



# Wyoming Retirement System

*Partnering to Build Financial Security for Members and their Families*

**Mark Gordon**  
Governor

**David Swindell**  
Executive Director

## MINUTES OF THE NOVEMBER 16<sup>th</sup> & 17<sup>th</sup> 2021 BOARD MEETING

The Wyoming Retirement System (WRS) Board met on November 16<sup>th</sup> & 17<sup>th</sup> 2021, at Little America, 2800 W Lincolnway, Cheyenne, WY 82009.

**Board Members present:** Mr. Tom Chapman (Chair), Mr. Eric Nelson (Vice-Chair), Mr. Tim Sullivan, Mr. Mike Ceballos, Mr. Paul O'Brien, Mr. John Lummis, Dr. Lesley Travers, Mr. Robert Leibrich, Ms. Vicci Colgan, and Treasurer Curt Meier.

**Board Member present remotely:** Ms. Kay Watson.

**Wyoming Retirement System Staff present:** Mr. David Swindell, Mr. Sam Masoudi, Mr. Ben Brandes, Mr. Mike Bleakley, Ms. Kate Mumford, Mr. John Kreiter, Mr. Ben Bowman, and Mr. Michael Vuyk.

**Wyoming Retirement System Staff present remotely:** Ms. Rachel Kelley, Ms. Rachel Meeker, Mr. Andy Mayer, Ms. Lori Mischan, Mr. Adam Waddell, Mr. Dan Paradis, Mr. Casey Rogstad, Ms. Shuyeh Wang Liu, and Mr. Ben Wisdorf.

**Others in Attendance:** Ms. Mika Malone from Meketa Investment Group (Meketa), Mr. Douglas Brodbeck from the Wyoming Attorney General's Office, Mr. Beau Burggraff from RVK, Inc., Mr. Paul Wood from Gabriel, Roeder, Smith & Company (GRS).

**Others in Attendance remotely:** Mr. Nick Erickson, Ms. Paola Nealon, and Mr. Jonathan Camp from Meketa Investment Group (Meketa), Ms. Lisa Jerde Spillman from the Wyoming State Treasurer's Office, and Mr. Thomas Lyle from Gabriel, Roeder, Smith & Company (GRS).

**From the public:** Board Meeting was live-streamed via YouTube.

**Legislative Liaisons present:** Senator Tara Nethercott, Representative Andy Schwartz, and Representative Bill Henderson.

**Legislative Liaisons absent:** Senator Jeff Wasserburger

WRS Board Chair, Mr. Chapman, called the meeting to order at 12:50 p.m. on November 16<sup>th</sup> 2021, and welcomed everyone to the Board Meeting. Mr. Chapman requested the Board review and accept the September 2021 Board Meeting Minutes. Mr. Ceballos had several corrections to the September Board Meeting Minutes. Clarification was provided on the recommendation from the Governance Committee regarding the September Board Election and a committee name correction was made on page 7. Ms. Kelley noted those requested edits.

**MOTION:** Mr. Tim Sullivan moved to accept the September 2021 Board Meeting Minutes with Mr. Ceballos' corrections. Mr. Eric Nelson seconded. Motion carried.

## **GOVERNANCE**

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

**Non-Committee Board Members present:** Mr. Tim Sullivan, Mr. Paul O'Brien, Dr. Lesley Travers, Mr. Bob Leibrich, Mr. John Lummis, and Treasurer Curt Meier.

**Non-Committee Board Members remotely:** Ms. Kay Watson.

Mr. Chapman handed the meeting over to Governance Committee Chair, Mr. Ceballos, to lead the strategic plan agenda for the day. Mr. Ceballos asked the Board for any thoughts about the strategic plan process. Mr. Leibrich stated that on other committees he has served on, the mission of the organization has been front and center. Mr. Chapman would like to find priorities as a Board that they can give to staff to execute. Mr. Ceballos stated that the Governance Committee had worked to make a list of the key plan priorities identified by trustees and make the priorities action orientated. Treasurer Meier stated that there needed to be a comprehensive action plan after the priorities are identified. Mr. Ceballos wanted to identify timelines and agreed that an action plan is needed. Ms. Colgan would like the Board to not think of the Deferred Compensation Plan as separate from the pension in regards to the strategic plan. According to Ms. Colgan, the Deferred Compensation Plan should be included in the goals as a way of providing retirement benefits as a whole to members. Ms. Colgan believes there are more recipients who are not in the 457 Plan that should be. Mr. O'Brien stated that excellent retirement benefits should be the mission of WRS. Mr. Ceballos noted that there have been many successes. Dr. Travers stated that WRS needs to celebrate our success as well. Mr. Swindell provided the history of the 457 Program and how the State of Wyoming was a leader in adopting automatic enrollment. Mr. Sullivan stated that educating the non-state employers is key to growing the 457 Plan.

Mr. Chapman commented that many of the priorities lean towards budget autonomy. Mr. Ceballos stated that perhaps there are elements of autonomy WRS focus could on. Rep. Schwartz stated that budget autonomy should maybe not be the word used when arguing for more independence. Mr. Nelson sees it as budget flexibility; how can WRS adapt and react to challenges. Mr. O'Brien thought better branding could be helpful regarding budget autonomy. Rep. Henderson stated that the word WRS is looking for is authority and might be found within rulemaking. Mr. Lummis stated there have been three topics covered during the strategic planning conversation: increasing 457 Plan participation, COLA, operational independence or budget autonomy; and asked for the goal timeline. Senator Nethercott stated that she supported Mr. Lummis' comments and requested that the Board provide direction to the legislative liaisons of the goals they support and want movement on. Mr. O'Brien commented that "best in class" is a great goal but needs quantitative measurements. Treasurer Meier commented that he was intrigued with the possibility of the rulemaking process to shift some budget autonomy.

Mr. Ceballos queried the Board on their top priority based on the proposed key goals. Ms. Colgan stated that she believed budget authority should be first. Mr. O'Brien commented that the Board needs to define what that means and how we measure that authority. Mr. Nelson thinks the first step is stating why WRS needs budget authority. Mr. Chapman commented that it would be good to find concrete examples of where we are hitting a wall and having issues because of lack of budget authority. Rep. Schwartz suggested to break down budget autonomy and determine what WRS is willing to defer to the Legislature. Mr. Sullivan stated that the University of Wyoming has a block grant for funds and that could be a consideration for WRS. Mr. Lummis wondered if Mr. Swindell

and Mr. Masoudi could put together a memo to the Board stating what they need, including operations. Mr. Lummis asked for the dollar amounts of what WRS needs. Mr. Nelson stated that having the issues and needs compiled would be good for the Board to have as advocates. Mr. O'Brien commented that WRS could propose to have the headcount of a comparative pension fund. Rep. Henderson stated that the building that the WRS staff are working in is unacceptable. Mr. Chapman noted that some of the other goals could be accomplished with budget autonomy and could be coupled together.

Mr. Ceballos asked what the second issue for the Board would be. Ms. Colgan asked if there are any other entities that have to be fully funded before providing a COLA. Ms. Colgan stated that the Board sympathizes with the reduced purchasing power of the retirees but commented that retirees should still continue to organize and reach out to their legislators. Mr. Lummis stated that it would be good to define the members who are in highest need for a COLA. The Legislative & Benefits Committee stated they will work on COLA analysis. Rep. Schwartz stated that the 13<sup>th</sup> check proposal should be presented in January (2022) during the JAC budget amendment period.

Mr. Swindell discussed the rental space agenda item and updated the Board on WRS' lease changes. There is the possibility that WRS could have to relocate in the near future.

The Governance Committee adjourned at 3:56 p.m.

**MOTION:** Mr. Tim Sullivan moved to accept the Minutes of the Special Board Meeting held October 4<sup>th</sup> 2021. Mr. John Lummis Seconded. Motion carried.

#### **DEFERRED COMPENSATION**

**Deferred Comp Committee Members present:** Ms. Vicci Colgan (Chair), Dr. Lesley Travers, Mr. Bob Leibrich, and Mr. Eric Nelson.

**Deferred Comp Committee Members present remotely:** Ms. Kay Watson.

**Non-Committee Board Members present:** Mr. Tom Chapman, Mr. Tim Sullivan, Mr. Paul O'Brien, Treasurer Curt Meier, Mr. John Lummis, and Mr. Mike Ceballos.

Ms. Colgan began the Deferred Compensation Committee meeting at 4:26 p.m. and handed it over to Mr. Burggraff from RVK to present the 3<sup>rd</sup> Quarter Performance Report. According to Mr. Burggraff, it was a relatively benign 3<sup>rd</sup> quarter; and the asset values did not change much. Regarding performance, 4 of the 5 White Label Funds outperformed during the 3<sup>rd</sup> quarter and achieved their five year anniversary. Mr. Burggraff went over the key pages and reports in the 457 materials packet for the Board. RVK continues to watch the Credit Suisse situation; who has had risk management issues over the last year. Target date funds have had moderate market returns over the 3<sup>rd</sup> Quarter. Ms. Colgan thanked Mr. Burggraff for his quick update.

Mr. Burggraff began his administrative fee analysis presentation. Effective July 1, 2021 administrative fees were reduced from 23 bps to 20 bps annually on all assets. The plan currently charges 20 basis points annually on all assets to participants. There is currently a surplus in the reserve account. RVK likes to keep that reserve account between 1-2 years of funds. RVK is recommending a fee holiday for one year for all participants to help get the reserve down to the 2 years of administrative fees. Currently, the total 457 Plan administrative cost is in line with peers.

**MOTION:** Dr. Lesley Travers motioned to approve a one year fee holiday for the Deferred Compensation Program. Ms. Kay Watson seconded. Motion carried.

Ms. Mischan presented her 457 Operations Update for the quarter. Plan assets grew by \$3 million from July 1, 2021 to Sept. 30, 2021. There are 27,401 active accounts with an average balance of \$36,900 in the Deferred Compensation program. During the third quarter, total phone calls, emails, and walk-ins were 2,601 for the 457 Plan and there were 1,524 paper enrollments, deferral changes, and transactions processed. Mr. Swindell updated the Board on the recent staffing changes within the 457 Program. The current Deferred Compensation Supervisor, Mr. Jim Mantell will be retiring in December of 2021. Ms. Courtney Lewis had been promoted to fulfill the role of Deferred Compensation Supervisor. WRS will begin actively recruiting to replace the Deferred Compensation Specialist position. Mr. Swindell also discussed the personnel changes that have occurred within the agency overall over the past 2 years.

The Deferred Compensation Committee adjourned at 5:03 p.m.

### **Wednesday, November 17th**

At 8:36 a.m. on Wednesday, November 17<sup>th</sup>, the Wyoming Retirement System Board Meeting reconvened.

#### **AUDIT & RISK COMMITTEE**

**Audit & Risk Committee Members present:** Mr. Paul O'Brien (Chair), Ms. Vicci Colgan, Mr. John Lummis. (1 vacancy).

**Audit & Risk Committee Members present remotely:** Ms. Kay Watson.

**Non-Committee Board Members present:** Mr. Tom Chapman, Treasurer Meier, Mr. Tim Sullivan, Mr. Eric Nelson, Dr. Lesley Travers, Mr. Bob Leibrich, and Mr. Mike Ceballos.

Mr. Chapman passed the meeting on to Audit & Risk Committee Chair, Mr. Paul O'Brien. Mr. O'Brien went over the agenda of the Audit & Risk Committee and reminded the Board that the Committee had changed from the Audit Committee to the Audit & Risk Committee. He then passed the meeting on to Mr. Adam Waddell who was presenting on behalf of the Internal Audit Department (IAD). Ms. Rachel Meeker had a personal family matter to attend to.

According to Mr. Waddell, the IAD is working to provide a dashboard metric on Audit activities and reports. Mr. Waddell highlighted IAD's initiative to provide reports that redact member's personal information for security reasons. He provided an update on the cyber risk security audit and noted the implementation of RAIN 4.0 in October (2021) and its positive impacts on managing security risk. At the beginning of 2022, a IT steering committee will be created. Mr. Waddell will be the liaison for that committee. One of the first projects of the IT steering committee will be the creation of a repository for current IT projects and incident reporting. Mr. Waddell gave a professional development update including the Fall Book Club and the attendance of the IAD to the P2F2 conference in October. Mr. O'Brien asked for any questions for Mr. Waddell. Mr. Ceballos asked about the valuation of each individual audit and if they all carry the same weight or priority level. According to Mr. Waddell, the implementation of agile auditing has improved the prioritization of audits and helps them determine risk. Those that are a higher level of risk may be a higher priority. The two other Audit & Risk Committee goals will be developing the scope of the committee's risk work and the committee's cyber security role. According to Mr. O'Brien everyone at the agency is a risk manager.

Mr. O'Brien led a board discussion on what oversight is needed as it relates to risk and what is the risk scope for each committee. Mr. Sullivan stated that the internal data WRS possesses is a cyber-risk. Ms. Colgan stated that within the 457 Plan there was a push to have participants work directly with Empower to avoid human risk. Dr. Lesley recommended that cyber-risk be assessed through the NIST (National Institute of Standards and Technology) standard. Mr. Lummis stated that the operational team in place is very good, but that there is risk related to a lack of backup for the teams in place. Mr. Chapman stated that staffing risk could reside within the Governance Committee but can feed into the Legislative & Benefits Committee. Mr. Ceballos stated that one of his concerns has always been micromanagement and that the Board should be aware but avoid micromanaging HR staffing concerns. Mr. Lummis commented that the Board needs to understand if WRS is adequately resourced. Mr. Swindell stated that he felt that HR risks have generally been housed with Governance, but perhaps it should be shifted to the Audit & Risk Committee. Mr. O'Brien asked that each committee do a quick risk assessment before the end of the year. The Audit & Risk Committee will collect those responses. Mr. O'Brien will communicate with Committee Chairs on this request. The Audit & Risk Committee's third goal is working on determining what items shared are sole committee responsibilities in regards to cybersecurity oversight. Ms. Colgan stated that regular security training for board members should be considered. Ms. Colgan also commented that a clear approach to confidential materials should be established. Mr. O'Brien feels that an annual cyber risk/security review during the September or November Board meetings would be useful.

The Audit & Risk Committee adjourned at 9:26 a.m.

## **INVESTMENT**

**Investment Committee Members present:** Mr. Tim Sullivan (Chair), Mr. John Lummis, Treasurer Curt Meier, Mr. Paul O'Brien, and Mr. Tom Chapman.

**Non-Committee Board Members present:** Mr. Mike Ceballos, Dr. Lesley Travers, Mr. Bob Leibrich, Mr. Eric Nelson, and Ms. Vicci Colgan.

**Non-Committee Board Members present remotely:** Ms. Kay Watson.

The Investment Committee commenced at 9:28 a.m. Committee Chair Mr. Tim Sullivan passed the meeting to Mr. Masoudi, who provided the Board with an investment activities update. The first large piece of WRS' rebalance redemption with TCI occurred in September (2021) for about \$84M; WRS will redeem about \$50M more by the end of the year. WRS invested \$50M in the Sprott Physical Uranium Trust (SPUT) in October 2021. Mr. Chapman reminded the group that in some ways a private market consultant like the ones WRS uses for its allocations to Real Assets and Private Equity provide a staff extension, but can also be quite expensive so we need to make sure we are getting value for the money. Some WRS money managers like Hamilton Lane, provide opportunities to invest in areas the fund may never have had the opportunity to invest in. Mr. Masoudi mentioned that investment team is beating the strategic benchmark by nearly 2% so far this year and in the top 9 percentile for peer rankings. The 3-5 year returns are well above the benchmark, peer, 60/40, and actuarial target returns, and ranked in the top third of the peer set. Mr. Masoudi thanked the investment team for their hard work and provided some history of the team and their development. Mr. Chapman noted that money managers enjoy working the WRS team and the culture that has been created.

Mr. Masoudi provided insight on WRS rolling returns versus the 7% actual target. Mr. Mayer stated that WRS's gold position is intended to offset unexpected inflation, among other things. Mr. Masoudi commented that inflation protection is finding investments that have high correlations to inflation which can be difficult depending on the nature of inflation. Mr. Bowman stated that he views Fixed

Income in two themes: public fixed income markets and private fixed income markets. Gold is different than fixed income and it should act as a store of wealth with a finite supply and has been used as such for over 1,000 years. Mr. Kreiter provided insight on Private Equities and stated that there has been a 30 year period of rate suppression that will be impactful. Emerging Markets are the least efficient, and therefore, are much more beneficial for stock pickers to add value so staff tends to utilize managers in this sub asset class most. Mr. Leibrich asked what percentage of our portfolio could be considered investments in Wyoming. Mr. Masoudi said he is currently not aware of any. Mr. Leibrich stated that it could be good to look towards some investments in Wyoming for our future. Mr. Chapman stated that benefits are the number one priority of WRS, and that the bulk of those checks go to Wyoming residents. If a great Wyoming investment comes up that would certainly be considered.

Mr. Mayer went over Marketable Alternatives. The TIPS exposure is done as an overlay for some longer term inflation protection. Equity is a good long term inflation hedge. The team is holding more directional exposure in Marketable Alternatives as a reflection of risks in the public market equity positions. Staff discussed the new Uranium purchase by saying the uranium market has been in a bear market for years, and at this point it looks unsustainable. The current supply is still lower than the demand and today's spot prices for uranium are \$47 per pound. Mr. O'Brien mentioned the possibility of bucketing Uranium in a new opportunistic bucket. Mr. Lummis stated that this could be a framework question for the staff on the different buckets they would like to put investments in. Mr. Masoudi mentioned being able to send the rationale to any board member who would like to know how staff arrived at its bucketing decision

Mr. Mayer discussed some of the portfolio changes. There has been some rebalancing of directional managers after a period of outsized positive performance. The investment team would recommend combining absolute returns and global asset allocation during the next strategic allocation discussion and wanted to solicit any feedback prior to then. According to Mr. Kreiter, WRS anticipates maintaining the relative geographic exposures in Equity. Mr. Bowman discussed potential Fixed Income changes. WRS will maintain a defensive and liquid position to bolster risk assets in the event of a market drawdown. The team has approved an investment in Brandywine; a money manager who takes less of a position on credit and more of a duration management strategy. Mr. Paradis discussed potential changes in Private Markets. In response to the COVID crisis, WRS increased the 2020 pacing of the Private Market to \$420 million and opportunistically pivoted to dislocation-based strategies, the entirety of the increase in pacing was in Private Debt. Private Market's exposures as a percentage total portfolio value increased from 16.4% in 2019 to 20.3% by the end of 2020.

Risk system implementation update discussion was next on the agenda. Mr. Kreiter provided an overview of the Albourne risk system and timeline. The risk system helps the Investment Committee members and the team understand where the risks are coming from within the portfolio. It will be useful for the team to have an outside perspective to help avoid unintended exposures and/or blind spots. These types of risk systems take a while to implement and there is a lot of data to review for the past 10 years. The system should be providing reporting by the end of November 2021. Dr. Travers stated she is very much in support of the new risk system.

## **PUBLIC COMMENT**

Mr. Chapman called for public comment at 11:45 a.m. Ms. Kelley showed the Board the Public Comment form. There were no public comments to share with the Board.

## **Investment Committee Continued**

Discussion continued on the risk system implementation. Mr. O'Brien stated that he recognized the massive amount of data that these systems require. Mr. Lummis commended the team and Albourne on the new great tool. Mr. Lummis wanted to know what will happen when a violation occurs. Mr. Swindell discussed the culture of WRS and adherence to the WRS Leadership Philosophy, which is essentially the golden rule. WRS treats their vendors with that same philosophy.

The Board adjourned for lunch at 12:02 p.m.

### **Investment Committee Continued**

The Investment Committee commenced again at 12:37 p.m. after a lunch break. Ms. Mika Malone from Meketa highlighted the fund's growth over the 3<sup>rd</sup> quarter. For the quarter, the System returned 2.1%, net of fees, translating to three, five and ten-year annualized returns of 12.1%, 10.7% and 9.6% respectively. The System outperformed the benchmark over the three, five and ten-year periods by +2.1%, +1.0% and +0.8% respectively. Performance over the period has been very strong compared to peers. Over the three-year period, Domestic Equity was up 16.2%, Private Equity was up 28.5%, and Opportunistic/Directional Marketable Alternatives increased by 18.4%. These asset classes have been the strongest absolute contributors to the System's performance. All other asset classes also posted positive returns over the three-year and longer trailing periods.

Ms. Malone initiated the asset liability study discussion which she then passed on to Mr. Jonathan Camp from Meketa. The asset liability study began the summer of 2021 with a review of the current portfolio relative to its benchmark and an overview of Meketa's 2021 Capital Market Assumption. WRS asset allocation has had a slightly higher than average return and low volatility translating to a higher risk compensated return relative to its benchmark over 3 and 5 years. According to Mr. Camp, Meketa believes long term returns will be harder to achieve in the future. A really bad market environment would put the plan at 47% funded in 5 years with the current asset allocation. Payroll determines the size of benefit earned and the amount of contributions paid into the system by the state and employee. Mr. Wood from GRS provided insight on the unfunded liability obligation as a future liability. Ms. Colgan pointed out the lack of salary growth and how that impacts the funding of the pension. Treasurer Meier asked Mr. Wood what the normal cost is for a new employee. The normal cost for a new employee is 9-10% of pay, total contributions from pay is about 18% and the difference goes towards unfunded accrued liabilities. Meketa performed an extreme stress test to analyze the system's liquidity. Even under an extreme test scenario, the system would maintain sufficient liquidity to pay benefits and other expenses. WRS has sufficient cash and high quality bonds to cover the first two years of expected net outflows. The asset allocation review timeline was then presented to the Board. The WRS Board plans to vote on the asset allocation and benchmark at the May 2022 Board Meeting.

Ms. Malone then moved on to the Board Investment Philosophy review and discussion. Meketa facilitates this review for WRS and it is often integrated into the asset allocation process. The WRS Board has seven core beliefs that are included in the Investment Policy Statement. Ms. Malone asked for questions or thoughts from the Board. Treasurer Meier stated that including the opportunistic allocation could be included as a core belief. Mr. Masoudi highlighted the Board's decision to delegate money manager selection decisions to the investment team as a potential idea to incorporate into the board beliefs. Mr. Masoudi then went over the WRS investment process utilized by the team. Mr. Nelson asked how many potential investments WRS initiates and how many come to fruition. The team discussed some of the ways that previous work came in handy during the volatility seen in early 2020, as fears of the economic impact resulting from a global pandemic were projected.

The Investment Committee adjourned at 2:41 p.m.

## **EXECUTIVE DIRECTOR'S QUARTERLY REPORT**

Mr. Swindell gave a summary of the 8-page quarterly report that was 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 3 months.

## **CONFERENCE UPDATE**

The Board was asked to share any conference updates. Mr. Chapman went to the Milken conference in Los Angeles and talked about some of the COVID precautions in place.

## **LEGISLATIVE & BENEFITS**

**Legislative & Benefits Committee Members present:** Mr. Eric Nelson (Chair), Mr. Tim Sullivan, Dr. Lesley Travers, and Mr. Bob Leibrich. (1 vacancy)

**Non-Committee Board Members present:** Mr. Tom Chapman, Treasurer Curt Meier, Mr. John Lummis, Mr. Paul O'Brien, Ms. Vicci Colgan, and Mr. Mike Ceballos.

**Non-Committee Board Members present remotely:** Ms. Kay Watson.

Legislative & Benefits Committee Chair Mr. Nelson, called the committee meeting to order at 3:00 p.m. Mr. Nelson stated that the Legislative & Benefits Committee will not be addressing their Committee Charter at the November meeting and will instead discuss the charter within the committee. Mr. Nelson turned the meeting over to Mr. Paul Wood from GRS for the Experience Study. The general process for setting assumptions and methods is to review the recommendations and then the Board decides if they would like to implement the actuary's recommendations. The GRS recommendations are to consider lowering the investment return assumption from 7.0% to 6.8%, update the Pub-10 mortality tables and make adjustments to the demographic and salary scale assumptions. There are implementations and effective date considerations for the Board as well. Among these are the effective date of the change for the investment return assumption and the effective date of change for benefit administration items such as service purchase and optional form factors. According to Mr. Wood, we have learned from the pandemic that models are useful but also are constantly changing.

Mr. Wood provided an overview of the work done on the Fire A situation in conjunction with the JAC and WRS staff. Mr. Wood indicated that the current draft legislation is a good framework for a solution to the Fire A funding problem. Mr. Swindell thanked GRS for their continued work on discussions with the JAC. Mr. Swindell commended Representative Schwartz on all his work on a solution. The draft bill for Fire A was included in the Legislative & Benefits Board packet.

Mr. Nelson asked if the WRS Board was prepared to adopt the recommended changes from GRS: the investment return assumption change from 7% to 6.8%, the mortality table change, and the demographic & salary rate assumption changes. Ms. Colgan stated that she felt reluctant to make any changes until after the end of the year when the Board receives the results for the year. Mr. Chapman did not feel that the Board had enough time to vet the proposed investment return assumption changes. Mr. Swindell informed the Board that it could postpone the decision on the investment return assumption until early next year if it wasn't prepared to make the decision today.

**MOTION:** Mr. Sullivan made a motion to adopt the Pub-10 mortality table changes. Seconded by Mr. Bob Leibrich. Discussion ensued.



Mr. Ceballos inquired if the motion included all of the other assumption rate changes. Mr. Wood from GRS suggested amending the motion language to encompass the recommended demographic and salary scale assumption changes as proposed by GRS, excluding the investment return assumption change.

**MOTION:** Mr. Sullivan amended his motion to also include the adoption of the demographic and salary scale assumptions as proposed by GRS. Seconded by Mr. Bob Leibrich. Motion carried.

The Legislative & Benefits Committee adjourned at 3:59 p.m.

**MOTION:** Mr. Eric Nelson moved to go into Executive Session for the purposes of receiving legal advice and personnel matters. Seconded by Mr. Tim Sullivan. Motion carried.

**MOTION:** The Board adjourned out of Executive Session back into public session. The Chair entertained a motion to adjourn the meeting. All in favor.

The WRS Board Meeting adjourned at 4:23 p.m. on Wednesday, November 17<sup>th</sup> 2021.