series of criteria on investment performance for each fund. Plan participants will be moved to a cheaper shareclass of the T. Rowe Price Small Cap Value Fund in December; this is in keeping with the 457 Plan Investment Policy Statement.

Administrative Fees – comparison to peers

Mr. Burggraff gave an overview of the 457 Plan investment and administrative fees based on RVK's annual survey. The survey included 83 defined contribution plans, of which 18 were 457 plans. Mr. Burggraff explained it can be hard to get an apples to apples comparison because most plans do not fully report the internal cost of administration like WRS does. As such, RVK compiled the results with and without internal expenses. WRS' average total plan costs including internal expenses were 0.71% and without internal expenses were 0.52%. This survey showed WRS participants have a low average account balance. Recordkeeping and investment expenses for WRS' 457 Plan are just slightly above the average of the large plan segment of the survey and below average for the entire survey population. The average account balance of approximately \$28k for WRS participants versus \$64k for other plans was discussed. Ms. Ladd stated she would like to talk more about this and encouraging participants to participate.

Administrative Fee Analysis

After a thorough analysis last year, the WRS Board lowered fees for 457 Plan participants. RVK provided an update on the projections for fee revenue and showed projections of the reserve account given different scenarios. No action is recommended, other than to review this each year.

General Updates

Ms. Scott gave an overview of the results from National Retirement Security Week which was the third week of October. In response to WRS' campaign, our members took over 4,000 'action steps' including attending seminars, beneficiary reviews, online goal-setting calculators and more. Automatic enrollment went into effect July 1, 2015. WRS has two full months of experience, given notification period. The opt-outs have been very low and there has only been one permissible withdrawal. The average contribution is approximately \$120/month. WRS is very pleased with these results and will continue tracking automatic enrollment.

Executive Director's Report

Quarterly Report – Ms. Ryerson's report is included in its entirety in the Board materials.

Important highlights include:

- 1) Two Office of Administrative Hearings matters regarding member concerns are working their way through the system.
- 2) Actuarial – combined volunteer actuarial projections will be sent to JAC
- 3) Audit – risk assessment, visit to Colorado PERA and attendance at APPFA conference.
- 4) Benefits – Member Benefits is getting caught-up on the back-log of estimates.
- 5) Budget – met with the Governor's Office and Budget Director on October 22nd. Budget hearing with JAC is scheduled for Tuesday, December 15th.
- 6) Communications – WRS was a guest at a WPEA Town Hall in August. WRS held HR training for HR staff throughout Wyoming.
- 7) Conferences attended: Treasurer's Investment Conference in Ucross, APPFA in South Carolina, serving on the advisory board for Institutional Investor Public Funds RoundTable in April, and will be a speaker at Opal's Public Funds Conference in Arizona.
- 8) Custodial Bank transition continues and we are finalizing tax reclaims that JPMorgan had not filed in a timely manner.
- 9) Disability Processing – we continue to receive approximately 2-4 cases per month and we are soliciting bids for a new case management provider.
- 10) ETS – servers moved to Green House Data and working with ETS to resolve back-up issues since the move.
- 11) Investments – Attending weekly investment meetings and approving transactions as needed.

- 12) Legal – work with Buck Consultants to discuss IRS determination letters.
- 13) Legislation – worked with LSO on wording for forfeitures of employer contributions during the permissive withdrawal period.
- 14) Meetings – legislative breakfast held in Jackson during our August Board meeting.
- 15) Personnel – PMI's and goals were completed. Cathy Balsler retired and has been replaced by Rachel Kelley, who has been a great addition.
- 16) Volunteer Pension Plan – RAIN programming required for legislation changes to the new combined plan. Attended the September Board meeting in Afton.

Ms. Ryerson reviewed the Public Pension Coordinating Council's, "Public Pension Standards Award for Funding and Administration 2015" award received by WRS. Senator Meier said we should relay information on all awards we receive to the legislature.

Ms. Ladd recognized Ms. Ryerson for being recognized by the Los Angeles Investors in Education event. Investors in Education helps sponsor an after school program for at-risk kids in Los Angeles.

Public Comment

Mr. McDowell from WEA commented regarding Ms. Anderson's resignation. Mr. McDowell said the vacancy is a critical position in the eyes of the Education Association and would like to see that position as an active employee representing K-12. The WEA would be happy to help find someone who could serve the Board well. Mr. McDowell reminded the Board that one of our prior Board Chairs was a teacher. On a separate issue Mr. McDowell comments that he has been attending our meetings for approximately 15 years and the professionalism of staff and expertise of the Board has come so far and served us so well. He gave a brief history of where we've been on a march from 'good' to 'great'. He remembers meetings that were less than professional and said ever since we've gotten the JAC as our home committee things have really blossomed. He commended us for our efforts to increase communication with the legislature, the Governor and even conducting town halls and outreach throughout the state.

Mr. Chuck Custis echoed Mr. McDowell's comments and thanked the Board for all they do.

Mr. Bleakley reviewed the supplemental information in the packet and Senator Meier requested Mr. Bleakley to work with the Select Water Committee on preventing conflicts of meetings.

Adjournment: With no further business **Mr. Shanklin moved** to adjourn at 4:32 p.m. **Seconded by Mr. Hay. Motion carries.**