



Wyoming Retirement System

Partnering to Build Financial Security for Members and their Families

Mark Gordon
Governor

David Swindell
Executive Director

MINUTES OF THE FEBRUARY 22nd & 23rd 2024 BOARD MEETING

The Wyoming Retirement System (WRS) Board met on February 22 & 23, 2024 at the Cheyenne Botanic Gardens, 710 S Lions Park Drive Cheyenne, WY 82001.

Board Members present: Mr. Tom Chapman (Chair), Mr. Eric Nelson, Mr. Tim Sullivan, Mr. Robert Leibrich, Mr. John Lummis, Ms. Vicci Colgan, Ms. E. Jayne Mockler, Mr. Jeremy Smith and Mr. Kalib Simpson representing Treasurer Curt Meier.

Board Members present via Zoom: Mr. Paul O'Brien.

Board Members absent: Dr. Lesley Travers.

Wyoming Retirement System Staff present: Mr. David Swindell, Ms. Rachel Meeker, Mr. Sam Masoudi, Mr. Ben Brandes, Ms. Rachel Kelley, Mr. John Kreiter, Mr. Andrew Mayer, Mr. Ben Bowman, Mr. Dan Paradis, Mr. Casey Rogstad, Mr. Ben Wisdorf, Mr. Adam Waddell, Ms. Samantha Mills, Ms. Laura Haskell, Mr. Randy Krafft, Ms. Tory Muñoz, Mr. Dale Meyer, Ms. Cindy Kushnir, Ms. Danielle Venegas, Ms. Terri Warner, Mr. Josh Brown, Ms. Sabra Fowler, Ms. Jennie McGowan, Ms. Mariah Abeyta and Mr. George Eason.

Wyoming Retirement System Staff present via Zoom: Ms. Shuyeh Wang-Liu, Ms. Courtney Lewis, Ms. Jennifer Plamann, Ms. Kimberly Martin, Ms. Judie Petersen, Ms. Angela Hendricks, Ms. Brianna Porterfield and Mr. Kyle Meyers.

Others in Attendance: Mr. Nick Erickson & Ms. Alison Adams from Meketa Investment Group (Meketa), Mr. Beau Burggraaf & Mr. Eric Painting from RVK, Inc., Mr. Paul Wood from Gabriel, Roeder & Smith & Company (GRS), Mr. Brian Giuliano & Mr. Gregory Zavoyna from Brandywine Global, Mr. Gary Trautwein from Wyoming Education Association (WEA), Mr. Cliff Ames and Mr. Kevin Ready from the Federated Firefighters of Wyoming.

Others in Attendance virtually: Ms. Paola Nealon, Mr. Frank Benham & Mr. Inwoo Hwang from Meketa Investment Group (Meketa), Mr. Peter Landers & Mr. Brad Kelly from Global Governance Advisors, Inc. (GGA) and Ms. Judy Trohkimoinen from WEA.

Legislative Liaisons absent: Representative Bill Henderson, Senator Dan Furphy, Senator Mike Gierau and Representative Jared Olsen.

WRS Board Chair, Mr. Tom Chapman called the meeting to order at 8:40 a.m. at the Cheyenne Botanic Gardens. Mr. Chapman welcomed everyone to the meeting and went over the overall planned agenda for the day. Mr. Chapman reminded the Board about the dinner that evening at The Metropolitan Downtown and the tour of Enterprise Technology Services (ETS) later that afternoon. Mr. Chapman then welcomed Ms. E. Jayne Mockler to the WRS Board, who was recently appointed by Governor Gordon to fill the

State Employee position recently vacated by Mr. Jim Ruby. Mr. Swindell took a moment to remind everyone about the Legislative Breakfast the following morning at the Wyoming State Capitol.

Mr. Chapman asked for Board comments or edits to the November 2023 minutes as presented.

MOTION: Mr. Eric Nelson motioned to approve the November 2023 Board Meeting Minutes. Ms. Vicci Colgan seconded. Motion passed.

LEGISLATIVE & BENEFITS COMMITTEE

Legislative & Benefits Committee Members present: Mr. Jeremy Smith (Chair), Mr. Tim Sullivan, Mr. Eric Nelson and Mr. Bob Leibrich.

Legislative & Benefits Committee Members absent: Dr. Lesley Travers.

Non-Committee Board Members present: Mr. Tom Chapman, Mr. John Lummis, Ms. Colgan, Ms. E. Jayne Mockler and Mr. Kalib Simpson representing Treasurer Curt Meier.

Non-Committee Board Members present remotely: Mr. Paul O'Brien.

The Legislative & Benefits Committee commenced at 8:47 a.m. Legislative & Benefits Committee Chair, Mr. Smith commented on the magnitude of the current legislative session for WRS. Mr. Swindell provided comment on the current administrative budget requests and an overview of the process utilized by the WRS Staff and the Board. Currently, WRS is moving forward with the request for five new positions for the agency along with the standard budget request. Mr. Swindell gave an overview of the progress of the Wyoming State Legislature during this budget session. Mr. Swindell recommended proceeding with the status quo for the Legislative Breakfast in the morning and encouraged the Board to highlight the request as a business plan. Ms. E. Jayne Mockler provided her perspective on the existing timeline of the Legislature during the current session.

Mr. Swindell provided an update on the individual legislative bills impacting WRS. There have been five contribution increase bills during this legislative session and recent discussions have circled around who should pay for the contribution increases; the employer or the employee, and what percentages. Mr. Swindell provided the Actuarially Determined Contribution (ADC) bill update. The Public Employee Plan is continuing to grow but is not moving much beyond the 70% funded range; and there are risks of staying at that level with potential market downturns. Mr. Nelson asked if the ADC bill only applies to the Public Employee Plan. Mr. Swindell confirmed that yes, that was the case, but currently the ADC mechanism is not a necessity for the other plans yet, but could very well be the future of the other plans.

Mr. Swindell discussed recent third readings amendments. Current legislation that pertains to the Law Enforcement Plan would increase the spousal death benefit of 62.5% in the Law Enforcement Plan to 90%. Last year the Warden, Patrol & DCI Plan raised the surviving spouse benefit from 50% to 62.5% to mirror the Law Enforcement Plan. Mr. Smith thanked Mr. Swindell for his legislative update.

The Legislative & Benefits Committee recessed for the day at 9:49 a.m.

INVESTMENT

Investment Committee Members present: Mr. Eric Nelson (Chair), Mr. Tim Sullivan, Mr. Bob Leibrich, Mr. Tom Chapman and Mr. Kalib Simpson representing Treasurer Curt Meier.

Investment Committee Members present remotely: Mr. Paul O'Brien.

Non-Committee Board Members present: Mr. John Lummis, Mr. Jeremy Smith, Ms. Vicci Colgan and Ms. E. Jayne Mockler.

Non-Committee Board Members absent: Dr. Lesley Travers.

The Investment Committee commenced at 9:50 a.m. Investment Chair Mr. Eric Nelson, passed the meeting on to Mr. Masoudi to go over the planned agenda. According to Mr. Masoudi, the investment portfolio had an overall 13.84% return for 2023 and beat the established benchmark by over 7%. The strategic benchmark for 5 to 10 years shows the fund will be at the median peer set. Mr. O'Brien commented on allowing the benchmark to grab as much return as possible. Mr. O'Brien asked for Meketa to look into if the benchmark is appropriate for taking risk at the 70/30 allocation. According to the investment team, the benchmark is pulling in as much return as they can out of the capital markets. Mr. O'Brien stated that fund has had a decade of really good capital returns and that next year, during the asset allocation review, would be a good time to review with WRS' peers.

The WRS Investment Team moved on to the tactical tilts discussion. Mr. Kreiter discussed Public Equities and highlighted how the team's position and target of 75% passive investments has protected the portfolio from some of the ups and downs of the last quarter within the U.S. market. Mr. Mayer discussed how the gold allocation has been a strong return on an absolute basis for the quarter. Mr. Mayer also commented on Marketable Alternatives strong performance with uranium, According to Mr. Mayer, Biotech also performed very well at the end of the last quarter and took off during November and December of 2023. Mr. Paradis commented on the good 4th quarter within Private Markets. Mr. Bowman discussed private credit and how the core is in CLO-Equity; which acts similar to a leverage loan market. According to Mr. Bowman, when the leverage loan market performs well, than the CLO-Market also performs well.

Mr. Masoudi went over the current asset allocation. Cash and gold holdings are slightly above target. Mr. Lummis asked if there were any constraints that pushed the boundaries on the current asset allocations. Mr. Masoudi stated that risk means there will be events that the Investment Team can't possibly anticipate, and instead must focus on making small decisions to offset the risk. Mr. Lummis recommended not having guardrails too tight that could cause missed opportunities. Mr. Bowman discussed the total Fixed Income tactical tilt of 2.9% due to the allocation to TIPS. Mr. Kreiter stated that there is a 3% underweight to Public Equity which is counteracted by extra exposure in Marketable Alternatives. Russell 3000 is the personal benchmark that Mr. Kreiter is comparing against. Mr. Masoudi went over the tactical trades and described how the Investment Team comes across opportunities during the course of their research. Mr. Masoudi commented on the total profit of \$92 million on a \$100 million uranium original investment. Mr. Bowman provided commentary on the current credit spreads and stated that yields overall are attractive in corporate credit, however credit spreads are so tight currently and are well below the 10 year and 30 year average. Mr. Bowman commented that he believes that taking an underlying position is the tact he would take.

Mr. Nick Erickson from Meketa went over the 1 year attribution summary report within the Investment Appendix as previously requested by the WRS Board. Next, Mr. Erickson went over the 4th quarter performance of the WRS Investment portfolio. U.S. Equity was the best performing asset class within the portfolio and there was a nice selection effect from International Equities. Private Equities lead all asset classes over the three year period. Mr. Erickson asked if there were any questions on attributions. Mr. O'Brien commented that Marketable Alternatives and Private Equity are generating the most returns within the portfolio and asked if the team should be tilting asset classes towards the higher return generating asset classes. The Investment team and Meketa will follow-up with Mr. O'Brien's inquiry.

Mr. Masoudi initiated the asset allocation review discussion. The WRS Board decided in 2022 to only review asset allocation every two years. Mr. Rogstad went over the results of the Investment Risk Review Survey. This Risk Survey was distributed to board meeting attendees to assess participants' perspectives on risk, and to provide context for the responses. Overall, participation on the survey was very high. The Legislative Liaisons were excluded from the Risk Survey results due to the busy legislative schedule. The majority of respondents (81%) would prefer the same level of portfolio risk in the upcoming year, which

is slightly higher than the last survey. According to Mr. Rogstad, the “bad year” views are much more divergent from the Board’s perspective.

Mr. Frank Benham from Meketa presented on the capital market expectations. The changes in the market have been more modest this year as 2023 was a volatile year. Credit spreads also tightened during the year and there were lower expected returns from most of credit market assets. Meketa made a model change that highlights the decline in Non-US Equities. Mr. O’Brien asked how comfortable Meketa was with the equity risk premium exchange. Mr. Benham stated that when assets look expensive, than the 10 year assumptions will be lower. Mr. Erickson highlighted how the capital market exchange is impacting the expected returns for WRS. Last year there was an expected return of 8.8% versus 7% for this year. Mr. Smith asked if the expectation is to beat the required benchmark, then there are no unfunded liabilities for the future. Mr. Erickson completed his remarks for Meketa.

Mr. Brian Giuliano and Mr. Gregory Zavoyna from Brandywine Global were the lunchtime speakers. Brandywine Global is focused on macroeconomic influence. Mr. Giuliano commented on the massive amount of fiscal stimulus that has been inserted into the economy during peacetime. The demographics are quickly shifting in the United States with Baby Boomers retiring. The youngest boomer is 61 years old and their spending patterns are changing. In 2020 there was \$120 trillion in wealth in the United States and 4 years later, there is \$160 trillion of wealth in the United States. As Boomers leave the workforce, they are taking that wealth and then spending it on trips and other purchases. Average hours worked per week is in a downtrend. This is a big year for elections worldwide. 65 countries have elections involving half of the world’s population. The group from Brandywine Global concluded their presentation.

Mr. Masoudi initiated the liability discussion to address questions about how liability is impacted by inflation. According to Mr. Masoudi, inflation is not one thing and takes many different forms. Inflation generally leads to higher interest rates. Lower net present value and inflation are generally bad for assets. According to Mr. Masoudi, 60% of the liabilities within the Public Employee Plan are related to the retirees and those liabilities are fixed. Mr. Masoudi stated that a spike in inflation mainly impacts purchasing power for retirees and increases the call for a Cost of Living Adjustment. High inflation doesn’t necessarily mean the portfolio will perform poorly.

The Market discussion was the final item on the Investment Committees agenda. Ms. Colgan asked what the prognosis was for Fixed Income. Mr. Bowman commented that Fixed Income money managers have been positioning their portfolios on the long side which indicates they are anticipating the slowing of rates long term.

The Investment Committee adjourned at 1:48 p.m.

CONFERENCE UPDATES: There were no updates to share.

EXECUTIVE DIRECTORS REPORT:

Mr. Swindell gave a summary of the 10 page report included in the Board packet. The report provides highlights of his activities, including organizational changes that have occurred, along with statistics regarding all of the work accomplished by staff over the past three months.

AUDIT & RISK COMMITTEE

Audit & Risk Committee Members present: Ms. Vicci Colgan and Mr. John Lummis (2 vacancies).

Audit & Risk Committee Members present remotely: Mr. Paul O’Brien (Chair).

Non-Committee Board Members present: Mr. Tim Sullivan, Mr. Eric Nelson, Mr. Bob Leibrich, Mr. Jeremy Smith, Ms. E. Jayne Mockler, Mr. Tom Chapman and Mr. Kalib Simpson representing Treasurer Curt Meier.

Non-Committee Board Members absent: Dr. Lesley Travers.

The Audit & Risk Committee commenced at 2:18 p.m. Committee Chair, Mr. O'Brien commended Mr. Waddell on his work as the new Audit Manager. Mr. Waddell introduced Ms. Tory Muñoz as the new WRS Principal Auditor. Ms. Muñoz spent a couple of minutes sharing her background with the WRS Board. Mr. Waddell discussed the System's Integration Processing Committee which was established as a go between for the staff and the developers in order to provide guidance. The committee meets weekly and provides the agency with a new opportunity to mitigate risk and improve cybersecurity. The System's Integration Processing Committee has been working on improving the application process on the new portal for members in an effort to eliminate the current hybrid nature, where the member initiates their application then sends in the additional paperwork separately. This will give the Benefits Team the ability to receive a completed application through the portal. Mr. Waddell recognized Mr. Krafft's efforts to clean up permission groups within the agency over the last few months. Over 1,000 permissions were removed and cleaned up. This prevents employees from having access to actions and information they should not have access to. Mr. Waddell discussed the cybersecurity CISA report received in October 2023 and how it highlighted the need to further educate the staff and other recommendations to implement. The Internal Audit Department believes there needs to be more effort outside of the current KnowBe4 security program by the State of Wyoming. Videos and training will be provided to WRS Staff to keep cybersecurity at the forefront of the team's mind. ETS will be providing some table top activities for staff to help keep their cybersecurity alertness. The next noted agenda item was Eide Bailly's planned audit that would be occurring onsite the first week of March 2024. Mr. Sullivan asked about the ability to balance the internal audit functions in addition to the cybersecurity efforts. Mr. Waddell commented that there will be more on the plate but it is a priority.

Mr. Dale Meyer provided an IT update to the Board. There have continual been efforts to improve and review technology contracts with cybersecurity elements. Additional cybersecurity software applications have been implemented by ETS on behalf of WRS. This ETS software looks at WRS from the outside and provides recommendations; and so far has created approximately 30 tickets to help improve the security and functionality of the system. Internally, the WRS IT team is working to improve their culture and take a critical look to see what processes they can continue implementing with the current technology available to them. The team is working hard to bridge any known cybersecurity gaps. Mr. Smith asked what would be different if the JAC had agreed to the requested cybersecurity budget element. Mr. Meyer stated that there is still a need for a 3rd party consultant to provide WRS with an outside perspective. Mr. Swindell stated that the Board and the staff would like independent reassurance that the system is doing everything it can to protect from cybersecurity threats. Mr. O'Brien stated there will be continued effort to prioritize cybersecurity from the Audit & Risk Committee. Mr. O'Brien recommended the Board ask about technology gaps and challenges during the planned tour with ETS that afternoon. Mr. Swindell stated that the Governor had recommended an increase of 37 positions with 14 dedicated to cybersecurity during the current legislative budget. That amount has been cut down drastically by the Wyoming State Legislature. Mr. Swindell stated that as a State Agency Director, he wants to be supportive of the growth of cybersecurity for the State as a whole. Mr. Lummis asked if this discussion topic should be of consideration for the Legislative Breakfast in the morning. Mr. Swindell stated that the Governor would likely appreciate the support from the WRS Board. Ms. Mockler asked if ETS provides a report on cybersecurity attempts to access WRS data. Mr. Meyer said that they have not received information or reports from ETS on this request at this time.

The Audit & Risk Committee adjourned at 3:00 p.m.

MOTION: Mr. John Lummis motion to move into Executive Session for the purposes of evaluating cybersecurity resources. Seconded by Mr. Eric Nelson. Motion passed.

The Board recessed out of Executive Session at 4:48 p.m. and moved into public session.
The Board adjourned for the day at 4:49 p.m.

Friday February 23, 2024

Mr. Chapman called the meeting to order at 9:35 a.m. Mr. Chapman thanked Ms. Haskell, Ms. Kelley and others for their assistance with the Legislative Breakfast that morning. Mr. Chapman then passed the meeting to the Legislative & Benefits Committee Chair, Mr. Jeremy Smith.

LEGISLATIVE & BENEFITS COMMITTEE

Legislative & Benefits Committee Members present: Mr. Jeremy Smith (Chair), Mr. Tim Sullivan, Mr. Eric Nelson and Mr. Bob Leibrich.

Legislative & Benefits Committee Members absent: Dr. Lesley Travers.

Non-Committee Board Members present: Mr. Tom Chapman, Mr. John Lummis, Ms. Colgan, Ms. E. Jayne Mockler and Mr. Kalib Simpson representing Treasurer Curt Meier.

Non-Committee Board Members present remotely: Mr. Paul O'Brien.

The Legislative and Benefits Committee reconvened at 9:37 a.m. Mr. Smith requested a debrief by the Board of the Legislative Breakfast. Mr. Chapman stated that it was one of the more positive sets of discussions he has had with Wyoming State Legislators. Overall the WRS Board felt that the conversations went well. Mr. Swindell provided an update to the Board on legislative developments that had occurred over the last 24 hours. Ms. Colgan recommended brainstorming as a Board on how to communicate with retirees about supporting a COLA. Mr. Smith recommended the Board work through the progress they have made and then continue planning for the future.

The Legislative & Benefits Committee adjourned at 9:59 a.m.

DEFERRED COMPENSATION

Deferred Compensation Committee Members present: Ms. Vicci Colgan (Chair), Mr. Bob Leibrich, and Mr. Jeremy Smith.

Deferred Compensation Committee Members absent: Dr. Lesley Travers.

Non-Committee Board Members present: Mr. Tim Sullivan, Mr. Tom Chapman, Ms. E. Jayne Mockler, Mr. John Lummis, Mr. Eric Nelson and Mr. Kalib Simpson representing Treasurer Curt Meier.

Non-Committee Board Members present remotely: Mr. Paul O'Brien.

The Deferred Compensation Committee commenced at 10:00 a.m. Ms. Vicci Colgan, the Deferred Compensation Committee Chair, initiated the meeting and handed it over to Mr. Burggraff for the RVK quarterly report. According to Mr. Burggraff, the plan has had an average growth of 3% over the last 3 years. The Small/Mid Cap U.S. Equity Fund returned 2.20% over the trailing 3-year period, and underperformed the Russell 2500 Index by 204 basis points. This underperformance can be primarily attributed to T Rowe Price New Horizons (PRJIX), which posted a return of -5.58% over the period. The Fixed Income Fund returned -2.31% over the trailing 3-year period, and outperformed the Bloomberg US Aggregate Bond Index by 100 basis points. All three underlying managers outperformed their benchmarks over the period. Mr. Burggraff commented on the RVK Watch List which includes Diamond Hill, whose strategies continue to struggle within the fund. If RVK does not see some changes by the end of the year, RVK may recommend. RVK also recommends potentially moving away from Vanguard International. Investment staff and will follow up with the 457 Committee regarding the Watch List at the next meeting. All funds are outperforming or ranking in or near the top quartile. Mr. Burggraff asked the

Board for any questions. Mr. O'Brien asked for the objective with Real Assets, and what are the expectations on deliverables from the fund. Mr. Burggraff stated that CPI returns are what RVK is looking for. Mr. Nelson asked for RVK to explain the rationale of choosing Blackrock and how their approach fits what they are trying to achieve for the plan. Mr. Burggraff stated that the intent was to be more conservative to get to the fixed income allocation quicker so that participants will be at 60% bonds by the time they get to retirement age. In that scenario, there is less risk to have an unfavorable market event negatively impact a member's assets. Mr. Swindell stated that the intent is to take more risk earlier in life and focus on timelines.

Mr. Painting from RVK began the Investment Menu presentation and requested the WRS Board review and provide any comments on the current Investment Menu. This is a review that RVK performs annually. Investment menu analysis can offer plan sponsors a framework to evaluate the effectiveness of their investment designs and fund offerings. According to RVK, 70% of all WRS 457 Plan participants have an appropriate allocation to Equity based on their estimated retirement age; this figure is up from 59% in 2017, 64% in 2020, and 68% in 2022. The Investment Menu Design Philosophy is to focus on simplicity, diversification, and cost effectiveness. RVK would prefer to see members investing in a single target date fund because those funds are already diversified. Mr. Smith asked if new enrollees are also selecting target date funds. Ms. Mills stated that initially they are put in the Stable Value Fund for 90 days and then they are put into the appropriate target date fund for their age. Mr. Chapman and Mr. Swindell both commented on how much the process and streamlining of the target date funds has improved over the years. Mr. O'Brien stated that it is the WRS Board's job to monitor that WRS has the right vendor as a target fund date provider. Mr. Burggraff stated that RVK has performed in depth reviews of Blackrock and its glide paths. He will check to see if it is time again for another review. Ms. Colgan asked if Mr. O'Brien is looking for a review of all providers by RVK or an analysis of each provider. Mr. O'Brien requested the Board complete a due diligence on the current provider with the assistance of RVK every 3 years and link it to the asset allocation discussion for the pension plan. Ms. Colgan requested RVK re-share the glide path review that was completed by RVK in 2023. Mr. Leibrich recommended waiting until 2026 to review again. Mr. Painting stated that overall, RVK thinks the current menu plan looks great.

Mr. Swindell took a moment to introduce the WRS staff present at the WRS Board meeting on Thursday February 23rd: Ms. Jennie McGowan, Mr. Josh Brown, Ms. Sabra Fowler, Ms. Mariah Abeyta and Mr. George Eason. Ms. Mills went over the 457 Operations Report. According to Ms. Mills, 457 Plan assets are currently over \$1 billion. There are 5,153 state employees contributing to the 457 program and there were 823 new enrollments in the 4th quarter of 2023. Ms. Mills is working on updating the 457 Plan document that has not been updated since 2017 and will be providing a redline version to the Board at the next board meeting. Ms. Mills is also reviewing employers who pay by check to see if there are potential efficiencies to be improved upon. The ineligible employer project has been completed and overall went very well. Mr. Sullivan asked how many employees from the ineligible employers situation choose to keep their money with the 457 Plan. Ms. Mills stated that she believed most of them kept their money with WRS. According to Ms. Mills, 2323 required minimum distributions occurred in 2023. The 457 Plan is still trying to track down 183 remaining people who have required minimum distributions. Mr. Smith asked if there is an option for those distributions to go anywhere else if they cannot find the participant. Ms. Mills stated that it had to go to the employees due to tax implications.

The Deferred Compensation Committee adjourned at 11:05 a.m.

GOVERNANCE

Governance Committee Members present: Ms. Vicci Colgan, Mr. Tom Chapman and Mr. Eric Nelson (1 vacancy).

Governance Committee Members absent: Dr. Lesley Travers (Chair).

Non-Committee Board Members present: Mr. Tim Sullivan, Mr. John Lummis, Mr. Jeremy Smith, Mr. Bob Leibrich, Ms. E. Jayne Mockler and Mr. Kalib Simpson representing Treasurer Curt Meier.
Non-Committee Board Members present remotely: Mr. Paul O'Brien.

The Governance Committee Convened at 11:08 a.m. Mr. Chapman passed the meeting to staff liaison Ms. Rachel Kelley to introduce the team from Global Governance Advisors (GGA). Ms. Kelley introduced Mr. Brad Kelly and Mr. Peter Landers from GGA. Mr. Kelly went over the draft version of the WRS Board Strategic Plan document, including the Strategic Priority Objectives. The first target is to achieve delegated authority with the Board of Trustees taking the lead on messaging to stakeholders and legislators where appropriate. Mr. Swindell commented on the positions requested and the existing Strategic Target of "adding 8 full-time staff positions where appropriate by 2026." Mr. Swindell noted the struggle of WRS and the Wyoming State Treasurer's Office to retain investment staff. WRS' goal would be the ability to hire for ability and experience based on the available candidate. Mr. Kalib Simpson Treasurer's Office stated that they also face the same hiring pain point as WRS.

Mr. Leibrich asked about the Board Matrix and what control the Board has over future Board Appointments. Mr. Swindell recommended the board advocating for skill sets that are needed. Mr. Landers recommended advocating with the knowledge of the skill set needed by the Board. Mr. Kelly recommended establishing a board skills matrix. Ms. Colgan commented that she thinks this is a great workable Strategic Plan and is not nearly as long as some she has seen. Mr. Kelly went over the Risk Management strategic priority and the creation of a risk appetite framework. Mr. Kelly stated that many funds get sidelined by risks outside of investment activities. Mr. Lummis commented that the Board should be very clear about the scope of future projects and how they will be monitored and reported back. Mr. Lummis requested a spreadsheet to help track and update the Board, perhaps once every 6 months; with 3 bullet points of issues or reality of successes. Mr. Leibrich recommended effective dates, assignments, progress and struggles. Mr. O'Brien recommended adding the Investment Committee to the 2nd target under Risk Management. Mr. Lummis recommended breaking it into two lists of continuations and new projects.

Mr. Kelly went over the Service Offerings & Engagement priority, which includes working towards achieving COLA adjustments for retirees through productive discussions with the state that does not impact or impede the sustainability of the System. The reality is that WRS members have not had a COLA adjustment in a longtime. Mr. Lummis stated that there should be a tangible objective. Even a write up on how to support a COLA. Mr. Smith commented that because the system manages more than one plan it has to look holistically at the impacts and needs. Mr. O'Brien commented on the potential to have a needs assessment performed in anticipation of the 2026 Legislature. Mr. Smith believes there should be a numeric basis of what to ask for and what the funded cost is. Mr. Nelson stated that overall it is a high level strategic plan and there may not be appropriate language to insert in regarding a future COLA. Mr. Lummis commented that he did not think it should be super precise but be able to rank the WRS retirees that are under the most financial pressure and most in need of a COLA and illuminate what not having a COLA means for our members.

The Governance Committee adjourned at 12:02 p.m.

PUBLIC COMMENT

Mr. Tom Chapman called for public comment at 12:03 p.m. Mr. Cliff Ames, a retired member of the Laramie Police Department spoke to the WRS Board and asked for an update on the Law Enforcement Plan funding level. Mr. Swindell provided an update on the fund and also on current legislation. Mr. Ames asked if there would be a one-time opportunity for funding from the legislature. Ms. Judy Trohkimoinen from WEA provided comment via Zoom and thanked the WRS Board for their work. Mr. Kevin Ready, President of the Federated Firefighters of Wyoming, provided public comment on the continued efforts to provide a COLA and expressed his appreciation.

MOTION: Mr. Eric Nelson Motion to go into Executive Session to discuss personnel. Seconded by Mr. John Lummis. Motion carried.

MOTION: Ms. Vicci Colgan motioned to move out of Executive Session. Mr. John Lummis seconded. Motion carried.

The WRS Board Meeting adjourned at 1:13 p.m.